

# CAPS

CALIFORNIANS FOR POPULATION STABILIZATION

ANNUAL REPORT 2014



## **MISSION STATEMENT**

Californians for Population Stabilization (CAPS) works to formulate and advance policies and programs designed to stabilize the population of California, the U.S. and the world at levels which will preserve the environment and a good quality of life for all.

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## HISTORY AND PURPOSE

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CAPS is a nonpartisan, nonprofit organization dedicated to preserving our environment, natural resources and quality of life for current California and U.S. residents and for future generations. The specific and primary purpose of CAPS is to inform and educate the public about the effects of overpopulation on the quality of the environment and on the quality of human life, striving to achieve a stable population by voluntary and non-coercive means without regard to race, ethnicity, national origin, religious affiliation or gender.

CAPS is vigorously confronting the most important issue facing California and the United States—runaway population growth. Failure to slow this growth will result in severe and irreversible consequences for our children and grandchildren. Overpopulation causes environmental damage and overuse of natural resources, brings pollution and congestion, strains local infrastructure, frays community institutions, affects air and water quality, causes destruction of forests and wildlife, and results in the permanent loss of fertile land and other nonrenewable resources. It also decreases job opportunities and puts pressure on housing, transportation, and, especially, educational facilities and opportunities. The solutions are limiting legal immigration, eliminating illegal immigration, encouraging lower fertility, and educating the public about specific outcomes if we fail to take decisive action today.



### History

CAPS is a membership-based, public interest organization that was formed by well-known academics and environmentalists in 1986 when it split from ZPG (Zero Population Growth) because that organization, like many other population groups, decided to focus on the politically safer issue of global overpopulation rather than take a position on the role that immigration and births to immigrants plays here at home. While we agree that global overpopulation is a serious problem, CAPS works to influence population policy in our state and country and uses education and advocacy to accomplish this goal. Our Golden State, in particular, has allowed population growth (and some unwise resource decisions) to erode the qualities that originally made California so attractive.

### Goals

CAPS is determined to work to end policies and practices that cause overpopulation and the resultant decline in our environment and quality of life here in California and in the United States. CAPS will work to grow its membership in all categories (donors, Action Alert members, social media followers) to be the most powerful and effective voice of sane immigration policy on the West Coast.

## PROJECTS AND ACTIVITIES 2014

### Overpopulation Awareness Media Campaign

CAPS' educational and media work emphasizes escalating overpopulation-related problems in California, as well as the United States. In 2014, we continued to work to inform the public, elected officials and the media about the destructive results of rampant population growth, primarily driven by massive legal and unchecked illegal immigration. We discussed economic and job-related issues, compromised environment, loss of biodiversity, weakened infrastructure, stressed educational and medical systems, and overall diminished quality of life.

CAPS reiterated its belief that the U.S. needs a population policy that limits the overall numbers of immigrants legally admitted and that eliminates illegal immigration and encourages family planning resources for all. Within admission limits, we promoted consideration for admitting immigrants with needed skills, rather than merely having quotas on a country-by-country basis or a random lottery system.

#### CAPS SOCIAL MEDIA SNAPSHOT

CAPS Facebook Team Grew by 6,150%  
CAPS Twitter Followers Grew by 1,301%

*Over previous year*

California is still one of the best places to live in the world, but rapid population growth propelled by excessive immigration erodes the quality of life for all. With more people comes the need for more jobs. With more people, the pressure to deliver more entitlement benefits ratchets up, and more people threaten fragile ecosystems and our natural environment. Through all of our outreach we make the point that it's time to slow mass immigration and "save some America for tomorrow" for our children and grandchildren.

Through live interviews and outreach with print materials, along with timely and frequent updating of content on our website, as well as YouTube, Facebook, Twitter, Instagram and Pinterest pages, we communicated across platforms. Additionally, our Engage Action Alert system, which offers a free and easy way to contact legislators about proposed legislative actions and issues, was well utilized by members to share.

Using this mix of communications tools allowed us to distribute targeted messages that a decrease in all legal immigration is needed, illegal immigration must come to an end, and birthrates must be reduced by voluntary means.

In 2014, 299 TV and radio campaign spots reached a possible total of 92 million households and 4.6 million listeners weekly.

As part of this year's campaign, we ran TV ads nationally to coincide with Martin Luther King Day (all ads and media outreach can be viewed at CAPSweb.org).

The dream of Dr. King was of equal treatment and opportunity for everyone. While we've made progress toward the realization of that American dream, there's still much more to do. A constant oversupply of workers fueled by mass immigration continues to make the dream unattainable for many Americans—this is disproportionately true for African Americans and Hispanic Americans. Yet our leaders, including those who represent African Americans and Hispanics, continue to call for millions more immigrant workers to take jobs and hold down wages—wages that haven't risen in 40 years.



In the ad campaign, CAPS asked, "Have they lost sight of Dr. King's dream? What do they know today that Dr. King did not know so many years ago?" CAPS is working to save some America for tomorrow so everyone has a shot at the American dream, and an important part of that dream is a job.

The week leading up to and including Earth Day we ran television ads on multiple stations in San Diego, Los Angeles and San Francisco linking California's declining environment to immigration-driven population growth.

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The ad featured a child asking, "If Californians are having fewer children, why are there so many cars? If Californians are having fewer children, why isn't there enough water? If Californians are having fewer children, where are all the people coming from?"

In media interviews and outreach we made the point that nearly 100 percent of California's growth between 2000 and 2010 came from immigration and births to immigrants. We pointed out that more people mean more cars, trucks and buses on our roads, and more air pollution. More parking lots and high-rise condominiums mean less green spaces. More chemicals, trash and runoff cascading down super sewers into our streams, lakes and oceans mean more damage to California's biodiversity hot spots; and more people mean more pressure on declining water supplies. Our primary solution to reversing California's environmental decline, while neither politically correct nor convenient, is to slow mass immigration, so we can slow population growth and save some California for tomorrow for our children and grandchildren.



As news coverage of Central American children crossing our borders proliferated, CAPS ran radio spots in Los Angeles asking why there's so little coverage of the plight of poor American kids in cities like Los Angeles and so much coverage of kids from other countries crossing our borders. The ad drew similarities between news coverage of illegal aliens and their dreams, and lack of media coverage of the Americans whose jobs and dreams illegal aliens and legal immigrants take. The ads ran in key drive times on Los Angeles radio for several weeks. We made the point that American kids deserve attention too.



California has long felt the impact of lax immigration policies. Since President Obama has been in office, his policies have sparked a border rush by awarding amnesty to millions through an abuse of his executive powers. That's only added to an already dire situation for many in California, with children in the state disproportionately affected. This situation was the impetus for the CAPS ads.

Additionally, California has the highest rate of poverty in the nation, the second highest number of uninsured children and one of the lowest high school graduation rates. Three of the cities in the country with the worst gang violence are located in California. And in Long Beach and Los Angeles, most homicides among youth between the ages of 15 and 24 are related to gang violence.



In November, CAPS ran TV ads on CNN and HLN nationally for three weeks asking if senators would stand for American workers if President Obama won't.

