

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

**CONSOLIDATED FINANCIAL STATEMENTS
with Supplementary Information**

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

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

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DECEMBER 31, 2020**

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Community Foundation

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June 2021

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

The accompanying financial statements present the consolidated operations of our Community Foundation and its two controlled supporting organizations, the Community Renaissance Fund and the Blue Water Land Fund, Inc., for the year-ended December 31, 2020. Amidst a year that saw the onset of a global COVID-19 pandemic and its challenges and losses, we focused on our mission of addressing the challenges and changing needs of our region. As a result, 2020 was a very busy and noteworthy year for the Community Foundation, with much to be grateful for, as shared in the following highlights.

As a community foundation, with a long-term structure on both operational funding and grant spending, the pandemic's impact on Foundation operations and sustainability was minimal. Thus for several months, we were able to redirect staff time and discretionary financial resources toward supporting the underserved, and the essential workers and non-profits who provide critical services. Women and minority-owned small businesses were among the hardest hit by the COVID-19 pandemic and the Community Foundation placed an emphasis in this area, including our hiring of two small business consultants in 2020 to support these businesses and help connect them with available state and federal resources. Donor response and financial support for this crisis was amazing, which led to two fee-free COVID-19 Response Funds being established to accept charitable donations and put funds immediately to work in the community.

Speaking of donations, our Foundation is blessed with generous friends and supporters who recognize the importance of our work and continue to support us through challenging times. In 2020, their generosity aggregated in \$8,695,904 contributions, excluding agency gifts of \$331,905. Included in these 2020 contributions was the completion of the Knowlton family's lifetime gift aggregating \$4,614,976 of a museum, collections and an endowment through the dissolution of its Knowlton Foundation in December 2020. These acquired assets will further support our community development and place-making efforts in this region.

Having a diversified portfolio and long-term time horizon, the Community Foundation is fortunately able to withstand economic downturns and market volatility. The Foundation's main investment pool was up a net 12.5% for 2020 with reported net investment earnings of over \$7 million, and another \$1.5 million in investment earnings in agency funds. Net returns for the 5-year, 7-year and 10-year time periods were 9.25%, 7.73% and 8.22% respectively.

The Community Foundation's grant-making in 2020 was monumental in both the 921 processed awards and the aggregate \$4.9 million awards (excluding another \$1 million in agency fund grants under ASC 605, and supporting organization eliminations). Of these distributed awards, over \$4.6 million were aligned to our two Strategic Priorities [Community & Economic Prosperity and College, Career and Life Success] while another \$816,885 funded basic needs and COVID-19 support. One of the most significant awards made in 2020 was the launching of phase one of the Bridge to Bay Trail plan with major support from the Ralph C. Wilson Jr. Foundation.

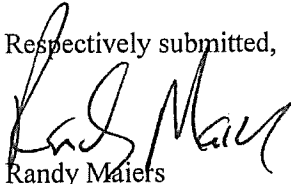
Community Foundation

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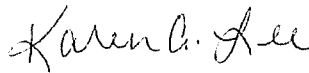
Accountability, transparency and credibility are critical factors in our Foundation's past, present and future success. We are pleased to report that we have maintained an unmodified audit opinion annually since our inception in 1944. On a related note, our national community foundation accreditation was recently approved for another three years. All of our policies and governing documents, audited financial statements and IRS Form 990s on our website, along with rosters for our board, staff and all committees.

These highlights capture only a handful of happenings that evidence our Foundation's success for the year-end ended December 31, 2020. No matter the challenges faced, history has demonstrated the collective generosity of donors and doers in our region will make great things happen! The positive momentum continues to build and we are fortunate to be a part of the growth and positive change.

Respectively submitted,



Randy Maier
President & CEO



Karen A. Lee
Director of Finance

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Community Foundation of St. Clair County (the "Foundation") (a nonprofit organization) and supporting organizations which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Community Foundation of St. Clair County and supporting organizations as of December 31, 2020 and 2019 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.

Other Matter

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.

Disclaimer of Opinion on Other Information

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

The image shows a handwritten signature in black ink that reads "UHY LLP". The letters are stylized and cursive.

Port Huron, Michigan
June 7, 2021

BASIC FINANCIAL STATEMENTS

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

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Assets:		
Cash and cash equivalents	\$ 4,809,599	\$ 3,168,972
Interest and other receivables	35,033	53,131
Prepaid expenses	25,098	21,751
Notes receivables, net of discount	169,221	101,664
Cash surrender value of contributed life insurance	49,115	49,602
Pledges, net of discount	1,214,436	838,256
Investments	82,637,349	72,638,655
Property and equipment, net of accumulated depreciation	<u>5,957,983</u>	<u>4,654,294</u>
Total Assets	<u><u>\$ 94,897,834</u></u>	<u><u>\$ 81,526,325</u></u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 49,490	\$ 28,543
Accrued expenses	114,991	78,938
Accrued interest	-	700
Grants payable	3,582,171	556,729
Note payable	199,103	420,972
Deferred compensation contract	20,255	36,412
Agency funds held for others -		
Endowed	2,720,076	2,543,637
Non-endowed	<u>11,173,664</u>	<u>10,116,939</u>
Total Liabilities	<u>17,859,750</u>	<u>13,782,870</u>
Net Assets (NOTE 1):		
Without donor restrictions -		
Investment in property and equipment	5,957,983	4,654,294
Donor endowments:		
For general charitable purposes	5,952,635	5,554,663
For designated purposes	55,225,008	47,956,134
Board-designated endowments:		
For grant-making	3,042,633	2,775,757
For operations (programs & services)	3,516,378	3,304,192
Non-endowed (fully spendable) donor funds	1,873,549	2,492,204
Operating reserve	<u>1,469,898</u>	<u>1,006,211</u>
Total Net Assets	<u>77,038,084</u>	<u>67,743,455</u>
Total Liabilities and Net Assets	<u><u>\$ 94,897,834</u></u>	<u><u>\$ 81,526,325</u></u>

See accompanying notes to consolidated financial statements.

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

**CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
Revenues, Gains, and Other Support:		
Public Support -		
Contributions:		
Cash	\$ 3,930,309	\$ 3,115,817
Non-cash	150,619	25,693
Knowlton Foundation acquisition (Note 16):		
Marketable securities	3,118,160	-
Land/building/furniture & equipment	978,275	-
Collections	438,304	-
Cash	80,237	-
Total Contributions	<u>8,695,904</u>	<u>3,141,510</u>
Revenue and Gains -		
Investment income, net of expense	7,016,030	8,476,963
Increase in cash surrender value of life insurance	513	587
Fund management fees	128,198	114,802
Other	3,415	35,798
Total Revenue and Gains	<u>7,148,156</u>	<u>8,628,150</u>
Total Revenues, Gains, and Other Support	<u>15,844,060</u>	<u>11,769,660</u>
Expenses:		
Program expenses -		
Grants	4,898,248	1,815,069
Community Initiatives	37,600	19,610
Other Program Expenses	795,299	892,937
Management and general	659,617	520,615
Fundraising expenses	<u>158,667</u>	<u>346,428</u>
Total Expenses	<u>6,549,431</u>	<u>3,594,659</u>
Change in Net Assets	9,294,629	8,175,001
Net Assets at beginning of year	<u>67,743,455</u>	<u>59,568,454</u>
Net Assets at end of year	<u><u>\$ 77,038,084</u></u>	<u><u>\$ 67,743,455</u></u>

See accompanying notes to consolidated financial statements.

