

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

**CONSOLIDATED FINANCIAL STATEMENTS
with Supplementary Information**

**FOR THE YEAR ENDED
DECEMBER 31, 2022**

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

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DECEMBER 31, 2022**

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Community Foundation

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June 2023

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

The accompanying financial statements present the consolidated operations for the year-ended December 31, 2022 of our Community Foundation, including its for-profit Thumbcoast Kitchens LLC, and two controlled supporting organizations, the Community Renaissance Fund and the Blue Water Land Fund, Inc.

Our Foundation is blessed with generous friends and supporters who recognize the importance of our work and continue to support our mission through challenging economic times. In 2022, their generosity aggregated in \$2.4 million in contributions, excluding agency gifts of \$445,146.

Although the Foundation maintains a diversified investment portfolio, our asset allocations do reflect a 100+ year time horizon, and consequently, short-term market volatility does occur. The Foundation's investment portfolio was not immune in 2022, ending the year with an aggregate - 16.6% return from all investment pools. Net returns for the 5-year, 7-year and 10-year time periods were 3.9%, 5.8% and 6.6% respectively. Having a 5% spending policy with a 16-quarter rolling quarter average, the Community Foundation is able to withstand economic downturns and market volatility without significant impact to its operations and grant-making.

In 2022, the Foundation, through its decentralized system of grant-making, awarded 832 grants aggregating \$4.6 million. This amount differs from the amounts presented in these consolidated statements given reported amounts must be shown net of prior years' grant refunds, agency fund exclusions under ASC 605, and supporting organization eliminations. Of this \$4.6 million in grants, the Foundation awarded \$2.3 million for community & economic development, \$1.12 million for college, career, life success and education goals and the remaining \$1.18 million supporting donors' interests within arts/culture, basic needs, non-profit capacity, recreation, youth, public safety, health, environment, and religion. Additionally, another aggregate \$1.19 million was allocated in 2022 to Foundation programs and community initiatives.

The Foundation continues to view accountability, transparency and credibility as critical factors in its past, present and future success. We take pride in having maintained an unmodified audit opinion annually since its inception in 1944, and being a nationally accredited community foundation through the National Standards Program of the Council on Foundations. Our audited financial statements and IRS Form 990s are available on our website, along with governing documents and policies, and rosters for our board, staff and all committees.

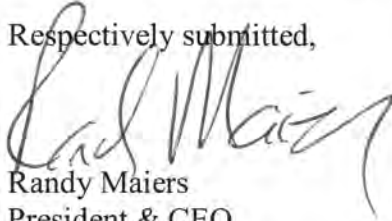
Community Foundation

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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 above highlights capture only a handful of happenings for the year-end ended December 31, 2022. What these things all have in common is that they demonstrate the collective efforts of our donors and doers, at all levels, having the inspiring goal of making our region a great place to live, work and play now and for years to come. Great things continue to happen in our community, and it is truly a wonderful time to live in this region, see the positive impacts around you, and feel the increasing momentum.

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

Opinion

We have audited the accompanying consolidated financial statements of The Community Foundation of St. Clair County (a nonprofit organization) and supporting organizations (the "Foundation") which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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, 2022 and 2021 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate that raise substantial doubt about the Foundation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events considered in the aggregate that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

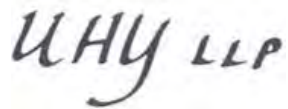
Report On Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated 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 consolidated financial statements as a whole.

Other Information Included in the Foundation's Annual Report

Management is responsible for the other information included in the Foundation's annual report. The other information comprises the Letter to the Board of Trustees, Volunteers, Donors, and Partners but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements or if the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The image shows a handwritten signature in black ink that reads "UHY LLP". The letters are written in a cursive, slightly slanted style.

Port Huron, Michigan
August 22, 2023

BASIC FINANCIAL STATEMENTS

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

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021**

	2022	2021
ASSETS		
Assets:		
Cash and cash equivalents	\$ 7,127,075	\$ 12,317,622
Interest and other receivables	279,998	600,588
Prepaid expenses	184,839	37,546
Inventory	475	-
Notes receivables, net of discount	1,769,717	914,894
Cash surrender value of contributed life insurance	-	47,457
Pledges, net of discount	160,501	116,857
Investments	76,273,117	89,729,444
Beneficial interest in trust	180,497	198,723
Collections	438,304	438,304
Property and equipment, net of accumulated depreciation	5,155,237	5,234,038
Total Assets	\$ 91,569,760	\$ 109,635,473
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 71,222	\$ 32,195
Accrued expenses	116,999	106,331
Grants payable	2,506,669	4,076,138
Funds held for community initiatives	125,000	150,506
Deferred revenue	850	-
Notes payable	1,247,218	68,585
Agency funds held for others -		
Endowed	2,876,574	3,574,634
Non-endowed	11,232,792	13,511,498
Total Liabilities	18,177,324	21,519,887
Net Assets (Note 1):		
Without donor restrictions -		
Investment in property and equipment	5,155,237	5,234,038
Donor endowments:		
For general charitable purposes	6,022,497	6,626,738
For designated purposes	50,247,121	62,660,144
Board-designated endowments:		
For grant-making	2,657,309	3,315,466
For operations (programs & services)	3,170,548	3,944,081
Non-endowed (fully spendable) donor funds	3,951,402	4,072,307
Operating reserve	2,188,322	2,262,812
Total Net Assets	73,392,436	88,115,586
Total Liabilities and Net Assets	\$ 91,569,760	\$ 109,635,473

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, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Support, Revenues, Gains, and (Losses):		
Public Support -		
Contributions:		
Cash	\$ 2,256,376	\$ 3,849,697
Other financial assets	173,160	1,745,607
Total Public Support	<u>2,429,536</u>	<u>5,595,304</u>
Revenues, Gains, and (Losses) -		
Investment income (loss), net of expense	(12,236,479)	10,404,173
Increase in cash surrender value of life insurance	-	342
Fund management fees	160,448	163,678
Rental income	92,781	84,553
Other	(76,106)	17,663
Total Revenues, Gains, and (Losses)	<u>(12,059,356)</u>	<u>10,670,409</u>
Total Support, Revenues, Gains, and (Losses)	<u>(9,629,820)</u>	<u>16,265,713</u>
Expenses:		
Program Expenses -		
Grants	3,111,450	3,304,260
Community initiatives	96,537	15,767
Other program expenses	1,094,377	1,035,784
Management and General	592,022	649,236
Fundraising Expenses	<u>198,944</u>	<u>183,164</u>
Total Expenses	<u>5,093,330</u>	<u>5,188,211</u>
Change in Net Assets	(14,723,150)	11,077,502
Net Assets at beginning of year	<u>88,115,586</u>	<u>77,038,084</u>
Net Assets at end of year	<u>\$ 73,392,436</u>	<u>\$ 88,115,586</u>

See accompanying notes to consolidated financial statements.