We focused on the fact that despite continued high unemployment, the President and Wall Street billionaires continue to push to double immigration and double immigrant workers competing with Americans for jobs.

Our position was that at a time when millions of Americans still can't find jobs, billionaires like Facebook's Mark Zuckerberg want to bring in more cheap immigrant labor just to increase corporate profits, with President Obama playing along. CAPS believes that American workers should get the first shot at jobs and be able to

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earn a fair wage. We asked, “Who is going to stand up for working people?” Viewers were encouraged to ask their senators where they stand.



**“Habitat loss due to human population growth presents the single greatest problem facing native plants and animals in California.”**

Department of Fish and Game's "Atlas of the Biodiversity of California"

See where California's native plants are most threatened and why. Take the tour...

[www.CAPSweb.org/take-the-tour](http://www.CAPSweb.org/take-the-tour)

Let's Save Some California for Tomorrow



We continued to implement targeted micro-marketing campaigns to affinity groups with concerns about over-population's effects on their special activities. For example, we ran a full-page ad in a magazine distributed to 7,000 registrants for the “Bringing Back the Natives” garden tour in northern California.

The ad encouraged people to “take the tour” on the CAPS website to better understand how to preserve precious resources.

We launched a new monthly e-news communication, and we surveyed our members to better understand their environmental and population concerns. We then refocused some of our educational and advertising materials accordingly.



### The California We Are Losing—Views of Our Golden State from Pristine to Imperiled

CAPS launched this project to increase awareness about the long-term effects of relentless population growth on special places near and dear to our hearts. We produced 30- and 60-second videos and distributed them to community television stations throughout California.

We followed up with a **20-minute mini-documentary, “California Then and Now,”** that included individual remembrances and showed how California has changed in the last 100 years. We hope the video will inspire public action to help save our Golden State and other states from further irreversible environmental degradation.

The video is hosted on the CAPS *YouTube* site and will be sent to community television stations and historical societies throughout California.



### Work with State Legislature and Congress

CAPS engaged in direct and indirect education and advocacy programs designed to influence elected officials in California and at the federal level.

CAPS members who joined our *Engage Action Alert Team* were notified whenever urgent action was needed, giving them a chance to do something important for their state and nation by expressing their concerns to elected officials. In 2014 our number of activist members increased by more than **15,000**.

Through the unrelenting resistance of concerned Americans like CAPS activists, Congress was flooded with phone calls and emails, and town hall meetings and legislative offices were peppered with tough questions about administrative executive amnesty and other actions.

Meanwhile, the special interests behind enormous immigration increases continued to tap into a virtually unlimited supply of funds to push their agenda.



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Throughout 2014, our activists sent petitions, letters and faxes, and made phone calls, to keep the pressure on our legislators to not consider any amnesties. CAPS mailed thousands of member-signed petitions, “A Citizen’s Decree on Immigration Reduction” to President Obama, and House and Senate leadership. The petition stated that mass immigration and population growth are at the core of many of the serious problems facing Americans—from rising crime rates and traffic congestion to increased pollution and loss of biodiversity.

On the national stage CAPS was active in continuing to protest against the passage of any amnesty bills. While S.744 was stalled in the House, there remained a possibility that the House equivalent, H.R. 15, could be voted on in 2014, but continued pressure on House Republican leadership by CAPS activists and others kept the bill from seeing the floor. Additionally the House

focused on several individual bills which might have been used to conference with the Senate bill, and our activists worked diligently to forestall that occurrence. Opposition to a number of bills from CAPS helped keep our immigration problems from worsening.

During the so-called “border surge” in summer 2014, CAPS opposed Sen. John Cornyn’s HUMANE Act which would have made the problem at our southern border even worse. With a flurry of emails, call and letters, Senator Cornyn never brought the bill to the Senate floor. CAPS maintained an active national presence by sending out **72 Action Alerts** during the year which thousands of our members used to contact their state and federal lawmakers about specific pieces of legislation.

We continued to urge the passage of H.R. 2278, The SAFE Act (Strengthen and Fortify Enforcement Act), which would give local police the authority to investigate and arrest illegal aliens and transfer them to federal authorities for deportation. As well, we supported H.R. 2124 (Keeping the Promise of IRCA Act), which would provide tools for real border security, enhance interior enforcement and mandate E-Verify.

We also urged support for the Southwest Border Protection Act of 2014 (H.R. 4882) which would give state governments the power to station the National Guard on their borders. CAPS encouraged the passage of H.R. 5272 which prohibited appropriations from being used for the DACA program. As well, we directed activists to reach out and congratulate House members for passing pro-enforcement amendments to the Justice Department’s 2015 appropriations bill.

The November elections showed overwhelmingly that the American people disagree with any proposed amnesty plans. Legislatively, the House of Representatives refused to take up the Senate’s amnesty plans or pass their own bill due to unrelenting pressure from concerned Americans like CAPS activists. However, even after enormous pushback from American voters and Congressional threats, President Obama unilaterally enacted an expansion of the DACA program and continued to flout immigration law by protecting 5 million illegal aliens from deportation.

In late November, just prior to the President’s executive actions, CAPS completed an extensive patch-through phone call campaign to more than 13,000 California members asking them to contact House Majority Leader Kevin McCarthy of Bakersfield, Calif. CAPS activists urged him to bring a short-term spending bill to the floor so that the next Congress could defund the disastrous executive actions. This campaign generated thousands of calls to McCarthy’s office and produced measurable results.

After our calls and following President Obama’s televised statement to the nation, the House Majority Leader tweeted: “It is our obligation & responsibility to fight this brazen power grab that doesn’t solve the real problems.”

## PROJECTS AND ACTIVITIES 2014

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CAPS plans to build on this momentum and increase our grassroots activism impact through more results-oriented campaigns like this.

Additionally, we recruited hundreds of new CAPS activists who are willing to protest, march and visit their legislators' offices in addition to sending e-mails and faxes, and calling about key issues.

**In California**, the legislature continued its efforts to dissolve the distinctions between citizens and noncitizens, and between those who follow our laws and those who break them. The legislature considered S.B. 1005, a bill which would allow illegal aliens to access state-sponsored health care exchanges. Pressure from CAPS activists, plus political and budgetary forces, doomed this bill to die in committee.

State Senator Ricardo Lara, the sponsor of S.B. 1005, also sponsored S.B. 1210 that would provide student loans at state expense to illegal aliens enrolled in college; the legislature passed and the governor signed this bill. Even amidst considerable pressure from CAPS activists, in addition to the student loan program for illegal alien students, the governor unfortunately signed laws which allowed illegal aliens to apply for professional licenses and appropriated money for providing illegal aliens with legal representation. Also, with another Lara-sponsored bill, the legislature repealed Proposition 227, which required that school instruction be done in English only.

CAPS continued to fight the passage of these pieces of legislation through petitions, activist actions and through frequent contact with our state representatives.

We also acquired several thousand new *Engage Action Alert* members by sending targeted alerts to more than **300,000** Californian *Newsmax* subscribers and **126,000** *Townhall* subscribers. One asked readers to e-mail President Obama, cautioning that "Millions of American jobs are at risk as the President pursues virtual amnesty for illegal aliens unless we all act now."