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

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Program Services			
	Community Foundation	Community Renaissance	Blue Water Land Fund	Total
Salaries	\$ 333,087	\$ -	\$ -	\$ 333,087
Employee Benefits/Payroll Taxes	90,533	-	-	90,533
Professional Services/Consultancies	5,694	1,922	31,709	39,325
Legal Services	-	-	-	-
Occupancy	4,637	1,467	91,623	97,727
Utilities	3,736	-	282	4,018
Furniture, Equipment, and Maintenance	8,387	1,107	295	9,789
Telephone	1,718	-	-	1,718
Postage	1,256	-	-	1,256
Community Relations and Awareness	13,150	23,000	-	36,150
Donor Cultivation/Fundraising	16,785	-	-	16,785
Foundation Committees	3,316	-	-	3,316
Dues, Memberships, and Subscriptions	7,032	-	-	7,032
Property and Liability Insurance	5,113	302	15,974	21,389
Office Supplies	2,013	-	-	2,013
Stationery/Printing	1,881	-	-	1,881
Computer Software Maintenance	15,528	-	-	15,528
Training, Professional Development, and Travel	4,625	-	-	4,625
Miscellaneous Fund, Bank, and Financing	-	-	-	-
Depreciation	25,313	15,643	68,171	109,127
	<u>543,804</u>	<u>43,441</u>	<u>208,054</u>	<u>795,299</u>
Grants	4,898,248	-	-	4,898,248
Community Initiatives	-	37,600	-	37,600
Total Expenses	<u>\$ 5,442,052</u>	<u>\$ 81,041</u>	<u>\$ 208,054</u>	<u>\$ 5,731,147</u>

See accompanying notes to consolidated financial statements.

Supporting Services		
Management and General	Fundraising	Total
\$ 392,107	\$ 91,775	\$ 816,969
109,080	32,505	232,118
26,594	-	65,919
21,201	-	21,201
5,486	1,360	104,573
4,421	1,096	9,535
9,924	2,461	22,174
2,033	504	4,255
1,485	368	3,109
-	-	36,150
-	10,553	27,338
-	-	3,316
8,384	2,063	17,479
6,050	1,500	28,939
2,381	591	4,985
2,225	552	4,658
18,371	4,556	38,455
5,472	1,357	11,454
14,455	-	14,455
29,948	7,426	146,501
<u>659,617</u>	<u>158,667</u>	<u>1,613,583</u>
-	-	4,898,248
<u>-</u>	<u>-</u>	<u>37,600</u>
<u>\$ 659,617</u>	<u>\$ 158,667</u>	<u>\$ 6,549,431</u>

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

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

	Program Services			
	Community Foundation	Community Renaissance	Blue Water Land Fund	Total
Salaries	\$ 213,611	\$ -	\$ -	\$ 213,611
Employee Benefits/Payroll Taxes	57,301	-	-	57,301
Professional Services/Consultancies	46,472	-	8,500	54,972
Legal Services	-	-	-	-
Occupancy	7,697	2,072	145,217	154,986
Utilities	2,813	-	2,862	5,675
Furniture, Equipment, and Maintenance	3,472	3,409	7,628	14,509
Telephone	1,244	-	-	1,244
Postage	1,422	-	-	1,422
Community Relations and Awareness	101,137	56,100	92	157,329
Donor Cultivation/Fundraising	25,753	-	-	25,753
Foundation Committees	6,320	-	-	6,320
Dues, Memberships, and Subscriptions	3,055	-	109	3,164
Property and Liability Insurance	4,430	-	16,199	20,629
Office Supplies	1,687	-	-	1,687
Stationery/Printing	809	-	-	809
Computer Software Maintenance	10,809	-	-	10,809
Training, Professional Development, and Travel	9,477	-	-	9,477
Miscellaneous Fund, Bank and Financing	-	-	-	-
Loss on disposal of assets (River Rats Bldg.)	-	-	49,735	49,735
Depreciation	18,033	15,643	69,829	103,505
	<u>515,542</u>	<u>77,224</u>	<u>300,171</u>	<u>892,937</u>
Grants	1,815,069	-	-	1,815,069
Community Initiatives	<u>-</u>	<u>9,850</u>	<u>9,760</u>	<u>19,610</u>
Total Expenses	<u>\$ 2,330,611</u>	<u>\$ 87,074</u>	<u>\$ 309,931</u>	<u>\$ 2,727,616</u>

See accompanying notes to consolidated financial statements.

Supporting Services		
Management and General	Fundraising	Total
\$ 287,893	\$ 206,538	\$ 708,042
87,378	64,188	208,867
27,465	-	82,437
7,755	-	7,755
10,661	7,691	173,338
3,897	2,812	12,384
4,809	3,469	22,787
1,723	1,243	4,210
1,970	1,421	4,813
-	-	157,329
-	10,553	36,306
-	-	6,320
4,251	3,052	10,467
6,137	4,427	31,193
2,336	1,685	5,708
1,121	808	2,738
14,973	10,801	36,583
13,127	9,471	32,075
20,139	248	20,387
-	-	49,735
24,980	18,021	146,506
520,615	346,428	1,759,980
-	-	1,815,069
-	-	19,610
<u>\$ 520,615</u>	<u>\$ 346,428</u>	<u>\$ 3,594,659</u>

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities:		
Cash received from -		
Donors	\$ 3,634,366	\$ 2,308,840
Interest and dividend	1,227,235	1,533,308
Agency funds held for others	571,172	1,186,724
Other	64,056	131,401
Cash paid for -		
Grants	(1,872,806)	(1,840,860)
Suppliers	(438,695)	(720,448)
Employees	(1,029,191)	(922,412)
Investment management and interest	(270,977)	(321,426)
Agency funds held for others	(686,386)	(961,083)
Net Cash Provided by Operating Activities	<u>1,198,774</u>	<u>394,044</u>
 Cash Flows from Investing Activities:		
Proceeds from sale of investments	15,284,546	13,941,516
Purchase of investments	(14,587,213)	(14,519,060)
Payments on notes payable	(221,869)	(116,484)
Purchase of property and equipment	(33,611)	(1,526)
Net Cash Provided by (Used in) Investing Activities	<u>441,853</u>	<u>(695,554)</u>
 Net increase (decrease) in cash and cash equivalents	1,640,627	(301,510)
 Cash and cash equivalents at beginning of year	<u>3,168,972</u>	<u>3,470,482</u>
 Cash and cash equivalents at end of year	<u><u>\$ 4,809,599</u></u>	<u><u>\$ 3,168,972</u></u>
 Noncash Investing activities:		
Receipt of donated property	\$ 1,416,579	\$ -
Donated investment securities	<u>3,268,779</u>	<u>25,693</u>
	<u><u>\$ 4,685,358</u></u>	<u><u>\$ 25,693</u></u>
 Supplemental Disclosures of Cash Flow Information:		
Interest paid	<u><u>\$ 9,037</u></u>	<u><u>\$ 17,464</u></u>

See accompanying notes to consolidated financial statements.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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

DESCRIPTION OF ORGANIZATION:

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

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

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

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

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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

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

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

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

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

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

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

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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

The mission investments held at December 31, 2020 include three separate investments, which were vetted and funded in furtherance of our mission of helping local small businesses to increase the region's vibrancy and prosperity. The three include: an interest-bearing secured loan to a new start-up small business in our region, a 5% equity interest in another small business start-up, and a downtown development project with both a small 5% equity interest component and a loan from our supporting organization.