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

**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Program Services			Total
	Community Foundation	Community Renaissance	Blue Water Land Fund	
Salaries	\$ 386,276	\$ 12,717	\$ -	\$ 398,993
Employee Benefits/Payroll Taxes	115,184	1,138	-	116,322
Professional Services/Consultancies	562	94,729	19,130	114,421
Legal Services	-	1,460	-	1,460
Occupancy/Real Estate	6,018	23,757	2,485	32,260
Utilities	5,208	23,588	208	29,004
Furniture, Equipment, and Maintenance	11,436	18,134	1,390	30,960
Telephone	3,000	5,279	-	8,279
Postage	1,574	-	-	1,574
Community Relations and Awareness	20,453	64,337	-	84,790
Donor Cultivation/Fundraising	51,616	-	-	51,616
Foundation Committees	8,801	132	-	8,933
Dues, Memberships, and Subscriptions	10,916	322	-	11,238
Property and Liability Insurance	7,190	10,089	9,165	26,444
Office Supplies	3,735	447	-	4,182
Stationery/Printing	1,474	-	-	1,474
Computer Software Maintenance	21,627	3,846	-	25,473
Training, Professional Development, and Travel	7,397	9,429	-	16,826
Permits and Fees	21	-	-	21
Miscellaneous Fund, Bank, and Financing	154	-	-	154
Depreciation	29,768	32,393	67,792	129,953
	<u>692,410</u>	<u>301,797</u>	<u>100,170</u>	<u>1,094,377</u>
Grants	3,110,925	525	-	3,111,450
Community Initiatives	<u>3,706</u>	<u>92,831</u>	<u>-</u>	<u>96,537</u>
Total Expenses	<u>\$ 3,807,041</u>	<u>\$ 395,153</u>	<u>\$ 100,170</u>	<u>\$ 4,302,364</u>

See accompanying notes to consolidated financial statements.

Supporting Services

Management and General	Fundraising	Total
\$ 337,581	\$ 110,816	\$ 847,390
95,102	43,548	254,972
29,523	-	143,944
5,866	-	7,326
5,205	1,857	39,322
4,495	1,604	35,103
9,867	3,520	44,347
2,589	924	11,792
1,358	484	3,416
-	151	84,941
-	10,765	62,381
-	-	8,933
9,419	3,360	24,017
6,205	2,214	34,863
3,222	1,150	8,554
1,270	453	3,197
18,661	6,658	50,792
6,381	2,276	25,483
1,445	-	1,466
28,147	-	28,301
25,686	9,164	164,803
592,022	198,944	1,885,343
-	-	3,111,450
-	-	96,537
\$ 592,022	\$ 198,944	\$ 5,093,330

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

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Program Services			Total
	Community Foundation	Community Renaissance	Blue Water Land Fund	
Salaries	\$ 308,169	\$ 17,645	\$ -	\$ 325,814
Employee Benefits/Payroll Taxes	100,730	1,559	-	102,289
Professional Services/Consultancies	85	64,075	16,990	81,150
Legal Services	-	2,650	-	2,650
Occupancy/Real Estate	11,191	15,899	88,385	115,475
Utilities	4,099	11,528	165	15,792
Furniture, Equipment, and Maintenance	10,212	24,150	295	34,657
Telephone	2,347	4,014	-	6,361
Postage	1,664	17	-	1,681
Community Relations and Awareness	27,412	72,439	-	99,851
Donor Cultivation/Fundraising	43,450	-	-	43,450
Foundation Committees	4,010	-	-	4,010
Dues, Memberships, and Subscriptions	6,412	2,260	-	8,672
Property and Liability Insurance	5,281	11,305	16,928	33,514
Office Supplies	3,107	1,212	-	4,319
Stationery/Printing	1,332	-	-	1,332
Computer Software Maintenance	19,027	1,346	-	20,373
Training, Professional Development, and Travel	1,613	-	-	1,613
Miscellaneous Fund, Bank and Financing	46	-	-	46
Depreciation	25,183	39,477	68,075	132,735
	<u>575,370</u>	<u>269,576</u>	<u>190,838</u>	<u>1,035,784</u>
Grants	3,281,438	-	22,822	3,304,260
Community Initiatives	<u>1,081</u>	<u>6,186</u>	<u>8,500</u>	<u>15,767</u>
Total Expenses	<u><u>\$ 3,857,889</u></u>	<u><u>\$ 275,762</u></u>	<u><u>\$ 222,160</u></u>	<u><u>\$ 4,355,811</u></u>

See accompanying notes to consolidated financial statements.

<u>Supporting Services</u>		
<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
\$ 390,566	\$ 101,599	\$ 817,979
108,807	37,272	248,368
27,476	-	108,626
286	-	2,936
13,666	3,800	132,941
5,005	1,392	22,189
12,471	3,468	50,596
2,865	797	10,023
2,032	565	4,278
-	230	100,081
-	13,001	56,451
-	-	4,010
7,829	2,177	18,678
6,448	1,793	41,755
3,795	1,055	9,169
1,628	453	3,413
23,237	6,462	50,072
1,970	548	4,131
10,401	-	10,447
30,754	8,552	172,041
<u>649,236</u>	<u>183,164</u>	<u>1,868,184</u>
-	-	3,304,260
<u>-</u>	<u>-</u>	<u>15,767</u>
<u>\$ 649,236</u>	<u>\$ 183,164</u>	<u>\$ 5,188,211</u>

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
Cash Flows from Operating Activities:		
Cash received from -		
Donors	\$ 2,212,732	\$ 4,947,276
Interest and dividend	1,584,651	1,103,779
Agency funds held for others	781,037	1,633,438
Notes/initiatives	57,944	60,653
Other	177,123	252,131
Cash paid for -		
Notes/initiatives	(938,273)	(381,988)
Grants	(4,680,919)	(2,810,293)
Suppliers	(822,981)	(675,306)
Employees	(1,091,694)	(1,095,262)
Investment management and interest	(233,940)	(291,259)
Agency funds held for others	(752,736)	(511,795)
Net Cash Provided by (Used in) Operating Activities	(3,707,056)	2,231,374
Cash Flows from Investing Activities:		
Proceeds from sale of investments	13,417,989	31,092,338
Purchase of investments	(15,885,414)	(25,885,671)
Note proceeds	1,200,000	-
Payments on notes payable	(21,367)	(130,518)
Purchase of property and equipment	(324,755)	(14,500)
Proceeds from sale of real estate	130,056	215,000
Net Cash Provided by (Used in) Investing Activities	(1,483,491)	5,276,649
Net increase (decrease) in cash and cash equivalents	(5,190,547)	7,508,023
Cash and cash equivalents at beginning of year	12,317,622	4,809,599
Cash and cash equivalents at end of year	\$ 7,127,075	\$ 12,317,622
Noncash Investing activities:		
Donated investment securities/beneficial interest in trust	\$ 173,160	\$ 1,745,607
Supplemental Disclosures of Cash Flow Information:		
Interest paid	\$ 16,015	\$ 493

See accompanying notes to consolidated financial statements.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

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.

Thumbcoast Kitchens, LLC, was organized in July 2021 as a for-profit Michigan limited liability company for the purpose of holding a liquor license issued by the Michigan Liquor Control Commission. The Community Foundation of St. Clair County is the sole member of Thumb Coast Kitchens, LLC, having rights to receive distributions of Thumb Coast Kitchens, LLC's assets and the right to vote. Since the Community Foundation of St. Clair County is the sole member, allotting them controlling interest, generally accepted accounting principles require that it be consolidated with the Community Foundation of St. Clair County. There was no activity to report for 2021. In 2022, there was revenue of \$9,345 and expenses for \$6,164 reported within The Community Foundation of St. Clair County activity.

