

**NEW ALBANY COMMUNITY  
FOUNDATION**

**FINANCIAL STATEMENTS**

**June 30, 2020 and 2019**

# NEW ALBANY COMMUNITY FOUNDATION

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To the Board of Trustees of  
New Albany Community Foundation

### Independent Auditor's Report

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of New Albany Community Foundation which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 from 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

(1)

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Albany Community Foundation as of June 30, 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.

*John Gerlach & Company LLP*

Columbus, Ohio  
October 29, 2020

NEW ALBANY COMMUNITY FOUNDATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$ 524,946	\$ 151,968
Prepaid expenses	51,032	293,865
Total Current Assets	<u>575,978</u>	<u>445,833</u>
Non-current Assets:		
Office equipment - net of accumulated depreciation of \$36,149 and \$35,059 for 2020 and 2019, respectively	1,820	2,910
Beneficial interest in assets held by others	18,086,759	16,742,172
Total Non-current Assets	<u>18,088,579</u>	<u>16,745,082</u>
TOTAL ASSETS	<u>\$ 18,664,557</u>	<u>\$ 17,190,915</u>
LIABILITIES AND NET ASSETS:		
Current Liabilities:		
Accounts payable	\$ 6,141	\$ 34,373
Organization endowment funds held for others	297,384	305,354
Total Liabilities	<u>303,525</u>	<u>339,727</u>
Net Assets:		
Without Donor Restrictions	18,325,720	16,609,315
With Donor Restrictions	35,312	241,873
Total Net Assets	<u>18,361,032</u>	<u>16,851,188</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 18,664,557</u>	<u>\$ 17,190,915</u>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT:			
Contributions	\$ 1,971,267	\$ -	\$ 1,971,267
Special events - contributions	1,921,729	25,402	1,947,131
Interest income	519	-	519
Increase in beneficial interest in assets held by others	651,089	-	651,089
Other income	1,105	-	1,105
Net assets released from restrictions	231,963	(231,963)	-
Total Revenue and Support	<u>4,777,672</u>	<u>(206,561)</u>	<u>4,571,111</u>
EXPENSES:			
Program services	2,220,824	-	2,220,824
Management and general	79,317	-	79,317
Fundraising	363,976	-	363,976
Special events	397,150	-	397,150
Total Expenses	<u>3,061,267</u>	<u>-</u>	<u>3,061,267</u>
CHANGE IN NET ASSETS	<u>1,716,405</u>	<u>(206,561)</u>	<u>1,509,844</u>
NET ASSETS AT BEGINNING OF YEAR	16,609,315	241,873	16,851,188
NET ASSETS AT END OF YEAR	<u>\$ 18,325,720</u>	<u>\$ 35,312</u>	<u>\$ 18,361,032</u>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND SUPPORT:</b>			
Contributions	\$ 1,958,124	\$ -	\$ 1,958,124
Special events - contributions	1,660,710	227,007	1,887,717
Interest income	362	-	362
Increase in beneficial interest in assets held by others	720,393	-	720,393
Other income	-	-	-
Net assets released from restrictions	269,454	(269,454)	-
 Total Revenue and Support	 <u>4,609,043</u>	 <u>(42,447)</u>	 <u>4,566,596</u>
<b>EXPENSES:</b>			
Program services	1,764,377	-	1,764,377
Management and general	76,175	-	76,175
Fundraising	315,561	-	315,561
Special events	363,725	-	363,725
 Total Expenses	 <u>2,519,838</u>	 <u>-</u>	 <u>2,519,838</u>
 CHANGE IN NET ASSETS	 <u>2,089,205</u>	 <u>(42,447)</u>	 <u>2,046,758</u>
 NET ASSETS AT BEGINNING OF YEAR	 14,520,110	 284,320	 14,804,430
 NET ASSETS AT END OF YEAR	 <u>\$ 16,609,315</u>	 <u>\$ 241,873</u>	 <u>\$ 16,851,188</u>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2020

