

**THE COMMUNITY FOUNDATION
OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATED FINANCIAL STATEMENTS
with Supplementary Information**

**FOR THE YEAR ENDED
DECEMBER 31, 2019**

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

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DECEMBER 31, 2019**

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Community Foundation

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June 2020

To our Board of Trustees, Volunteers, Donors and Partners:

We are pleased to present these financial statements and highlights for the year-ended December 31, 2019, which reflect the consolidated operations of our Community Foundation and its two controlled supporting organizations; the Community Renaissance Fund and the Blue Water Land Fund, Inc.

Our ability to fulfill our mission of improving our region's vibrancy and prosperity would not be possible without the continued generosity of our donors. On a consolidated basis, the Community Foundation received contributions aggregating \$3.14 million in 2019 excluding agency endowments and supporting organizations' gifts. We received approximately 1200 gifts from 780 donors and added 18 new endowed and non-endowed funds. These gifts, along with investment earnings, helped the Foundation top \$81 million in total assets by year-end 2019.

Unlike most non-profit organizations that raise current operating funds in support of a specified focus, the core purpose of a community foundation is to assist donors in fulfilling their charitable goals in perpetuity. That long-term time horizon is accomplished predominately by building endowments, cultivating estate gifts, and overseeing a prudent, diversified and long-term investment portfolio. As a community foundation, our charitable grant-making is subject to a spending policy, which is based upon the growth and earnings on those endowments over a 16-quarter period.

The Foundation's total net return for its main investment pool was 16.56% for 2019. While that is a solid return, we acknowledge that our portfolio underperformed our peers primarily due to the lack of core fixed income investments and weak stock selection by our active small-cap manager. For the longer 5-year, 7-year- and 10-year time periods, our portfolio outperformed our peers with respective returns of 7.13%, 8.5% and 8.46%.

The Foundation maintains hundreds of field of interest, donor-advised or designated endowments, gifted by thousands of our donors having a wide and diverse range of charitable interests. Outside of discretionary resources, endowments support other areas including arts and culture, parks and recreation, youth or the elderly, college awareness and preparation, scholarships or particular non-profits or geographic segments of our region.

Last year began another cycle of our Strategic Priorities, which were narrowed down to: Community & Economic Growth and Prosperity, along with College, Career and Life Success. The Foundation awarded grants aggregating \$2.8 million in 2019, which differs from the amounts presented on the consolidated statements since those reported amounts are net of prior years' grant refunds, agency fund exclusions under ASC 605, and supporting organization eliminations. Additionally, another aggregate \$912,547 was allocated in 2019 to Foundation programs and community initiatives.

Community Foundation

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In September of 2019 our Blue Water Land Fund entered in to a new partnership with St. Clair County Parks and Recreation whereby the Land Fund is contracting with County Parks for the daily operations and management of the Blue Water River Walk.

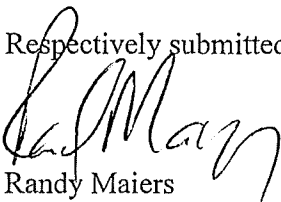
Accountability, transparency and credibility are critical factors in our Foundation's past, present and future success, and it is noteworthy that the Foundation has maintained an unmodified audit opinion annually since our inception in 1944. We continue to meet all of the terms, conditions and requirements to maintain our status as an accredited community foundation through the National Standards Program of the Council on Foundations.

We make available all of our policies and governing documents, audited financial statements and IRS Form 990s on our website, along with rosters for our board, staff and all committees.


As this audit report and the respective auditor's opinion evidence, Foundation management recognizes the importance of their role in the health of the organization and accepts full responsibility for its financial records and statements, sound accounting policies, system of internal controls, and for the prevention and detection of fraud. Throughout the independent audit, management has made available all financial records, minutes, fund agreements, policies and procedures, and other documentation, and has provided the required, signed management representations regarding our operations and financial records.

The highlights briefly touched upon in this letter capture only a handful of happenings that evidence our Foundation's success for the year-ended December 31, 2019. The common thread to our 75 years of success is the philanthropic passion and generosity of our donors, board, committees, friends, partners and staff. Despite the many challenges our region and country face, we believe this is still a wonderful time to live and work in the Blue Water Region.

Respectively submitted,



Randy Maiers
President & CEO



Karen A. Lee
Director of Finance

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
The Community Foundation of St. Clair County
Port Huron, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of The Community Foundation of St. Clair County (the "Foundation") (a nonprofit organization) and supporting organizations which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, the related consolidated statements of activities, functional expenses, and 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.

Auditor's 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 judgement, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Community Foundation of St. Clair County and supporting organizations as of December 31, 2019 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements as of December 31, 2018 were audited by Stewart, Beauvais & Whipple, PC, who merged with UHY as of January 1, 2020 and whose report dated June 17, 2019 expressed an unmodified opinion on those statements.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Disclaimer of Opinion on Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Letter to the Volunteers, Donors, and Partners, as listed in the table of contents, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we do not express an opinion or provide any assurance on it.

UHY LLP

Port Huron, Michigan
June 11, 2020

BASIC FINANCIAL STATEMENTS

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018**

	2019	2018
ASSETS		
Assets:		
Cash and cash equivalents	\$ 3,168,972	\$ 3,470,482
Interest and other receivables	53,131	60,709
Prepaid expenses	21,751	22,728
Notes receivables, net of discount	101,664	82,465
Cash surrender value of contributed life insurance	49,602	50,965
Pledges, net of discount	838,256	31,279
Investments	72,638,655	63,214,549
Property and equipment, net of accumulated depreciation	4,654,294	4,851,410
	<u>\$ 81,526,325</u>	<u>\$ 71,784,587</u>
Total Assets		
	<u>\$ 81,526,325</u>	<u>\$ 71,784,587</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 28,543	\$ 33,562
Accrued expenses	78,938	74,603
Accrued interest	700	931
Grants payable	556,729	582,520
Note payable	420,972	537,456
Deferred compensation contract	36,412	46,250
Agency funds held for others -		
Endowed	2,543,637	2,236,107
Nonendowed	10,116,939	8,704,704
Total Liabilities	<u>13,782,870</u>	<u>12,216,133</u>
Net Assets (NOTE 1):		
Without donor restrictions -		
Investment in property and equipment	4,654,294	4,851,410
Donor endowments:		
For general charitable purposes	5,554,663	5,024,397
For designated purposes	47,956,134	40,737,356
Board-designated endowments:		
For grant-making	2,775,757	2,571,527
For operations (programs & services)	3,304,192	2,992,821
Non-endowed (fully spendable) donor funds	2,492,204	2,421,820
Operating reserve	1,006,211	969,123
Total Net Assets	<u>67,743,455</u>	<u>59,568,454</u>
	<u>\$ 81,526,325</u>	<u>\$ 71,784,587</u>
Total Liabilities and Net Assets		
	<u>\$ 81,526,325</u>	<u>\$ 71,784,587</u>

See accompanying notes to consolidated financial statements.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
Revenues, Gains, and Other Support:		
Public Support -		
Contributions:		
Cash	\$ 3,115,817	\$ 1,824,130
Non-cash	25,693	337,584
Total Contributions	<u>3,141,510</u>	<u>2,161,714</u>
Revenue and Gains -		
Investment income (loss), net of expense	8,476,963	(1,944,814)
Increase (decrease) in cash surrender value of life insurance	587	(274)
Fund management fees	114,802	71,840
Other	35,798	33,159
Total Revenue and Gains	<u>8,628,150</u>	<u>(1,840,089)</u>
Total Revenues, Gains, and Other Support	<u>11,769,660</u>	<u>321,625</u>
Expenses:		
Program expenses -		
Grants	1,815,069	2,446,362
Community Initiatives	19,610	32,521
Other Program Expenses	892,937	644,516
Management and general	520,615	478,817
Fundraising expenses	346,428	320,357
Total Expenses	<u>3,594,659</u>	<u>3,922,573</u>
Change in Net Assets	8,175,001	(3,600,948)
Net Assets at beginning of year	<u>59,568,454</u>	<u>63,169,402</u>
Net Assets at end of year	<u><u>\$ 67,743,455</u></u>	<u><u>\$ 59,568,454</u></u>

See accompanying notes to consolidated financial statements.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Program Services			
	Community Foundation	Community Renaissance	Blue Water Land Fund	Total
Salaries	\$ 213,611	\$ -	\$ -	\$ 213,611
Employee Benefits/Payroll Taxes	57,301	-	-	57,301
Professional Services/Consultancies	46,472	-	8,500	54,972
Legal Services	-	-	-	-
Occupancy	7,697	2,072	145,217	154,986
Utilities	2,813	-	2,862	5,675
Furniture, Equipment, and Maintenance	3,472	3,409	7,628	14,509
Telephone	1,244	-	-	1,244
Postage	1,422	-	-	1,422
Community Relations and Awareness/Website	101,137	56,100	92	157,329
Donor Cultivation/Fundraising	25,753	-	-	25,753
Foundation Committee	3,451	-	-	3,451
Dues, Memberships, and Subscriptions	3,055	-	109	3,164
Property and Liability Insurance	4,430	-	16,199	20,629
Office Supplies	1,687	-	-	1,687
Stationery/Printing	809	-	-	809
Computer Software Maintenance	10,809	-	-	10,809
Training, Professional Development, and Travel	9,477	-	-	9,477
Youth Advisory Council	2,869	-	-	2,869
Miscellaneous Fund, Bank, and Financing	-	-	-	-
Loss on disposal of assets (River Rats Bldg.)	-	-	49,735	49,735
Depreciation	18,033	15,643	69,829	103,505
	<u>515,542</u>	<u>77,224</u>	<u>300,171</u>	<u>892,937</u>
Grants	1,815,069	-	-	1,815,069
Community Initiatives	<u>-</u>	<u>9,850</u>	<u>9,760</u>	<u>19,610</u>
Total Expenses	<u>\$ 2,330,611</u>	<u>\$ 87,074</u>	<u>\$ 309,931</u>	<u>\$ 2,727,616</u>

See accompanying notes to consolidated financial statements.