Thumb Coast Dream Makers was established in May 2022 as a Type I supporting organization of the Community Foundation. This non-profit's purpose will primarily provide donors the opportunity to give back and support other people going through temporary crisis, emergencies, illness, natural disasters, or other tragedies and impediments to the enjoyment and fulfillment of life. Activation of this organization is not intended until significant donor funding is received for such purposes. There was no financial activity in 2022.

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:

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

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

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.

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, 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.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

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

- 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 cash on hand and demand deposits in financial institutions, which includes cash awaiting deployment into investments or held for grant payables and immediate granting.

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 Foundation uses mission investing as a means to complement grant-making and involves both market and below-market rate returns. The Foundation's Policy on Mission Investment defines mission investing to include:

- Program-Related Investments (PRIs): Generally, loans made to other nonprofit organizations at zero interest or below market rates and may include partially forgivable terms; and
- Mission-Related Investments (MRIs): Assets from our invested pools that seek some degree of financial return along with a component of community impact that relates to the Foundation's mission and strategic priorities.

Within these audited financial statements, PRIs and MRIs held in the form of loan/note receivables are reported as note receivables. The reported mission investments held at December 31, 2022 and 2021 include investments with equity interest.

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.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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**NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - (cont'd):**

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 recorded include forgivable portions until conditions for forgiveness are met. 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.

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.

COLLECTIONS - The Foundation has capitalized its collections at their fair value or estimated fair value at time of receipt (the accession date). Given these donated collections have cultural, aesthetic, or historical value that is worth preserving perpetually, the Foundation is protecting and preserving the undiminished service potential of the collection items, and consequently, the collections are not being depreciated. At the time of gift acceptance, collections were categorized between those items to be permanently held and those that could be sold to acquire additional items from the donors' "wish list" of supplemental collection pieces. Proceeds from the future sale of designated collection items will be added to the respective Fund and will be used to acquire new collection items (to be capitalized at cost) or in the direct care of existing collections. Gains or losses at the time of sale or future appraisals will be classified on the statement of activities.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

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

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). Thumb Coast Kitchens, LLC, is a limited liability company pursuant to the Michigan Limited Liability Company Act. As a limited liability company, Thumb Coast Kitchens, LLC has elected to be recognized as a disregarded entity and will be filed within the Foundation's informational return. 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 the years ended 2019, 2020, 2021, and 2022 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
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**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.

RECLASSIFICATION - Certain 2021 asset balances have been reclassified to conform to the 2022 presentation.

SUBSEQUENT EVENTS - In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through August 22, 2023, 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, 2022 AND 2021**

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

Financial assets available for general expenditures for use within one year of December 31, 2022 and 2021 comprise the following:

	2022	2021
Cash and cash equivalents	\$ 7,127,075	\$ 12,317,622
Interest and other receivables	279,998	600,588
Investments	76,273,117	89,729,444
Notes receivable (due within one year)	161,187	155,394
Cash surrender value of contributed life insurance	-	47,457
Pledges receivable (due within one year)	95,333	96,450
	83,936,710	102,946,955
Less - Donor endowments	(56,269,618)	(69,286,882)
Board-designated endowments	(5,827,857)	(7,259,547)
Agency funds held for others	(14,109,366)	(17,086,132)
Add - Board-approved endowment spending appropriations (excludes agency funds)	4,067,880	4,373,325
	\$ 11,797,749	\$ 13,687,719

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 \$7,127,075 and \$12,317,622 at December 31, 2022 and 2021, respectively, are made up of demand deposit accounts and \$50 petty cash funds. The bank balance at December 31, 2022 totaled \$7,165,018, of which \$7,022,860 was insured by depository insurance and the remaining \$142,158 was uninsured and uncollateralized. The bank balance at December 31, 2021 totaled \$12,206,954, of which \$8,690,222 was insured by depository insurance and the remaining \$3,516,732 was uninsured and uncollateralized.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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>2022</u>	<u>2021</u>
Money Market Funds	\$ 509,112	\$ 459,583
Common Stock	1,569,252	1,969,758
Exchange Traded & Mutual Funds	71,023,968	82,992,771
U.S. Debt Securities	161,636	143,782
Corporate Debt Securities	515,740	545,165
Alternative Investments -		
Mission Investments (Equity Interest)	16,970	20,012
Private Real Estate Investments	<u>2,476,439</u>	<u>3,598,373</u>
	<u>\$ 76,273,117</u>	<u>\$ 89,729,444</u>

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

	<u>2022</u>	<u>2021</u>
Interest and Dividends	\$ 1,264,061	\$ 1,505,008
Gain on Sale of Investments	11,470,590	3,522,335
Unrealized Gain on Investments	(24,737,190)	5,668,089
Investment Management Fees/Expenses	(233,940)	(291,259)
Total	<u>\$(12,236,479)</u>	<u>\$ 10,404,173</u>

NOTE 4 - PROPERTY AND EQUIPMENT:

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

	<u>2022</u>	<u>2021</u>
Land	\$ 2,798,656	\$ 2,788,798
Land improvements	1,011,397	1,002,711
Buildings and improvements	2,232,033	2,324,720
Equipment	185,462	181,391
Other	<u>35,000</u>	<u>-</u>
	6,262,548	6,297,620
Less - Accumulated depreciation	(1,107,311)	(1,063,582)
	<u>\$ 5,155,237</u>	<u>\$ 5,234,038</u>

Depreciation expense was \$164,803 and \$172,041 for the years ended December 31, 2022 and 2021, respectively.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 5 - PLEDGES RECEIVABLE:

The Foundation pledges receivable at December 31, 2022 and 2021 totaled \$160,501 and \$116,857, respectively. At December 31, 2022, \$95,333 is due in less than one (1) year, and the remainder is due within five (5) years. The amounts of \$160,501 and \$116,857 are the discounted value (5%) of contributions receivable in excess of one year at December 31, 2022 and 2021, 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:

	2022	2021
<p>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, 2022, including the current portion of \$68,585, is:</p>	\$ 68,585	\$ 68,585
 Promissory Notes -		
<p>In October 2019, the Foundation loaned Emmett Baseball League \$23,658 without interest to be repaid in quarterly installments of \$986 over six years. The discount on the note receivable in excess of one year is \$511 at December 31, 2022. The balance at December 31, 2022, including the current portion of \$3,943, is:</p>	10,190	13,498
<p>In January 2020, the Foundation loaned Grace Episcopal Church \$120,000 without interest to be repaid in annual installments of \$40,000 over 3 years. The balance was paid during the year ended December 31, 2022.</p>	-	40,000
<p>In March 2019, the Foundation loaned Anchor Point Bistro \$110,000 to be paid in monthly installments of \$1,715, including interest of 8%, through July 1, 2026. The balance at December 31, 2022, including the current portion of \$15,851, is:</p>	66,270	80,906

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 6 - NOTES RECEIVABLE - (cont'd):