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

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

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

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

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

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

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

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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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):**

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.

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

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

The estimated useful lives of the assets are as follows:

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

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

The Foundation's Forms 990 and 990-T for the years ended 2017, 2018, 2019, and 2020 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.

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

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.

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

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

SUBSEQUENT EVENTS - In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through June 7, 2021, 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 COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 2 - LIQUIDITY AND AVAILABILITY - (cont'd):

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.

Financial assets available for general expenditures for use within one year of December 31, 2020 and 2019 comprise the following:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 4,809,599	\$ 3,168,972
Interest and other receivables	35,033	53,131
Investments	82,637,349	72,638,655
Notes receivable (due within one year)	47,129	8,629
Cash surrender value of contributed life insurance	49,115	49,602
Pledges receivable (due within one year)	<u>1,214,350</u>	<u>830,780</u>
	88,792,575	76,749,769
Less - Donor endowments	(61,177,643)	(53,510,797)
Board-designated endowments	(6,559,011)	(6,079,949)
Agency funds held for others	(13,893,740)	(12,660,576)
Add - Board-approved Endowment Spending		
Appropriations (excludes agency funds)	<u>4,447,610</u>	<u>3,492,974</u>
	<u>\$ 11,609,791</u>	<u>\$ 7,991,421</u>

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

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

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 3 - CASH AND INVESTMENTS:

CONCENTRATION OF CREDIT RISK -

Cash and cash equivalents of \$4,809,599 and \$3,168,972 at December 31, 2020 and 2019, respectively, are made up of demand deposit accounts and \$50 petty cash funds. The bank balance at December 31, 2020 totaled \$4,513,117, of which \$1,995,050 was insured by depository insurance and the remaining \$2,518,067 was uninsured and uncollateralized. The bank balance at December 31, 2019 totaled \$3,093,795, of which \$2,561,985 was insured by depository insurance and the remaining \$531,810 was uninsured and uncollateralized.

INVESTMENTS -

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

	<u>2020</u>	<u>2019</u>
Money Market Funds	\$ 1,302,280	\$ 1,965,283
Common Stock	1,878,809	3,237,775
Common Commingled Trust Fund	5,864,676	5,149,850
Exchange Traded & Mutual Funds	63,861,525	53,761,772
U.S. Debt Securities	148,570	38
Corporate Debt Securities	557,132	49
Alternative Investments -		
Mission Investments	444,421	137,893
Private Real Estate Investments	8,529,936	8,335,995
Privately Held Stock*	<u>50,000</u>	<u>50,000</u>
	<u>\$ 82,637,349</u>	<u>\$ 72,638,655</u>

* Privately held stock was received in 2019 into a donor-advised fund. The stock is being held, given the shares are in a company who is in the process of patenting a medical product. Valuation is described in Note 13.

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

	<u>2020</u>	<u>2019</u>
Interest and Dividends	\$ 1,209,137	\$ 1,525,622
Gain on Sale of Investments	1,992,308	398,015
Unrealized Gain (Loss) on Investments	4,085,562	6,874,752
Investment Management Fees/Expenses	(<u>270,977</u>)	(<u>321,426</u>)
Total	<u>\$ 7,016,030</u>	<u>\$ 8,476,963</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 4 - PROPERTY AND EQUIPMENT:

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

	<u>2020</u>	<u>2019</u>
Land	\$ 2,916,898	\$ 2,851,573
Land improvements	1,002,711	987,433
Buildings and improvements	2,310,220	1,400,545
Equipment	181,391	159,783
Collections	<u>438,304</u>	<u>-</u>
	6,849,524	5,399,334
Less - Accumulated depreciation	(<u>891,541</u>)	(<u>745,040</u>)
	<u>\$ 5,957,983</u>	<u>\$ 4,654,294</u>

Depreciation expense was \$146,501 and \$146,506 for the years ended December 31, 2020 and 2019, respectively.

NOTE 5 - PLEDGES RECEIVABLE:

The Foundation pledges receivable at December 31, 2020 and 2019 totaled \$1,214,436 and \$838,256, respectively. At December 31, 2020, \$1,214,350 is due in less than one (1) year, and the remainder due within five (5) years. The amounts of \$1,214,436 and \$838,256 are the discounted value (5%) of contributions receivable in excess of one year at December 31, 2020 and 2019, respectively.

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

NOTE 6 - NOTES RECEIVABLE:

	<u>2020</u>	<u>2019</u>
James C. Acheson 85 Trust - This asset and liability relate to a property acquired by Blue Water Community Action, funded by the Community Renaissance Fund through a gift from the James C. Acheson 85 Trust. As stipulated in the supporting letters of agreement, when the current renters no longer reside in the property, such property will be sold. At that time, the greater of the sales proceeds or the original loan amount of \$68,585 shall be repaid to the Community Renaissance Fund, who in turn agrees to repay the James C. Acheson 85 Trust this amount, less the cost of any major repairs that were needed during the rental period. The balance at December 31, 2020, including the current portion of \$0, is:	<u>\$ 68,585</u>	<u>\$ 68,585</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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

	<u>2020</u>	<u>2019</u>
Promissory Notes -		
In March 2018, the Foundation loaned Village of Emmett \$12,000 without interest to be repaid in quarterly installments of \$1,500 over two years. The note was paid in full in 2020.	\$ -	\$ 1,500
In April 2019, the Foundation loaned YMCA of the Blue Water Area \$15,928 without interest to be repaid in monthly installments of \$265 over 5 years. The discount on the note receivable in excess of one year is \$1,164 at December 31, 2020. The balance at December 31, 2020, including the current portion of \$3,186, is:	9,986	12,600
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 \$2,427 at December 31, 2020. The balance at December 31, 2020, including the current portion of \$3,943, is:	16,274	18,979
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 discount on the note receivable in excess of one year is \$5,623 at December 31, 2020. The balance at December 31, 2020, including the current portion of \$40,000, is:	<u>74,376</u>	<u>-</u>
	<u>\$ 100,636</u>	<u>\$ 33,079</u>

Home Improvement Loans - During the years 2004 through 2006, home improvement loans in amounts up to \$30,000 were offered to renters, landlords, and potential buyers of homes in a ten-block residential area who were willing to convert a home from renter-occupied to owner-occupied. The Port Huron geographic area involved, the eligibility criteria and loan terms were established in conjunction with applicable funding sources, and new loans were not offered after 2006. The loans were interest-free, and one-half was repayable upon the sale of the home. The Foundation is listed on the promissory note and as a mortgagor on the mortgage. However, because the Foundation is the second mortgagor, these loans have not been recorded as a receivable for financial statement purposes. Any subsequent payments will be recorded as revenue in the year they are received. The balance outstanding at December 31, 2020 amounted to \$51,345.