Supporting Services		
Management and General	Fundraising	Total
\$ 287,893	\$ 206,538	\$ 708,042
87,378	64,188	208,867
27,465	-	82,437
7,755	-	7,755
10,661	7,691	173,338
3,897	2,812	12,384
4,809	3,469	22,787
1,723	1,243	4,210
1,970	1,421	4,813
-	-	157,329
-	10,553	36,306
-	-	3,451
4,251	3,052	10,467
6,137	4,427	31,193
2,336	1,685	5,708
1,121	808	2,738
14,973	10,801	36,583
13,127	9,471	32,075
-	-	2,869
20,139	248	20,387
-	-	49,735
24,980	18,021	146,506
520,615	346,428	1,759,980
-	-	1,815,069
-	-	19,610
<u>\$ 520,615</u>	<u>\$ 346,428</u>	<u>\$ 3,594,659</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Program Services			
	Community Foundation	Community Renaissance	Blue Water Land Fund	Total
Salaries	\$ 206,182	\$ -	\$ -	\$ 206,182
Employee Benefits/Payroll Taxes	53,704	-	-	53,704
Professional Services/Consultancies	28,337	-	10,581	38,918
Legal Services	-	-	-	-
Occupancy	3,973	4,069	5,780	13,822
Utilities	2,789	1,024	3,611	7,424
Furniture, Equipment, and Maintenance	6,881	4,830	13,543	25,254
Telephone	1,220	-	-	1,220
Postage	1,223	-	-	1,223
Community Relations and Awareness/Website	12,140	65,870	-	78,010
Donor Cultivation/Fundraising	58,946	-	-	58,946
Foundation Committee	2,749	378	-	3,127
Dues, Memberships, and Subscriptions	2,828	15	-	2,843
Property and Liability Insurance	1,750	999	12,558	15,307
Office Supplies	1,769	145	145	2,059
Stationery/Printing	408	-	-	408
Computer Software Maintenance	11,346	-	-	11,346
Training, Professional Development, and Travel	6,381	198	-	6,579
Youth Advisory Council	4,356	-	-	4,356
Miscellaneous Fund, Bank and Financing	1,035	56	142	1,233
Depreciation	18,959	22,736	70,860	112,555
	<u>426,976</u>	<u>100,320</u>	<u>117,220</u>	<u>644,516</u>
Grants	2,363,207	83,155	-	2,446,362
Community Initiatives	<u>90</u>	<u>10,297</u>	<u>22,134</u>	<u>32,521</u>
Total Expenses	<u>\$ 2,790,273</u>	<u>\$ 193,772</u>	<u>\$ 139,354</u>	<u>\$ 3,123,399</u>

See accompanying notes to consolidated financial statements.

Supporting Services		
Management and General	Fundraising	Total
\$ 271,478	\$ 191,758	\$ 669,418
78,697	57,871	190,272
25,016	-	63,934
2,900	-	2,900
5,354	3,816	22,992
3,758	2,679	13,861
9,272	6,610	41,136
1,643	1,172	4,035
1,649	1,175	4,047
-	-	78,010
-	10,553	69,499
-	-	3,127
3,811	2,716	9,370
2,357	1,680	19,344
2,383	1,699	6,141
550	392	1,350
15,287	10,898	37,531
8,597	6,129	21,305
-	-	4,356
20,519	2,998	24,750
25,546	18,211	156,312
478,817	320,357	1,443,690
-	-	2,446,362
-	-	32,521
<u>\$ 478,817</u>	<u>\$ 320,357</u>	<u>\$ 3,922,573</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018**

	2019	2018
Cash Flows from Operating Activities:		
Cash received from -		
Donors	\$ 2,308,840	\$ 2,064,853
Interest and dividend	1,533,308	1,461,013
Agency funds held for others	1,186,724	543,709
Other	131,401	133,517
Cash paid for -		
Grants	(1,840,860)	(1,906,267)
Suppliers	(720,448)	(480,747)
Employees	(922,412)	(882,418)
Investment management and interest	(321,426)	(391,560)
Agency funds held for others	(961,083)	(491,216)
Net Cash Provided by Operating Activities	<u>394,044</u>	<u>50,884</u>
Cash Flows from Investing Activities:		
Proceeds from sale of investments	13,941,516	12,862,516
Purchase of investments	(14,519,060)	(11,641,021)
Payments on notes payable	(116,484)	(112,712)
Purchase of property and equipment	(1,526)	(11,227)
Net Cash Provided by (Used in) Investing Activities	<u>(695,554)</u>	<u>1,097,556</u>
Net increase (decrease) in cash and cash equivalents	(301,510)	1,148,440
Cash and cash equivalents at beginning of year	<u>3,470,482</u>	<u>2,322,042</u>
Cash and cash equivalents at end of year	<u><u>\$ 3,168,972</u></u>	<u><u>\$ 3,470,482</u></u>
Noncash Investing activities:		
Receipt of donated property	\$ -	\$ 128,100
Donated investment securities	<u>25,693</u>	<u>209,484</u>
	<u><u>\$ 25,693</u></u>	<u><u>\$ 337,584</u></u>
Supplemental Disclosures of Cash Flow Information:		
Interest paid	<u><u>\$ 17,464</u></u>	<u><u>\$ 11,881</u></u>

See accompanying notes to consolidated financial statements.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

DESCRIPTION OF ORGANIZATION:

The Community Foundation of St. Clair County is an IRS-approved 501(c)(3) charitable organization which works with donors and community partners to serve the charitable needs and enhance the quality of life primarily in and for the communities in St. Clair County, Michigan.

The Community Renaissance Fund was organized in 2004 as a 501(c)(3) to serve as a supporting organization of The Community Foundation of St. Clair County. The Board of Directors of the Community Renaissance Fund is determined by the Board of Trustees of The Community Foundation of St. Clair County. Since The Community Foundation of St. Clair County has a controlling interest, generally accepted accounting principles require that it be consolidated with The Community Foundation of St. Clair County.

The Blue Water Land Fund, Inc. was organized in 2011 as a 501(c)(3) to serve as a supporting organization of The Community Foundation of St. Clair County. The Board of Trustees of the Blue Water Land Fund, Inc. is appointed by the Board of Directors of The Community Foundation of St. Clair County. Since The Community Foundation of St. Clair County has a controlling interest, generally accepted accounting principles require that it be consolidated with The Community Foundation of St. Clair County.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of The Community Foundation of St. Clair County and supporting organizations (the "Foundation") are in accordance with accounting principles generally accepted in the United States of America as applicable to nonprofit organizations. The following is a summary of policies which are considered significant to the Foundation:

BASIS OF ACCOUNTING/PRESENTATION - The consolidated financial statements include the accounts of The Community Foundation of St. Clair County, the Community Renaissance Fund, and Blue Water Land Fund, Inc., which are reported on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Inter-organizational transactions have been eliminated in the consolidated statements. The statements are presented in accordance with the accounting principles outlined in the American Institute of Certified Public Accountants Audit and Accounting Guide for Not-for-Profit Organizations and the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) Statement 958, *Financial Statements of Not-for-Profit Organizations*. In accordance with ASC 958, net assets are classified based on the existence or absence of donor-imposed restrictions, as well as variance power the Foundation has over such funds. Accordingly, net assets and changes therein are classified and reported under the following definitions:

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions that involve the purpose/use of the funds or the timing thereof. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor, while other donor-imposed restrictions are perpetual in nature, whereby the donor stipulates the resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

**NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - (cont'd):**

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Foundation.

The Community Foundation's net assets are fully classified as Net Assets without Donor Restrictions given the existence of variance power outlined within its Articles of incorporation and Bylaws and fund agreements. Honoring the charitable intent of our donors is at the core of the Foundation's mission and directs how our Foundation's operations and assets are managed. Variance power has rarely been exercised throughout our 75 years of existence, and in all instances, exercising variance power would require formal action of the full Board of Trustees, and there must be a clear demonstration of how original donor intent is being honored.

To evidence our recognition of donor intent and the use of funds, the Foundation reports Net Assets without Donor Restrictions under the following categories:

- Invested in Property and Equipment – Our Foundation office building and related fixed assets, our Blue Water River Walk, farmland, an Art Incubator building, and other fixed assets used for programs in fulfillment of our mission.
- Donor Endowments for General Charitable Purposes – Endowments that were established to address ever-changing community needs with a perpetual intent.
- Donor Endowments for designated purposes – Endowments with a perpetual intent and for donor-designated purposes that may involve named charitable programs/non-profits, specified field of interest or be advised by donors and meeting certain IRS requirements.
- Board-designated Endowments – Endowments benefiting Foundation operations and other general charitable grant-making endowments established by the Board or through unrestricted estate distributions.
- Non-endowed Donor Funds – Funds received for grant-making and charitable programs that are not perpetual in nature and have designated purposes.
- Funds for Operations (Programs & Services) – Reserves for our core Foundation operations and initiatives under our two supporting organizations.

