

COMMUNITY FOUNDATION OF SHELBY COUNTY

Combined Financial Statements
Years Ended December 31, 2021 and 2020

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' Report	1
Combined Statements of Financial Position	3
Combined Statements of Activities and Change in Net Assets	4
Combined Statements of Functional Expenses	5
Combined Statements of Cash Flows	7
Notes to Combined Financial Statements	8

McCrate, DeLaet & Co.
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Foundation of Shelby County

Report on the Financial Statements

We have audited the accompanying financial statements of Community Foundation of Shelby County and affiliate which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Foundation of Shelby County as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Foundation of Shelby County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Foundation of Shelby County internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Foundation of Shelby County 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.

McCrate, DeLaet & Co.

Sidney, Ohio

June 30, 2022

COMMUNITY FOUNDATION OF SHELBY COUNTY
 Combined Statements of Financial Position
 December 31, 2021 and 2020

	2021	2020
ASSETS		
Cash & cash equivalents	\$ 9,955,714	\$ 3,023,981
Pledges receivable-assets held on behalf of others	152,867	71,177
Investments	41,306,878	36,236,613
Property and equipment, net	58,313	61,770
Other assets	266	601
TOTAL ASSETS	\$ 51,474,037	\$ 39,394,142
 LIABILITIES AND NET ASSETS		
Grants payable	\$ 337,042	\$ 333,331
Accrued liabilities	27,799	21,968
Notes and interest payable on behalf of others	-	54,676
Assets held on behalf of others	11,193,338	9,665,019
Total Liabilities	11,558,179	10,074,994
 Net Assets:		
Without Restrictions	39,915,858	29,319,148
Total Net Assets	39,915,858	29,319,148
 TOTAL LIABILITIES AND NET ASSETS	 \$ 51,474,037	 \$ 39,394,142

See accompanying notes

COMMUNITY FOUNDATION OF SHELBY COUNTY
 Combined Statements of Activities and Change in Net Assets
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues, Gains, & Support:		
Contributions	\$ 11,371,334	\$ 2,033,578
Net investment income (loss)	2,646,611	3,019,754
Fund management fees	583,173	240,114
Proceeds from PPP Loan	-	50,727
Total Revenue	<u>14,601,118</u>	<u>5,344,173</u>
Expenses:		
Program activities	3,653,137	2,083,923
Fundraising costs	86,784	109,980
General and administrative	264,488	215,961
Total Expenses	<u>4,004,409</u>	<u>2,409,864</u>
Change in Net Assets	10,596,709	2,934,309
Net Assets, Beginning of the Year	<u>29,319,148</u>	<u>26,384,839</u>
NET ASSETS, END OF THE YEAR	<u>\$ 39,915,857</u>	<u>\$ 29,319,148</u>

See accompanying notes

COMMUNITY FOUNDATION OF SHELBY COUNTY
 Combined Statement of Functional Expenses
 For the Year Ended December 31, 2021

	<u>Program Activities</u>	<u>Fundraising</u>	<u>General and Administrative</u>	<u>Total</u>
Grants	\$ 3,549,460	\$ -	\$ -	\$ 3,549,460
Personnel costs	88,913	83,007	144,561	316,480
Professional fees	397	-	18,100	18,497
Occupancy	2,568	2,568	5,137	10,273
Insurance	-	-	10,298	10,298
Travel expenses	-	-	646	646
Advertising	9,381	-	-	9,381
Depreciation	2,418	1,209	1,209	4,836
Administrative	-	-	84,537	84,537
TOTAL EXPENSES	<u><u>\$ 3,653,137</u></u>	<u><u>\$ 86,784</u></u>	<u><u>\$ 264,488</u></u>	<u><u>\$ 4,004,409</u></u>

See accompanying notes

COMMUNITY FOUNDATION OF SHELBY COUNTY
 Combined Statement of Functional Expenses
 For the Year Ended December 31, 2020

	<u>Program Activities</u>	<u>Fundraising</u>	<u>General and Administrative</u>	<u>Total</u>
Grants	\$ 2,010,361	\$ -	\$ -	\$ 2,010,361
Personnel costs	58,571	106,043	135,742	300,356
Professional fees	976	-	17,500	18,476
Occupancy	2,770	2,770	5,540	11,079
Insurance	-	-	9,566	9,566
Travel expenses	-	-	865	865
Advertising	8,913	-	-	8,913
Depreciation	2,333	1,167	1,167	4,666
Administrative	-	-	45,582	45,582
TOTAL EXPENSES	<u><u>\$ 2,083,923</u></u>	<u><u>\$ 109,980</u></u>	<u><u>\$ 215,961</u></u>	<u><u>\$ 2,409,864</u></u>

See accompanying notes

COMMUNITY FOUNDATION OF SHELBY COUNTY
 Combined Statements of Cash Flows
 For the Years Ended December 31, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from contributions	\$ 5,376,393	\$ 1,444,678
Cash received from stock gifts	5,994,941	588,900
Cash received from contributions for assets held in trust for others	994,781	812,306
Cash received from fund management	583,173	240,114
Interest and dividends received	869,486	786,594
Interest and dividends received for assets held in trust for others	269,962	245,034
Cash paid to grantees	(1,984,682)	(2,043,914)
Cash paid to grantees for assets held in trust for others	(1,564,778)	(208,994)
Cash paid to employees	(316,480)	(300,356)
Cash paid to suppliers	(562,765)	(299,096)
Cash paid to suppliers for assets held in trust for others	(113,649)	(87,143)
Interest paid on note payable held in trust for others	(426)	(3,612)
Proceeds from PPP Loan	-	50,727
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	9,545,955	1,225,239
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of building improvements and equipment	(1,379)	-
Purchase of investments	(27,073,048)	(8,494,055)
Proceeds from sale of investments	24,514,880	7,206,802
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(2,559,547)	(1,287,253)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds	-	-
Loan payments	(54,676)	(53,754)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(54,676)	(53,754)
Net increase (decrease) in cash	6,931,732	(115,768)
Cash, Beginning of the Year	3,023,981	3,139,750
CASH, END OF THE YEAR	\$ 9,955,713	\$ 3,023,981

See accompanying notes