NOTE 7 - GRANTS PAYABLE:

At December 31, 2020 and 2019, the Foundation's grants payable was \$3,582,171 and \$556,729, respectively. At December 31, 2020, \$3,570,458 is payable in less than one year and \$11,713 is payable in 1-5 years.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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NOTE 8 - LIFE INSURANCE CONTRACTS:

The Foundation is the owner and beneficiary of life insurance policies for three individuals with an aggregate face value of \$386,042. The annual premiums are paid with contributions received from the individuals insured by the policies or by the policies' equity. The cash surrender value of these policies has been recorded as revenue and an asset when donated. Annual increases or decreases in the cash surrender value of the policies are recorded as revenue (or reduction of revenue) in the year incurred. The cash surrender value at December 31, 2020 and 2019 is \$49,115 and \$49,602, respectively.

NOTE 9 - LONG-TERM DEBT:

To support construction of tennis courts at St. Clair High School in 2017, while leveraging grant-making capabilities over the next five years, five of the Foundation's donor-designated field of interest funds requested the Foundation's Board approve the use of debt-financing, which would be repaid over five years through an allocation of the annual grant budgets of these five field of interest funds. The Foundation's Board approved this request and on April 10, 2017, the Foundation executed a promissory note with Fifth Third Bank to borrow \$600,000 at a 3.25% annual rate of interest. The note is secured by certain assets of the five donor-designated field of interest funds held at Fifth Third Bank, valued at approximately \$2.5 million at December 31, 2020. After the initial six-month construction/draw phase of interest-only payments, monthly payments of \$10,848 began and will continue over the term of the note, with a final payment due October 10, 2022. Interest of \$8,596 and \$17,464 was expensed during the years ended December 31, 2020 and 2019, respectively. The note was paid in full in January 2021.

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

The balance at December 31 is as follows:

	<u>2020</u>	<u>2019</u>
Total	\$ 130,518	\$ 420,972
Less - current portion	(130,518)	(120,343)
	<u>\$ -</u>	<u>\$ 300,629</u>

NOTE 10 - DEFERRED COMPENSATION:

Effective January 1, 2005, the Foundation's Board approved the creation of a 403(b) Retirement Savings Plan, for the purpose of providing employees the opportunity to accumulate a source of retirement income in addition to Social Security and personal savings. All Foundation employees may make voluntary, tax-deferred contributions to the plan, up to IRS limits, through salary reduction agreements. The 403(b) Retirement Savings Plan also provides for discretionary non-elective employer contributions (presently at 7.5%) for all employees who work 1,000 hours annually and have one year of service, with 100% immediate vesting. Fidelity Investments is the service provider of this plan and contributions made under this plan are electronically transferred on the same day as payroll. For the years ended December 31, 2020 and 2019, the Foundation contributed \$59,429 and \$51,933, respectively.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 10 - DEFERRED COMPENSATION - (cont'd):

Additionally, effective October 1, 2004, the Foundation has a Deferred Compensation Benefit Agreement with its CEO/President. This agreement outlines a prorated, annual deferred compensation amount and a rolling 5-year vesting period as calculated from the effective date of the agreement. The Deferred Compensation Benefit Plan was discontinued in 2016 with the remaining unvested amounts continuing to be paid out in accordance with the vesting schedule. As of December 31, 2020, and 2019, the CEO/President has "unvested" deferred compensation rights of \$20,255 and \$36,412, respectively. The CEO/President became fully vested in the remaining deferred compensation on January 1, 2021, and the funds were distributed on January 26, 2021.

NOTE 11 - FUND MANAGEMENT FEES:

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

Total fund management fees assessed for the year ended December 31, 2020 and 2019 were \$954,282 and \$864,619, 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.

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.

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

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:

2020

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Investments -				
Money Market Funds	\$ 1,302,280	\$ 1,302,280	\$ -	\$ -
Common Stock	1,878,809	1,878,809	-	-
Common Commingled Trust (1)	5,864,676	-	-	-
Exchange Traded & Mutual Funds	63,861,525	63,861,525	-	-
U.S. Debt Securities	148,570	-	148,570	-
Corporate Debt Securities	557,132	-	557,132	-
Alternative Investments:				
Mission Investments	444,421	-	-	444,421
Private Real Estate Investments (1)	8,529,936	-	-	-
Privately Held Stock	50,000	-	-	50,000
Total Assets	<u>\$ 82,637,349</u>	<u>\$ 67,042,614</u>	<u>\$ 705,702</u>	<u>\$ 494,421</u>
Liabilities:				
Funds held as Agency Endowments (2)	<u>\$ 13,893,740</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2019

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Investments -				
Money Market Funds	\$ 1,965,283	\$ 1,965,283	\$ -	\$ -
Common Stock	3,237,775	3,237,775	-	-
Common Commingled Trust (1)	5,149,850	-	-	-
Exchange Traded & Mutual Funds	53,761,772	53,761,772	-	-
U.S. Debt Securities - mortgage backed securities	38	-	38	-
Corporate Debt Securities	49	-	49	-
Alternative Investments:				
Mission Investments	137,893	-	-	137,893
Private Real Estate Investments (1)	8,335,995	-	-	-
Privately Held Stock	50,000	-	-	50,000
Total Assets	<u>\$ 72,638,655</u>	<u>\$ 58,964,830</u>	<u>\$ 87</u>	<u>\$ 187,893</u>
Liabilities:				
Funds held as Agency Endowments (2)	<u>\$ 12,660,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

- (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 interest in project and the principal balance outstanding on loans to entities to further the Foundation's initiatives. Interest on the loans is collected monthly.

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

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

Balance at January 1, 2019	\$ 800,000
Return of investment	(750,000)
Purchases (loans issued or equity acquired)	437,893
Write-down of equity	(300,000)
Balance at December 31, 2019	187,893
Return of investment	(43,472)
Purchases (loans issued or equity acquired)	350,000
Balance at December 31, 2020	<u>\$ 494,421</u>

At December 31, 2020, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency, if Eligible</u>	<u>Redemption Notice Period</u>
Commingled Trust	\$ 5,864,676	\$ -	End of each month	10 days
Alternative Investments	8,529,936	1,384,200	Varies*	Varies*

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

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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 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 COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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

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.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 14 - ENDOWMENT FUNDS - (cont'd):

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

	<u>Donor</u>	<u>Board- Designated</u>
Balance, January 1, 2019	\$ 45,761,753	\$ 5,564,348
Contributions	2,006,365	19,662
Net appreciation	6,474,528	748,392
Investment income	1,051,141	108,825
Other	33,438	620
Board-appropriated expenses	(1,816,428)	(361,898)
Balance, December 31, 2019	53,510,797	6,079,949
Contributions	2,986,917	34,988
Net appreciation	5,427,358	596,402
Investment income	813,791	86,406
Other	1,185	-
Board-appropriated expenses	(1,562,405)	(238,735)
Balance, December 31, 2020	<u>\$ 61,177,643</u>	<u>\$ 6,559,010</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.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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, 2019	\$ 2,236,107	\$ 8,704,704
Agency gifts	33,391	881,579
Interest and dividends	54,306	217,448
Realized gains on investments	18,369	103,129
Unrealized gains on investments	300,715	1,071,911
Grants	(51,028)	(705,408)
Fund management fees	(34,619)	(80,183)
Investment management fees	(13,557)	(53,458)
Other expenses	(47)	(22,783)
Balances at December 31, 2019	2,543,637	10,116,939
Agency gifts	10,126	321,779
Interest and dividends	52,385	186,882
Realized gains on investments	59,112	208,660
Unrealized gains on investments	242,322	838,284
Grants	(135,629)	(348,689)
Fund management fees	(39,223)	(88,975)
Investment management fees	(12,642)	(45,378)
Other expenses	(12)	(15,838)
Balances at December 31, 2020	<u>\$ 2,720,076</u>	<u>\$ 11,173,664</u>