CASH AND CASH EQUIVALENTS - Cash and cash equivalents consist of demand deposits in financial institutions and cash on hand.

INVESTMENTS - Money market investment funds held under the custody of fund managers represent temporarily uninvested monies and are considered short-term investments. Investments in common and preferred stocks, bonds, U.S. Treasury bills, and mutual funds are carried at quoted fair value. Commingled Trust Funds are carried at fair value, which are estimated based on the net asset value per share (or its equivalent) by the investment manager. The Foundation's investments in nonmarketable limited partnerships are generally carried at fair value, which is estimated based on the net asset value per share (or its equivalent) by the investment manager. Audited information is only available annually, typically six months or more after the end of the partnership's year. Management of the Foundation reviews these monthly and/or quarterly statements provided by the general partner or manager of the funds, records the reported investment activity, and assesses the reasonableness of the fair values provided at the interim dates and included in the Foundation's financial statements.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

**NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - (cont'd):**

The mission investments held at December 31, 2019 include three separate investments, which were vetted and funded in furtherance of our mission of helping local small businesses to increase the region's vibrancy and prosperity. The three include: an interest-bearing secured loan to a new start-up small business in our region, a 5% equity interest in another small business start-up, and an entrepreneurship fund, for which the original capital funding was returned in May 2020. The mission investment held at December 31, 2018 was an interest-bearing loan to a Community College Student Housing Initiative that was subsequently paid off in June 2019.

Because of the inherent uncertainty of valuations, the fair values used may differ from values that would have been used had a ready market existed. Realized gains and losses on sales of investments represent the difference between the net sales price and the cost of the securities sold. Unrealized gains or losses on investments represent the net change for the reported year in unrealized appreciation (depreciation) between the balance at the beginning and the end of the year.

RISKS AND UNCERTAINTIES - The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

PLEDGES RECEIVABLE - Unconditional promises to give are recognized as contributions in the period the promise is received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional contributions receivable that are expected to be collected within one year are recorded at the net realizable value, those that are expected to be collected in future years are recorded at the present value of the expected future cash flows using management's best estimate of key assumptions including collectability, payment period, and a discount rate commensurate with current market and other risks involved.

NOTES RECEIVABLE - Notes receivable are stated at the amount management expects to collect from outstanding balances. All notes are recorded net of any forgivable portion and long-term notes with no interest are recorded at the estimated present value.

Interest on loans is recognized over the term of the loan and is calculated on principal amounts outstanding according to the terms of the loan agreement.

REVENUE AND REVENUE RECOGNITION - The Foundation recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. All contributions are recorded at fair value. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Contributions are recorded as net assets with donor restrictions or net assets without donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities and as net assets released from restrictions.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

**NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - (cont'd):**

Contributions without donor-imposed restrictions and contributions with donor-imposed time or purpose restrictions that are met in the same period as the gift are both reported as support without donor restrictions.

GRANTS - Grants are recorded as expenses when they are approved by the Board or the respective grant-making body as outlined under the Board's annual grant-making delegation.

PROPERTY AND EQUIPMENT - Property and equipment consists of land, land improvements, buildings and improvements, office furniture, equipment, and leasehold improvements and are recorded at cost at the date of purchase or at estimated fair market value at the date of donation. Major additions are capitalized, while maintenance and repairs, which do not improve or extend the life of the respective assets, are expensed currently. Gains or losses from disposals are included in earnings. Depreciation is computed on the straight-line method over the estimated useful lives of the assets.

The estimated useful lives of the assets are as follows:

Building and improvements	10-50 years
Land improvements	10-20 years
Equipment	2-15 years

INCOME TAXES - The Foundation is a not-for-profit organization classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) and is a nonprivate foundation under Section 509(a)(1) of the Internal Revenue Code of 1986. The Community Renaissance Fund and Blue Water Land Fund, Inc. are classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) and Type 1 supporting organizations under Section 509(a)(3). Accordingly, no provision for income taxes is required. However, certain investment activity of the Foundation is subject to federal income tax, which is immaterial and thus has been expensed when paid. Therefore, no provision of income taxes has been made in these financial statements.

The Foundation's Forms 990 and 990-T for years ending 2016, 2017, 2018, and 2019 are subject to examination by the IRS, generally for 3 years after they were filed. These returns are available on our website or upon request.

INVESTMENT POOLS AND ALLOCATION OF INVESTMENT INCOME - The funds are combined into one or more investment pools with various fund managers, whereby each participating fund shares a percentage interest of the total investments. Realized and unrealized gains and losses, interest and dividend income from securities in the investment pool, bank interest, and investment management and custodial fees are allocated monthly to the individual funds based on the relationship of the investment balance of each fund to the total investment balances of all funds in the pools.

FAIR VALUE MEASUREMENTS - ASC 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements. The Foundation accounts for certain financial assets and liabilities at fair value.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

**NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - (cont'd):**

FUNCTIONAL EXPENSES - The costs of providing the program and support services have been reported on a functional basis in the statement of activities. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries and wages, benefits, payroll taxes, professional services, occupancy, utilities, office expenses, information technology, insurance, depreciation, and other are allocated on the basis of estimates of time and effort. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

ESTIMATES - In preparing the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

SUBSEQUENT EVENTS - In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through June 11, 2020, the date the financial statements were available to be issued.

NOTE 2 - LIQUIDITY AND AVAILABILITY:

When assessing liquidity and availability of financial assets to meet general expenditures annually, the Foundation considers its funding needs for operations and grant-making.

Foundation operations are funded through fund management fees as described in Note 11, annual spending appropriations from its Board-designated endowment for operations, and donor gifts specifically designated for the programs and services provided by the Foundation.

The Foundation's spending policy, described in Note 14, dictates the annual spending appropriations from Board-designated and donor endowments, which funds both grants and fund management fees. Such appropriations, along with the Foundation's annual budget for operations, are subject to Board approval. Unspent, approved spending appropriations may exist from year-to-year, which are being held for larger or specific projects or programs. The Foundation strives to put its available resources to work in the community and its policies and procedures ensure funds remain active. Such unspent appropriations remain currently available for general expenditure.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 2 - LIQUIDITY AND AVAILABILITY - (cont'd):

Financial assets available for general expenditures for use within one year of December 31, 2019 and 2018 comprise the following:

	2019	2018
Cash and cash equivalents	\$ 3,168,972	\$ 3,470,482
Interest and other receivables	53,131	60,709
Investments	72,638,655	63,214,549
Notes receivable (due within one year)	8,629	11,000
Cash surrender value of contributed life insurance	49,602	50,965
Pledges receivable (due within one year)	830,780	10,800
	76,749,769	66,818,505
Less - Donor endowments	(53,510,797)	(45,761,753)
Board-designated endowments	(6,079,949)	(5,564,348)
Agency funds held for others	(12,660,576)	(10,940,811)
Add - Board-approved Endowment Spending		
Appropriations (excludes agency funds)	3,492,974	3,256,039
	<u>\$ 7,991,421</u>	<u>\$ 7,807,632</u>

Within the long-term structure of investment portfolio, the Foundation does hold alternative investments that are not redeemable within one year, those financial assets are already not considered liquid and available through the exclusion of donor and board-designated endowments and agency funds above.

As part of our liquidity management plan, the Foundation assesses cash needs against available cash throughout the year. Sweeps to or from investment pools are then processed, working with our investment advisor to maintain target asset allocations and ranges outlined by our investment policy. Cash, awaiting use for general expenditures, are invested in short-term investments and money market funds.

NOTE 3 - CASH AND INVESTMENTS:

CONCENTRATION OF CREDIT RISK -

Cash and cash equivalents of \$3,168,972 and \$3,470,482 at December 31, 2019 and 2018, respectively, are made up of demand deposit accounts and \$50 petty cash funds. The bank balance at December 31, 2019 totaled \$3,093,795, of which \$2,561,985 was insured by depository insurance and the remaining \$531,810 was uninsured and uncollateralized. The bank balance at December 31, 2018 totaled \$3,431,564, of which \$3,030,285 was insured by depository insurance and the remaining \$401,279 was uninsured and uncollateralized.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 3 - CASH AND INVESTMENTS - (cont'd):

INVESTMENTS -

At December 31, investments within the operating and endowment pools of the Foundation consist of the following:

	<u>2019</u>	<u>2018</u>
Money Market Funds	\$ 1,965,283	\$ 1,388,230
Common Stock	3,237,775	1,049,060
Common Commingled Trust Fund	5,149,850	4,005,567
Exchange Traded & Mutual Funds	53,761,772	47,311,043
U.S. Debt Securities - Mortgage-backed Securities	38	78
Corporate Debt Securities	49	39
Alternative Investments -		
Mission Investment	137,893	750,000
Private Real Estate Investments	8,335,995	8,660,532
Privately Held Stock*	<u>50,000</u>	<u>50,000</u>
	<u>\$ 72,638,655</u>	<u>\$ 63,214,549</u>

* Privately held stock was received in 2018 into a donor-advised fund. The stock is being held, given the shares are in a company who is in the process of patenting a medical product. Valuation is described in Note 13.

