

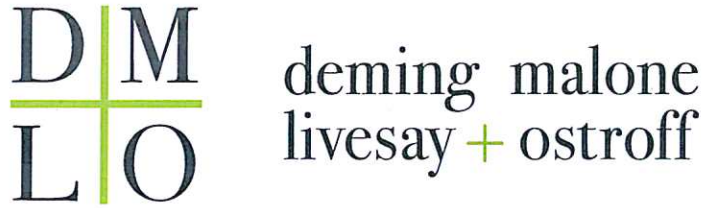
**THE COMMUNITY FOUNDATION
OF JACKSON COUNTY
AND ITS SUBSIDIARIES AND AFFILIATES**

**COMBINED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

December 31, 2021 and 2020

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Independent Auditors' Report

To the Board of Directors
The Community Foundation of Jackson County
and its Subsidiaries and Affiliates

Opinion

We have audited the accompanying combined financial statements of The Community Foundation of Jackson County (a nonprofit organization) and its Subsidiaries and Affiliates, which comprise the combined statements of financial position as of December 31, 2021 and 2020, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of The Community Foundation of Jackson County and its Subsidiaries and Affiliates as of December 31, 2021 and 2020, and the changes in their net assets and 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 Combined Financial Statements section of our report. We are required to be independent of The Community Foundation of Jackson County and its Subsidiaries and Affiliates 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 Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Community Foundation of Jackson County and its Subsidiaries and Affiliates ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 judgment made by a reasonable user based on the combined financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined 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 Community Foundation of Jackson County and its Subsidiaries and Affiliates' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Community Foundation of Jackson County and its Subsidiaries and Affiliates' 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 Summarized Comparative Information

We have previously audited The Community Foundation of Jackson County and its Subsidiaries and Affiliates' 2020 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated July 30, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining Statement of Financial Position and combining Statement of Activities are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.



Deming, Malone, Livesay & Ostroff
New Albany, Indiana
November 9, 2022

THE COMMUNITY FOUNDATION OF JACKSON COUNTY
AND ITS SUBSIDIARIES AND AFFILIATES

COMBINED STATEMENTS OF FINANCIAL POSITION

December 31, 2021 and 2020

Assets	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 2,210,912	\$ 4,268,607
Investments	18,404,968	14,388,641
Receivables	9,200	18,256
Property and equipment, net	344,613	362,367
Deferred tax asset	62,724	60,950
Other assets	<u>12,786</u>	<u>11,970</u>
Total assets	<u>\$ 21,045,203</u>	<u>\$ 19,110,791</u>
Liabilities and Net Assets		
Liabilities		
Deferred revenue	\$ 36,268	\$ 93,592
Charitable gift annuity payable	6,060	6,976
Custodial funds	1,210,724	1,019,576
Other liabilities	<u>3,272</u>	<u>9,458</u>
Total liabilities	<u>1,256,324</u>	<u>1,129,602</u>
Net Assets		
Net assets without donor restrictions - board designated:		
Operating fund	867,791	779,972
Administrative endowments	1,053,663	901,157
Unrestricted endowments	4,038,317	3,386,965
Designated endowments	5,839,033	5,094,154
Scholarship endowments	4,590,269	3,843,853
Field of interest endowments	350,280	348,523
Donor advised endowments	1,139,533	822,475
Special project endowments	149,162	265,099
Nonendowed funds	<u>1,588,063</u>	<u>2,365,881</u>
Total net asset without donor restrictions - board designated	19,616,111	17,808,079
Net assets without donor restrictions - non-controlling interest in subsidiary	<u>172,768</u>	<u>173,110</u>
Total net assets	<u>19,788,879</u>	<u>17,981,189</u>
Total liabilities and net assets	<u>\$ 21,045,203</u>	<u>\$ 19,110,791</u>

See Notes to Combined Financial Statements.

**THE COMMUNITY FOUNDATION OF JACKSON COUNTY
AND ITS SUBSIDIARIES AND AFFILIATES**

COMBINED STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, Gains, and Other Support			
Grants and contributions	\$ 1,141,492		\$ 1,141,492
Investment income, net	2,692,900		2,692,900
Administrative fees	311,408		311,408
Rent	76,314		76,314
Other	10,394		10,394
	<u>4,232,508</u>		<u>4,232,508</u>
Total revenue, gains, and other support			
Expenses			
Scholarships and grants	1,647,040		1,647,040
Salaries and benefits	300,271		300,271
Administrative expenses	294,078		294,078
Occupancy	63,164		63,164
Payroll taxes	22,413		22,413
Insurance	19,092		19,092
Depreciation and amortization	17,754		17,754
Memberships, printing, publication	16,480		16,480
Professional fees	13,850		13,850
Equipment rental and maintenance	6,883		6,883
Publicity	7,576		7,576
Programs	5,000		5,000
Supplies and postage	5,089		5,089
Other	4,301		4,301
Travel	2,005		2,005
Property taxes	1,100		1,100
Conferences and meetings	496		496
Deferred income tax benefit	(1,774)		(1,774)
	<u>2,424,818</u>		<u>2,424,818</u>
Total expenses			
Change in net assets	1,807,690		1,807,690
Change in net assets attributable to non-controlling interest	<u>342</u>		<u>342</u>
Change in net assets attributable to Community Foundation of Jackson County, Inc.	<u>\$ 1,808,032</u>	<u>\$</u>	<u>\$ 1,808,032</u>

See Notes to Combined Financial Statements.