NOTE 16 - ACQUISITION OF THE KNOWLTON FOUNDATION:

The Knowlton Foundation, a private foundation with 501(c)(3) status, was founded in 2000 by Mickey and Agnes Knowlton to preserve and share their history, knowledge and collections of the ice industry, the milk industry, dolls, and other antiques. In 2019, the Knowlton children (trustees of the Knowlton Foundation) turned to the Community Foundation as part of their succession planning and desire to dissolve the Knowlton Foundation. On December 22, 2020, the Knowlton Foundation transferred its assets to the Community Foundation and Community Renaissance Fund, our supporting organization, as follows:

- To Community Foundation – The Knowlton Museum endowment fund, containing marketable securities and cash of \$3,198,397, will be held by the Community Foundation to provide operating cash for the Museum and ongoing care of the collections and building, as agreed upon with the donors. Funds were also added to the donors' existing donor-advised fund; and
- To Community Renaissance Fund – The Knowlton Ice Museum land, building and collections and a small amount of Museum furniture and equipment are held by this supporting organization of the Community Foundation. The land and museum building were valued at \$975,000, collections were valued at \$438,304, and miscellaneous museum office furniture and equipment were at valued at \$3,275.

Refer to Note 1 for the Foundation's accounting of these collections.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 17 - COVID-19:

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

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

After hitting the low in mid-March, markets have rebounded with the release of government stimulus packages and vaccinations, and at December 31, 2020, the Foundation's diversified investment portfolio was up a net 12.5% with net investment earnings of over \$7 million. Given our investment philosophy and diversified long-term portfolio structure, this COVID-19 pandemic did not change the way the Foundation oversees and manages its investments.

Even as restrictions are eased and pre-COVID-19 routines resume, we acknowledge that the impact of COVID-19 continues and we understand that uncertainty remains and it is currently impossible to predict the extent of impact future contributions or investment earnings. What we do know is that the Foundation has been in business for over 75 years, has navigated other significant market downturns, like in 2008, and fortunately, we are blessed with:

- 1) Generous friends and supporters who recognize the importance of our work and continue to support us through challenging times, as evidenced by the significant contributions received in 2020;
- 2) Our contributions arise from robust, ongoing development efforts that involve planned estate giving and at this time, we have almost 90 known "Legacy Society" members with documented planned estate gifts; and
- 3) A Board-designated endowment benefiting operations that can supplement operations as we navigate such challenging time.

SUPPLEMENTARY FINANCIAL INFORMATION

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020**

	<u>Community Foundation</u>	<u>Community Renaissance</u>	<u>Blue Water Land Fund</u>	<u>Consolidated Adjustments</u>	<u>Total</u>
ASSETS					
Assets:					
Cash and cash equivalents	\$ 4,496,928	\$ 135,645	\$ 177,026	\$ -	\$ 4,809,599
Interest and other receivables	35,033	-	-	-	35,033
Grants receivable	-	-	116,667	(116,667)	-
Prepaid expense	19,245	-	5,853	-	25,098
Note receivable, net discount of \$9,214 and \$0, respectively	100,636	398,502	-	(329,917)	169,221
Cash surrender value of contributed life insurance	49,115	-	-	-	49,115
Pledge receivable, net discount of \$14	1,214,436	-	-	-	1,214,436
Investments	82,637,349	-	-	-	82,637,349
Land, land improvements, building, and equipment, net of accumulated depreciation of \$340,564, \$98,464 and \$452,513	1,156,951	1,665,390	3,135,642	-	5,957,983
Total Assets	<u><u>\$ 89,709,693</u></u>	<u><u>\$ 2,199,537</u></u>	<u><u>\$ 3,435,188</u></u>	<u><u>\$(446,584)</u></u>	<u><u>\$ 94,897,834</u></u>
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable	\$ 17,129	\$ 6,114	\$ 26,247	\$ -	\$ 49,490
Accrued expenses	114,991	-	-	-	114,991
Grants payable	3,698,838	-	-	(116,667)	3,582,171
Note payable	130,518	398,502	-	(329,917)	199,103
Deferred compensation contract	20,255	-	-	-	20,255
Agency funds held for others -					
Endowed	2,720,076	-	-	-	2,720,076
Nonendowed	11,173,664	-	-	-	11,173,664
Total Liabilities	<u><u>17,875,471</u></u>	<u><u>404,616</u></u>	<u><u>26,247</u></u>	<u><u>(446,584)</u></u>	<u><u>17,859,750</u></u>
Net Assets:					
Without donor restrictions -					
Invested in property and equipment	1,156,951	1,665,390	3,135,642	-	5,957,983
Donor endowments:					
For general charitable purposes	5,952,635	-	-	-	5,952,635
For designated purposes	55,225,008	-	-	-	55,225,008
Board-designated endowments:					
For grant-making	3,042,633	-	-	-	3,042,633
For operations (programs and services)	3,516,378	-	-	-	3,516,378
Non-endowed (fully spendable)					
donor funds	1,873,549	-	-	-	1,873,549
Operating reserve	1,067,068	129,531	273,299	-	1,469,898
Total Net Assets	<u><u>71,834,222</u></u>	<u><u>1,794,921</u></u>	<u><u>3,408,941</u></u>	<u><u>-</u></u>	<u><u>77,038,084</u></u>
Total Liabilities and Net Assets	<u><u>\$ 89,709,693</u></u>	<u><u>\$ 2,199,537</u></u>	<u><u>\$ 3,435,188</u></u>	<u><u>\$(446,584)</u></u>	<u><u>\$ 94,897,834</u></u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
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**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Community Foundation	Community Renaissance	Blue Water Land Fund	Consolidated Adjustments	Total
Revenue, Gains, and Other Support:					
Public Support -					
Contributions:					
Cash	\$ 3,930,309	\$ 176,344	\$ 364,102	\$(540,446)	\$ 3,930,309
Non-cash	150,619	-	-	-	150,619
Knowlton Foundation acquisition:					
Marketable securities	3,118,160	-	-	-	3,118,160
Land/building/furniture & equipment	-	978,275	-	-	978,275
Collections	-	438,304	-	-	438,304
Cash	80,237	-	-	-	80,237
Total Contributions	<u>7,279,325</u>	<u>1,592,923</u>	<u>364,102</u>	<u>(540,446)</u>	<u>8,695,904</u>
Revenue and Gains -					
Investment income net of expense	7,015,993	4	33	-	7,016,030
Increase in cash surrender value of life insurance	513	-	-	-	513
Fund management fees	128,198	-	-	-	128,198
Other	3,170	245	-	-	3,415
	<u>7,147,874</u>	<u>249</u>	<u>33</u>	<u>-</u>	<u>7,148,156</u>
Total Revenue, Gains, and Other Support	<u>14,427,199</u>	<u>1,593,172</u>	<u>364,135</u>	<u>(540,446)</u>	<u>15,844,060</u>
Expenses:					
Program expenses -					
Grants	5,438,694	-	-	(540,446)	4,898,248
Community initiatives	-	37,600	-	-	37,600
Other program expenses	543,804	43,441	208,054	-	795,299
Management and general	649,500	7,558	2,559	-	659,617
Fundraising expenses	158,667	-	-	-	158,667
	<u>6,790,665</u>	<u>88,599</u>	<u>210,613</u>	<u>(540,446)</u>	<u>6,549,431</u>
Total Expenses	<u>6,790,665</u>	<u>88,599</u>	<u>210,613</u>	<u>(540,446)</u>	<u>6,549,431</u>
Change in Net Assets	7,636,534	1,504,573	153,522	-	9,294,629
Net Assets at beginning of year	<u>64,197,688</u>	<u>290,348</u>	<u>3,255,419</u>	<u>-</u>	<u>67,743,455</u>
Net Assets at end of year	<u>\$71,834,222</u>	<u>\$ 1,794,921</u>	<u>\$ 3,408,941</u>	<u>\$ -</u>	<u>\$77,038,084</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, 2020**