The Foundation had the following return on investment for the year ended December 31:

	<u>2019</u>	<u>2018</u>
Interest and Dividends	\$ 1,525,622	\$ 1,485,584
Gain on Sale of Investments	398,015	1,381,690
Unrealized Gain (Loss) on Investments	6,874,752	(4,420,528)
Investment Management Fees/Expenses	(321,426)	(391,560)
Total	<u>\$ 8,476,963</u>	<u>\$ (1,944,814)</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 4 - PROPERTY AND EQUIPMENT:

The following is a summary of property and equipment at December 31:

	<u>2019</u>	<u>2018</u>
Land	\$ 2,851,573	\$ 2,851,573
Land improvements	987,433	987,433
Buildings and improvements*	1,400,545	1,465,545
Equipment	<u>159,783</u>	<u>165,264</u>
	5,399,334	5,469,815
Less - Accumulated depreciation	(<u>745,040</u>)	(<u>618,405</u>)
	<u>\$ 4,654,294</u>	<u>\$ 4,851,410</u>

Depreciation expense was \$146,506 and \$156,312 for the years ended December 31, 2019 and 2018, respectively.

* In 2019, a building located on the Blue Water Land Fund's River Walk, known as the River Rats Building, was demolished to make room for the new River Walk Garden, resulting in a loss on disposal of assets of \$49,735.

NOTE 5 - PLEDGES RECEIVABLE:

The Foundation pledges receivable at December 31, 2019 and 2018 totaled \$838,256 and \$31,279, respectively. At December 31, 2019, \$830,780 is due in less than one (1) year, and the remainder due within five (5) years. The amounts of \$838,256 and \$31,279 are the discounted value (5%) of contributions receivable in excess of one year at December 31, 2019 and 2018, respectively.

In addition, the Foundation was named the beneficiary of a charitable remainder Unitrust; however, because the donor has retained the right to redirect the benefits to another nonprofit organization, the beneficial interest has not been recorded as a receivable or revenue.

NOTE 6 - NOTES RECEIVABLE:

	<u>2019</u>	<u>2018</u>
James C. Acheson 85 Trust - This asset and liability relate to a property acquired by Blue Water Community Action, funded by the Community Renaissance Fund through a gift from the James C. Acheson 85 Trust. As stipulated in the supporting letters of agreement, when the current renters no longer reside in the property, such property will be sold. At that time, the greater of the sales proceeds or the original loan amount of \$68,585 shall be repaid to the Community Renaissance Fund, who in turn agrees to repay the James C. Acheson 85 Trust this amount, less the cost of any major repairs that were needed during the rental period. The balance at December 31, 2019, including the current portion of \$0, is:	<u>\$ 68,585</u>	<u>\$ 68,585</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 6 - NOTES RECEIVABLE - (cont'd):

	<u>2019</u>	<u>2018</u>
Promissory Notes - In August 2015, the Foundation loaned \$25,000 without interest to a nonprofit organization, to be repaid in quarterly installments of \$1,250 over five years. The note was paid in full in 2019.	\$ 0	\$ 6,380
In March 2018, the Foundation loaned \$12,000 without interest to a local village to be repaid in quarterly installments of \$1,500 over two years. The balance at December 31, 2019, including the current portion of \$1,500, is:	1,500	7,500
In April 2019, the Foundation loaned \$15,928 without interest to a nonprofit organization to be repaid in monthly installments of \$265 over 5 years. The discount on the note receivable in excess of one year is \$1,470 at December 31, 2019. The balance at December 31, 2019, including the current portion of \$3,180, is:	12,600	0
In October 2019, the Foundation loaned \$23,658 without interest to a nonprofit organization to be repaid in quarterly installments of \$986 over six years. The discount on the note receivable in excess of one year is \$3,679 at December 31, 2019. The balance at December 31, 2019, including the current portion of \$3,949, is:	<u>18,979</u>	<u>0</u>
	<u>\$ 33,079</u>	<u>\$ 13,880</u>

Home Improvement Loans - During the years 2004 through 2006, home improvement loans in amounts up to \$30,000 were offered to renters, landlords, and potential buyers of homes in a ten-block residential area who were willing to convert a home from renter-occupied to owner-occupied. The Port Huron geographic area involved, the eligibility criteria and loan terms were established in conjunction with applicable funding sources, and new loans were not offered after 2006. The loans were interest-free, and one-half was repayable upon the sale of the home. The Foundation is listed on the promissory note and as a mortgagor on the mortgage. However, because the Foundation is the second mortgagor, these loans have not been recorded as a receivable for financial statement purposes. Any subsequent payments will be recorded as revenue in the year they are received. The balance outstanding at December 31, 2019 amounted to \$51,590.

NOTE 7 - GRANTS PAYABLE:

At December 31, 2019 and 2018, the Foundation's grants payable was \$556,729 and \$582,520, respectively. At December 31, 2019, \$534,074 is payable in less than one year and \$22,655 is payable in 1-5 years.

NOTE 8 - LIFE INSURANCE CONTRACTS:

The Foundation is the owner and beneficiary of life insurance policies for three individuals with an aggregate face value of \$386,042. The annual premiums are paid with contributions received from the individuals insured by the policies or by the policies' equity. The cash surrender value of these policies has been recorded as revenue and an asset when donated. Annual increases or decreases in the cash surrender value of the policies are recorded as revenue (or reduction of revenue) in the year incurred. The cash surrender value at December 31, 2019 and 2018 is \$49,602 and \$50,965, respectively.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 9 - LONG-TERM DEBT:

To support construction of tennis courts at St. Clair High School in 2017, while leveraging grant-making capabilities over the next five years, five of the Foundation's donor-designated field of interest funds requested the Foundation's Board approve the use of debt-financing, which would be repaid over five years through an allocation of the annual grant budgets of these five field of interest funds. The Foundation's Board approved this request and on April 10, 2017, the Foundation executed a promissory note with Fifth Third Bank to borrow \$600,000 at a 3.25% annual rate of interest. The note is secured by certain assets of the five donor-designated field of interest funds held at Fifth Third Bank, valued at approximately \$8.3 million at December 31, 2019. After the initial six-month construction/draw phase of interest-only payments, monthly payments of \$10,848 began and will continue over the term of the note, with a final payment due October 10, 2022. Interest of \$17,464 and \$17,187 was expensed during the years ended December 31, 2019 and 2018, respectively.

A note payable is recorded to James C. Acheson 85 Trust of \$68,585 and is payable at the time the related property is sold, as detailed in Note 5.

The balance at December 31 is as follows:

	<u>2019</u>	<u>2018</u>
Total	\$ 420,972	\$ 537,456
Less - current portion	(120,343)	(116,477)
	<u>\$ 300,629</u>	<u>\$ 420,979</u>

The future maturities are as follows (does not include the note to James C. Acheson 85 Trust as there is not a due date as of December 31, 2019):

2020	\$ 120,343
2021	124,400
2022	<u>107,644</u>
	<u>\$ 352,387</u>

NOTE 10 - DEFERRED COMPENSATION:

Effective January 1, 2005, the Foundation's Board approved the creation of a 403(b) Retirement Savings Plan, for the purpose of providing employees the opportunity to accumulate a source of retirement income in addition to Social Security and personal savings. All Foundation employees may make voluntary, tax-deferred contributions to the plan, up to IRS limits, through salary reduction agreements. The 403(b) Retirement Savings Plan also provides for discretionary non-elective employer contributions (presently at 7.5%) for all employees who work 1,000 hours annually and have one year of service, with 100% immediate vesting. Fidelity Investments is the service provider of this plan and contributions made under this plan are electronically transferred on the same day as payroll. For the years ended December 31, 2019 and 2018, the Foundation contributed \$51,933 and \$37,998, respectively.

Additionally, effective October 1, 2004, the Foundation has a Deferred Compensation Benefit Agreement with its CEO/President. This agreement outlines a prorated, annual deferred compensation amount and a rolling 5-year vesting period as calculated from the effective date of the agreement. The Deferred Compensation Benefit Plan was discontinued in 2016 with the remaining unvested amounts continuing to be paid out in accordance with the vesting schedule. As of December 31, 2019 and 2018, the CEO/President has "unvested" deferred compensation rights of \$36,412 and \$46,250, respectively.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 11 - FUND MANAGEMENT FEES:

The Foundation assesses a monthly management fee on the individual funds maintained, which supports Foundation operations. Fund management fees, as outlined in the current fee schedule, vary based upon the fund type and per annum range from 1.5% to 2% of the market value of the fund's investments. The Foundation also assesses fees for temporary funds that have no plans for permanence of 3.0% of gifts received with a minimum of \$500 and for community projects in which the Foundation has been requested to manage of 7.5% of the total project budget with a minimum of \$5,000.

Total fund management fees assessed for the year ended December 31, 2019 and 2018 were \$864,619 and \$808,178, respectively, which represent revenue to the Foundation's Program and Services Fund and expenses to the individual endowment funds. Due to the inter-fund nature of these transactions, consolidated financial statements only report the portion of fund management fee revenue associated with funds held as agency endowments, as further explained in Note 15.

NOTE 12 - RELATED SUPPORTING ORGANIZATIONS:

James C. Acheson Charitable Foundation -

The James C. Acheson Charitable Foundation was organized in 2002 as a 509(a) to serve as a supporting organization of the Foundation. The Board of Trustees consists of three (3) members who were initially appointed by the incorporator, with their successors elected. The Community Foundation of St. Clair County shall at all times have the power to approve two (2) additional members; however, they have not exercised that option. Since the Foundation does not have control of the entity, its activities have not been included in the Foundation's financial statement.