**THE COMMUNITY FOUNDATION OF JACKSON COUNTY
AND ITS SUBSIDIARIES AND AFFILIATES**

COMBINED STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, Gains, and Other Support			
Grants and contributions	\$ 3,482,081		\$ 3,482,081
Investment income, net	1,318,722		1,318,722
Administrative fees	270,575		270,575
Rent	87,662		87,662
Other	12,436		12,436
Events	6,700		6,700
Change in value of beneficial interest in charitable remainder trust		<u>\$ (4,482)</u>	<u>(4,482)</u>
Total revenue, gains, and other support	<u>5,178,176</u>	<u>(4,482)</u>	<u>5,173,694</u>
Expenses			
Scholarships and grants	779,087		779,087
Salaries and benefits	293,693		293,693
Administrative expenses	256,520		256,520
Occupancy	57,228		57,228
Payroll taxes	21,882		21,882
Insurance	20,350		20,350
Depreciation and amortization	17,106		17,106
Memberships, printing, publication	15,756		15,756
Contract services	14,589		14,589
Professional fees	12,851		12,851
Equipment rental and maintenance	8,481		8,481
Publicity	7,606		7,606
Programs	6,880		6,880
Supplies and postage	5,403		5,403
Other	4,153		4,153
Events	3,659		3,659
Travel	3,047		3,047
Property taxes	1,290		1,290
Conferences and meetings	537		537
Deferred income tax benefit	<u>(5,112)</u>		<u>(5,112)</u>
Total expenses	<u>1,525,006</u>		<u>1,525,006</u>
Change in net assets	3,653,170	(4,482)	3,648,688
Change in net assets attributable to non-controlling interest	<u>981</u>		<u>981</u>
Change in net assets attributable to Community Foundation of Jackson County, Inc.	<u>\$ 3,654,151</u>	<u>\$ (4,482)</u>	<u>\$ 3,649,669</u>

See Notes to Combined Financial Statements.

**THE COMMUNITY FOUNDATION OF JACKSON COUNTY
AND ITS SUBSIDIARIES AND AFFILIATES**

COMBINED STATEMENTS OF CHANGES IN NET ASSETS
Years Ended December 31, 2021 and 2020

	Net Assets Without Donor Restrictions			Total
	Board Designated	Noncontrolling Interest in Subsidiary	Net Assets With Donor Restrictions	
Net assets as of December 31, 2019	\$ 14,153,928	\$ 174,091	\$ 4,482	\$ 14,332,501
Change in net assets	3,654,151	(981)	(4,482)	3,648,688
Net assets as of December 31, 2020	17,808,079	173,110		17,981,189
Change in net assets	1,808,032	(342)		1,807,690
Net assets as of December 31, 2021	\$ 19,616,111	\$ 172,768	\$	\$ 19,788,879

See Notes to Combined Financial Statements.

**THE COMMUNITY FOUNDATION OF JACKSON COUNTY
AND ITS SUBSIDIARIES AND AFFILIATES**

COMBINED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2021
(With Comparative Totals for 2020)

	2021				2020
	Program Services	Management & General	Fundraising	Total	All Funds (Memorandum Only)
Scholarships and grants	\$ 1,647,040			\$ 1,647,040	\$ 779,087
Salaries and benefits	150,136	\$ 120,108	\$ 30,027	300,271	293,693
Administrative expenses	294,078			294,078	256,520
Occupancy		63,164		63,164	57,228
Payroll taxes	11,207	8,965	2,241	22,413	21,882
Insurance		19,092		19,092	20,350
Depreciation and amortization	2,552	15,202		17,754	17,106
Memberships, printing, publication	9,888	6,592		16,480	15,756
Contract services					14,589
Professional fees	3,463	10,387		13,850	12,851
Equipment rental and maintenance	1,377	4,129	1,377	6,883	8,481
Publicity	4,546	1,515	1,515	7,576	7,606
Programs	5,000			5,000	6,880
Supplies and postage	2,036	2,035	1,018	5,089	5,403
Other	1,290	1,721	1,290	4,301	4,153
Events					3,659
Travel			2,005	2,005	3,047
Property taxes	1,100			1,100	1,290
Conferences and meetings		422	74	496	537
Deferred income tax benefit	(1,774)			(1,774)	(5,112)
	<u>\$ 2,131,939</u>	<u>\$ 253,332</u>	<u>\$ 39,547</u>	<u>\$ 2,424,818</u>	<u>\$ 1,525,006</u>

Combined Statement of Functional Expenses for the Year Ended December 31, 2020

Program Services	\$ 1,239,491
Management & General	245,287
Fundraising	<u>40,228</u>
Total	<u>\$ 1,525,006</u>

See Notes to Combined Financial Statements.

**THE COMMUNITY FOUNDATION OF JACKSON COUNTY
AND ITS SUBSIDIARIES AND AFFILIATES**

COMBINED STATEMENTS OF CASH FLOWS

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 1,807,690	\$ 3,648,688
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	17,754	17,106
Interest and dividend income, net	(331,196)	(289,978)
Realized gains on investments	(506,950)	(45,742)
Unrealized gains on investments	(1,854,229)	(982,292)
Change in value of beneficial interest in charitable remainder trust		4,482
Deferred income tax benefit	(1,774)	(5,112)
(Increase) decrease in assets:		
Receivables	9,056	(14,575)
Other assets	(816)	(653)
Increase (decrease) in liabilities:		
Deferred revenue	(57,324)	(180,478)
Charitable gift annuity payable	(916)	(433)
Custodial funds	191,148	295,023
Other liabilities	(6,186)	814
Net cash flows (used in) provided by operating activities	<u>(733,743)</u>	<u>2,446,850</u>
Cash Flows From Investing Activities		
Purchase of equipment	(14,219)	(13,572)
Purchase of investments	(5,349,866)	(4,659,009)
Proceeds on sales and maturities of investments	<u>4,040,133</u>	<u>4,315,871</u>
Net cash flows used in investing activities	<u>(1,323,952)</u>	<u>(356,710)</u>
Net change in cash and cash equivalents	(2,057,695)	2,090,140
Cash and cash equivalents at the beginning of the year	<u>4,268,607</u>	<u>2,178,467</u>
Cash and cash equivalents at the end of the year	<u>\$ 2,210,912</u>	<u>\$ 4,268,607</u>
Supplemental Disclosure of Cash Flow Information		
Donated stock	<u>\$ 185,096</u>	<u>\$</u>
Donated grain	<u>\$</u>	<u>\$ 6,267</u>

See Notes to Combined Financial Statements.