Another asked readers to "Tell Governor Brown NO to higher taxes to pay for illegal alien Obamacare." We then increased these numbers further, and more economically, by encouraging *Facebook* visitors to fill out petitions which were then sent to President Obama, and Congressional leaders Boehner, McConnell and McCarthy.

### Online Presence

Website    

The number of unique visitors to our website, **CAPSweb.org**, increased by **69 percent** in 2014, while total page views of the website were up **59 percent**.

CAPS Blog 

The CAPS blog focuses on population issues, including immigration (both legal and illegal), jobs, crime, environmental concerns and more. Posts analyze current events and debunk opposition arguments. The page is set up to encourage comments and discussions about posts.

We added more contributing authors to the blog to expand the range of voices and further the diversity of thought on population growth (from immigration and the environment to family planning and everything in between). Blog contributors include:

- Joe Guzzardi, CAPS National Media Director
- Leon Kolankiewicz, CAPS Senior Writing Fellow and Advisory Board member, wildlife biologist, and environmental scientist and planner
- Michael Cutler, CAPS Senior Fellow and retired INS Agent
- Maria Fotopoulos, CAPS Senior Writing Fellow

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- John Vinson, president of the American Immigration Control Foundation
- Don Rosenberg, entertainment executive and public safety advocate
- Inger Eberhart, government relations professional
- Paul Nachman, retired physicist and immigration-sanity activist
- Fred Elbel, Internet marketing consultant, spokesperson and director of the Colorado Alliance for Immigration Reform
- Gene Nelson, Ph.D., professor
- Frosty Wooldridge, speaker, environmentalist and teacher
- Randy Alcorn, CFO, ABC CLIO, and former CAPS Board member
- Nick Gailey, College Outreach Coordinator
- Kathleene Parker, Journalist

CAPS Board and Staff also contribute.

We published more than **300** original blog posts in 2014. These posts covered diverse topics, including analysis of monthly jobs numbers in relation to immigration, the demise of the grizzly bear in California, rule of law as it relates to immigration, the Paul Ehrlich-Julian Simon wager, California's A+ on reproductive rights, tax credits for illegal aliens and drought. Since January, more than **37,000** people visited our blog, which had more than **61,000** page views.

### Social Media

CAPS continued to use social media as a means to reach activists and supporters by linking our blog, website articles and *Engage Action Alerts* to our *YouTube*, *Facebook*, *Twitter* and *Pinterest* pages, while providing one-click access to those and other social media sites such as *Instagram*, *Vine*, *Digg*, *Friend Feed*, *LinkedIn* and *Stumble Upon*.

Our online presence was greater than ever in 2014, with the help of various blogs, *YouTube* and other social media sites. CAPS has to date received more than 220,000 views of various uploaded videos on *YouTube*, and was discussed, quoted or mentioned in more than **650 print, radio and TV interviews** (see media list). This resulted in even more notice of our positions and issues on *Twitter* and *Facebook*.

**We initiated Facebook advertising campaigns to educate and grow our Facebook fan base** and have achieved our goal of reaching more than 100,000 fans, with fans closing in on nearly **120,000 by year end**. Our posts reach an average of **35,000** people every day. We also have consistently increased the conversion of social media fans to CAPS activists and supporters. We do have more work to do in this area. Other *Facebook* statistics:

#### Q4 2013

Average Weekly Engaged Users: **878**  
Average Weekly Reach: **7,851**

#### Q1 2014

Average Weekly Engaged Users: **7,623**  
Average Weekly Reach: **196,365**

#### Q2 2014

Average Weekly Engaged Users: **18,616**  
Average Weekly Reach: **248,479**

#### Q3 2014

Average Weekly Engaged Users: **30,880**  
Average Weekly Reach: **326,486**

#### Q4 2014

Average Weekly Engaged Users: **31,533**  
Average Weekly Reach: **468,291**

*Engaged Users*: The number of unique people who have engaged with CAPS on *Facebook*.

*Reach*: The number of unique people who have seen CAPS content on *Facebook*.

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We also advertised on *Twitter* and had success in growing our *Twitter* followers by 1,301 percent since the beginning of the year.

We continued advertising with *Google AdWords*, an online service that allows us to reach people searching the Internet for specific key words and phrases or visiting a website that has content aligned with the CAPS mission. This service delivers thousands of new visitors to our website, [CAPSweb.org](http://CAPSweb.org). We garnered more than **1.4 million** impressions and more than **9,300** clicks this year.

### CROWDIFORNIA Student Video Contest



To engage high school and college students around the country, CAPS announced the CROWDIFORNIA Student Outreach Video Contest in November. Students entered by submitting a 60-second video on the CAPS CROWDIFORNIA Video Contest Facebook page detailing how overpopulation in California affects biodiversity, natural resource depletion, education, traffic and infrastructure, and then offering a possible solution. Scholarships of \$5,000 and \$2,500

were the rewards to winners, as well as the iPhone6 for three runners-up. A 50/50 process of public voting and judging by CAPS employees, and environmental and marketing experts determined winners.

### CAPS Senior Writing Fellows Program

Our fellows along with other contributing writers were published in various media forums, including the *Los Angeles Times*, *Sacramento Bee*, *Bakersfield Californian*, *Tampa Bay Times*, *Contra Costa Times*, *San Jose Mercury News*, *Daily Caller* and *Associated Press*, to name a few. With the dedicated commitment of Joe Guzzardi and Michael W. Cutler, **TV, radio, print and Internet exposure continued increasing**, including several mentions in *The Huffington Post*.

We produced and mailed thousands of copies of five new CAPS Issues pieces:

- "The Central Valley of California: A Treasure Under Siege" by John Vinson
- "The Population Immigration Ponzi Scheme" by Leon Kolankiewicz
- "Farm Mechanization: California Can Show the Way to End Dependence on Illegal Foreign Labor" by John Vinson
- "Playing with Fire: More People, More Houses and Drier Climate = More Megafires" by Leon Kolankiewicz
- "Number of Americans Increasing - Bird Abundance, Diversity Decreasing...these opposite trends are no coincidence" by Leon Kolankiewicz.

**In 2014, 20,850 newsletters and issues pieces were mailed; 305,656 were emailed.**

### Open Dialogue Program

CAPS arranged for award-winning journalist and PBS television host of *To the Contrary*, **Bonnie Erbé**, to speak to several different groups, including 120 members of the Santa Barbara Channel City Club and 40 members of the Santa Barbara Committee on Foreign Relations. In addressing the topic, "How Birth Tourism and Immigration-Driven Overpopulation Affect California," she emphasized that the world seems to have forgotten that too many people put undue strain on the environment and that it is part of her passion to remind people of this.

After this event, Ms. Erbé sent CAPS a proposal offering us the opportunity to collaborate with PBS on a "California Then and Now Documentary," webcasts and development of lesson plans.