NOTE 13 - FAIR VALUE MEASUREMENTS:

In accordance with ASC 820, the Foundation uses fair value measurements to record adjustments to certain assets and liabilities. The ASC 820 defines fair value 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." The Codification also sets out a fair value hierarchy ranking the levels of the inputs used as assumptions in the valuation techniques used to value an asset or liability. The fair value hierarchy gives the highest priority to quoted prices in an active market for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Transfers between levels are deemed to have occurred as of the beginning of the year. The three levels of hierarchy are described as follows:

Level 1 - inputs are quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date. An active market is a market in which transactions of the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - inputs are from other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs include quoted market prices of similar assets or liabilities in active markets, quoted market prices for identical or similar assets or liabilities in markets that are not active, and pricing models developed principally from inputs from or corroborated by observable market data by correlation or other means.

Level 3 - inputs are unobservable and allowed in situations where there is little, if any, market activity for the asset or liability at the measurement date. These inputs reflect the reporting entity's own assumptions about assumptions that would be used by market participants.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 13 - FAIR VALUE MEASUREMENTS - (cont'd):

The following table presents the Foundation's fair value hierarchy for the assets and liabilities measured at fair value on a recurring basis as of December 31:

2019

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Investments -				
Money Market Funds	\$ 1,965,283	\$ 1,965,283	\$ -	\$ -
Common Stock	3,237,775	3,237,775	-	-
Common Commingled Trust (1)	5,149,850	-	-	-
Exchange Traded & Mutual Funds	53,761,772	53,761,772	-	-
U.S. Debt Securities - mortgage backed securities	38	-	38	-
Corporate Debt Securities	49	-	49	-
Alternative Investments:				
Mission Investments	137,893	-	-	137,893
Private Real Estate Investments (1)	8,335,995	-	-	-
Privately Held Stock	50,000	-	-	50,000
Total Assets	<u>\$ 72,638,655</u>	<u>\$ 58,964,830</u>	<u>\$ 87</u>	<u>\$ 187,893</u>

Liabilities:

Funds held as Agency Endowments (2)	<u>\$ 12,660,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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2018

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Investments -				
Money Market Funds	\$ 1,388,230	\$ 1,388,230	\$ -	\$ -
Common Stock	1,049,060	1,049,060	-	-
Common Commingled Trust (1)	4,005,567	-	-	-
Exchange Traded & Mutual Funds	47,311,043	47,311,043	-	-
U.S. Debt Securities - mortgage backed securities	78	-	78	-
Corporate Debt Securities	39	-	39	-
Alternative Investments:				
Mission Investments	750,000	-	-	750,000
Private Real Estate Investments (1)	8,660,532	-	-	-
Privately Held Stock	50,000	-	-	50,000
Total Assets	<u>\$ 63,214,549</u>	<u>\$ 49,748,333</u>	<u>\$ 117</u>	<u>\$ 800,000</u>

Liabilities:

Funds held as Agency Endowments (2)	<u>\$ 10,940,811</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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(1) These investments are measured at Net Asset Value (NAV) per share and are not classified in the fair value hierarchy.

(2) The fair value of these liabilities is based on the composite of the investments noted above.

Level 2 classifications consist of the following:

Mortgage Backed Securities and Corporate Debt Securities - are based on other market data for the same or comparable instrument or transactions.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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NOTE 13 - FAIR VALUE MEASUREMENTS - (cont'd):

Level 3 classifications consist of the following:

Mission Investment - is based on the principal balance outstanding on loans to entities to further the Foundation's initiatives. Interest on the loans is collected monthly.

Privately Held Stock - share value is periodically assessed but remains conservatively valued at the gift value (\$1 per share), as the company is in the process of patenting their product and it is unclear if the patent will come to fruition.

The following table represents a reconciliation of the beginning and ending balances of Level 3 investment activity that is measured at fair value using unobservable inputs:

Balance at January 1, 2018	\$ 750,000
Donated privately-held stock	<u>50,000</u>
Balance at December 31, 2018	800,000
Return of investment	(750,000)
Purchases (loans issued or equity acquired)	437,893
Write-down of equity	<u>(300,000)</u>
Balance at December 31, 2019	<u>\$ 187,893</u>

At December 31, 2019, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency, if Eligible</u>	<u>Redemption Notice Period</u>
Commingled Trust	\$ 5,149,850	\$ -	End of each month	10 days
Alternative Investments	8,335,995	873,545	Varies*	Varies*

* Redemption frequency and notice periods of each investment vary from the end of each quarter to not applicable through the commitment period.

NOTE 14 - ENDOWMENT FUNDS:

Net Asset Classifications -

In August 2009, the Financial Standards Board (FASB) issued Staff Position No. FAS 117-1 (ASC 958), Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and Enhanced Disclosures for All Endowment Funds to provide guidance and improve disclosures on net asset classification of endowments held by not-for-profit organizations.

Further addressing net asset classification, in August 2016, the Financial Standards Board issued Accounting Standards Update (ASU) 2016-14, *Not-for Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for Profit Entities*. This Topic 958 update took effect for the December 31, 2018 year-end, and provides more useful information to donors and other users of financial statements by improving current net asset classification, and financial statement and footnote disclosures about the entity's liquidity, financial performance, expenses and cash flows.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 14 - ENDOWMENT FUNDS - (cont'd):

The State of Michigan adopted UPMIFA, effective September 10, 2009. While some funds are wholly expendable on a current basis, the vast majority of Foundation funds meet the definition of endowment funds under UPMIFA. All endowments are managed in compliance with UPMIFA and the funds' underlying gift instruments/fund agreements. In accordance with UPMIFA, the Foundation considers certain factors in the management of its endowments. These factors which are incorporated into the Foundation's investment and spending policies as further explained below include the following: (a) the duration and preservation of the fund; (b) the purposes of the donor endowment fund in conjunction with the Foundation's non-profit status; (c) general economic conditions; (d) the possible effect of inflation and deflation; (e) the expected total return from income and the appreciation of investments; (f) the Foundation's other available resources; and (g) the Foundation's investment policies. These factors are taken into consideration upon the Foundation's application of the endowment investment and spending policies outline as follows:

Endowment Investment and Spending Policies -

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain "real" growth of assets, net of inflation, spending and fees. The Fund's investment objective is to earn a "real" rate of return which exceeds the rate of inflation by at least 4% per year over rolling five-year periods. The rate of inflation is defined as the annual rate of change in the Consumer Price Index.

The Foundation's objective is based on the expected returns under a strategic asset allocation policy outlining its diversification of asset classes. This asset allocation policy should result in normal fluctuation in the actual return, year-to-year, yet the expected level of volatility (or return fluctuation) is appropriate given the Fund's current and expected tolerance for short-term return fluctuations. Through appropriate diversification of assets, investment return volatility is reduced.

The Foundation's spending policy works together with the investment policy to provide a suitable level of funding to meet the donor and community charitable needs, while preserving the real value of endowment assets. The Foundation's spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds, for both grant-making and administration, as deemed prudent by the Board after careful review and consideration of each Fund's health in terms of its corpus and the investment factors previously denoted. For each calendar year, the current spending policy is to generally distribute an amount equal to 5% of the market value of those funds calculated on the average of the 16 quarters ending September 30th of the previous year. The spending policy sets forth that a fund must be in existence for at least 12 months and have reached the stated fund minimum before spending is allowed unless otherwise supplemented by the donor. The policy further outlines spending criteria that are intended to balance the community's charitable needs, preserve funds in perpetuity, yet prevent excessive accumulation of market growth as follows:

- Suspend spending where appropriate or at least limit spending to ordinary net income when continued market downturns have begun to infringe upon a fund's long-term health; and
- Establish a spending minimum of 3% and maximum 4% of total assets on funds that well maintained their purchasing power over time.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 14 - ENDOWMENT FUNDS - (cont'd):

Within the Foundation's corporate governing documents and further outlined in fund agreements, the Board of Trustees has Variance Power over all funds, which is the ability to modify any donor restrictions or conditions on the specified use or distribution of funds if, in its sole judgement, those restrictions become, either wholly or in part, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the area served by the Foundation. The existence of this Variance Power results in the Foundation's financial classification of net assets as without donor restrictions regardless of the fact that it would only be formally exercised in very rare, unique and unusual circumstances. As previously stated in Note 1, the Foundation recognizes donor relationships are critical to past and future success, and therefore strives to honor donor-specified restrictions.

To demonstrate that premise, we have presented the Foundation's net assets without donor restrictions on financial statements as defined in Note 1. Funds contributed by not-for-profit/government organizations into their named agency endowments are not part of the Foundation's net assets as those amounts fund, along with its prorated share of income and expenses, are recorded on financial statements as other Agency Funds Held for Others (Liability) in accordance to ASC 605.

Activity of the donor endowments and Board-designated endowments is as follows:

	Donor	Board- Designated
Balance, January 1, 2018	\$ 49,192,727	\$ 5,957,405
Contributions	225,715	543,665
Net depreciation	(2,748,348)	(265,312)
Investment income	962,029	92,571
Other	11,756	-
Board-appropriated expenses	(1,882,126)	(763,981)
Balance, December 31, 2018	45,761,753	5,564,348
Contributions	2,006,365	19,662
Net appreciation	6,474,528	748,392
Investment income	1,051,141	108,825
Other	33,438	620
Board-appropriated expenses	(1,816,428)	(361,898)
Balance, December 31, 2019	<u>\$ 53,510,797</u>	<u>\$ 6,079,949</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 15 - AGENCY FUNDS HELD FOR OTHERS:

These funds are reported in accordance with Statement of Financial Accounting Standards Codification Statement 605, "Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions For Others." These funds include donations from an agency for a Fund that benefits the same agency, or a hybrid of both donations from the agency and from unrelated third parties. Although all donations received are legally owned by the Foundation and remain its assets, the portion of the Fund that comes from the beneficiary agency and, in some cases, from third parties is considered a reciprocal transfer, and as such, the Foundation is required to report an offsetting liability. This liability must be equal to the donations from the agency plus the proportionate share of the Fund's realized and unrealized market gains and losses, investment income, fees, and grant awards. The Foundation considers the endowed ASC 605 Funds to be permanently endowed and expects them to grow over time. The statement of financial position also refers to non-endowed assets held for others. These assets represent funds that allow the agency to request all monies back after a specified period of time.