	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	\$ 1,794,921	\$ -	\$ -	\$ -	\$ 1,794,921	\$ -
Blue Water Land Fund, Inc.	3,408,941	-	-	-	3,408,941	-
Program and Services (Operating) Fund	2,095,919	-	-	175,000	2,270,919	-
Acheson Community Foundation Fund	-	-	3,516,378	-	3,516,378	-
General Charitable Funds:						
Burman J. Misenar Endowment Fund	-	-	-	188,463	188,463	-
Community Investment Fund	-	-	2,625,093	-	2,625,093	-
Donald W. and Alice I. Giese Endowment Fund	-	-	-	173,512	173,512	-
Earl H. Donaldson Endowment Fund	-	-	40,043	-	40,043	-
Emerson G. and Lucilda A. Brown Fund	-	-	-	199,888	199,888	-
Ernest T. and Barbara A. Oskin Fund (1 of 2)	-	-	-	765,248	765,248	-
Florence C. Stephen Fund	-	-	179,369	-	179,369	-
Francis P. Willson Fund	-	-	-	1,455,110	1,455,110	-
James C. Acheson Fund	-	-	-	1,726,152	1,726,152	-
John and Rose Marie Wismer Fund	-	-	-	1,095,413	1,095,413	-
John Shier Fund	-	-	-	40,090	40,090	-
Margaret C. Lutz Endowment	-	-	198,128	-	198,128	-
Russell A. "Tim" Sheldon Endowment	-	-	-	46,781	46,781	-
Turcotte/Craig Fund	-	-	-	-	-	-
Virginia E. Farmer Endowment Fund	-	-	-	81,383	81,383	-
Wirtz/Ogden Fund	-	-	-	180,595	180,595	-
Scholarship Funds:						
Alexander and Celestine Lamere Fund	-	-	-	3,291,180	3,291,180	-
Alice W. Moore Memorial Scholarship Fund	-	-	-	165,556	165,556	-
Barbara Ann Kessler-Saph Scholarship Memorial Fund	-	-	-	64,285	64,285	-
Bert D. and Rose E. Wright Memorial Scholarship Fund	-	-	-	136,355	136,355	-
Beth Linsheid Duff Scholarship Fund	-	-	-	210,729	210,729	-
Blue Water Shipmasters' Fund	-	-	-	45,180	45,180	-
Catherine Gellein Scholarship Fund	-	-	-	54,510	54,510	-
Charles G. and Berneice M. Uligian Fund	-	-	-	243,783	243,783	-
Charles Myron and Betty Gossman Veterans Fund	-	-	-	82,863	82,863	-
Christian B. and Agnes A. Haas Scholarship Fund	-	-	-	249,503	249,503	-
Complete Your Degree Program Fund	-	246,045	-	-	246,045	-
Darin Conrad Memorial Scholarship Fund	-	40,366	-	-	40,366	-
Douglas and Elda L. Webb Scholarship Fund	-	-	-	2,057,227	2,057,227	-
Evonne Vanderheuvcl Scholarship Fund	-	4,100	-	-	4,100	-
Father Bartone Fund	-	-	-	990,247	990,247	-
Father Rene Desmarais & Sister Margaret Dowd Foley, Sedwick, Stephenson Fund	-	-	-	-	-	-
Fuller Hansen Educational Trust Fund	-	-	-	1,053,628	1,053,628	-
Howard A. Acheson Memorial Fund	-	-	-	1,342,687	1,342,687	-
Jack S. Campbell Memorial Fund	-	-	-	156,980	156,980	-
James Wilhelm Memorial Scholarship Fund	-	-	-	281,017	281,017	-
John F. & Rose Marie Wismer Community Foundation Scholarship Fund	-	-	-	1,163,272	1,163,272	-
Joseph Caimi Scholarship Fund	-	-	-	67,600	67,600	-
Kenneth and Verl Fleury Foundation Scholarship	-	-	-	486,837	486,837	-
Lillian M. Perry Scholarship Fund	-	-	-	65,328	65,328	-
Little Brothers Little Sisters of St. Clair County Scholarship Endowment Fund	-	-	-	169,998	169,998	-
Marine City Scholarship Foundation Endowment Fund	-	-	-	18,959	18,959	153,671
Memphis High School Alumni Association Fund	-	-	-	54,272	54,272	-

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DECEMBER 31, 2020**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total	
Scholarship Funds (cont'd):						
Nyeste-Regling Scholarship Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pauline Groff Music Scholarship Endowment Fund	-	-	-	35,246	35,246	-
Port Huron Area School District Scholarship Fund founded by Cyril Smith and James T. Kreger Memorial Scholarship Funds	-	-	-	59,787	59,787	-
Randy Sugars Memorial Scholarship Fund	-	-	-	30,788	30,788	-
River District Hospital Auxiliary McFern-Smeltzer Scholarship Endowment Fund	-	-	-	123,144	123,144	-
Robert and Marilyn Kovach Scholarship Fund	-	-	-	25,329	25,329	-
Robert and Sophie Mordis Student Success Fund Scholarship Fund	-	-	-	59,883	59,883	-
	-	-	-	151,803	151,803	-
St. Clair County Come Home (Reverse) Scholarship Fund	-	64,790	-	-	64,790	-
St. Clair High School Scholarship Fund founded by the Trumble and Frank and Bula Carney Memorial Scholarship Funds	-	-	-	77,467	77,467	-
St. Clair Music Study Club Endowment Fund	-	-	-	176,974	176,974	37,884
Donor Designated Funds:						
B.D.G. for St. Clair Little League	-	-	-	28,829	28,829	-
Barbara Donovan Fund	-	-	-	905,351	905,351	-
Blue Water Fallen Heroes Community Banner Program Fund	-	22,438	-	-	22,438	-
Bob & Ann Tompert Endowment Fund	-	-	-	1,623,836	1,623,836	-
BWLF Projects Fund	-	-	-	-	-	-
Catholic Education Fund	-	-	-	121,382	121,382	-
Charell Thomas Fund	-	11,226	-	-	11,226	-
Complete Your Degree Endowment Fund	-	-	-	66,499	66,499	-
CRF Projects Fund	-	-	-	-	-	-
Emily Knox Law Enforcement Dedication Scholarship Fund	-	35,478	-	-	35,478	-
Helen David Fund for the Council on Aging	-	-	-	689,698	689,698	-
Janet Fredendall Endowment Fund	-	-	-	-	-	-
John R. Dolan Fund	-	-	-	835,345	835,345	-
Knowlton Ice Museum Fund	-	-	-	3,149,010	3,149,010	-
Marcia M. Haynes Endowment Fund	-	-	-	8,749	8,749	-
Marian Pollock Moore Fund	-	-	-	163,002	163,002	-
Marwood Manor Endowment Fund	-	-	-	327,749	327,749	-
Mary B. Andreae Fund	-	-	-	38,445	38,445	-
Michigan Trails Project Fund	-	25,010	-	-	25,010	-
Peoples' Clinic, Helen David Fund	-	-	-	650,083	650,083	20,124
River Walk Endowment Fund (for BWLF)	-	-	-	41,834	41,834	-
Robert J. Goff Fund	-	-	-	-	-	-
St. Clair County Dive Team Fund	-	-	-	133,665	133,665	-
St. Clair High School Tennis Court Project	-	8,865	-	-	8,865	-
St. Clair Rotary Centennial Park Fund	-	-	-	57,621	57,621	-
The Belle River Wetland Mitigation Bank Endowment Fund	-	-	-	45,362	45,362	-
The Kent George DuPont Family Heritage Fund	-	-	-	102,901	102,901	-
The Salt River Wetlands Conservation Easement Preservation Endowment	-	-	-	146,425	146,425	-
Thomas & Frances Treleaven Fund	-	-	-	819,623	819,623	-
Tunnel Fund	-	7,571	-	-	7,571	-
Van Collaboration Fund	-	7,009	-	-	7,009	-
Walter K. Brooks Memorial Fund	-	-	-	2,381,749	2,381,749	-