	2022	2021
<p>In December 2020, the Foundation, through the Community Renaissance Fund, loaned the Wrigley Center \$329,917, with interest of 1%. The loan is due in various installments where, if specific conditions are met at certain time periods, a portion of the loan will be forgivable. The balance at December 31, 2022, including the current portion of \$141,393, is:</p>	\$ 329,917	\$ 329,917
<p>In September 2021, the Foundation committed \$250,000 to Michigan Woman Forward for a micro-lending program to small businesses in this region. Each half of this commitment (\$125,000) was drawn in 2021 and 2022. Interest of 1% is due quarterly with principal due in one payment on September 20, 2026. The balance at December 31, 2022, including the current portion of \$0, is:</p>	250,000	125,000
<p>In November 2021, the Foundation loaned \$150,000 to the Riverbank Youth Theatre to acquire property. The loan is due in full on September 15, 2036, with interest of 3% payable semi-annually beginning March 15, 2022 and principal repayment beginning March 15, 2024. The balance at December 31, 2022, including the current portion of \$0, is:</p>	150,000	150,000
<p>In November 2021, the Foundation executed a parking lot development and easement agreement through the Community Renaissance Fund with three parties: the Riverview Plaza Association, the St. Clair Inn, and the Riverbank Youth Theatre. Under this agreement, the Community Renaissance Fund will advance funding for Riverview Plaza's parking lot redevelopment and improvements. Interest will accrue on all funds advanced at 5%, and advanced funds will be repaid by the three parties through outlined sources of repayment, including proceeds for the Riverview Plaza's sale of a land parcel, a 3% hotel room surcharge from the St. Clair Inn, and a \$1 theatre ticket surcharge from the Riverbank Youth Theatre after its future opening. With project completion terms met in 2022, an additional \$3,000 monthly payment stream from Riverview Plaza begins in January 2023 and continues for 36 months. The balance of advanced funds at December 31, 2022, including the current portion of \$0, is:</p>	<u>894,754</u>	<u>106,988</u>
	<u>\$ 1,769,717</u>	<u>\$ 914,894</u>

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

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, 2022 amounted to \$46,345.

NOTE 7 - GRANTS PAYABLE:

At December 31, 2022 and 2021, the Foundation's grants payable was \$2,506,669 and \$4,076,138, respectively. At December 31, 2022, \$2,502,669 is payable in less than one year and \$4,000 is payable in 1-5 years.

NOTE 8 - LIFE INSURANCE CONTRACTS:

The Foundation was the owner and beneficiary of life insurance policies for three individuals. The annual premiums were paid with contributions received from the individuals insured by the policies or by the policies' equity. The cash surrender value of these policies was recorded as revenue and an asset when donated. Annual increases or decreases in the cash surrender value of the policies were recorded as revenue (or reduction of revenue) in the year incurred. In 2022, the Foundation received a death benefit payout on one of the three policies and through an ownership transfer, gifted the remaining two policies to the Four County Community Foundation for whom administers additional scholarship funds for the benefiting high school. The cash surrender values of the life insurance policies were \$0 at December 31, 2022 and \$47,457 at December 31, 2021.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 9 - LONG-TERM DEBT:

	2022	2021
<p>In March 2022, the Community Foundation executed a \$1 million line of credit with Fifth Third Bank at a 3.14% annual rate of interest with a six-month draw period. After six months, the line of credit converted to a 10-year amortized loan. This debt is secured by the invested assets of specified donor-designated field-of-interest funds held at Fifth Third Bank, valued at \$11,043,520 as of December 31, 2022. This debt supports parking lot renovations and construction of a performing arts theatre in St. Clair, a project vital to that city's economic prosperity. This loan was initiated to leverage the grant-making capabilities of specified donor-designated field of interest funds. Its repayment will be made over the next 10 years through annual grant budget allocations from such funds along with specified funding under the Community Renaissance Fund's Parking Lot Development and Easement agreement with the Riverview Plaza Association, the St. Clair Inn, and the Riverbank Theatre (see related note receivable described in Note 6).</p>	\$ 978,633	\$ -
<p>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.</p>	68,585	68,585
<p>James C. Acheson Foundation has loaned the Foundation \$200,000 to support the purchase of the Atrium Café and the launch of Thumbcoast Kitchens. The loan shall be forgiven at December 31, 2023, should Thumbcoast Kitchens be successfully operating. Should it not be, there is no repayment schedule.</p>	200,000	-
	\$ 1,247,218	\$ 68,585
The balance at December 31 is as follows:		
	2022	2021
Total	\$ 1,247,218	\$ 68,585
Less - Current Portion	(87,169)	-
	\$ 1,160,049	\$ 68,585

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 9 - LONG-TERM DEBT - (cont'd):

The future maturities are as follows (does not include the notes with James C. Acheson 85 Trust or Foundation, as there is not a due date as of December 31, 2022):

2023		\$	87,169
2024			89,945
2025			92,811
2026			95,767
2027			98,818
Thereafter			514,123
		\$	978,633

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, 2022 and 2021, the Foundation contributed \$58,204 and \$60,019, respectively.

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, for temporary gifts and qualified charitable distributions (QCDs) being passed through to select charities of 1%, 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, 2022 and 2021 were \$1,170,386 and \$1,235,349, 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 two (2) 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.

**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:

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 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:

2022

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Investments -				
Money Market Funds	\$ 509,112	\$ 509,112	\$ -	\$ -
Common Stock	1,569,252	1,569,252	-	-
Exchange Traded & Mutual Funds	71,023,968	71,023,968	-	-
U.S. Debt Securities	161,636	-	161,636	-
Corporate Debt Securities	515,740	-	515,740	-
Alternative Investments:				
Mission Investments (Equity Interest)	16,970	-	-	16,970
Private Real Estate Investments (1)	<u>2,476,439</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 76,273,117</u>	<u>\$ 73,102,332</u>	<u>\$ 677,376</u>	<u>\$ 16,970</u>
Liabilities:				
Funds held as Agency Endowments (2)	<u>\$ 14,109,366</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 13 - FAIR VALUE MEASUREMENTS - (cont'd):

2021

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Investments -				
Money Market Funds	\$ 489,583	\$ 459,583	\$ -	\$ -
Common Stock	1,969,758	1,969,758	-	-
Exchange Traded & Mutual Funds	82,992,771	82,992,771	-	-
U.S. Debt Securities	143,782	-	143,782	-
Corporate Debt Securities	545,165	-	545,165	-
Alternative Investments:				
Mission Investments (Equity Interest)	20,012	-	-	20,012
Private Real Estate Investments (1)	3,598,373	-	-	-
Beneficial Interest in Trust	<u>198,723</u>	<u>-</u>	<u>198,723</u>	<u>-</u>
Total Assets	<u>\$ 89,928,167</u>	<u>\$ 85,422,112</u>	<u>\$ 887,670</u>	<u>\$ 20,012</u>
Liabilities:				
Funds held as Agency Endowments (2)	<u>\$ 17,086,132</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(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:

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

Level 3 classifications consist of the following:

Mission Investment - is based on the equity balance of an entity invested in to further the Foundation's initiatives.

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, 2021	\$ 70,083
Return of investment	(71)
Write-down of equity	<u>(50,000)</u>
Balance at December 31, 2021	20,012
Write-down of equity	<u>(3,042)</u>
Balance at December 31, 2022	<u>\$ 16,970</u>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 13 - FAIR VALUE MEASUREMENTS - (cont'd):

At December 31, 2022, 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>
Alternative Investments	\$ 2,476,439	\$ 964,725	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 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 COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 14 - ENDOWMENT FUNDS - (cont'd):

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.