The following table summarizes the activity in agency funds held for others:

	<u>Endowed</u>	<u>Non-endowed</u>
Balances at January 1, 2018	\$ 2,336,889	\$ 9,273,169
Agency gifts	69,116	200,415
Interest and dividends	59,415	214,763
Realized gains on investments	69,873	163,266
Unrealized losses on investments	(189,809)	(765,070)
Grants	(53,013)	(270,573)
Fund management fees	(36,968)	(34,871)
Investment management fees	(19,230)	(62,048)
Other expenses	(166)	(14,347)
Balances at December 31, 2018	2,236,107	8,704,704
Agency gifts	33,391	881,579
Interest and dividends	54,306	217,448
Realized gains on investments	18,369	103,129
Unrealized gains on investments	300,715	1,071,911
Grants	(51,028)	(705,408)
Fund management fees	(34,619)	(80,183)
Investment management fees	(13,557)	(53,458)
Other expenses	(47)	(22,783)
Balances at December 31, 2019	<u>\$ 2,543,637</u>	<u>\$ 10,116,939</u>

NOTE 16 - SUBSEQUENT EVENTS:

During the first quarter of 2020, an outbreak of (COVID-19) emerged globally. This pandemic reached the United States in early 2020, and emerged in Michigan and our local region in mid-March. Ultimately to contain the spread and prevent further loss of lives, government-mandated stay-at-home orders were executed across the country, forcing the closure of non-essential businesses and services and the filing of upward of 40 million unemployment claims.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

NOTE 16 - SUBSEQUENT EVENTS - (cont'd):

COVID-19 has wreaked havoc on global and domestic markets. The Foundation is not immune to the resulting volatility and economic impacts given annual operations and are primarily funded from fund management fees, ranging from 1-2% of endowment balances, so our operating revenue will decrease as the market does.

In compliance with financial statement disclosure requirements for subsequent events to the year-end December 31, 2019 audit, this note summarizes the known impact of COVID-19 on our investments and financial statements as of this audit report issuance.

After hitting the low in mid-March, markets rebounded with the release of government stimulus packages, and at March 31, 2020, the Foundation's diversified investment portfolio was down 15.2%, for a net investment decrease of \$10.8 million from December 31, 2019. Markets continue to rebound and we have recouped \$7.0 million of those earlier losses yet investments remained down by \$3.8 million at May 31, 2020. Given our portfolio is structured for the long-term, there is no immediate plans to make investment changes as a result of this COVID-19 pandemic and the Foundation will continue to oversee investments as successfully done in the past.

Beyond the market impact, it is currently impossible to predict the extent of COVID-19's effect on future contributions or investment earnings. What we do know is that the Foundation has been in business for over 75 years, has navigated other significant market downturns, like in 2008, and fortunately, we are blessed with:

- 1) Generous friends and supporters who recognize the importance of our work and continue to support us through challenging times;
- 2) Our contributions arise from robust, ongoing development efforts that involve planned estate giving and at this time, we have almost 90 known "Legacy Society" members with documented planned estate gifts; and
- 3) A Board-designated endowment benefiting operations that can supplement operations as we navigate such challenging times.

SUPPLEMENTARY FINANCIAL INFORMATION

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019**

	Community Foundation	Community Renaissance	Blue Water Land Fund	Consolidated Adjustments	Total
ASSETS					
Assets:					
Cash and cash equivalents	\$ 3,081,093	\$ 25,894	\$ 61,985	\$ -	\$ 3,168,972
Interest and other receivables	53,131	-	111	(111)	53,131
Prepaid expense	16,250	-	5,501	-	21,751
Note receivable, net discount of \$5,149 and \$0, respectively	33,079	68,585	-	-	101,664
Cash surrender value of contributed life insurance	49,602	-	-	-	49,602
Pledge receivable, net discount of \$1,323	838,256	-	-	-	838,256
Investments	72,638,655	-	-	-	72,638,655
Land, land improvements, building, and equipment, net of accumulated depreciation of \$277,877, \$82,821 and \$384,342	1,201,306	264,454	3,188,534	-	4,654,294
Total Assets	<u>\$ 77,911,372</u>	<u>\$ 358,933</u>	<u>\$ 3,256,131</u>	<u>\$(111)</u>	<u>\$ 81,526,325</u>
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable	\$ 27,942	\$ -	\$ 712	\$(111)	\$ 28,543
Accrued expenses	78,938	-	-	-	78,938
Accrued interest	700	-	-	-	700
Grants payable	556,729	-	-	-	556,729
Note payable	352,387	68,585	-	-	420,972
Deferred compensation contract	36,412	-	-	-	36,412
Agency funds held for others - Endowed	2,543,637	-	-	-	2,543,637
Nonendowed	10,116,939	-	-	-	10,116,939
Total Liabilities	<u>13,713,684</u>	<u>68,585</u>	<u>712</u>	<u>(111)</u>	<u>13,782,870</u>
Net Assets:					
Without donor restrictions - Invested in property and equipment	1,201,306	264,454	3,188,534	-	4,654,294
Donor endowments:					
For general charitable purposes	5,554,663	-	-	-	5,554,663
For designated purposes	47,956,134	-	-	-	47,956,134
Board-designated endowments:					
For grant-making	2,775,757	-	-	-	2,775,757
For operations (programs and services)	3,304,192	-	-	-	3,304,192
Non-endowed (fully spendable) donor funds	2,492,204	-	-	-	2,492,204
Operating reserve	913,432	25,894	66,885	-	1,006,211
Total Net Assets	<u>64,197,688</u>	<u>290,348</u>	<u>3,255,419</u>	<u>-</u>	<u>67,743,455</u>
Total Liabilities and Net Assets	<u>\$ 77,911,372</u>	<u>\$ 358,933</u>	<u>\$ 3,256,131</u>	<u>\$(111)</u>	<u>\$ 81,526,325</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Community Foundation	Community Renaissance	Blue Water Land Fund	Consolidated Adjustments	Total
Revenue, Gains, and Other Support:					
Public Support -					
Contributions:					
Cash	\$ 3,115,817	\$ 73,943	\$ 173,445	\$(247,388)	\$ 3,115,817
Non-cash	25,693	-	-	-	25,693
Total Contributions	<u>3,141,510</u>	<u>73,943</u>	<u>173,445</u>	<u>(247,388)</u>	<u>3,141,510</u>
Revenue and Gains -					
Investment income net of expense	8,476,921	13	29	-	8,476,963
Increase in cash surrender value of life insurance	587	-	-	-	587
Fund management fees	114,802	-	-	-	114,802
Other	34,598	1,200	-	-	35,798
	<u>8,626,908</u>	<u>1,213</u>	<u>29</u>	<u>-</u>	<u>8,628,150</u>
Total Revenue, Gains, and Other Support	<u>11,768,418</u>	<u>75,156</u>	<u>173,474</u>	<u>(247,388)</u>	<u>11,769,660</u>
Expenses:					
Program expenses -					
Grants	2,062,457	-	-	(247,388)	1,815,069
Community initiatives	-	9,850	9,760	-	19,610
Other program expenses	515,542	77,224	300,171	-	892,937
Management and general	515,523	2,556	2,536	-	520,615
Fundraising expenses	346,428	-	-	-	346,428
	<u>3,439,950</u>	<u>89,630</u>	<u>312,467</u>	<u>(247,388)</u>	<u>3,594,659</u>
Total Expenses	<u>3,439,950</u>	<u>89,630</u>	<u>312,467</u>	<u>(247,388)</u>	<u>3,594,659</u>
Change in Net Assets	8,328,468	(14,474)	(138,993)	-	8,175,001
Net Assets at beginning of year	<u>55,869,220</u>	<u>304,822</u>	<u>3,394,412</u>	<u>-</u>	<u>59,568,454</u>
Net Assets at end of year	<u>\$64,197,688</u>	<u>\$ 290,348</u>	<u>\$3,255,419</u>	<u>\$ -</u>	<u>\$ 67,743,455</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**SUMMARY SCHEDULE OF NET ASSETS/AGENCY FUNDS HELD FOR OTHERS BY FUND
DECEMBER 31, 2019**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total	
Community Renaissance Fund	\$ 290,348	\$ -	\$ -	\$ -	\$ 290,348	\$ -
Blue Water Land Fund, Inc.	3,255,419	-	-	-	3,255,419	-
Program and Services (Operating) Fund	1,986,638	-	-	5,000	1,991,638	-
Acheson Community Foundation Fund	-	-	3,304,192	-	3,304,192	-
General Charitable Funds:						
Community Investment Fund	-	-	2,385,402	-	2,385,402	-
James C. Acheson Fund	-	-	-	1,612,215	1,612,215	-
Emerson G. and Lucilda A. Brown Fund	-	-	-	186,905	186,905	-
Earl H. Donaldson Endowment Fund	-	-	37,436	-	37,436	-
Donald W. and Alice I. Giese Endowment Fund	-	-	-	156,914	156,914	-
Margaret C. Lutz Endowment	-	-	185,019	-	185,019	-
John Shier Fund	-	-	-	37,383	37,383	-
Burman J. Misener Endowment Fund	-	-	-	174,734	174,734	-
Florence C. Stephen Fund	-	-	167,900	-	167,900	-
Virginia E. Farmer Endowment Fund	-	-	-	76,074	76,074	-
Francis P. Willson Fund	-	-	-	1,358,293	1,358,293	-
Wirtz/Ogden Fund	-	-	-	168,741	168,741	-
John and Rose Marie Wismer Fund	-	-	-	1,023,554	1,023,554	-
Russell A. "Tim" Sheldon Endowment	-	-	-	43,702	43,702	-
Turcotte/Craig Fund	-	-	-	-	-	-
Ernest T. and Barbara A. Oskin Fund (1 of 2)	-	-	-	716,148	716,148	-
Scholarship Funds:						
Alice W. Moore Memorial Scholarship Fund	-	-	-	148,454	148,454	-
Howard A. Acheson Memorial Fund	-	-	-	1,256,153	1,256,153	-
Father Bartone Fund	-	-	-	925,091	925,091	-
Beth Linsheid Duff Scholarship Fund	-	-	-	197,774	197,774	-
Joseph Caimi Scholarship Fund	-	-	-	61,865	61,865	-
Jack S. Campbell Memorial Fund	-	-	-	146,888	146,888	-
Kenneth and Verl Fleury Foundation Scholarship	-	-	-	451,930	451,930	-
Darin Conrad Memorial Scholarship Fund	-	43,162	-	-	43,162	-
Fuller Hansen Educational Trust Fund	-	-	-	986,105	986,105	-
Catherine Gellein Scholarship Fund	-	-	-	50,658	50,658	-
Blue Water Shipmasters' Fund	-	-	-	41,064	41,064	-
Charles Myron and Betty Gossman Veterans Fund	-	-	-	75,363	75,363	-
Pauline Groff Music Scholarship Endowment Fund	-	-	-	31,875	31,875	-
Christian B. and Agnes A. Haas Scholarship Fund	-	-	-	233,443	233,443	-
Complete Your Degree Program Fund	-	328,834	-	-	328,834	-
Jake Jahn Fund	-	2,276	-	-	2,276	-
Alexander and Celestine Lamere Fund	-	-	-	3,071,555	3,071,555	-
Little Brothers Little Sisters of St. Clair County Scholarship Endowment Fund	-	-	-	159,081	159,081	-
Lillian M. Perry Scholarship Fund	-	-	-	61,175	61,175	-
Marine City Scholarship Foundation Endowment Fund	-	-	-	17,641	17,641	143,622
River District Hospital Auxiliary McFern-Smeltzer Scholarship Endowment Fund	-	-	-	115,242	115,242	-
Barbara Ann Kessler-Saph Scholarship Memorial Fund	-	-	-	59,930	59,930	-
Memphis High School Alumni Association Fund	-	-	-	50,128	50,128	-
St. Clair Music Study Club Endowment Fund	-	-	-	159,733	159,733	34,573
Foley, Sedwick, Stephenson Fund	-	-	-	-	-	-
Charles G. and Berneice M. Uligian Fund	-	-	-	201,052	201,052	-