**THE COMMUNITY FOUNDATION OF JACKSON COUNTY
AND ITS SUBSIDIARIES AND AFFILIATES**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Activities and Summary of Significant Accounting Policies

Organization activities:

This summary of significant accounting policies of The Community Foundation of Jackson County, Inc. ("CFJC" or the "Foundation") and its Subsidiaries and Affiliates: Seymour Industrial Corporation, Inc., Community Foundation of Jackson County Properties, LLC, Community Foundation of Jackson County Holding, Inc., and Jackson County Education Coalition, Inc., is presented to assist in understanding the Foundation's combined financial statements.

The Community Foundation of Jackson County, Inc. was established as a not-for-profit organization in 1992. The Foundation's purpose is to serve philanthropic and charitable needs in Jackson County, Indiana. To fulfill this purpose, the Foundation offers endowment services, grant making, scholarships, donor estate and planned gift services to individuals and qualified organizations in Jackson County.

Community Foundation of Jackson County Properties, LLC ("Community Foundation Properties") is a single member Limited Liability Company that was established in 2007 by The Community Foundation of Jackson County (the single member). Community Foundation Properties owns the building in which the Foundation maintains its offices, and leases the building to the Foundation.

Community Foundation of Jackson County Holding, Inc. ("Community Foundation Holding") was established as a not-for-profit charitable organization in 2007 in order to support and expand the works and activities of the Foundation within the community as a whole by contributing support to the Foundation and by receiving and maintaining a fund or funds of real or personal property, or both, and to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the Foundation.

Jackson County Education Coalition, Inc. ("Education Coalition") was established as a not-for-profit charitable organization in 2011 to support and facilitate education and lifelong learning across Jackson County.

The Seymour Industrial Corporation, Inc. ("SIC") is a for-profit subsidiary owned approximately 94% by the Foundation at December 31, 2021 and 2020. SIC owns and develops land for industrial use.

These Organizations present combined financial statements with any inter-entity transactions and balances eliminated as part of the combined financial statements.

NOTES TO COMBINED FINANCIAL STATEMENTS

Summary of significant accounting policies:

This summary of significant accounting policies of the Foundation is presented to assist in understanding the Foundation's combined financial statements. The combined financial statements and notes are representations of the Foundation's management who is responsible for the integrity and objectivity of the combined financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the combined financial statements.

Basis of accounting:

The accompanying combined financial statements have been prepared on the accrual basis of accounting.

Financial statement presentation:

The Foundation and its Subsidiaries and Affiliates are required to report information regarding their combined financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. The following classes of net assets are maintained:

Net assets with donor restrictions: Net assets with donor restrictions includes assets and trust obligations of the Foundation related to gifts with explicit donor-imposed restrictions over which the Foundation does not maintain variance power. Charitable remainder trusts for which the Foundation is not the trustee are classified as net assets with donor restrictions due to time restrictions.

Net assets without donor restrictions: Net assets without donor restrictions includes general and board-designated assets and liabilities of the Foundation. The net assets without donor restrictions of the Foundation may be used at the discretion of management to support the Foundation's purposes and operations.

The Foundation currently maintains variance power over all funds received. Therefore, funds designated by the donor for endowment or pass-through purposes are deemed net assets without donor restrictions of the Foundation.

The Board has designated these net assets without donor restrictions to conform to donor requests. The following classifications are used for internal reporting purposes:

- *Operating fund:* The operating fund holds monies which provide the daily support for the operation of the Foundation. These assets include the building and improvements owned by Community Foundation Properties.
- *Administrative endowments:* This endowment provides grants restricted to use for usual and customary administrative costs and expenses incurred by the Foundation.

NOTES TO COMBINED FINANCIAL STATEMENTS

- *Unrestricted endowments:* Discretionary, or unrestricted, endowments provide grants to a variety of countywide programs and services. Grant applications are reviewed by the Grants Committee and recommendations are made to the Board of Directors for approval. Unrestricted endowments allow the greatest flexibility in responding to emerging community needs.
- *Designated endowments:* Designated endowment funds allow the donor to determine in advance which organizations will be supported by annual grants from the fund.
- *Scholarship endowments:* Scholarship funds enable students to pursue traditional higher education or vocational training. These funds can be established to honor or memorialize an individual and/or to serve a specific purpose that is important to that donor.
- *Field of interest endowments:* Field of interest funds allow the donor to choose, but not restrict, grants to one or more areas of interest such as education, the arts or health.
- *Donor endowments:* Donor advised funds allow the donor to make recommendations for distribution to specific charities. Donors are invited annually to make recommendations for each year's grant.
- *Special project endowments:* Special project funds are created to assist with a particular need of the Jackson County community.
- *Nonendowment funds:* Nonendowed funds provide a vehicle for receiving tax-deductible donations to benefit an organization, usually for a specific purpose or project.

Cash and cash equivalents:

For purposes of the combined statements of cash flows, the Foundation and its Subsidiaries and Affiliates consider all highly liquid investments with a maturity of three months or less to be cash equivalents except for those cash equivalents included in short-term investments.

Receivables:

Receivables are stated at the amount management expects to collect from balances outstanding at year-end. No allowance is deemed necessary.

Grants and scholarships:

Grants paid are recorded as expenses when they are approved by the Board of Directors for payment, unless there are restrictions and requirements that must be met by the grantee prior to payment. As of December 31, 2021 and 2020 certain grants and scholarships were approved but were subject to contingent requirements that had not been met, therefore, the amounts are not accrued in the combined statements of financial position.