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Special Events	
Grants approved	\$ 964,661	\$ -	\$ -	\$ -	\$ 964,661
Speaker fees and lecture expenses	877,773	-	-	-	877,773
Salaries and benefits	145,288	41,511	228,309	-	415,108
Occupancy expenses	13,298	3,800	20,898	-	37,996
Advertising and promotion	48,075	13,736	75,546	-	137,357
Insurance	3,514	1,004	5,521	-	10,039
Travel, entertainment, and memberships	2,752	786	4,325	-	7,863
Consulting services	936	267	1,471	-	2,674
Special event expenses	-	-	-	397,150	397,150
Depreciation	-	1,090	-	-	1,090
Other	164,527	17,123	27,906	-	209,556
Total	\$ <u>2,220,824</u>	\$ <u>79,317</u>	\$ <u>363,976</u>	\$ <u>397,150</u>	\$ <u>3,061,267</u>

See Notes to Financial Statements



NEW ALBANY COMMUNITY FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2019

	Supporting Services				Total
	Program Services	Management and General	Fundraising	Special Events	
Grants approved	\$ 813,455	\$ -	\$ -	\$ -	\$ 813,455
Speaker fees and lecture expenses	750,113	-	-	-	750,113
Salaries and benefits	115,065	32,876	180,817	-	328,758
Occupancy expenses	12,680	3,623	19,925	-	36,228
Advertising and promotion	36,821	10,520	57,862	-	105,203
Insurance	1,515	433	2,382	-	4,330
Travel, entertainment, and memberships	3,064	876	4,815	-	8,755
Consulting services	1,710	489	2,688	-	4,887
Special event expenses	-	-	-	363,725	363,725
Depreciation	-	1,090	-	-	1,090
Other	29,954	26,268	47,072	-	103,294
<b>Total</b>	<b>\$ <u>1,764,377</u></b>	<b>\$ <u>76,175</u></b>	<b>\$ <u>315,561</u></b>	<b>\$ <u>363,725</u></b>	<b>\$ <u>2,519,838</u></b>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,509,844	\$ 2,046,758
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	1,090	1,090
Change in beneficial interest in assets held by others	(651,089)	(720,393)
(Increase) decrease in assets:		
Prepaid expenses	242,833	68,160
Increase (decrease) in liabilities:		
Accounts payable	(28,232)	32,408
Organization endowment funds held for others	(7,970)	28,046
Net Cash Provided (Used) by Operating Activities	<u>1,066,476</u>	<u>1,456,069</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Transfers (to) from beneficial interest in assets held by others	(693,498)	(1,338,284)
Net Cash Provided (Used) by Investing Activities	<u>(693,498)</u>	<u>(1,338,284)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>372,978</u>	<u>117,785</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	151,968	34,183
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 524,946</u>	<u>\$ 151,968</u>

See Notes to Financial Statements

# NEW ALBANY COMMUNITY FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Description of the Foundation* - The New Albany Community Foundation (the Foundation) is a community foundation established in 1995 for the receipt and distribution of charitable funds primarily in the New Albany area.

*Basis of Accounting* - The financial statements of the Foundation are prepared using the accrual method of accounting, which means that revenues are recognized as they are earned and expenses are recognized as they are incurred whether or not cash is received or paid out at that time.

*Use of Estimates* - The preparation of the financial statements of the Foundation in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as their related disclosures. Such estimates and assumptions also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Financial Statement Presentation* - The Foundation is required to report information regarding its financial position and activities according to two net asset classes: net assets without donor restrictions and net assets with donor restrictions.

*Recognition of Donor Restrictions* - Donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

*Income Taxes* - The Foundation is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the accompanying financial statements include no provision for income taxes.

The Foundation has adopted the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) relating to uncertain tax positions. The Foundation does not believe its financial statements include any uncertain tax positions.

*Cash and Cash Equivalents* - The Foundation considers all short-term investments with an original maturity of three months or less to be cash equivalents. The Foundation maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in these accounts.

*Pledges Receivable* - Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows.

*Office Equipment* - Office equipment is reported at cost less accumulated depreciation which is computed using the straight-line method over the estimated useful lives of the assets.