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**SUMMARY SCHEDULE OF NET ASSETS/AGENCY FUNDS HELD FOR OTHERS BY FUND
DECEMBER 31, 2019**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total	
Scholarship Funds (cont'd):						
Evonne Vanderheuel Scholarship Fund	\$ -	\$ 4,100	\$ -	\$ -	\$ 4,100	\$ -
Douglas and Elda L. Webb Scholarship Fund	-	-	-	1,914,786	1,914,786	-
James Wilhelm Memorial Scholarship Fund	-	-	-	263,214	263,214	-
Bert D. and Rose E. Wright Memorial Scholarship Fund	-	-	-	127,426	127,426	-
Randy Sugars Memorial Scholarship Fund	-	-	-	27,339	27,339	-
John F. & Rose Marie Wismer Community Foundation Scholarship Fund	-	-	-	1,090,859	1,090,859	-
Robert and Marilyn Kovach Scholarship Fund	-	-	-	22,684	22,684	-
Robert and Sophie Mordis Student Success Fund	-	-	-	54,945	54,945	-
St. Clair County Come Home (Reverse) Scholarship Fund	-	37,695	-	-	37,695	-
Mark Grace Memorial Scholarship Fund	-	-	-	-	-	-
Nyeste-Regling Scholarship Fund	-	-	-	-	-	-
St. Clair High School Scholarship Fund founded by the Trumble and Frank and Bula Carney Memorial Scholarship Funds	-	-	-	72,612	72,612	-
Port Huron Area School District Scholarship Fund founded by Cyril Smith and James T. Kreger Memorial Scholarship Funds	-	-	-	55,965	55,965	-
Donor Designated Funds:						
Walter K. Brooks Memorial Fund	-	-	-	2,224,796	2,224,796	-
Helen David Fund for the Council on Aging	-	-	-	623,673	623,673	-
Marcia M. Haynes Endowment Fund	-	-	-	8,440	8,440	-
Marian Pollock Moore Fund	-	-	-	152,344	152,344	-
Tunnel Fund	-	6,687	-	-	6,687	-
Van Collaboration Fund	-	11,005	-	-	11,005	-
St. Clair Rotary Centennial Park Fund	-	-	-	53,309	53,309	-
The Belle River Wetland Mitigation Bank Endowment Fund	-	-	-	40,820	40,820	-
B.D.G. for St. Clair Little League	-	-	-	26,071	26,071	-
Charell Thomas Fund	-	13,381	-	-	13,381	-
CRF Projects Fund	-	-	-	-	-	-
Mary B. Andreae Fund	-	-	-	35,928	35,928	-
BWLF Projects Fund	-	-	-	-	-	-
Robert J. Goff Fund	-	-	-	-	-	-
St. Clair County Dive Team Fund	-	-	-	78,091	78,091	-
St. Clair High School Tennis Court Project	-	26,456	-	-	26,456	-
Bob & Ann Tompert Endowment Fund	-	-	-	1,443,543	1,443,543	-
River Walk Endowment Fund (for BWLF)	-	-	-	35,255	35,255	-
Blue Water Fallen Heroes Community Banner Program Fund	-	11,197	-	-	11,197	-
C.M.U. Archeological Field School Fund	-	-	-	-	-	-
Complete Your Degree Endowment Fund	-	-	-	59,199	59,199	-
Emily Knox Law Enforcement Dedication Scholarship Fund	-	25,881	-	-	25,881	-
Michigan Trails Project Fund	-	-	-	-	-	-
The Salt River Wetlands Conservation Easement Preservation Endowment	-	-	-	136,002	136,002	-
Donor Advised Funds:						
James C. Acheson Fund II	-	-	-	2,825,739	2,825,739	-
Carolyn Crowe Animal Welfare Fund	-	-	-	12,129	12,129	-
Algonac Lions Club Fund	-	-	-	570,004	570,004	-
Allen Stevens Fund	-	73,110	-	-	73,110	-

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**SUMMARY SCHEDULE OF NET ASSETS/AGENCY FUNDS HELD FOR OTHERS BY FUND
DECEMBER 31, 2019**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total	
Donor Advised Funds (cont'd):						
Joelle Marie Hajjar Fund	\$ -	\$ 11,153	\$ -	\$ -	\$ 11,153	\$ -
Bob Abdo Memorial Fund	-	-	-	58,928	58,928	-
Bruce J. and Sandra J. Morrison Family Fund	-	8,484	-	-	8,484	-
Catherine Houghton Fund	-	88,721	-	-	88,721	-
The DeWald/Beckett Charitable Fund	-	-	-	357,655	357,655	-
The DeWald/Cook Charitable Fund	-	-	-	280,617	280,617	-
Lisa Harris Pink Ribbon of Hope Memorial Fund	-	4,604	-	-	4,604	-
Angi Austin Fund	-	8,639	-	-	8,639	-
John W. & M. Louise Shier Family Fund	-	-	-	144,626	144,626	-
McNutt Family Fund	-	25,628	-	-	25,628	-
Mino Kramer Fund	-	47,745	-	-	47,745	-
The Norman and Isabel Cosgrove Memorial Fund	-	-	-	36,643	36,643	-
Wyatt Walker Friendship Fund	-	-	-	83,444	83,444	-
James L. "Jim" Little Fund	-	-	-	37,401	37,401	-
Jeffrey Langolf Memorial Fund	-	11,942	-	-	11,942	-
Niester Family Fund	-	-	-	40,106	40,106	-
Kusch Family Fund	-	-	-	391,015	391,015	-
Lelito Legacy Foundation Fund	-	-	-	29,897	29,897	-
Thomas & Nancy Hunter Family Fund	-	-	-	133,229	133,229	-
Taking a Shot at Breast Cancer Fund	-	9,375	-	-	9,375	-
Temporary Gifts Fund	-	78,796	-	-	78,796	-
Algonac Rotary Club Fund	-	-	-	-	-	-
Emery Family Fund	-	432	-	-	432	-
Memorial Gifts Fund	-	12,629	-	-	12,629	-
Charles and E. Gail Kelly Fund	-	1,963	-	-	1,963	-
Helen Kramer Memorial Fund	-	-	-	-	-	-
Nasr Family Fund	-	15,951	-	-	15,951	-
Omega Fund	-	-	-	-	-	-
Physician Healthcare Network Dyslexia Fund	-	80,244	-	-	80,244	-
Sushma & Ramesh Reddy Family Fund	-	245	-	-	245	-
Chuck and Barbara Staiger Fund	-	-	-	-	-	-
Chuck and Vicky Knowlton Fund	-	140,240	-	-	140,240	-
Anonymous Donor-advised Fund	-	9,995	-	-	9,995	-
Knowlton Foundation Fund	-	62,570	-	-	62,570	-
David Whipple Family Fund	-	-	-	-	-	-
Douglas and Carol Touma Donor-Advised Fund	-	19,165	-	-	19,165	-
DTE Energy Foundation	-	-	-	-	-	-
Keith and Wendy Zick Fund	-	483	-	-	483	-
Norm and Joyce Beauchamp Fund	-	-	-	-	-	-
Fletcher Family Fund	-	-	-	-	-	-
Franklin H. Moore, Jr. and Nancy S. Moore Donor-Advised Fund	-	1,087,985	-	-	1,087,985	-
Fran McPhedrain Fund	-	-	-	-	-	-
Gerry Kramer Spartan Fund	-	11,237	-	-	11,237	-
Bill and Lydia Schwarz Family Fund	-	2,001	-	-	2,001	-
Dave Lomasney Family Fund	-	-	-	-	-	-
Mirabelli Family Fund	-	-	-	-	-	-
Walker Family Fund	-	-	-	-	-	-
Wladimir E. and Linda J. Boldyreff Fund	-	-	-	9,429	9,429	-
Bioregion Reparation Fund	-	-	-	35,200	35,200	-
Organization Designated Funds:						
Algonac-Clay Township Historical Society Fund	-	-	-	14,335	14,335	13,164
Algonac Community Schools Education Enrichment Fund	-	-	-	80,342	80,342	227,035
Betty Kearns Cancer Fund	-	50	-	-	50	-