**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, 2020**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total	
Donor Advised Funds:						
Algonac Lions Club Fund	\$ -	\$ -	\$ -	\$ 535,755	\$ 535,755	\$ -
Algonac Rotary Club Fund	-	-	-	-	-	-
Allen Stevens Fund	-	72,214	-	-	72,214	-
Angi Austin Fund	-	8,527	-	-	8,527	-
Anonymous Donor-Advised Fund	-	16,320	-	-	16,320	-
Audrey Sochor Donor-Advised Fund	-	-	-	-	-	-
Bill and Lydia Schwarz Family Fund	-	1,975	-	-	1,975	-
Bioregion Reparation Fund	-	-	-	38,741	38,741	-
Bob Abdo Memorial Fund	-	-	-	63,379	63,379	-
Bruce J. and Sandra J. Morrison Family Fund	-	9,537	-	-	9,537	-
Carolyn Crowe Animal Welfare Fund	-	-	-	13,005	13,005	-
Catherine Houghton Fund	-	50,926	-	-	50,926	-
Charles and E. Gail Kelly Fund	-	1,934	-	-	1,934	-
Chuck and Barbara Staiger Fund	-	-	-	-	-	-
Chuck and Vicky Knowlton Fund	-	186,185	-	-	186,185	-
Dave Lomasney Family Fund	-	-	-	-	-	-
David Whipple Family Fund	-	-	-	-	-	-
Douglas and Carol Touma Donor-Advised Fund	-	10,494	-	-	10,494	-
DTE Energy Foundation	-	3,279	-	-	3,279	-
Emery Family Fund	-	426	-	-	426	-
FLAG Metro Detroit Fund	-	15,068	-	-	15,068	-
Fletcher Family Fund	-	-	-	-	-	-
Fran McPhedrain Fund	-	-	-	-	-	-
Franklin H. Moore, Jr. and Nancy S. Moore Donor-Advised Fund	-	10,662	-	-	10,662	-
Fred and Lezlynne Moore Family Fund	-	-	-	1,053,746	1,053,746	-
Gerry Kramer Spartan Fund	-	99,772	-	-	99,772	-
Helen Kramer Memorial Fund	-	-	-	-	-	-
James C. Acheson Fund II	-	-	-	3,070,104	3,070,104	-
James L. "Jim" Little Fund	-	-	-	40,243	40,243	-
Jeffrey Langolf Memorial Fund	-	12,285	-	-	12,285	-
Jen Creager Donor-Advised Fund	-	195	-	-	195	-
Joelle Marie Hajjar Fund	-	10,987	-	-	10,987	-
John W. & M. Louise Shier Family Fund	-	-	-	153,379	153,379	-
Karen Lee Donor-Advised Fund	-	-	-	-	-	-
Keith and Wendy Zick Fund	-	476	-	-	476	-
Kevin Totty Donor-Advised Fund	-	30	-	-	30	-
Knowlton Foundation Fund	-	155,534	-	-	155,534	-
Kusch Family Fund	-	-	-	411,790	411,790	-
Lelito Legacy Foundation Fund	-	-	-	32,696	32,696	-
Lindsey Sheckler Donor-Advised Fund	-	580	-	-	580	-
Lisa Harris Pink Ribbon of Hope Memorial Fund	-	3,674	-	-	3,674	-
Maiers Family Fund	-	3,072	-	-	3,072	-
McNutt Family Fund	-	28,339	-	-	28,339	-
Memorial Gifts Fund	-	11,105	-	-	11,105	-
Mino Kramer Fund	-	81,379	-	-	81,379	-
Mirabelli Family Fund	-	-	-	-	-	-
Nasr Family Fund	-	15,740	-	-	15,740	-
Niester Family Fund	-	-	-	44,448	44,448	-
Norm and Joyce Beauchamp Fund	-	-	-	-	-	-
Omega Fund	-	-	-	-	-	-
Physician Healthcare Network Dyslexia Fund	-	71,690	-	-	71,690	-
St. Clair Inn Donor-Advised Fund	-	62,030	-	-	62,030	-
Sue Schmid Donor Advised Fund	-	146	-	-	146	-
Sushma & Ramesh Reddy Family Fund	-	241	-	-	241	-
Taking a Shot at Breast Cancer Fund	-	25,649	-	-	25,649	-