## PROJECTS AND ACTIVITIES 2014

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CAPS also brought **Dave Foreman**, conservationist, founder of the Rewilding Institute and author of seven books, including *Man Swarm and the Killing of Wildlife*, to speak on "Man Swarm and Wildlife Conservation in the 21st Century." In talking to more than 100 members of the Santa Barbara Channel City Club and dozens more at two private receptions, he explained how man is the driving force behind the greatest die-off since the extinction of the dinosaurs. Only through population stabilization can we sustain Earth, he believes. He also spoke to a class of more than 100 students and professors from the Department of Urban Planning and Studies at Cal State University Northridge where the feedback was extremely positive. The talk was filmed for distribution on *YouTube*.

CAPS Senior Writing Fellow and former Executive Director Ric Oberlink participated in a panel discussion, "The Changing Face of America: Immigration and the Politics of Reform," hosted by the University of California Berkeley Graduate School of Journalism and the New York Times Institute on Immigration Reporting. He spoke about the environment, population, demography, zero net migration and the "PC" mindset. The audience included journalists from across the U.S.

CAPS Board Vice President Ben Zuckerman talked about population, consumption and overshoot at *Astronomy Live!*, a UCLA event that featured hands-on activities, demonstrations, workshops and talks covering astronomy, atmospheric and oceanic sciences, biology, chemistry, engineering, math and statistics, as well as earth, planetary and space sciences.

Another featured speaker at *Astronomy Live!* was CAPS Advisory Board Member Paul Scott. The co-founder of Plug-in America, a nonprofit committed to promoting the adoption of electric vehicles and energy independence, spoke about the contribution of EVs to sustainability.

### Demographic Data Analysis

CAPS Board President Dick Schneider completed an in-depth analysis of California's population growth during the period from 2000 to 2010 and reported that immigration and births to immigrants were responsible for 100 percent of the human population growth during that period. Sources included the Census, California Department of Public Health and the California Department of Finance.

### Population Education for Environmental Scientists

We provided packets of informational materials, including hundreds of books to Scientists and Environmentalists for Population Stabilization (SEPS) for display at several scientific conferences and Earth Day events throughout the U.S.

## NEW BOARD MEMBERS

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### New CAPS Board & Advisory Board Members

**Judith F. Smith** was elected to the CAPS Board of Directors. A graduate of Stanford University, Smith earned a BFA in Art & Architecture and founded an interior design firm with a practice in Los Angeles and Santa Barbara.

She is president of the Little Town Club, and has served as President of the Community Arts Music Association, the Stanford Alumni Club Santa Barbara County, the Santa Barbara Museum of Art Women's Board and the Junior League Sustainers. Smith previously held board positions in the National Charity League, the Los Positas Park Foundation and the Music Academy of the West. She is a board member for Opera Santa Barbara and the Cottage Hospital Rehabilitation Foundation, and is active in several other nonprofit groups.

Her interest in CAPS is focused on the immigration problem and its effects on our environment, education system, health issues and the way our government is run. She says, "I cannot think of a more encompassing or vital concern."

**Dave Foreman** was elected to the CAPS Advisory Board. The prolific author of several books, including *Man Swarm and the Killing of Wildlife*, Foreman is the founder of The Rewilding Institute. He is a conservation leader and visionary who believes that only by stabilizing the human population can we stop wrecking our home—Earth. Unlike many environmentalists, Foreman embraces immigration reduction and offers practical steps to bring our numbers down to what the planet can support, "if we have the daring, boldness, and love of life to do it," he says.

**Herbert E. Barthels** was also elected to CAPS Advisory Board. A graduate of USC and a dedicated community volunteer, Barthels considers himself to be an entry-level philanthropist. He has served as a trustee for The Santa Barbara County Courthouse Legacy Foundation, and as a Legacy Member of the Santa Barbara Trust for Historic Preservation and the Santa Barbara Historical Museum. He also was President of the Santa Barbara County Sheriff's Council.

An accomplished American open ocean rough water swimmer, Barthels is very concerned about the preservation of our oceans and natural agricultural areas. He believes we should have sensible development policies which take into consideration how much land is being developed, who is funding the development and how it will make sense economically with respect to immigration.

He also believes we should have absolute security of our borders and a clear delineation of them. As a lifetime Californian, he is concerned about uncontrolled population growth, having personally observed the exponential rise in illegal immigrants, many with no visible means of support and now overwhelming our social systems.

## 2014 MEDIA OUTREACH, COVERAGE

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During 2014 CAPS spokespersons appeared on television, news, and radio talk shows, were quoted in newspapers, magazines and hundreds of blogs, discussing every aspect of U.S. population growth and immigration policies.\*

### Print Media

Bakersfield Californian  
Baxter Bulletin  
Bemidji pioneer  
Breitbart News  
Caledonian-Record  
Charlotte Observer-Reporter  
Contra Costa Times  
Franklin Banner-Tribune  
FrontPage Magazine  
Huntington Herald-Press  
Idaho Press-Tribune  
Kansas City Star  
Lodi News-Sentinel  
Los Angeles Times  
Merced Sun Star  
Miami Herald  
Monterey County Herald  
Newark Advocate  
Noozhawk  
Orange County Register  
Pittsburgh Post-Gazette  
San Jose Mercury News  
San Marcos Daily Record  
Santa Barbara News Press  
Santa Cruz Good Times  
Santa Monica Daily News  
Science 2.0  
Tampa Bay Times  
The Daily Caller  
The Daily Post

### Print Media (cont.)

The Daily Review  
The Daily Times  
The Journal  
Ventura County Star  
Wabash Plain Dealer  
Wall Street Journal

### Radio

ABC News  
Bill Martinez Live  
California Public Radio  
Commonsense Coalition Talk Radio  
Conservative Republican Forum  
Liberty Watch  
Ohio Exopolitics Radio  
Operation Freedom  
Southern Sense  
TalkBack with Chuck Wilder  
The Bobby Gunter Walsh Show  
The Cindy Graves Show  
The Don Smith Show  
The Gary Sutton Show  
The Jeff Rense Program  
The Marc Bernier Show  
The Michael Cutler Hour  
The Mike Harris Show  
The Morning Zone with Dave Chaffin  
The Neil Young Show  
The Right Side  
The Rusty Humphry Show

### Radio (cont.)

The Sam Sorba Show  
The Take hosted by Charles Butler  
The Wells Report  
Zeb at the Ranch

### Television

ABC News  
Fox News  
Annenberg TV News  
KGTV - ABC10 News  
KQED Public Television  
Telemundo

\*This is a partial list.  
For more details please visit  
[www.CAPSweb.org](http://www.CAPSweb.org) or call the  
CAPS office.

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## FINANCIAL STATEMENTS

DECEMBER 31, 2014



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WILLIAM L. JACKSON

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### INDEPENDENT AUDITORS' REPORT

#### To the Board of Trustees of Californians for Population Stabilization, Inc.

We have audited the accompanying financial statements of Californians for Population Stabilization, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities and functional expenses for the year ended December 31, 2014, and the statements of 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 entity'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 entity'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 Californians for Population Stabilization, Inc. as of December 31, 2014 and 2013, 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.

#### Report on Summarized Comparative Information

We have previously audited Californians for Population Stabilization, Inc.'s December 31, 2013, financial statements, and our report dated May 30, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in cursive script that reads 'MacFarlane, Faletti &amp; Co. LLP'.