NOTES TO COMBINED FINANCIAL STATEMENTS

Investments:

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the combined statements of financial position. Interest and dividends, realized and unrealized gains and losses, less investment expenses, are reflected in the combined statements of activities as net investment income. Investment in land is recorded at its appraised value at the time of donation.

Use of estimates:

Management uses estimates and assumptions in preparing the combined financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Property and equipment:

Items capitalized as part of land, buildings and equipment are valued at cost. Maintenance and repairs are expensed as incurred. The Foundation's policy is to expense minor equipment and software costing less than \$1,000. The Foundation and its Subsidiaries and Affiliates use the straight-line method of computing depreciation at rates adequate to amortize the cost of the applicable assets over their useful lives which range from five to thirty-nine years. Software is amortized over three years. The asset cost and related accumulated depreciation of assets sold, or otherwise disposed of, is removed from the related accounts and the gain or loss is included in operations.

Income taxes:

The Foundation and its Subsidiaries and Affiliates, with the exception of SIC, are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a). The Foundation and its Subsidiaries and Affiliates evaluates uncertain tax positions in accordance with applicable standards. It has evaluated its tax positions, and believes that it has none that are uncertain. As of December 31, 2021 and 2020, the Foundation and its Subsidiaries and Affiliates did not have any accrued interest or penalties related to income tax liabilities, and no interest or penalties have been charged to operations for the years then ended.

NOTES TO COMBINED FINANCIAL STATEMENTS

SIC is a for-profit corporation. SIC has loss carryforwards totaling \$227,755 and \$206,429 as of December 31, 2021 and 2020 that may be used to offset against future years' taxable income. Federal and state income tax benefit of SIC in 2021 amounted to \$1,774 and federal and state income tax benefit of SIC in 2020 amounted to \$5,112. The deferred tax asset related to these future income tax benefits at December 31, 2021 and 2020 was \$62,724 and \$60,950, respectively. SIC has evaluated its uncertain tax positions as required. There is no tax position at December 31, 2021 or 2020 for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility.

Revenue and revenue recognition:

The Foundation's major revenue sources consists of grants and contributions, administrative fees, and investment income.

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 considered to be available for use unless specifically restricted by the donor. 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. The Foundation recognizes rent revenue from leases evenly over the term of the contract. The Foundation recognizes grant revenue based on the terms of the grant. The Foundation also provides accounting services to other community organizations and nonprofits. The revenue for these services is recognized either when the service is complete or evenly over the term of the contract if the service is provided regularly. Investment income includes investment interest and dividends, as well as realized and unrealized gains and losses on investments, less investment expenses, net of investment. Finally, administrative fees revenue is recognized quarterly per the agreements with the individual endowment funds.

The Foundation recognizes revenue from contracts with customers under the provisions of Accounting Standards Update Topic 606 using a five-step revenue model. The five steps used in this process are: 1) identify the contract, 2) identify the performance obligations in the contract, 3) determine the transaction price, 4) allocate the price to the performance obligations, and 5) recognize the revenue. Under this standard, recognition of revenue occurs when a customer obtains control of promised services or goods in an amount that reflects the consideration which the Foundation expects to receive in exchange for those goods or services.

Refer to Note 11 for additional disclosures.

Deferred revenue:

Income from grants and rent is deferred and recognized over the periods in which the related services will be provided and expenses incurred or other grant conditions met.

NOTES TO COMBINED FINANCIAL STATEMENTS

In-kind contributions:

The Foundation received the following in-kind contributions for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Stock	\$185,096	\$
Grain	<u> </u>	<u>6,267</u>
	<u>\$185,096</u>	<u>\$ 6,267</u>

In-kind contributions are reported as contributions at their estimated fair value on the date of receipt and reported as assets or expenses when utilized. Estimated fair value is determined based on information provided by the donor regarding the value of goods and services received. In-kind contributions were used to support general programming during the years ended December 31, 2021 and 2020. There were no donor restrictions on in-kind contributions for the years ended December 31, 2021 and 2020.

Functional allocation of expenses:

The combined statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited and are allocated on the basis of estimates of time and effort. The December 31, 2021 combined statement of functional expenses presents summarized comparative information from the prior year. Such information does not contain sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's combined financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Recent accounting pronouncements:

The Financial Accounting Standards Board issued the following accounting standards, which will be effective in subsequent years: 1) ASU No. 2021-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, effective for fiscal years beginning after June 15, 2021; 2) ASU No. 2016-02, *Leases*, effective for fiscal years beginning after December 15, 2021; and 3) ASU No. 2016-13, *Financial Instruments-Credit Losses*, effective for fiscal years beginning after December 15, 2022.

The Foundation is evaluating the impact of these standards on future combined financial statements.

NOTES TO COMBINED FINANCIAL STATEMENTS

Date of management's review:

Management has evaluated events and transactions occurring subsequent to the combined statement of financial position date for items that should potentially be recognized or disclosed in these combined financial statements. The evaluation was conducted through the date of the report, which is the date these combined financial statements were available to be issued.

Note 2. Liquidity and Availability

The Community Foundation of Jackson County defines general expenditures as all expenditures, with the exception of restricted expenditures (for example, pass-through grants or other restricted grants). General expenditures include regular grant payments, other program service expenses, management and general expenses and fundraising expenses. The Foundation defines the following as liquid assets available for funding general expenditures:

	<u>2021</u>	<u>2020</u>
Cash, except for cash related to endowment funds, non-permanent funds, and SIC	\$678,610	\$752,564
Accounts receivable, except for items related to endowment funds, non-permanent funds, and SIC	<u>5,960</u>	<u>15,017</u>
Liquid assets available for funding general expenditures	<u>\$684,570</u>	<u>\$767,581</u>

From a cash management perspective, the Foundation holds cash related to endowment funds and non-permanent funds in cash accounts. These funds are held in cash accounts when received, and not invested in the Foundation's investment portfolio, to allow the Foundation to better manage its cash flow. This practice allows the Foundation to meet its liquidity needs without an ongoing impact on its investment portfolio. The Foundation uses current contributions to fund grants and other program expenses rather than making ongoing additions to and withdrawals from the investment portfolio.