**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, 2020**

	Net Assets Without Donor Restrictions					Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total	
Donor Advised Funds (cont'd):						
Temporary Gifts Fund	\$ -	\$ 2,776	\$ -	\$ -	\$ 2,776	\$ -
The DeWald/Beckett Charitable Fund	-	-	-	383,873	383,873	-
The DeWald/Cook Charitable Fund	-	-	-	290,811	290,811	-
The Norman and Isabel Cosgrove Memorial Fund	-	-	-	39,120	39,120	-
Thomas & Nancy Hunter Family Fund	-	-	-	139,190	139,190	-
Walker Family Fund	-	299,988	-	-	299,988	-
Wladimir E. and Linda J. Boldyreff Fund	-	-	-	10,583	10,583	-
Wyatt Walker Friendship Fund	-	-	-	90,862	90,862	-
Organization Designated Funds:						
Algonac Community Schools Education Enrichment Fund	-	-	-	88,088	88,088	262,169
Algonac-Clay Township Historical Society Fund	-	-	-	16,454	16,454	14,397
Betty Kearns Cancer Fund	-	1,253	-	-	1,253	24,858
Blue Water Council Boy Scout Endowment Fund	-	-	-	9,105	9,105	91,444
Blue Water Developmental Housing, Inc. Fund	-	-	-	2,986	2,986	47,916
Blue Water Hospice and Visiting Nurse Association	-	-	-	21,568	21,568	52,284
Cardinal Mooney Catholic High School Endowment Fund	-	-	-	6,908	6,908	32,706
City of Marysville Cemetery Perpetual Care Endowment	-	-	-	-	-	334,902
Clayton A. and Florence B. Lewis Memorial Book Fund	-	-	-	-	-	50,143
Fort Gratiot Light Station Fund	-	42,137	-	-	42,137	-
Fort Gratiot Township Cemetery Perpetual Care Endowment	-	-	-	-	-	-
Girl Scouts - Michigan Waterways Council Fund	-	-	-	26,264	26,264	9,640
Grace Episcopal Church Fund	-	1,265	-	-	1,265	2,094,992
Habitat for Humanity "Power" Fund	-	-	-	806	806	35,556
Harsen Island St. Clair Flats Association Fund	-	-	-	-	-	66,905
Holy Cross Educational Fund	-	-	-	-	-	842,238
Hunter Hospitality House Fund	-	-	-	11,070	11,070	166,675
KIDS in Distress Services Fund	-	-	-	39,278	39,278	2,913
Marine City Historic District Restoration Committee Endowment Fund	-	-	-	2,943	2,943	65,517
McMorrان Place Fund	-	-	-	41,529	41,529	271,267
Old Newsboys Association of Port Huron Fund	-	25	-	-	25	159,976
Port Huron Area School District Fund	-	-	-	81,230	81,230	300,695
Port Huron Town Hall Fund	-	1,195	-	-	1,195	30,737
Quota International Helen David Fund	-	-	-	-	-	42,497
Rotary Club of Marysville	-	-	-	-	-	30,107
SCORE Fund (St. Clair County Organized Recreation for Everyone)	-	9,354	-	-	9,354	581
St. Clair County Bar Mock Trial Fund	-	-	-	17,656	17,656	18,861
St. Clair County Child Abuse Neglect Council	-	217	-	-	217	174,173
St. Clair County Community Mental Health Authority Fund	-	-	-	18,855	18,855	133,042
St. Clair County Community College "SC4" Foundation Fund (includes all underlying funds)	-	33,126	-	-	33,126	7,129,239
St. Clair County Library Fund (incl. the Lawrence E. Owens Endowment)	-	-	-	321,440	321,440	-
St. Clair County RESA Imagination Library Fund	-	34,978	-	-	34,978	221
St. Clair Public Library Capital Fund	-	-	-	31,944	31,944	25,823
St. John River District Hospital Fund	-	-	-	30,455	30,455	24,350

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	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):						
St. Vincent DePaul, St. Mary of St. Clair Council Fund	\$ -	\$ 1,709	\$ -	\$ -	\$ 1,709	\$ 115,359
Supporters of East China School District Fund	-	-	-	177,755	177,755	67,874
The Safe Horizons Fund	-	-	-	196,961	196,961	73,558
The Sanborn Gratiot Memorial Home Endowment Fund	-	-	-	12,864	12,864	43,506
Tri-Hospital EMS Fund	-	-	-	-	-	265,854
United Way of St. Clair County Fund	-	-	-	18,720	18,720	37,414
YMCA of the Blue Water Area Endowment Fund	-	-	-	22,330	22,330	353,863
Field of Interest Funds:						
Access to Recreation Fund	-	-	-	303,062	303,062	-
Alexa Lawrence Fund for Education	-	-	-	103,613	103,613	-
Algonac-Clay Community Fund	-	-	-	318,891	318,891	-
Blue Water Prosperity Fund	-	-	-	62,045	62,045	-
Blue Water Robotics Fund	-	1,768	-	-	1,768	-
Charles and Margaret Anderson Foundation Endowment Fund	-	-	-	2,255,594	2,255,594	-
Charles F. Moore Memorial Fund	-	-	-	3,314,291	3,314,291	-
Citizens for St. Clair Fund	-	-	-	670,066	670,066	-
Claude and Alexa Lawrence Fund	-	-	-	182,736	182,736	-
College Access Endowment	-	-	-	231,148	231,148	-
Community Capital Club (C3) Fund	-	-	-	300,591	300,591	-
COVID-19 Small Business Recovery Fund	-	-	-	-	-	-
COVID-19 Thumbcoast Regional Response Fund	-	-	-	-	-	-
DSLTL Fund	-	-	-	1,013,243	1,013,243	-
Eastern Michigan Christian Foundation Fund	-	-	-	375,355	375,355	-
Emily Bigelow Emergency Services Fund	-	-	-	109,679	109,679	-
Equity and Inclusion Fund	-	-	-	6,681	6,681	-
Ernest T. & Barbara A. Oskin Fund (2 of 2)	-	-	-	765,248	765,248	-
F. William & Patricia Schwarz Fund	-	-	-	178,633	178,633	-
Frank V. Carney & Bula A. Carney Memorial Fund	-	-	-	675,602	675,602	-
Friday Food For Kids Fund - Algonquin	-	-	-	-	-	-
Friday Food For Kids Fund - Belle River Elementary	-	-	-	-	-	-
Friday Food For Kids Fund - Cleveland Elementary	-	-	-	-	-	-
Friday Food For Kids Fund - Woodland Development Center	-	-	-	-	-	-
Friday Food For Kids Fund - Woodrow Wilson Elementary	-	-	-	-	-	-
Harry F. Lewis Fund	-	-	-	198,260	198,260	-
Healthy Youth, Healthy Seniors Fund	-	-	-	196,066	196,066	-
Henry and Harriet Whiting Memorial Fund	-	-	-	3,069,174	3,069,174	-
Juanita Gittings Youth Fund	-	-	-	-	-	-
Maritime Fund	-	-	-	43,013	43,013	-
Mary Moore Fund	-	-	-	1,164,836	1,164,836	-
Marysville Community Fund	-	-	-	61,024	61,024	28,508
Mickey & Agnes Knowlton Fund	-	-	-	60,845	60,845	-
Native American Endowment Fund	-	-	-	42,915	42,915	-
Port Huron Community Fund	-	-	-	12,275	12,275	159,301
Robert H. and Paula M. Cleland Community	-	-	-	72,169	72,169	-
St. Clair County Chapter - American Red Cross Endowment Fund	-	-	-	59,135	59,135	-

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	Net Assets Without Donor Restrictions				Agency Funds Held for Others
	Property and Equipment and Operations	Non-endowed Funds	Board- Designated Endowments	Donor Endowments	Total
Field of Interest Funds (cont'd):					
St. Clair Foundation Fund	\$ 128,100	\$ -	\$ -	\$ 3,030,985	\$ 3,159,085
Thomas K. Smith Fund	-	-	-	175,904	175,904
Women's Initiative Fund	-	-	-	1,075,149	1,075,149
Women's Initiative Steering Committee					
Giving Circle Fund	-	389	-	-	389
Youth Advisory Council Fund	-	-	-	1,783,271	1,783,271
Total	<u>\$ 7,427,881</u>	<u>\$ 1,873,549</u>	<u>\$ 6,559,011</u>	<u>\$ 61,177,643</u>	<u>\$ 77,038,084</u>
					<u>\$ 13,893,740</u>