Santa Barbara, California  
June 10, 2015

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**STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2014 AND 2013

	<u>ASSETS</u>	
	<u>2014</u>	<u>2013</u>
Current Assets:		
Cash and cash equivalents	\$ 8,491	\$ 24,647
Contributions receivable (Note 3)	30,646	22,957
Other receivables	141	141
Prepaid expenses	<u>4,707</u>	<u>16,710</u>
Total current assets	<u>43,985</u>	<u>64,455</u>
Property and Equipment - net (Note 4)	<u>14,757</u>	<u>20,585</u>
Other Assets:		
Investments (Note 5)	576,040	838,259
Interest in charitable remainder trust (Note 6)	265,508	287,658
Charitable gift annuity (Note 7)	4,408	4,408
Deposit	<u>2,002</u>	<u>2,002</u>
Total other assets	<u>847,958</u>	<u>1,132,327</u>
Total Assets	<u>\$ 906,700</u>	<u>\$ 1,217,367</u>
	<u>LIABILITIES AND NET ASSETS</u>	
Current liabilities:		
Accounts payable	\$ 14,002	\$ 8,786
Accrued payroll, vacation, and other related items	<u>28,712</u>	<u>13,427</u>
Total current liabilities	<u>42,714</u>	<u>22,213</u>
Net Assets:		
Unrestricted	304,353	654,090
Temporarily restricted (Note 8)	<u>559,633</u>	<u>541,064</u>
Total net assets	<u>863,986</u>	<u>1,195,154</u>
Total Liabilities and Net Assets	<u>\$ 906,700</u>	<u>\$ 1,217,367</u>

CALIFORNIANS FOR POPULATION STABILIZATION, INC.

**STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED DECEMBER 31, 2014 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2014 Total</u>	<u>2013 Total</u>
<b>Public Support and Revenue:</b>				
Contributions	\$ 547,249	\$ 255,000	\$ 802,249	\$ 816,872
Membership	121,376	-	121,376	126,337
Interest and dividend income	28,718	-	28,718	41,940
Realized gain/(loss) from sale of investments	3,377	-	3,377	(30,207)
Unrealized loss on investments	(11,194)	-	(11,194)	(98)
Change in value of charitable remainder trust		(22,150)	(22,150)	26,778
Realized loss on disposal of assets	(256)	-	(256)	-
Other income	(335)	-	(335)	185
Net assets released from restriction due to program expenditure	<u>214,281</u>	<u>(214,281)</u>	<u>-</u>	<u>-</u>
<b>Total public support and revenue</b>	<u>903,216</u>	<u>18,569</u>	<u>921,785</u>	<u>981,807</u>
<b>Expenses:</b>				
Program services	905,955	-	905,955	1,064,904
Management and general	182,958	-	182,958	167,956
Fundraising	<u>164,040</u>	<u>-</u>	<u>164,040</u>	<u>143,129</u>
<b>Total expenses</b>	<u>1,252,953</u>	<u>-</u>	<u>1,252,953</u>	<u>1,375,989</u>
<b>Change in Net Assets</b>	(349,737)	18,569	(331,168)	(394,182)
<b>Net Assets at Beginning of Year</b>	<u>654,090</u>	<u>541,064</u>	<u>1,195,154</u>	<u>1,589,336</u>
<b>Net Assets at End of Year</b>	<u>\$ 304,353</u>	<u>\$ 559,633</u>	<u>\$ 863,986</u>	<u>\$ 1,195,154</u>

CALIFORNIANS FOR POPULATION STABILIZATION, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

	Program Support Services			Total 2014 Expenses	Total 2013 Expenses
	Program Services	Management and General	Fundraising		
Salaries and Related Expenses					
Salaries	\$ 149,719	\$ 76,437	\$ 29,380	\$ 255,536	\$ 209,399
Payroll taxes	12,264	6,262	2,407	20,933	17,885
Employee insurance and benefits	15,632	7,981	3,068	26,681	20,275
Total Salaries and Related Expenses	177,615	90,680	34,855	303,150	247,559
Advertising campaigns	390,079	595	595	391,269	624,377
College outreach	11,772	-	-	11,772	-
Rent and facility expense	7,765	23,296	7,765	38,826	37,829
Insurance	1,170	3,509	1,170	5,849	5,610
Development	1,965	-	96,380	98,345	88,726
Public relations	1,405	-	-	1,405	5,410
Telephone	3,378	3,378	751	7,507	6,689
Internet and web presence	46,657	1,328	1,933	49,918	47,338
Investment expenses	-	6,211	-	6,211	10,088
Office expense	10,704	15,521	3,256	29,481	21,830
Office supplies	954	2,864	955	4,773	5,819
Legal and accounting	2,194	15,780	-	17,974	20,155
Other outside services	204,262	3,103	8,524	215,889	188,259
Board meetings and travel	8,220	4,255	489	12,964	12,067
Registration fees	680	85	85	850	630
Printing and postage	34,738	7,134	5,025	46,897	44,918
Equipment rental	985	985	845	2,815	3,120
Depreciation	1,412	4,234	1,412	7,058	5,565
Total Expenses - December 31, 2014	\$ 905,955	\$ 182,958	\$ 164,040	\$ 1,252,953	
Total Expenses - December 31, 2013	\$ 1,064,904	\$ 167,956	\$ 143,129		\$ 1,375,989

CALIFORNIANS FOR POPULATION STABILIZATION, INC.

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ (331,168)	\$ (394,182)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	7,058	5,565
Change in value of interest in charitable remainder trust	22,150	(26,778)
Contribution of stock	(9,275)	(10,066)
Realized loss on disposal of assets	256	-
Realized (gain)/loss on sale of investments	(3,377)	30,207
Unrealized loss on investments	11,194	98
Changes in:		
Contributions receivable	(7,689)	(6,210)
Prepaid expenses	12,003	(7,739)
Accounts payable	5,216	(7,414)
Accrued payroll, vacation, and other related items	15,285	(166)
Net cash used by operating activities	<u>(278,347)</u>	<u>(416,685)</u>
<b>Cash Flows from Investing Activities:</b>		
Purchase of investments	(139,848)	(1,018,254)
Proceeds from sale and maturity of investments	403,525	1,406,797
Purchase of property and equipment	<u>(1,486)</u>	<u>(10,041)</u>
Net cash provided by investing activities	<u>262,191</u>	<u>378,502</u>
 Net Decrease in Cash	 (16,156)	 (38,183)
Cash and Cash Equivalents at Beginning of the Year	<u>24,647</u>	<u>62,830</u>
Cash and Cash Equivalents at End of The Year	<u>\$ 8,491</u>	<u>\$ 24,647</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1: ORGANIZATION

#### **General:**

Californians for Population Stabilization, Inc. (CAPS), incorporated under the laws of California on March 12, 1979, as Zero Population Growth - California Foundation, Incorporated. The name was changed to Californians for Population Stabilization, Inc. on March 5, 1986. CAPS is registered in 30 states.