The Foundation has an annual grant approval process. This process includes evaluating a number of factors relative to the spending rate to be applied to the Foundation's fund balances in accordance with its spending policy. Once the Foundation's Board of Directors approves the spending rate, the related dollar amount of the funds becomes available for general expenditures.

In addition to liquid assets and assets appropriated for expenditure, the Foundation also relies on the administrative fees it charges its funds to fund general expenditures. The administrative fee percent charged to each fund currently varies by fund category according to the Foundation's current fee schedule, which may be amended by the Foundation from time to time.

NOTES TO COMBINED FINANCIAL STATEMENTS

The Foundation's investment portfolio, with the exception of the portion allocated for expenditure, is not available to support general expenditures. The Foundation has a spending policy that governs the amounts to be expended from the investment portfolio. As such, the Foundation has not designated its investments as either short-term (which might suggest liquidity) or long-term. The Foundation holds a large number of funds contributed by donors that constitute its investment portfolio. The Foundation has determined that these amounts are received with donor restrictions and intends to only utilize this investment portfolio within the confines of its spending policy. As disclosed in Note 6, while these amounts are received with donor restrictions, the Board of Directors classifies the funds without donor restrictions due to variance power.

The Foundation structures its financial assets to be available as its awarded grants, program expenses, management and general expenses, fundraising expenses, liabilities and other obligations become due. The Foundation invests cash in excess of daily requirements in money market accounts and other short-term investments.

Note 3. Property and Equipment

Property and equipment consists of the following as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 270,887	\$ 270,887
Land	60,000	60,000
Buildings and improvements	444,236	444,236
Closing costs and loan fees	9,189	9,189
Computer software	<u>32,425</u>	<u>32,425</u>
	816,737	816,737
Accumulated depreciation and amortization	<u>(472,124)</u>	<u>(454,370)</u>
Property and equipment, net	<u>\$ 344,613</u>	<u>\$ 362,367</u>

Note 4. Investments

Investments at December 31, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Common stock	\$13,420,849	\$10,534,226
Fixed income	4,391,978	1,501,855
Mutual funds	80,224	69,300
Exchange traded funds		1,785,562
Other investments: Real estate	<u>511,917</u>	<u>497,698</u>
	<u>\$18,404,968</u>	<u>\$14,388,641</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

Investments in marketable securities are stated at fair value using quoted market prices. Investment return is summarized as follows:

	<u>2021</u>	<u>2020</u>
Unrealized gains on investments	\$1,854,229	\$ 982,292
Interest and dividend income	412,392	358,603
Realized gains on investments	506,950	45,742
Investment fees	<u>(80,671)</u>	<u>(67,915)</u>
Investment income, net	<u>\$2,692,900</u>	<u>\$1,318,722</u>

Note 5. Fair Value of Financial Instruments

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations have the ability to access at the measurement date.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liabilities; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specific (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTES TO COMBINED FINANCIAL STATEMENTS

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

- Fixed income bonds and preferred stock, common stock, equity mutual funds, and exchange traded funds are valued at the closing price reported on the active market on which the individual securities are traded.
- Investment in real estate owned by SIC is carried at its appraised value at the time of donation plus improvements.
- Fair value of annuities payable is determined by calculating the present value of the annuities using published life expectancy tables and discounted rate of 7.3%.

The following tables set forth by level, within the fair value hierarchy, the assets of the Foundation and its Subsidiaries and Affiliates measured at fair value on a recurring basis as of December 31, 2021 and 2020. Common stock, fixed income, mutual funds, and exchange traded funds are included in Level 1. Fair value of real estate, beneficial interest in charitable remainder trust, and annuity payable are included in Level 2.

	<u>December 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Assets				
Common stock	\$13,420,849			\$13,408,656
Fixed income	4,391,978			4,404,171
Mutual funds	80,224			80,224
Real estate owned by SIC		<u> </u>	\$511,917	<u>511,917</u>
Total assets at fair value		<u>\$17,893,051</u>	<u>\$511,917</u>	<u>\$18,404,968</u>
Liabilities				
Annuity payable			\$ 6,060	<u>\$ 6,060</u>
	<u>December 31, 2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Assets				
Common stock	\$10,534,226			\$10,534,226
Fixed income	1,501,855			1,501,855
Mutual funds	69,300			69,300
Exchange traded funds	1,785,562			1,785,562
Real estate owned by SIC		<u> </u>	\$497,698	<u>497,698</u>
Total assets at fair value		<u>\$13,890,943</u>	<u>\$497,698</u>	<u>\$14,388,641</u>
Liabilities				
Annuity payable			\$ 6,976	<u>\$ 6,976</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 6. Endowment

The Foundation and Affiliate's endowment consists of 198 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as allowing endowment funds to be classified as net assets without donor restrictions as each fund agreement includes variance power providing the Foundation's Board with discretion regarding the expenditure of the funds. Those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds.

- 1) The duration and preservation of the fund
- 2) The purposes of the Foundation and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the Foundation
- 7) The investment policies of the Foundation

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide long-term growth of capital and immediate income to support needs of the community. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce long-term growth of capital without undue exposure to risk. The Foundation desires its funds, over time, to provide an average rate of return of approximately 5% annually, net of inflation and fees. Actual returns in any given year may vary from this amount. To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment decisions shall be made with the intent of maximizing the long-term total return of the portfolio through market value changes (realized and unrealized) and through earned income (dividends and interest). The Foundation has a policy of appropriating for distribution each year 5% of its endowment funds' average fair value over the prior 12 quarters, or a lesser percentage as voted upon annually by the Board of Directors. In establishing this policy, the Foundation considered its long-term expected return on its endowment.