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.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

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

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

	Donor	Board- Designated
Balance, January 1, 2021	\$ 61,177,643	\$ 6,559,010
Contributions/Transfers	1,694,676	126,670
Net appreciation	8,186,756	935,238
Investment income	1,081,966	113,161
Other	13,975	-
Board-appropriated expenses	(2,868,134)	(474,532)
Balance, December 31, 2021	69,286,882	7,259,547
Contributions/Transfers	903,447	18,466
Net depreciation	(11,657,590)	(1,240,096)
Investment income	873,751	86,106
Other	1,418	-
Board-appropriated expenses	(3,138,290)	(296,166)
Balance, December 31, 2022	<u>\$ 56,269,618</u>	<u>\$ 5,827,857</u>

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 COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 15 - AGENCY FUNDS HELD FOR OTHERS - (cont'd):

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

	<u>Endowed</u>	<u>Non-endowed</u>
Balances at January 1, 2021	\$ 2,720,076	\$ 11,173,664
Agency gifts	418,667	904,908
Interest and dividends	72,428	237,435
Realized gains on investments	147,604	494,349
Unrealized gains on investments	333,500	1,095,296
Grants	(51,933)	(227,427)
Fund management fees	(53,140)	(110,538)
Investment management fees	(12,504)	(41,237)
Other expenses	(64)	(14,952)
Balances at December 31, 2021	3,574,634	13,511,498
Agency gifts	44,810	486,086
Interest and dividends	58,453	191,688
Realized gains on investments	738,580	2,394,408
Unrealized losses on investments	(1,451,374)	(4,686,681)
Grants	(26,121)	(507,447)
Fund management fees	(52,326)	(108,122)
Investment management fees	(9,900)	(32,339)
Other expenses	(182)	(16,299)
Balances at December 31, 2022	<u>\$ 2,876,574</u>	<u>\$ 11,232,792</u>

NOTE 16 - BENEFICIAL INTEREST IN TRUST:

The Foundation's Supporters of East China School District Fund is a one-third income beneficiary of an irrevocable trust. The Foundation has recorded their share at December 31, 2022 and 2021 at an estimated \$180,497 and \$198,723, respectively.

SUPPLEMENTARY FINANCIAL INFORMATION

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

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022**

	Community Foundation	Community Renaissance	Blue Water Land Fund	Consolidated Adjustments	Total
ASSETS					
Assets:					
Cash and cash equivalents	\$ 6,696,073	\$ 388,068	\$ 42,934	\$ -	\$ 7,127,075
Interest and other receivables	255,426	24,572	-	-	279,998
Grants receivable	-	22,000	-	(22,000)	-
Prepaid expense	33,823	147,016	4,000	-	184,839
Inventory	475	-	-	-	475
Note receivable, net discount of \$511 and \$1,203, respectively	2,005,712	1,328,257	-	(1,564,252)	1,769,717
Pledge receivable, net discount of \$13,165	160,501	-	-	-	160,501
Investments	76,273,117	-	-	-	76,273,117
Beneficial Interest in trust	180,497	-	-	-	180,497
Collections	-	438,304	-	-	438,304
Land, land improvements, building, and equipment, net of accumulated depreciation of \$462,705, \$56,226, and \$588,380	960,282	1,189,595	3,005,360	-	5,155,237
Total Assets	<u>\$ 86,565,906</u>	<u>\$ 3,537,812</u>	<u>\$ 3,052,294</u>	<u>\$(1,586,252)</u>	<u>\$ 91,569,760</u>
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable	\$ 33,060	\$ 31,853	\$ 6,309	\$ -	\$ 71,222
Accrued expenses	116,774	225	-	-	116,999
Grants payable	2,528,669	-	-	(22,000)	2,506,669
Funds held for community initiatives	125,000	-	-	-	125,000
Deferred revenue	850	-	-	-	850
Notes payable	1,213,632	1,597,838	-	(1,564,252)	1,247,218
Agency funds held for others - Endowed	2,876,574	-	-	-	2,876,574
Nonendowed	11,232,792	-	-	-	11,232,792
Total Liabilities	<u>18,127,351</u>	<u>1,629,916</u>	<u>6,309</u>	<u>(1,586,252)</u>	<u>18,177,324</u>
Net Assets:					
Without donor restrictions - Invested in property and equipment	960,282	1,189,595	3,005,360	-	5,155,237
Donor endowments:					
For general charitable purposes	6,022,497	-	-	-	6,022,497
For designated purposes	50,247,121	-	-	-	50,247,121
Board-designated endowments:					
For grant-making	2,657,309	-	-	-	2,657,309
For operations (programs and services)	3,170,548	-	-	-	3,170,548
Non-endowed (fully spendable) donor funds	3,951,402	-	-	-	3,951,402
Operating reserve	1,429,396	718,301	40,625	-	2,188,322
Total Net Assets	<u>68,438,555</u>	<u>1,907,896</u>	<u>3,045,985</u>	<u>-</u>	<u>73,392,436</u>
Total Liabilities and Net Assets	<u>\$ 86,565,906</u>	<u>\$ 3,537,812</u>	<u>\$ 3,052,294</u>	<u>\$(1,586,252)</u>	<u>\$ 91,569,760</u>

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

**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Community Foundation</u>	<u>Community Renaissance</u>	<u>Blue Water Land Fund</u>	<u>Consolidated Adjustments</u>	<u>Total</u>
Support, Revenues, Gains, and (Losses):					
Public Support -					
Contributions:					
Cash	\$ 2,256,376	\$ 357,540	\$ 45,000	\$(402,540)	\$ 2,256,376
Other financial assets	173,160	-	-	-	173,160
Total Contributions	<u>2,429,536</u>	<u>357,540</u>	<u>45,000</u>	<u>(402,540)</u>	<u>2,429,536</u>
Revenue, Gains, and (Losses) -					
Investment income, net of expense	(12,236,586)	86	21	-	(12,236,479)
Fund management fees	160,448	-	-	-	160,448
Rental income	8,466	84,315	-	-	92,781
Other	10,690	(84,945)	-	(1,851)	(76,106)
	<u>(12,056,982)</u>	<u>(544)</u>	<u>21</u>	<u>(1,851)</u>	<u>(12,059,356)</u>
Total Support, Revenue, Gains, and (Losses)	<u>(9,627,446)</u>	<u>356,996</u>	<u>45,021</u>	<u>(404,391)</u>	<u>(9,629,820)</u>
Expenses:					
Program Expenses -					
Grants	3,513,465	525	-	(402,540)	3,111,450
Community initiatives	3,706	94,141	-	(1,310)	96,537
Other program expenses	692,425	301,797	100,170	(15)	1,094,377
Management and general	579,916	7,215	5,417	(526)	592,022
Fundraising expenses	198,581	160	203	-	198,944
Total Expenses	<u>4,988,093</u>	<u>403,838</u>	<u>105,790</u>	<u>(404,391)</u>	<u>5,093,330</u>
Change in Net Assets	(14,615,539)	(46,842)	(60,769)	-	(14,723,150)
Net Assets at beginning of year	<u>83,054,094</u>	<u>1,954,738</u>	<u>3,106,754</u>	<u>-</u>	<u>88,115,586</u>
Net Assets at end of year	<u>\$ 68,438,555</u>	<u>\$ 1,907,896</u>	<u>\$ 3,045,985</u>	<u>\$ -</u>	<u>\$ 73,392,436</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, 2022**