Californians for Population Stabilization (CAPS) works to formulate and advance policies and programs designed to stabilize the population of California, the U.S. and the world at levels which will preserve the environment and a good quality of life for all.

#### **Programs:**

CAPS' primary programs are:

##### **Online Advocacy**

CAPS and its members maintain direct contact with federal and state legislators by fax and e-mail from CAPS website, [www.CAPSweb.org](http://www.CAPSweb.org).

##### **Overpopulation Awareness Media Campaign**

Throughout 2014 and 2013, CAPS continued to receive media coverage of its positions highlighting the connections between population growth, excessive immigration, and environmental degradation.

Successful campaigns included radio campaigns which linked population growth to environmental degradation and television campaigns, one focusing on the fact that immigration-driven population growth increases demand for scarce natural resources and others highlighting the loss of American jobs to legal and illegal foreign workers.

##### **Work with State Legislature and Congress**

CAPS continues to engage in education and advocacy programs designed to influence elected officials by mail, fax, e-mail, and phone calls both in California and at the federal level.

##### **Senior Writing Fellows Program**

CAPS sponsors and encourages the publication of well-written research articles, blogs, and opinion pieces relating to the primary purpose of the organization.

##### **Open Dialogue Program**

CAPS' members, Board, and invited experts speak on population, immigration, and environmental issues at various venues throughout California and the nation.

##### **Public Education**

CAPS continued to support the project, *Population Education for Environmental Scientists: The Need to Go Where They Are*, by providing materials for several scientific conferences on the nature of U.S. population growth and on the feasibility of curbing it.

CAPS completed phase 2 of the project, *The California We Are Losing - Views of our Golden State's transition from pristine to imperiled*. The project goal is to educate the public to population growth's long-term effects on special places near and dear to Californians.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Fund Accounting

The accounts of CAPS are maintained in accordance with the principles of fund accounting. This accounting and reporting method classifies resources by their nature and purpose based on the presence or absence of donor-imposed restrictions into three classes of net assets:

**Unrestricted net assets** consist of funds without any donor-imposed restrictions and are classified as either undesignated funds or Board designated funds.

**Temporarily restricted net assets** consist of contributions and other inflows of funds temporarily subject to donor-imposed restrictions. The restrictions are temporary in that they are expected to expire with the passage of time or be satisfied and removed by actions of CAPS that fulfill donor stipulations.

**Permanently restricted net assets** consist of contributions and other inflows of funds subject to donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of CAPS. CAPS had no permanently restricted net assets at year end.

**Cash and Cash Equivalents** - For the purposes of the statement of cash flows, cash and cash equivalents consist of cash on hand, cash in bank accounts and highly liquid investments having original maturities of three months or less.

**Investments** - Investments are carried at estimated fair value measured by quoted market prices.

**Fair Value of Financial Instruments** - The carrying amount of contributions receivable, other receivables, prepaid expenses, deposits, accounts payable, and accrued payroll, vacation and other related items approximates fair value. The carrying amount of the interest in charitable remainder trust and the charitable gift annuity at net present value is described more fully in footnotes 6 and 7, respectively. Fair value is discussed further in Note 15.

**Property, Equipment and Furnishings** - CAPS records property, equipment and furnishings of \$500 or more at cost if purchased, or at fair market value if donated. Depreciation expense is computed using the straight-line method over the useful lives of the assets. Depreciable lives of the assets range from three to seven years.

**Revenues** - CAPS records membership dues as revenue when received.

**Contributions** - Contributions and other inflows of funds temporarily subject to donor-imposed restrictions are reported as temporarily restricted. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets.

Unconditional promises to give are recorded as contributions, net of an allowance for uncollectible amounts. The promises to give that are expected to be collected within one year are recorded at their net realizable value.

**Contributed Services** - A substantial number of volunteers have donated their time to the CAPS' board and in an advisory capacity. As this volunteer service does not meet the recognition requirements in accordance with accounting standards, no amount has been recorded in these financial statements for these services.

**Tax Status** - CAPS is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and Section 23701d of California's Revenue and Taxation Code. CAPS is not considered a private foundation. CAPS is unaware of any uncertain tax positions at December 31, 2014, or for any period for which the statute of limitations remains open.

**Estimates** - Preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses.



## NOTES TO FINANCIAL STATEMENTS

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant estimates used in preparing these financial statements include:

- Lives of fixed assets and method of depreciation
- Allocation of certain expenses by function
- Valuation of interest in charitable remainder trust
- Allowance for uncollectible pledges receivable
- Fair market value of contributed assets

It is at least reasonably possible that these estimates could change in the coming year.

**Functional allocation of expenses** - The costs of certain programs and supporting services have been allocated based upon the nature and purpose of the expenditure. Expenses that can be identified with a specific program and support service are allocated directly according to the expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

**Reclassifications** - Certain reclassifications have been made to the prior year balances to make them comparable to the current year.

### NOTE 3: UNCONDITIONAL PROMISES TO GIVE

During the year, several people made financial commitments to CAPS in support of CAPS' programs. Management believes these unconditional promises are fully collectible; therefore, no allowance for uncollectible promises to give has been recorded. Unconditional promises at year end 2014 and 2013 totaled \$30,646 and \$22,957, respectively.

### NOTE 4: PROPERTY AND EQUIPMENT

Property and equipment consist of the following at year end:

	<u>2014</u>	<u>2013</u>
Computers	\$ 17,005	\$ 16,615
Furniture and fixtures	24,364	24,364
Software	<u>13,290</u>	<u>13,290</u>
Total cost	54,659	54,269
Less accumulated depreciation	<u>(39,902)</u>	<u>(33,684)</u>
Property and equipment, net	<u>\$ 14,757</u>	<u>\$ 20,585</u>
Depreciation expense	<u>\$ 7,058</u>	<u>\$ 5,565</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5: INVESTMENTS

Investments at December 31 consist of:

2014	Cost	Fair Market Value
Money Market	\$ 18,594	\$ 18,594
US Government Agency Bonds	8,765	9,140
Mutual Funds - Bonds	442,807	432,524
Mutual Funds - Equities	97,341	93,616
Equities	16,803	22,166
Total	\$ 584,310	\$ 576,040
Unrealized Gain		\$ (8,270)
Change in unrealized gain/(loss)		\$ (11,194)

  

2013	Cost	Fair Market Value
Money Market	\$ 15,795	\$ 15,795
US Government Agency Bonds	8,765	7,216
Mutual Funds - Bonds	701,968	705,166
Mutual Funds - Equities	91,605	86,381
Equities	17,202	23,701
Total	\$ 835,335	\$ 838,259
Unrealized Gain		\$ 2,924
Change in unrealized gain		\$ (98)

### NOTE 6: INTEREST IN CHARITABLE REMAINDER TRUST

The Organization has a beneficiary interest in a charitable remainder trust. Since the Organization is not the trustee for the charitable remainder trust in which it is named as the remainderman, the trust was initially recorded as a contribution and an asset equivalent to the present value of the trust assets and estimated future income net of the present value of estimated future payouts to the income beneficiaries in 2009.