NOTES TO COMBINED FINANCIAL STATEMENTS

Changes in endowed funds for the years ending December 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Endowment net assets, beginning of the year	\$14,662,226	\$12,922,630
Contributions and other revenue	879,498	1,315,895
Investment income, net	2,544,726	1,246,901
Appropriation of endowment assets for expenditure	<u>(926,193)</u>	<u>(823,200)</u>
Endowment net assets, end of the year	<u>\$17,160,257</u>	<u>\$14,662,226</u>

From time to time, the fair value of assets associated with board designated endowment funds may fall below the level that the Foundation is required to retain as a fund of perpetual duration. The majority of these deficiencies resulted from unfavorable market fluctuations. The fair value of underwater endowment funds, original non-spendable portions, and deficiencies for the years ending December 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Fair value of underwater endowment funds		\$12,309
Non-spendable portion of original endowment	<u> </u>	<u>12,832</u>
Deficiencies	<u>\$ </u>	<u>\$ (523)</u>

Note 7. Custodial Funds

Custodial funds represent funds placed on deposit with the Foundation by other organizations, based on their individual board resolutions. The Foundation accounts for these transfers as a liability. Income is added to these funds periodically, in accordance with the Foundation's investment allocation policies. Contributions by, investment interest credits for, and distributions to those organizations are reflected as adjustments to the liability account and are not reflected on the Foundation's combined statements of activities.

Following is a progression of custodial funds during 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Beginning balance	\$1,019,576	\$ 724,553
Contributions	50,273	236,927
Interest and dividends	28,876	23,576
Realized gains	36,086	3,972
Unrealized gains	131,560	81,210
Investment expenses	(5,721)	(4,461)
Administrative fees	(17,330)	(14,055)
Grant payments	<u>(32,596)</u>	<u>(32,146)</u>
Ending balance	<u>\$1,210,724</u>	<u>\$1,019,576</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 8. Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of contributions and grants without any donor restrictions, donor advised funds, and donor designated funds. Donor advised funds are contributions which are given by a donor with the needs of a particular community or area in mind. Donor designated funds are given by the donor with a specific organization designated as the beneficiary. These funds are classified as net assets without donor restrictions due to the variance power maintained by the Foundation and its Subsidiaries and Affiliates.

Although grant recommendations are accepted from donors and other providers of grants and are typically followed, the Foundation and its Subsidiaries and Affiliates has the right to redirect the distribution of the assets donated or the income obtained from them (“variance power”). This variance power provides that the ultimate discretion of the use of donated funds lies with the Foundation and its Subsidiaries and Affiliates’ Board of Directors. The variance power is explicitly stated in donor and grant agreements and effectively causes donor-specified restricted funds to be classified as net assets without donor restrictions.

Note 9. Leases

The most significant lease relationships entered into by the Foundation include the following:

The Foundation entered into a lease agreement with Ivy Tech Community College as an occupant of the learning center on July 1, 2010. The agreement has been renewed several times. The last agreement began August 1, 2020 and expires on July 31, 2022 at a rate of \$27,904 per year. Subsequent to year-end, the agreement was again renewed at the same annual rate and is set to expire on July 31, 2023.

The Foundation entered into a lease agreement with Southeast Indiana Workforce Investment Board as an occupant of the learning center at a rate of \$937 per month. The lease began in 2015 and has been extended multiple times. The latest lease agreement expired June 30, 2021, and was verbally renewed for another year.

The Foundation entered into a lease agreement with Indiana University as an occupant of the learning center. The agreement has been renewed several times and the last agreement began on August 1, 2019 and expired July 31, 2020 at a base rate of \$2,500 per year. The lease carried forward after expiration under the same terms.

Total rent payments received prior to December 31, 2021 and 2020 but intended for periods in the subsequent years totaled \$1,458 and \$1,458, respectively, and are included in deferred revenue in the combined financial statements.

Future minimum rent revenues under the operating leases are as follows:

Year ending December 31,	
2022	\$27,904

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 10. Defined Contribution Retirement Plan

The Foundation maintains a Simple IRA retirement plan covering eligible employees. The Foundation makes a contribution to the plan each year of 3% of participating employees' compensation. Total expense for the years ended December 31, 2021 and 2020 was \$8,410 and \$8,152, respectively, and is included with employee benefits.

Note 11. Revenue from Contracts with Customers

The Foundation's revenue from contracts with customers consists of administrative fees, grants, and other items.

Administrative fees are paid to the Foundation for managing endowment funds. Performance obligations are satisfied over time as the services are provided. Transaction prices are set based on a fee schedule. The time between invoicing and when the performance obligations are satisfied is not significant, and there is not a significant financing component or significant payment terms.

Certain pass-through grants are paid to the Foundation with specific requirements regarding the timing and payment to the final specified recipient. Performance obligations are satisfied at a point in time. Transaction prices are set based on a contract. The time between invoicing and when the performance obligations are satisfied is not significant, and there is not a significant financing component or significant payment terms.

Other revenue consists of accounting services provided to other entities. Performance obligations are satisfied over time as the services are provided, and transaction prices are set based on a contract.

Revenue from contracts with customers as of December 31, 2021 and 2020 include the following:

	<u>2021</u>	<u>2020</u>
Administrative fees	\$311,408	\$270,575
Grants	235,000	225,000
Other	<u>10,368</u>	<u>12,238</u>
	<u>\$556,776</u>	<u>\$507,813</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 12. Small Business Administration Funding

In April 2020 the Foundation qualified for and received a loan pursuant to the Paycheck Protection Program, a program implemented by the U.S. Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender for an aggregate principal amount of \$40,200 (PPP Loan). The Jackson County Education Coalition also qualified for and received a loan pursuant to the Paycheck Protection Program in the amount of \$14,000 (PPP Loan). The PPP Loans incurred interest at a fixed rate of 1.0% per annum. Interest was deferred during the deferral period, which ended on the date that the loan forgiveness amount was remitted by the U.S. Small Business Administration to the lender. The loans were unsecured and guaranteed by the U.S. Small Business Administration. The principal amount of the PPP Loans was subject to forgiveness under the Paycheck Protection Program upon the Foundation's request to the extent that the loan proceeds were used to pay expenses permitted by the Paycheck Protection Program, including payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Foundation. The Foundation applied for forgiveness for both PPP Loans with respect to these covered expenses, and both loans were forgiven in November 2020. The loan proceeds were recorded as contributions on the date of forgiveness.