	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	\$ 1,907,896	\$ -	\$ -	\$ -	\$ 1,907,896	\$ -
Blue Water Land Fund, Inc.	3,045,985	-	-	-	3,045,985	-
Program and Services (Operating) Fund, including Thumbcoast Kitchens	2,389,678	-	-	-	2,389,678	-
Acheson Community Foundation Fund	-	-	3,170,548	-	3,170,548	-
General Charitable Funds:						
Allen Stevens Fund	-	-	41,776	-	41,776	-
Bob and Ann Tompert Endowment (1 of 2)	-	-	-	732,018	732,018	-
Burman J. Misener Endowment Fund	-	-	-	166,076	166,076	-
Community Investment Fund	-	-	2,245,102	-	2,245,102	-
Donald W. and Alice I. Giese Endowment Fund	-	-	-	149,791	149,791	-
Earl H. Donaldson Endowment Fund	-	-	35,335	-	35,335	-
Emerson G. and Lucilda A. Brown Fund	-	-	-	177,654	177,654	-
Ernest T. and Barbara A. Oskin Fund (1 of 2)	-	-	-	677,908	677,908	-
Florence C. Stephen Fund	-	-	158,933	-	158,933	-
Francis P. Willson Fund	-	-	-	1,294,406	1,294,406	-
James C. Acheson Fund	-	-	-	1,538,659	1,538,659	-
John and Rose Marie Wismer Fund	-	-	-	975,680	975,680	-
John Shier Fund	-	-	-	35,653	35,653	-
Margaret C. Lutz Endowment	-	-	176,163	-	176,163	-
Russell A. "Tim" Sheldon Endowment	-	-	-	41,591	41,591	-
Turcotte/Craig Fund	-	-	-	-	-	-
Virginia E. Farmer Endowment Fund	-	-	-	72,353	72,353	-
Wirtz/Ogden Fund	-	-	-	160,708	160,708	-
Scholarship Funds:						
Alexander and Celestine Lamere Fund	-	-	-	2,947,366	2,947,366	-
Alice W. Moore Memorial Scholarship Fund	-	-	-	143,919	143,919	-
Arthur W. Payne Scholarship Fund	-	-	-	50,460	50,460	-
Barbara Ann Kessler-Saph Scholarship Memorial Fund	-	-	-	57,345	57,345	-
Bert D. and Rose E. Wright Memorial Scholarship Fund	-	-	-	120,114	120,114	-
Beth Linscheid Duff Scholarship Fund	-	-	-	185,878	185,878	-
Blue Water Shipmasters' Fund	-	-	-	41,134	41,134	-
Catherine Gellein Scholarship Fund	-	-	-	48,302	48,302	-
Charles G. and Berneice M. Uligian Fund	-	-	-	216,616	216,616	-
Charles Myron and Betty Gossman Veterans Fund	-	-	-	73,929	73,929	-
Christian B. and Agnes A. Haas Scholarship Fund	-	-	-	221,098	221,098	-
Complete Your Degree Program Fund	-	118,142	-	-	118,142	-
Darin Conrad Memorial Scholarship Fund	-	-	-	-	-	-
Douglas and Elda L. Webb Scholarship Fund	-	-	-	1,808,919	1,808,919	-
Evonne Vanderheuvel Scholarship Fund	-	4,600	-	-	4,600	-
Everett D. "Pete" Vincent and Mary Jane Vincent Scholarship Fund	-	-	-	142,707	142,707	-
Father Bartone Fund	-	-	-	875,490	875,490	-
Father Rene Desmarais & Sister Margaret Dowd	-	-	-	135,147	135,147	-
Foley, Sedwick, Stephenson Fund	-	-	-	-	-	-
Fuller Hansen Educational Trust Fund	-	-	-	930,232	930,232	-
Howard A. Acheson Memorial Fund	-	-	-	1,194,698	1,194,698	-
Jack S. Campbell Memorial Fund	-	-	-	138,608	138,608	-
James Wilhelm Memorial Scholarship Fund	-	-	-	248,502	248,502	-
John F. & Rose Marie Wismer Community Foundation Scholarship Fund	-	-	-	1,002,665	1,002,665	-
Joseph Caimi Scholarship Fund	-	-	-	62,389	62,389	-
Kenneth and Verl Fleury Foundation Scholarship	-	-	-	425,806	425,806	-

**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, 2022**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-ended Funds	Board- Designated Endowments	Donor Endowments	Total	
Scholarship Funds (cont'd):						
Lillian M. Perry Scholarship Fund	\$ -	\$ -	\$ -	\$ 59,602	\$ 59,602	\$ -
Little Brothers Little Sisters of St. Clair County Scholarship Endowment Fund	-	-	-	150,125	150,125	-
Marine City Scholarship Foundation Endowment Fund	-	-	-	17,768	17,768	136,609
Memphis High School Alumni Association Fund	-	-	-	57,863	57,863	-
Nyeste-Regling Scholarship Fund	-	-	-	-	-	-
Pauline Groff Music Scholarship Endowment Fund	-	-	-	30,133	30,133	-
Port Huron Area School District Scholarship Fund founded by Cyril Smith and James T. Kreger Memorial Scholarship Funds	-	-	-	55,419	55,419	-
Randy Sugars Memorial Scholarship Fund	-	-	-	27,460	27,460	-
River District Hospital Auxiliary McFern-Smeltzer Scholarship Endowment Fund	-	-	-	108,749	108,749	-
Robert and Marilyn Kovach Scholarship Fund	-	-	-	25,090	25,090	-
Robert and Sophie Mordis Student Success Fund	-	-	-	55,556	55,556	-
St. Clair County Come Home (Reverse) Scholarship Fund	-	6,490	-	-	6,490	-
St. Clair High School Scholarship Fund founded by the Trumble and Frank and Bula Carney Memorial Scholarship Funds	-	-	-	68,382	68,382	-
St. Clair Music Study Club Endowment Fund	-	-	-	146,297	146,297	31,928
Temporary Scholarships Fund	-	-	-	-	-	-
Donor Designated Funds:						
B.D.G. for St. Clair Little League	-	-	-	27,238	27,238	-
Barbara Donovan Fund	-	-	-	812,230	812,230	-
Blue Water Fallen Heroes Community Banner Program Fund	-	30,199	-	-	30,199	-
Bob & Ann Tompert Endowment Fund (2 of 2)	-	-	-	732,018	732,018	-
BWLF Projects Fund	-	-	-	-	-	-
Catholic Education Fund	-	-	-	97,715	97,715	-
Charell Thomas Fund	-	8,969	-	-	8,969	-
Community Wave & Fish Mosaic Project Fund	-	6,979	-	-	6,979	-
Complete Your Degree Endowment Fund	-	-	-	78,864	78,864	-
CRF Projects Fund	-	-	-	-	-	-
Emily Knox Law Enforcement Dedication Scholarship Fund	-	50,602	-	-	50,602	-
Helen David Fund for the Council on Aging	-	-	-	651,731	651,731	-
Janet Fredendall Endowment Fund	-	-	-	-	-	-
John R. Dolan Fund	-	-	-	745,002	745,002	-
Kenneth A. Wakeen Old Newsboys Fund	-	-	-	81,600	81,600	-
Knowlton Museum Fund	-	-	-	2,722,554	2,722,554	-
Marian Pollock Moore Fund	-	-	-	144,366	144,366	-
Marwood Manor Endowment Fund	-	-	-	291,040	291,040	-
Mary B. Andreae Fund	-	-	-	34,240	34,240	-
Michigan Trails Project Fund	-	5,433	-	-	5,433	-
Oskin Performing Arts Theatre Fund	-	-	-	948,673	948,673	-
Peoples' Clinic, Helen David Fund	-	-	-	613,971	613,971	19,257
Performing Arts Theatre Project Fund	-	639,524	-	-	639,524	-
Regional Trails Program	-	73,030	-	-	73,030	-
River Walk Endowment Fund (for BWLF)	-	-	-	44,441	44,441	-
Robert J. Goff Fund	-	-	-	-	-	-
St. Clair County Dive Team Fund	-	-	-	155,960	155,960	-
St. Clair Project's Fund	-	156,060	-	-	156,060	-
St. Clair Rotary Centennial Park Fund	-	-	-	52,955	52,955	-