The change in the present value of the estimated future benefits to be received when the trust assets will be distributed is recorded in the statement of activities as a change in value of charitable remainder trust. This change was \$(22,150) and \$26,778 for the years ended December 31, 2014 and 2013, respectively.

Charitable trust agreements are classified as temporarily restricted net assets unless the donor has permanently restricted the Organization's use of its interest in the asset.

The assets are recorded at approximate fair market value based upon the most recent tax return filed by the trust which is available to the Organization or current values provided by the settlor to the Organization. The present value of the estimated future value of assets to be received by the Organization is calculated using the IRS annuity tables and a discount rate based on the Organization's historic risk free rate of return of 4%.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7: GIFT ANNUITY

CAPS is the beneficiary of a charitable gift annuity agreement. Pursuant to the agreement, a community foundation received the assets and is obligated to make annual payments for the remainder of the donor's life and to keep the assets related to the annuity physically and legally segregated from the other assets of the foundation pursuant to the California Insurance Code. As CAPS is not liable for the payments, CAPS recorded on its books the net value of the gift annuity.

### NOTE 8: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31 are restricted to the following:

	<u>2014</u>	<u>2013</u>
Media campaign	\$ 272,656	\$ 233,806
Population education	17,061	15,193
Future periods	<u>269,916</u>	<u>292,065</u>
Total	<u>\$ 559,633</u>	<u>\$ 541,064</u>

### NOTE 9: COMMITMENTS

#### Leases

In May 2001, CAPS leased office space for a base rent plus utilities. In May 2013, CAPS entered into a sixth amendment of the lease commencing May 1, 2013, which extends the lease term three years, with the lease terminating in 2016, adjusts the base rent to \$2,694 per month, and grants one additional three-year term. Rental expense for the year ended December 31, 2014 and December 31, 2013 was \$34,984 and \$34,298.

The future minimum lease payments for the next two years, without regard to cost of living adjustments or utilities, are:

2015	\$	32,328
2016		<u>10,776</u>
Total	\$	<u>43,104</u>

On November 9, 2007, CAPS entered into a contract with a company to assist CAPS with fundraising. The fee structure is based upon the work the company performs. The contract contains a 60-day cancellation clause under which CAPS would be obligated to compensate the company for projects commenced.

### NOTE 10: UNSECURED CREDIT

CAPS has two credit cards. One credit card has a limit of \$20,000, with a cash advance limit of \$4,000, and bears interest of 13.24%. The second card has a \$7,000 limit, with a \$3,500 cash advance limit, and bears an annual interest rate of 17.9%. CAPS routinely pays amounts due in full each month. At December 31, 2014, CAPS has included the outstanding liabilities on these cards in accounts payable.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 11: RETIREMENT PLAN

CAPS has established a 403(b) retirement plan (Plan). Employees who are 21 years or older are eligible to participate. In 2013, CAPS began to contribute to the Plan up to 5% of an employee's salary, provided the employee was participating in the Plan. During the years ended December 31, 2014 and 2013, CAPS contributed \$7,665 and 8,660, respectively.

### NOTE 12: CONCENTRATION OF RISK

CAPS' membership and donor base is largely drawn from the state of California.

The standard Federal Deposit Insurance Corporation (FDIC) insurance coverage, beginning December 31, 2010 and running through December 31, 2012, is unlimited for all non-interest bearing transaction accounts and is limited to \$250,000 per depositor and per bank institution for interest bearing accounts. All of the interest-bearing accounts held by CAPS were fully FDIC insured at December 31, 2014.

Certain of the CAPS' investments and cash and cash equivalents are held at several broker-dealers and are subject to Securities Investor Protection Corporation (SIPC) broker-dealer regulations. Under SIPC, cash and cash equivalents are insured up to \$250,000 per broker-dealer. CAPS did not have any uninsured cash and cash equivalents at December 31, 2014. In addition, investments are insured against being lost, missing, or stolen up to \$500,000 per broker-dealer. Exposure for uninsured losses varies per broker-dealer depending upon the percentage of securities the broker-dealer has loaned as a percentage of total investments as losses are spread among all investors. Investments not held at a broker-dealer are not insured by SIPC. At December 31, 2014, CAPS had no such investments.

During 2014, one foundation contributed approximately 58% and another approximately 10% of CAPS total revenue. During 2013, one foundation contributed approximately 48% and another approximately 10% of CAPS' total revenue.

### NOTE 13: RELATED PARTIES

CAPS has adopted a formal conflict of interest policy whereby business and personal relationships are disclosed at a minimum annually to the board.

### NOTE 14: ALLOCATION OF JOINT COSTS

In the year ended December 31, 2014 and 2013, CAPS incurred joint costs of approximately \$39,572 and \$32,955, respectively, for informational materials and activities that included fundraising appeals.

### NOTE 15: FAIR VALUE

The Organization is subject to ASC Topic 820-10, Fair Value Measurements, which defines fair value, establishes a framework for measuring fair value, and expands disclosures regarding fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. Investments measured and reported at fair value are classified and disclosed in one of the following categories. The categorization of an investment within the hierarchy is based on the pricing transparency of the investment and does not necessarily correspond to the Organization's perceived risk of that investment.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 15: FAIR VALUE (CONTINUED)

**Level I** – Quoted prices are available in active markets for identical investments as of the reporting date. This category includes active exchange traded money market funds and equity securities.

**Level II** – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined using models or other valuation methodologies.

**Level III** – Pricing inputs are unobservable and include situations where there is little, if any, market activity for the investment. Investments that are included in this category generally include privately held investments and securities held in partnership format. Reported valuations of Level III securities may differ materially from the values that would have been used had a ready market for these investments existed.

The investments and interests in trusts carried on the statement of financial position by level within the valuation hierarchy as of December 31, 2014 and 2013, are as follows:

<u>Description</u>	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
2014				
Money Market	\$ 18,594	\$ -	\$ -	\$ 18,594
US Government Obligations	9,140	-	-	9,140
Mutual Funds				
Bonds	432,524	-	-	432,524
Equity	93,616	-	-	93,616
Equities	22,166	-	-	22,166
Interest in Trusts	-	-	269,916	269,916
<b>Total</b>	<b>\$ 576,040</b>	<b>\$ -</b>	<b>\$ 269,916</b>	<b>\$ 845,956</b>
2013				
Money Market	\$ 15,795	\$ -	\$ -	\$ 15,795
US Government Obligations	7,216	-	-	7,216
Mutual Funds				
Bonds	705,166	-	-	705,166
Equity	86,381	-	-	86,381
Equities	23,701	-	-	23,701
Interest in Trusts	-	-	292,066	292,066
<b>Total</b>	<b>\$ 838,259</b>	<b>\$ -</b>	<b>\$ 292,066</b>	<b>\$ 1,130,325</b>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 15: FAIR VALUE (CONTINUED)

The changes in the fair value of assets classified at Level III are:

	<u>2014</u>	<u>2013</u>
Interest in trusts, beginning of year	\$ 292,066	\$ 265,288
Change in value	<u>(22,150)</u>	<u>26,778</u>
Interest in trusts, end of year	<u>\$ 269,916</u>	<u>\$ 292,066</u>

In accordance with ASU No. 2009-12, *Investments in Certain Entities that Calculate Net Asset Value Per Share (NAV)*, the NAV per share or its equivalent is used to fair value investments that follow the American Institute of Certified Public Accountants Guide in arriving at their reported NAV. Otherwise, investments with a readily available active quoted price for which fair value can be measured are reported at the quoted price.