Note 13. Risks And Uncertainties

The Foundation and its Subsidiaries and Affiliates maintain cash in bank deposit accounts, which at times may exceed federally insured limits. The Foundation and its Subsidiaries and Affiliates have not experienced any losses on such accounts. The Foundation and its Subsidiaries and Affiliates believe they are not exposed to any significant credit risk on cash. At December 31, 2021, the Foundation had approximately \$1,346,000 in excess of federally insured limits.

Marketable securities and money market funds are managed by investment firms. Such balances exceed the Securities Protection Corporation insured limits of up to \$500,000.

The Foundation holds investments which are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying combined financial statements.

Note 14. Related Parties

The Foundation maintains cash accounts at several banks, including State Bank of Medora, Jackson County Bank, and First Financial Bank. An employee of each bank was represented on the Foundation's Board of Directors during 2021 and 2020.

NOTES TO COMBINED FINANCIAL STATEMENTS

During 2021 and 2020, the Education Coalition rented space to Ivy Tech Community College in Columbus. Steven Combs, President of Ivy Tech Community College in Columbus, is on the Education Coalition's Board of Directors.

In 2016, the Education Coalition entered into a memo of understanding with the City of Seymour Redevelopment Commission and the Jackson County Industrial Development Corporation (JCIDC). Under the agreement, funds are appropriated to the Education Coalition by the Redevelopment Commission and then part of the funds are passed through to JCIDC. During 2021, the Education Coalition received \$235,000 and forwarded \$178,600. During 2020, the Education Coalition received \$225,000 and forwarded \$171,000. Members of the Redevelopment Commission and JCIDC are represented on the Education Coalition's Board of Directors.

Note 15. Contingencies

The COVID-19 outbreak in the United States has caused disruptions to businesses and organizations through mandated and voluntary closures. While these disruptions are expected to be temporary, there is considerable uncertainty about the duration of the outbreak, the federal and state government responses, and the impact on the economy and the Foundation's vendors and individuals served. The extent of the impact on the Foundation's future operations and cash flows is uncertain.

SUPPLEMENTARY INFORMATION

THE COMMUNITY FOUNDATION OF JACKSON COUNTY AND ITS SUBSIDIARIES AND AFFILIATES

COMBINING STATEMENT OF FINANCIAL POSITION

December 31, 2021

Assets	Community Foundation	Jackson County Education Coalition	Seymour Industrial Corporation	Community Foundation Properties	Community Foundation Holding	Combining/ Eliminating Adjustments	Total
Cash and cash equivalents	\$ 1,498,206	\$ 355,040	\$ 357,513		\$ 153		\$ 2,210,912
Investments	17,893,051		511,917				18,404,968
Investment in subsidiary	762,626					\$ (762,626)	
Receivables	72,432	5,960	3,240			(72,432)	9,200
Property and equipment, net	9,843	5,415		\$ 329,355			344,613
Deferred tax asset			62,724				62,724
Other assets	8,092	4,694					12,786
Total assets	\$ 20,244,250	\$ 371,109	\$ 935,394	\$ 329,355	\$ 153	\$ (835,058)	\$ 21,045,203
Liabilities and Net Assets							
Liabilities							
Deferred revenue	\$	\$ 36,268					\$ 36,268
Charitable gift annuity payable	6,060						6,060
Custodial funds	1,210,724						1,210,724
Other liabilities	75,704					\$ (72,432)	3,272
Total liabilities	1,292,488	36,268				(72,432)	1,256,324
Net Assets							
Net assets without donor restrictions:							
Board designated	18,951,762	334,841	\$935,394	\$ 329,355	\$ 153	(935,394)	19,616,111
Non-controlling interest in subsidiary						172,768	172,768
Total net assets	18,951,762	334,841	935,394	329,355	153	(762,626)	19,788,879
Total liabilities and net assets	\$ 20,244,250	\$ 371,109	\$ 935,394	\$ 329,355	\$ 153	\$ (835,058)	\$ 21,045,203

THE COMMUNITY FOUNDATION OF JACKSON COUNTY AND ITS SUBSIDIARIES AND AFFILIATES

COMBINING STATEMENT OF FINANCIAL POSITION

December 31, 2020

Assets	Community Foundation	Jackson County Education Coalition	Seymour Industrial Corporation	Community Foundation Properties	Community Foundation Holding	Combining/ Eliminating Adjustments	Total
Cash and cash equivalents	\$ 3,553,523	\$ 336,174	\$ 378,757		\$ 153		\$ 4,268,607
Investments	13,890,943		497,698				14,388,641
Investment in subsidiary	767,534					\$ (767,534)	
Receivables	62,371	15,017	3,239			(62,371)	18,256
Property and equipment, net	13,860	7,967		\$ 340,540			362,367
Deferred tax asset			60,950				60,950
Other assets	7,198	4,772					11,970
Total assets	\$ 18,295,429	\$ 363,930	\$ 940,644	\$ 340,540	\$ 153	\$ (829,905)	\$ 19,110,791
Liabilities and Net Assets							
Liabilities							
Deferred revenue	\$ 22,752	\$ 70,840					\$ 93,592
Charitable gift annuity payable	6,976						6,976
Custodial funds	1,019,576						1,019,576
Other liabilities	70,173	1,656				\$ (62,371)	9,458
Total liabilities	1,119,477	72,496				(62,371)	1,129,602
Net Assets							
Net assets without donor restrictions:							
Board designated	17,175,952	291,434	\$ 940,644	\$ 340,540	\$ 153	(940,644)	17,808,079
Non-controlling interest in subsidiary						173,110	173,110
Total net assets	17,175,952	291,434	940,644	340,540	153	(767,534)	17,981,189
Total liabilities and net assets	\$ 18,295,429	\$ 363,930	\$ 940,644	\$ 340,540	\$ 153	\$ (829,905)	\$ 19,110,791