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

**SUMMARY SCHEDULE OF NET ASSETS/AGENCY FUNDS HELD FOR OTHERS BY FUND
DECEMBER 31, 2022**

	Net Assets Without Donor Restrictions				Total	Agency Funds Held for Others
	Property and Equipment and Operations	Non-ended Funds	Board- Designated Endowments	Donor Endowments		
Donor Designated Funds (cont'd):						
The Belle River Wetland Mitigation Bank Endowment Fund	\$ -	\$ -	\$ -	\$ 43,291	\$ 43,291	\$ -
The Big Give	-	-	-	-	-	-
The Kent George DuPont Family Heritage Fund	-	-	-	208,661	208,661	-
The Salt River Wetlands Conservation Easement Preservation Endowment	-	-	-	132,512	132,512	-
Thomas & Frances Treleaven Fund	-	-	-	774,400	774,400	-
Tunnel Fund	-	7,153	-	-	7,153	-
Van Collaboration Fund	-	7,009	-	-	7,009	-
Walter K. Brooks Memorial Fund	-	-	-	2,126,092	2,126,092	-
Donor Advised Funds:						
Algonac Lions Club Fund	-	-	-	469,400	469,400	-
All Star Services Donor-Advised Fund	-	18,719	-	-	18,719	-
Angi Austin Fund	-	8,308	-	-	8,308	-
Anonymous Donor-Advised Fund	-	-	-	-	-	-
Audrey Sochor Donor-Advised Fund	-	-	-	-	-	-
Bill and Lydia Schwarz Family Fund	-	1,919	-	-	1,919	-
Bioregion Reparation Fund	-	-	-	36,423	36,423	-
Bob Abdo Memorial Fund	-	-	-	56,463	56,463	-
Bruce J. and Sandra J. Morrison Family Fund	-	797	-	-	797	-
Carolyn Crowe Animal Welfare Fund	-	-	-	12,049	12,049	-
Catherine Houghton Fund	-	19,055	-	-	19,055	-
Charles and E. Gail Kelly Fund	-	3,000	-	-	3,000	-
Chuck and Vicky Knowlton Fund	-	230,505	-	-	230,505	-
Creager-Trupp Family Fund	-	9,067	-	-	9,067	-
Dave & Missy Betts Family Fund	-	24,484	-	-	24,484	-
Douglas and Carol Touma Donor-Advised Fund	-	2,442	-	-	2,442	-
DTE Energy Foundation Fund	-	80,825	-	-	80,825	-
Eastern Michigan Bank Donor Advised Fund	-	65,220	-	-	65,220	-
Emery Family Fund	-	-	-	-	-	-
Fletcher Family Fund	-	-	-	-	-	-
Fran McPhedrain Fund	-	-	-	-	-	-
Franklin H. Moore, Jr. and Nancy S. Moore Donor-Advised Fund	-	13,956	-	-	13,956	-
Fred and Lezlyne Moore Family Fund	-	-	-	902,169	902,169	-
Gerry Kramer Spartan Fund	-	30,371	-	-	30,371	-
Heather Hayek Donor-Advised Fund	-	-	-	-	-	-
James C. Acheson Fund II	-	-	-	2,710,840	2,710,840	-
James L. "Jim" Little Fund	-	-	-	35,829	35,829	-
Jeffrey Langolf Memorial Fund	-	9,708	-	-	9,708	-
Jen Creager Donor-Advised Fund	-	-	-	-	-	-
Joelle Marie Hajjar Fund	-	8,701	-	-	8,701	-
John and Mary Jarad Fund	-	19,867	-	-	19,867	-
John W. & M. Louise Shier Family Fund	-	-	-	136,128	136,128	-
Karen Lee Donor-Advised Fund	-	-	-	-	-	-
Keith and Wendy Zick Fund	-	-	-	-	-	-
Kevin Totty Donor-Advised Fund	-	30	-	-	30	-
Knowlton Foundation Fund	-	123,304	-	-	123,304	-
Kusch Family Fund	-	-	-	284,276	284,276	-
Lelito Legacy Foundation Fund	-	-	-	33,048	33,048	-
Lindsey Sheckler Donor-Advised Fund	-	20	-	-	20	-
Lisa Harris Pink Ribbon of Hope Memorial Fund	-	3,972	-	-	3,972	-
Maiers Family Fund	-	10	-	-	10	-
McNutt Family Fund	-	17,716	-	-	17,716	-
Memorial Gifts Fund	-	-	-	-	-	-
Mino Kramer Fund	-	94,596	-	-	94,596	-

**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, 2022**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-ended Funds	Board- Designated Endowments	Donor Endowments	Total	
Donor Advised Funds (cont'd):						
Niester Family Fund	\$ -	\$ -	\$ -	\$ 44,160	\$ 44,160	\$ -
Physician Healthcare Network Dyslexia Fund	-	15,491	-	-	15,491	-
Rotary Club of Marysville Fund	-	-	-	-	-	19,681
St. Clair Inn Donor-Advised Fund	-	59,714	-	-	59,714	-
Sue Schmid Donor-Advised Fund	-	396	-	-	396	-
Sushma & Ramesh Reddy Family Fund	-	495	-	-	495	-
Suzanne J. Rutledge Donor Advised Fund	-	9,280	-	-	9,280	-
Swantek Community Impact Fund	-	-	-	9,563	9,563	-
Taking a Shot at Breast Cancer Fund	-	22,692	-	-	22,692	-
Temporary Gifts Fund	-	110,706	-	-	110,706	-
The Babin Blue Water Charitable Fund	-	11,714	-	-	11,714	-
The DeWald/Beckett Charitable Fund	-	-	-	339,631	339,631	-
The DeWald/Cook Charitable Fund	-	-	-	260,202	260,202	-
The Norman and Isabel Cosgrove Memorial Fund	-	-	-	34,737	34,737	-
Anonymous Fund	-	938,334	-	-	938,334	-
Thomas & Nancy Hunter Family Fund	-	-	-	128,979	128,979	-
Walker Family Fund	-	709,970	-	-	709,970	-
Welcome Immigrants, our New Neighbors Fund	-	-	-	27,671	27,671	-
Wladimir E. and Linda J. Boldyreff Fund	-	-	-	10,304	10,304	-
Wyatt Walker Friendship Fund	-	-	-	83,491	83,491	-
Organization Designated Funds:						
Algonac Community Schools Education Enrichment Fund	-	-	-	77,835	77,835	234,836
Algonac-Clay Township Historical Society Fund	-	-	-	16,046	16,046	13,740
Betty Kearns Cancer Fund	-	1,832	-	-	1,832	24,214
Blue Water Council Boy Scout Endowment Fund	-	-	-	8,590	8,590	86,411
Blue Water Developmental Housing, Inc. Fund	-	-	-	2,753	2,753	45,341
Blue Water Hospice and Visiting Nurse Association	-	-	-	19,758	19,758	46,916
Cardinal Mooney Catholic High School Endowment Fund	-	-	-	6,004	6,004	111,213
Catholic Charities of Southeast Michigan St. Clair County Fund	-	-	-	-	-	24,739
City of Marysville Cemetery Perpetual Care Endowment	-	-	-	-	-	319,613
Clayton A. and Florence B. Lewis Memorial Book Fund	-	-	-	-	-	47,377
Fort Gratiot Light Station Fund	-	22,124	-	-	22,124	-
Girl Scouts of Southeastern Michigan Fund	-	-	-	24,254	24,254	9,670
Grace Episcopal Church Fund	-	1,225	-	-	1,225	2,044,920
Habitat for Humanity "Power" Fund	-	-	-	2,246	2,246	31,996
Harsens Island St. Clair Flats Association Fund	-	-	-	-	-	63,213
Holy Cross Educational Fund	-	481	-	-	481	755,236
Hunter Hospitality House Fund	-	-	-	12,527	12,527	231,869
KIDS in Distress Services Fund	-	-	-	38,692	38,692	2,578
Marilyn Zweng Library Fund	-	-	-	-	-	219,483
Marine City Historic District Restoration Committee Endowment Fund	-	-	-	2,634	2,634	58,148
McMorrان Place Fund	-	-	-	47,293	47,293	381,148
Old Newsboys Association of Port Huron Fund	-	2,245	-	-	2,245	141,956
Port Huron Area School District Fund	-	-	-	78,632	78,632	271,130
Port Huron Police Fund	-	4,988	-	-	4,988	-
Port Huron Town Hall Fund	-	1,253	-	-	1,253	29,058
Quota International Helen David Fund	-	-	-	-	-	37,969
Sanborn Gratiot Memorial Home Endowment Fund	-	-	-	10,010	10,010	36,426