The fair value of the gift annuity trust and charitable remainder trust are valued based upon Level III inputs and the methods of calculating fair value are described in Notes 6 and 7.

There were no transfers between Levels I, II, and III of the fair value hierarchy during 2014 and 2013.

### NOTE 16: SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 10, 2015, which is the date the financial statements were issued. Management has determined that no subsequent events requiring disclosure or significantly impacting disclosure have occurred.

## CAPS Board of Directors

**Dick Schneider, M.S., Chairman of the Board.** Oakland, CA. Environmental activist, writer and policy analyst, Schneider lectures on the role of population growth in degrading natural ecosystems and eroding the quality of life. With expertise in the effects of acid rain and metals pollution on high altitude lakes, he helped establish the first acid rain monitoring station on the western slope of the Rocky Mountains. A resident of the San Francisco Bay Area, he led passage of an Alameda County open space protection initiative in 2000 and currently advises citizen groups on local growth management policies. In 2012, he received the Excellence in Preservation Award from the Tri-Valley Conservancy. He is a board member of the Institute for Population Studies in Berkeley, a former trustee of the Head-Royce School in Oakland, and former board member of Transform (formerly the Bay Area Transportation and Land Use Coalition). He co-authored *Toxics A to Z: A Guide to Everyday Pollution Hazards* (University of California Press). Schneider received an undergraduate degree, as well as a master's degree, at the University of California, Berkeley.

**Ben Zuckerman, Ph.D., Vice President.** Los Angeles, CA. Professor Emeritus of Physics and Astronomy and Research Professor at UCLA, Dr. Zuckerman developed and co-taught a UCLA Honors course entitled "The 21st Century: Society, Environment, Ethics" and co-edited six books including *Human Population and the Environmental Crisis* (Jones & Bartlett, 1995). He earned bachelor's and master's degrees from MIT and a Ph.D. from Harvard University. He was cited by the journal in 2008 for obtaining the first-ever image of a new planetary system. He is a longtime environmentalist who has served on the Sierra Club's national board of directors.

**Otis L. Graham, Jr., Ph.D. Secretary.** Santa Barbara, CA. Graham is an historian of modern America, a Professor Emeritus at the University of California, Santa Barbara, and a retired Visiting Scholar from the University of North Carolina, Chapel Hill. He is the author or editor of 17 books and numerous articles on the history of the United States, especially on American reform movements, political economy, environment and immigration. He has been named a Guggenheim Fellow, a Fellow at the Woodrow Wilson Center for Scholars, the National Endowment for the Humanities, and the Center for Advanced Study and Behavioral Sciences, and received the Robert Kelley Memorial Award from the National Council on Public History. He is a graduate of Yale University and earned a Ph.D. from Columbia University.

**Kenneth Pasternack, J.D., Treasurer.** Santa Barbara, CA. Pasternack is an investor. During the 1990s he was a technical writer of computer software manuals. During the 1970s and 1980s he practiced banking law in Los Angeles. Pasternack became concerned and active about overpopulation while attending college during the 1960s, when he was also active in the anti-Vietnam War movement and volunteered in the civil rights movement in Mississippi. As a CAPS senior writing fellow. As a CAPS senior writing fellow, his letters to the editor and guest columns have been published in several newspapers. He holds a bachelor's degree from Brown University in sociology, and received a law degree from the University of Arizona.

**Tim Aaronson, M.A., Executive-at-Large.** El Cerrito, CA. Aaronson is a retired mathematics and science educator from the University of California's Lawrence Hall of Science in Berkeley. His concerns about population growth arose from his stint as a Peace Corps volunteer in the Philippines and experiencing the 400 percent population increase in his native California. He is a board member of the El Cerrito Trailtrekkers, a group building urban trails, and volunteers with several organizations, including the Tilden Botanical Gardens, the East Bay Depot for Creative Reuse and the West Edge Opera Company. He earned a bachelor's degree from the University of California at Berkeley in physical science and a master's degree in science education from San Jose State University.

**Marilyn Brant Chandler DeYoung, M.A., Member.** Santa Barbara, CA. DeYoung served as an executive or partner in several Southern California architect/planning firms and was president of Marilyn Brant & Associates. Her population interest began with her service on President Nixon's Commission on Population Growth and the American Future (1970-72). She served on the board of the international Population Crisis Committee for 23 years. She founded and chaired the Population Education Committee, which merged into Population Communication, Inc. She served on the board of PCI for eight years. She also has a strong record of service on government committees and numerous corporate, educational, nonprofit and civic boards. DeYoung earned a master's degree in urban planning from UCLA.

**Kim Fletcher, Jr., Member.** Del Mar, CA. A graduate of Stanford University who served in the U.S. Army in World War II, Fletcher joined Home Federal as a management trainee in 1950 and was Chairman of the Board when he retired in 1992. He was formerly director of the Federal Home Loan Bank of San Francisco, and is currently president of Investors Leasing Corporation, a real estate investment company. Active in many nonprofit organizations, he is currently a member of the San Dieguito Boys & Girls Clubs. He is a lifetime member of The Salvation Army Advisory Board, served as President of the United Way of San Diego, sat on the Stanford University Athletic Board, was founding director of the San Diego Economic Development Corporation, trustee at University of San Diego and trustee at Sharp Hospital, San Diego.

**Keith J. Mautino, Member.** Santa Barbara, CA. A fifth-generation Californian concerned with quality of life and urban density issues in California, Mautino attended Occidental College, Westmont College and UC Santa Barbara graduate school in Asian studies, focusing on Japanese language and Chinese history. He has enjoyed a long career as an Asian art dealer and appraiser and served on the board of the Pacific Asia Museum in Pasadena. Mautino also serves on the boards of the Courthouse Legacy Foundation and the Trust for Historic Preservation, a joint effort with the state of California in preserving and interpreting numerous historic sites in Santa Barbara County. Concerned with the effect that population shifts have on rural communities, Mautino has served as a commissioner to the County Historic Landmarks Commission, representing the 2nd Supervisorial district of Santa Barbara county. His family's long history in agriculture makes him especially sensitive to changes in the demographics of rural ranching and farming communities.

**Judith F. Smith, Member.** Santa Barbara, CA. Smith graduated from Stanford University with a BFA in art & architecture and founded an interior design firm with a practice in Los Angeles and Santa Barbara. Her extensive volunteer commitments have included president of the Community Arts Music Association, the Stanford Alumni Club Santa Barbara County, the Santa Barbara Museum of Art Women's Board and the Junior League Sustainers. She is currently president of the Little Town Club. She has previously held board positions in the National Charity League, the Los Positas Park Foundation, the Music Academy of the West, and is currently a board member for Opera Santa Barbara, the Cottage Hospital Rehabilitation Foundation and active in several other nonprofit groups.

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