THE COMMUNITY FOUNDATION OF JACKSON COUNTY AND ITS SUBSIDIARIES AND AFFILIATES

COMBINING STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

	Community Foundation	Jackson County Education Coalition	Seymour Industrial Corporation	Community Foundation Properties	Community Foundation Holding	Combining/ Eliminating Adjustments	Total
Revenues, Gains, and Support							
Grants and contributions	\$ 893,507	\$ 332,112				\$ (84,127)	\$ 1,141,492
Investment income, net	2,692,375	280	\$ 245				2,692,900
Administrative fees	311,408						311,408
Rent	23,460	70,194	6,120			(23,460)	76,314
Other	10,389	5					10,394
Interfund transfers	170,653	84,127				(254,780)	
Loss from subsidiary	(4,908)					4,908	
Total revenue, gains, and support	<u>4,096,884</u>	<u>486,718</u>	<u>6,365</u>			<u>(357,459)</u>	<u>4,232,508</u>
Expenses							
Scholarships and grants	1,545,067	186,100				(84,127)	1,647,040
Salaries and benefits	228,879	71,392					300,271
Administrative expenses	294,078						294,078
Occupancy	18,430	68,194				(23,460)	63,164
Payroll taxes	16,959	5,454					22,413
Insurance	6,281	8,938	3,873				19,092
Depreciation and amortization	4,017	2,552		\$ 11,185			17,754
Memberships, printing, publication	10,308	830	5,342				16,480
Professional fees	7,700	3,100	3,050				13,850
Equipment rental and maintenance	346	6,537					6,883
Publicity	7,092	484					7,576
Programs		5,000					5,000
Supplies and postage	4,467	603	19				5,089
Other	4,296		5				4,301
Travel	2,005						2,005
Property taxes			1,100				1,100
Conferences and meetings	496						496
Interfund transfers	170,653	84,127				(254,780)	
Deferred income tax benefit			(1,774)				(1,774)
Total expenses	<u>2,321,074</u>	<u>443,311</u>	<u>11,615</u>	<u>11,185</u>		<u>(362,367)</u>	<u>2,424,818</u>
Change in net assets	<u>1,775,810</u>	<u>43,407</u>	<u>(5,250)</u>	<u>(11,185)</u>		<u>4,908</u>	<u>1,807,690</u>
Change in net assets attributable to non-controlling interest	342						342
Change in net assets attributable to Community Foundation of Jackson County, Inc.	<u>\$ 1,776,152</u>	<u>\$ 43,407</u>	<u>\$ (5,250)</u>	<u>\$ (11,185)</u>		<u>\$ 4,908</u>	<u>\$ 1,808,032</u>

THE COMMUNITY FOUNDATION OF JACKSON COUNTY AND ITS SUBSIDIARIES AND AFFILIATES

COMBINING STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

	Community Foundation	Jackson County Education Coalition	Seymour Industrial Corporation	Community Foundation Properties	Community Foundation Holding	Combining/ Eliminating Adjustments	Total
Revenues, Gains, and Support							
Grants and contributions	\$ 3,174,081	\$ 308,000					\$3,482,081
Investment income, net	1,318,012	288	\$ 422				1,318,722
Administrative fees	270,575						270,575
Rent	23,000	80,792	6,870			\$ (23,000)	87,662
Other	12,386	50					12,436
Events	6,700						6,700
Interfund transfers	151,961	37,000				(188,961)	
Loss from subsidiary	(14,160)					14,160	
Change in value of beneficial interest in CRT	(4,482)						(4,482)
Total revenue, gains, and support	<u>4,938,073</u>	<u>426,130</u>	<u>7,292</u>			<u>(197,801)</u>	<u>5,173,694</u>
Expenses							
Scholarships and grants	606,087	173,000					779,087
Salaries and benefits	223,496	70,197					293,693
Administrative expenses	256,520						256,520
Occupancy	16,522	63,706				(23,000)	57,228
Payroll taxes	16,509	5,373					21,882
Insurance	6,338	10,139	3,873				20,350
Depreciation and amortization	3,465	2,457		\$ 11,184			17,106
Memberships, printing, publication	9,962	484		5,310			15,756
Contract services				14,589			14,589
Professional fees	7,500	2,901	2,450				12,851
Equipment rental and maintenance	2,112	6,369					8,481
Publicity	6,963	643					7,606
Programs	1,880	5,000					6,880
Supplies and postage	3,475	1,895	33				5,403
Other	4,116	37					4,153
Events	3,659						3,659
Travel	3,047						3,047
Property taxes			1,290				1,290
Conferences and meetings	537						537
Interfund transfers	151,961	37,000				(188,961)	
Deferred income tax benefit			(5,112)				(5,112)
Total expenses	<u>1,324,149</u>	<u>379,201</u>	<u>22,433</u>	<u>11,184</u>		<u>(211,961)</u>	<u>1,525,006</u>
Change in net assets	<u>3,613,924</u>	<u>46,929</u>	<u>(15,141)</u>	<u>(11,184)</u>		<u>14,160</u>	<u>3,648,688</u>
Change in net assets attributable to non-controlling interest	981						981
Change in net assets attributable to Community Foundation of Jackson County, Inc.	<u>\$ 3,614,905</u>	<u>\$ 46,929</u>	<u>\$ (15,141)</u>	<u>\$ (11,184)</u>		<u>\$ 14,160</u>	<u>\$3,649,669</u>