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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DECEMBER 31, 2022**

	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):						
SCORE Fund (St. Clair County Organized Recreation for Everyone)	\$ -	\$ 4,495	\$ -	\$ -	\$ 4,495	\$ 301
St. Clair County Bar Mock Trial Fund	-	-	-	16,667	16,667	17,836
St. Clair County Child Abuse Neglect Council	-	487	-	-	487	372,900
St. Clair County Community Mental Health Authority Fund	-	-	-	22,080	22,080	134,362
St. Clair County Community College "SC4" Foundation Fund (includes all underlying funds)	-	42,487	-	-	42,487	6,873,211
St. Clair County Library Fund (incl. the Lawrence E. Owens Endowment)	-	-	-	305,532	305,532	60,984
St. Clair County RESA Imagination Library Fund	-	86,050	-	-	86,050	7,033
St. Clair Public Library Capital Fund	-	-	-	25,920	25,920	20,483
St. John River District Hospital Fund	-	-	-	28,442	28,442	23,339
St. Vincent DePaul, St. Mary of St. Clair Council Fund	-	1,613	-	-	1,613	108,995
Supporters of East China School District Fund	-	-	-	354,011	354,011	64,057
Taking a Shot at Breast Cancer (Agency) Fund	-	-	-	-	-	28,616
The Safe Horizons Fund	-	-	-	177,537	177,537	65,944
The Village of Lake Huron Woods-Presbyterian Villages Foundation Fund	-	-	-	-	-	34,874
Tri-Hospital EMS Fund	-	-	-	-	-	251,186
United Way of St. Clair County Fund	-	-	-	17,211	17,211	33,839
YMCA of the Blue Water Area Endowment Fund	-	-	-	28,497	28,497	335,975
Field of Interest Funds:						
Access to Recreation Fund	-	-	-	272,025	272,025	-
Alexa Lawrence Fund for Education	-	-	-	89,980	89,980	-
Algonac-Clay Community Fund	-	-	-	296,813	296,813	-
Blue Water Prosperity Fund	-	-	-	130,549	130,549	-
Blue Water Robotics Fund	-	1,720	-	-	1,720	-
Charles and Margaret Anderson Foundation Endowment Fund	-	-	-	1,991,725	1,991,725	-
Charles F. Moore Memorial Fund	-	-	-	2,884,533	2,884,533	-
Citizens for St. Clair Fund	-	-	-	562,322	562,322	-
Claude and Alexa Lawrence Fund	-	-	-	162,009	162,009	-
College Access Endowment	-	-	-	205,054	205,054	-
Community Capital Club (C3) Fund	-	-	-	295,686	295,686	-
DSLIT Fund	-	-	-	845,997	845,997	-
Eastern Michigan Christian Foundation Fund	-	-	-	674,093	674,093	-
Emily Bigelow Emergency Services Fund	-	-	-	90,613	90,613	-
Equity and Inclusion Fund	-	-	-	98,645	98,645	-
Ernest T. & Barbara A. Oskin Fund (2 of 2)	-	-	-	677,908	677,908	-
F. William & Patricia Schwarz Fund	-	-	-	158,600	158,600	-
Frank V. Carney & Bula A. Carney Memorial Fund	-	-	-	598,611	598,611	-
Gigi Mericka Abilities Fund	-	-	-	23,050	23,050	-
Harry F. Lewis Fund	-	-	-	173,722	173,722	-
Healthy Youth, Healthy Seniors Fund	-	-	-	174,766	174,766	-
Henry and Harriet Whiting Memorial Fund	-	-	-	2,578,027	2,578,027	-
Maritime Fund	-	-	-	40,305	40,305	-
Mary Moore Fund	-	-	-	1,022,196	1,022,196	-
Marysville Community Fund	-	-	-	53,324	53,324	23,775
Mickey & Agnes Knowlton Fund	-	-	-	53,414	53,414	-
Native American Endowment Fund	-	-	-	35,271	35,271	-
Nora Condland Cancer Support Fund	-	-	-	-	-	-
Port Huron Community Fund	-	-	-	11,434	11,434	144,280
Robert H. and Paula M. Cleland Community	-	-	-	70,593	70,593	-

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DECEMBER 31, 2022**

	Net Assets Without Donor Restrictions				Total	Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments		
Field of Interest Funds (cont'd):						
Sheriff Donnellon Law Enforcement Fund	\$ -	\$ -	\$ -	\$ 78,381	\$ 78,381	\$ -
Special Dreams Farm Fund for Developmentally Disabled Adults	-	-	-	46,122	46,122	-
St. Clair County Chapter - American Red Cross Endowment Fund	-	-	-	52,384	52,384	-
St. Clair Foundation Fund	-	-	-	2,741,905	2,741,905	-
Talent Attraction Fund	-	-	-	-	-	-
Thomas K. Smith Fund	-	-	-	156,210	156,210	-
Tunnel City Railway & Transportation Heritage Fund	-	-	-	219	219	30,701
Women's Initiative Fund	-	-	-	989,564	989,564	-
Women's Initiative Steering Committee Giving Circle Fund	-	828	-	-	828	-
Youth Advisory Council Fund	-	-	-	1,579,215	1,579,215	-
 Total	 <u>\$ 7,343,559</u>	 <u>\$ 3,951,402</u>	 <u>\$ 5,827,857</u>	 <u>\$ 56,269,618</u>	 <u>\$ 73,392,436</u>	 <u>\$ 14,109,366</u>