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**SUMMARY SCHEDULE OF NET ASSETS/AGENCY FUNDS HELD FOR OTHERS BY FUND
DECEMBER 31, 2019**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total	
Organization Designated Funds (cont'd):						
Blue Water Hospice and Visiting Nurse Association	\$ -	\$ -	\$ -	\$ 30,254	\$ 30,254	\$ 50,308
Blue Water Council Boy Scout Endowment Fund	-	-	-	8,112	8,112	82,713
Fort Gratiot Light Station Fund	-	90,808	-	-	90,808	-
Fort Gratiot Township Cemetery Perpetual Care Endowment	-	-	-	-	-	-
Quota International Helen David Fund	-	-	-	-	-	39,556
United Way of St. Clair County Fund	-	-	-	16,393	16,393	35,028
YMCA of the Blue Water Area Endowment Fund	-	-	-	19,702	19,702	330,629
Supporters of East China School District Fund	-	-	-	166,279	166,279	63,545
Habitat for Humanity "Power" Fund	-	-	-	519	519	33,228
Holy Cross Educational Fund	-	-	-	-	-	767,096
Rotary Club of Marysville	-	-	-	-	-	27,227
John R. Dolan Fund	-	-	-	780,166	780,166	-
McMorran Place Fund	-	-	-	46,391	46,391	417,354
Hunter Hospitality House Fund	-	-	-	9,623	9,623	73,324
Girl Scouts - Michigan Waterways Council Fund	-	-	-	23,902	23,902	8,567
Grace Episcopal Church Fund	-	1,118	-	-	1,118	1,870,306
Blue Water Developmental Housing, Inc. Fund	-	-	-	2,582	2,582	43,451
KIDS in Distress Services Fund	-	-	-	35,452	35,452	2,673
St. Clair County Library Fund (incl. the Lawrence E. Owens Endowment)	-	-	-	289,141	289,141	-
Clayton A. and Florence B. Lewis Memorial Book Fund	-	-	-	-	-	45,347
St. Clair County Community Mental Health Authority Fund	-	-	-	14,566	14,566	123,762
Marine City Historic District Restoration Committee Endowment Fund	-	-	-	2,722	2,722	61,238
Peoples' Clinic, Barbara Donovan Fund	-	-	-	748,880	748,880	-
Peoples' Clinic, Helen David Fund	-	-	-	587,475	587,475	18,622
Port Huron Area School District Fund	-	-	-	75,250	75,250	283,271
Port Huron Town Hall Fund	-	1,082	-	-	1,082	27,795
The Safe Horizons Fund	-	-	-	184,824	184,824	69,125
The Sanborn Gratiot Memorial Home Endowment Fund	-	-	-	8,648	8,648	39,633
St. Clair Public Library Capital Fund	-	-	-	28,473	28,473	23,261
SCORE Fund (St. Clair County Organized Recreation for Everyone)	-	9,580	-	-	9,580	594
St. Clair County Bar Mock Trial Fund	-	-	-	15,941	15,941	17,083
St. Clair County Community College "SC4" Foundation Fund (includes all underlying funds)	-	29,978	-	-	29,978	6,658,640
St. John River District Hospital Fund	-	-	-	26,965	26,965	22,598
St. Vincent DePaul, St. Mary of St. Clair Council Fund	-	1,043	-	-	1,043	104,334
St. Clair County Child Abuse Neglect Council	-	146	-	-	146	157,512
St. Clair County RESA Imagination Library Fund	-	31,859	-	-	31,859	99
Friends of St. Mary's School (of St. Clair) Fund	-	-	-	109,331	109,331	440
Thomas & Frances Treleven Fund	-	-	-	787,928	787,928	-
Tri-Hospital EMS Fund	-	-	-	-	-	240,423
Cardinal Mooney Catholic High School Endowment Fund	-	-	-	6,226	6,226	30,471
City of Marysville Cemetery Perpetual Care Endowment	-	-	-	-	-	301,365
Field of Interest Funds:						
Algonac-Clay Community Fund	-	-	-	292,953	292,953	-

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATIONS**

**SUMMARY SCHEDULE OF NET ASSETS/AGENCY FUNDS HELD FOR OTHERS BY FUND
DECEMBER 31, 2019**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total	
Field of Interest Funds (cont'd):						
Ernest T. & Barbara A. Oskin Fund (2 of 2)	\$ -	\$ -	\$ -	\$ 716,148	\$ 716,148	\$ -
Blue Water Prosperity Fund	-	-	-	25,814	25,814	-
Charles and Margaret Anderson Foundation Endowment Fund	-	-	-	2,083,480	2,083,480	-
College Access Endowment	-	-	-	211,318	211,318	-
Frank V. Carney & Bula A. Carney Memorial Fund	-	-	-	632,640	632,640	-
Citizens for St. Clair Fund	-	-	-	625,717	625,717	-
Harry F. Lewis Fund	-	-	-	179,295	179,295	-
Rev. Rene L. Desmarais Fund	-	-	-	146,633	146,633	-
Port Huron Community Fund	-	-	-	11,518	11,518	145,776
Robert H. and Paula M. Cleland Community	-	-	-	67,015	67,015	-
Charles F. Moore Memorial Fund	-	-	-	3,047,232	3,047,232	-
St. Clair County Chapter - American Red Cross Endowment Fund	-	-	-	59,043	59,043	-
St. Clair Foundation Fund	128,100	-	-	2,821,819	2,949,919	-
Marwood Manor Endowment Fund	-	-	-	306,606	306,606	-
Access to Recreation Fund	-	-	-	282,268	282,268	-
Native American Endowment Fund	-	-	-	38,810	38,810	-
Claude and Alexa Lawrence Fund	-	-	-	170,305	170,305	-
Maritime Fund	-	-	-	47,037	47,037	-
Women's Initiative Fund	-	-	-	979,730	979,730	-
Women's Initiative Steering Committee Giving Circle Fund	-	754	-	-	754	-
Mickey & Agnes Knowlton Fund	-	-	-	56,109	56,109	-
Eastern Michigan Christian Foundation Fund	-	-	-	343,385	343,385	-
Emily Bigelow Emergency Services Fund	-	-	-	99,657	99,657	-
Friday Food For Kids Fund - Algonquin	-	-	-	-	-	-
Friday Food For Kids Fund - Belle River Elementary	-	-	-	-	-	-
Friday Food For Kids Fund - Cleveland Elementary	-	-	-	-	-	-
Friday Food For Kids Fund - Woodrow Wilson Elementary	-	-	-	-	-	-
Friday Food For Kids Fund - Woodland Development Center	-	-	-	-	-	-
F. William & Patricia Schwarz Fund	-	-	-	167,214	167,214	-
Thomas K. Smith Fund	-	-	-	164,202	164,202	-
Youth Advisory Council Fund	-	-	-	1,662,361	1,662,361	-
Healthy Youth, Healthy Seniors Fund	-	-	-	183,497	183,497	-
Alexa Lawrence Fund for Education	-	-	-	94,264	94,264	-
Henry and Harriet Whiting Memorial Fund	-	-	-	2,858,726	2,858,726	-
Community Capital Club (C3) Fund	-	-	-	268,714	268,714	-
DSLTFund	-	-	-	948,818	948,818	-
Mary Moore Fund	-	-	-	1,100,729	1,100,729	-
Marysville Community Fund	-	-	-	55,402	55,402	25,788
Fred and Lezlyne Moore Family Fund	-	-	-	986,690	986,690	-
Juanita Gittings Youth Fund	-	-	-	-	-	-
Blue Water Robotics Fund	-	1,775	-	-	1,775	-
Total	\$ 5,660,505	\$ 2,492,204	\$ 6,079,949	\$ 53,510,797	\$ 67,743,455	\$ 12,660,576