# NEW ALBANY COMMUNITY FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

*Contributed Materials, Services and Facilities* - The Foundation receives in-kind contributions of materials, services and facilities for their special events. Donated materials and facilities are recorded and reflected in the accompanying financial statements at their fair values. The Foundation received and recorded \$10,669 and \$14,940 in 2020 and 2019, respectively, for these donated materials and facilities. Donated services are recognized as in-kind revenues at their estimated fair value when they require specialized skills which would need to be purchased if they were not donated. The Foundation received and recorded donated services in the areas of printing and advertising for their events in 2020 and 2019. The Foundation received and recorded \$37,044 and \$39,088 in 2020 and 2019, respectively, for these donated services. These amounts are recorded in special event contributions revenue and program and special events expense. The Foundation received and recorded donated legal services of \$46,770 and \$37,887 in 2020 and 2019, respectively, and recorded contributions revenue and legal expenses for these services. The Foundation received and recorded construction consulting services of \$100,000 for the amphitheater project in 2020 and recorded contributions revenue and program expense for these services.

*Recent Accounting Pronouncements* - In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for leases for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. We are currently evaluating the impact of our pending adoption of the new standard on our financial statements.

*Risk and Uncertainties* - On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Foundation operates. It is unknown how long these conditions will last and what the complete financial effect will be to the Foundation's financial position, activities and cash flows.

### 2. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting activities benefited. The expenses that are allocated include salaries and benefits, occupancy expenses, advertising and promotion, insurance, travel, entertainment and memberships, consulting services, special event services, and other expenses, all of which were allocated on estimates of staff time and effort.

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

3. GRANTS

Grants approved and paid during the year ended June 30, 2020 and those committed for future payment consist of the following at June 30, 2020:

	Unpaid Balance June 30, 2019	Approved	Paid	Unpaid Balance June 30, 2020
Education	\$ -	\$ 84,324	\$ 84,324	\$ -
Arts and Humanities	-	660,482	660,482	-
Environment	-	682	682	-
General	-	1,873	1,873	-
Health	-	217,300	217,300	-
Total	<u>\$ -</u>	<u>\$ 964,661</u>	<u>\$ 964,661</u>	<u>\$ -</u>

Grants approved and paid during the year ended June 30, 2019 and those committed for future payment consist of the following at June 30, 2019:

	Unpaid Balance June 30, 2018	Approved	Paid	Unpaid Balance June 30, 2019
Education	\$ -	\$ 217,974	\$ 217,974	\$ -
Arts and Humanities	-	435,730	435,730	-
Environment	-	1,000	1,000	-
General	-	15,740	15,740	-
Health	-	143,011	143,011	-
Total	<u>\$ -</u>	<u>\$ 813,455</u>	<u>\$ 813,455</u>	<u>\$ -</u>

4. FUNDS HELD BY THE COLUMBUS FOUNDATION

Contributions received by New Albany Community Foundation are transferred to funds held at The Columbus Foundation for the use of New Albany Community Foundation. These funds are subject to the variance power of the Board of Trustees of The Columbus Foundation. The variance power permits The Columbus Foundation's Board of Trustees, in its sole discretion to redirect all or part of the funds' income and assets to another organization.

	<u>2020</u>	<u>2019</u>
Balance at beginning of year	\$ 16,742,172	\$ 14,683,495
Net transfers from New Albany Community Foundation	693,498	1,338,284
Net investment income	276,171	198,636
Net realized and unrealized gains	374,918	521,757
Balance at end of year	<u>\$ 18,086,759</u>	<u>\$ 16,742,172</u>

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

4. FUNDS HELD BY THE COLUMBUS FOUNDATION (continued)

Components of these funds are as follows:

<u>General Philanthropy</u>	<u>2020</u>	<u>2019</u>
Abercrombie and Fitch Fund	\$ 56,869	\$ 160,386
Charlie and Shannan Dankworth Fund	14,917	11,939
DeAscentis Family Fund	479,934	453,298
Ric & Marina Dillon Fund	116,290	112,739
Diane and Steve Herman Fund	29,740	14,909
Emily and Jason Hurst Family Fund	52,364	25,871
John W. Kessler Fund	289,120	265,828
Krebs Family Fund	117,063	131,362
New Albany Community Foundation Fund	287,168	300,240
New Albany Realty Association Fund	51,808	63,310
New Albany Women's Network Endowment Fund	206,684	217,422
Paul and Jennifer Naumoff Family Fund	53,169	44,712
Lucas Family Foundation Fund	27,321	26,487
Justice Fund	226,251	219,344
Thanks for Giving Fund	16,354	20,798
Christopher and Sarah Zochowski Family Fund	23,396	33,049
Michael and Nanette Triplett Family Fund	991,100	1,000,000
	<u>3,039,548</u>	<u>3,101,694</u>
 <u>Arts and Culture</u>		
Endowment for Arts and Sciences Program Fund	5,459,288	5,535,792
Jody and Joel Altschule Endowment Fund	17,546	17,010
Amphitheater Fund	1,392,670	-
Fixari Family Endowment Fund	13,788	13,313
Neal Hauschild and Jeff Ramm Fund	3,947	3,811
Jo Ann & Scott Johnson Family Fund	46,914	45,482
Ralph A. Johnson Endowment Fund	32,480	81,633
Lucas Arts Programming Endowment	353,205	342,422
Helena McComb Memorial Endowment Fund	144,315	144,924
Jeanne B. McCoy Arts Capital Maintenance Fund	220,897	115,416
Mershad Family Fund	420,295	407,464
Ellen and David Ryan Fund for Arts and Sciences	-	97,395
Ryan Family Fund	88,532	85,829
Patricia and Yaromir Steiner Fund	174,637	173,104
Ron Cadieux and Sandy Rains Family Fund	1,829	66,428
New Albany Symphony Orchestra Fund	60,829	58,972
The C. Charleen Hinson Fund	1,608,535	1,721,859
Clan Cameron Art Center Fund	20,192	19,576
Arlene and Michael Weiss Endowment Fund	40,781	39,536
Adam and Jennifer Zochowski Family Fund	45,675	32,992
	<u>10,146,355</u>	<u>9,002,958</u>

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

4. FUNDS HELD BY THE COLUMBUS FOUNDATION (continued)

<u>Education</u>	2020	2019
Donna and Nick Akins Fund	79,556	53,350
New Albany Author Residency Program Fund	29,389	21,951
Kathryn Borghi Memorial Fund	92,610	89,783
Captain Carwash Entrepreneurial Enrichment Fund	36,711	35,590
New Albany Center for Civil Discourse & Debate Fund	104,645	34,627
Karen and Irving Dennis Family Fund	31,921	26,261
New Albany Education Foundation Fund	149,360	144,345
NAPLS Extracurricular Activities	117	887
Ben W. Hale Memorial Fund	30,394	-
Connor and Avery Hinson Fund	-	5,695
New Albany Lecture Series Endowment Fund	33,384	32,364
New Albany Lecture Series Student Lectures Endowment	35,840	34,746
Leslie Wexner New Albany Lecture Series Fund	969,594	719,592
New Albany Branch Library Fund	65,519	66,003
Isadora Alexandria Loew Klodell Fund	14,926	13,817
Redgrave Family Fund	52,466	26,690
Lynne & Steve Smith Family Fund	70,963	63,609
Leslie H. Wexner Leadership Academy Fund	8,840	8,535
Carolyn and Lance White Family Endowment Fund	39,766	38,552
Christine & Jeffrey Rodek Fund	-	122,190
	<u>1,846,001</u>	<u>1,538,587</u>
<u>Health and Wellness</u>		
Healthy New Albany Walking Club and Wellness Fund	1,585,667	1,537,259
New Albany-Plain Local Schools Turf Field Fund	100,708	97,634
Philip and Sheryl Heit Fund	42,598	41,129
The Huntington Bank Fund	269,609	286,471
The Rocky Fork Company Fund	1,232	1,190
Deborah and William B. Rusch Fund	62,996	61,073
Well-Being Fund	27,665	26,711
Well-Being Connection Fund ( <i>Berend Family</i> )	202,293	197,011
COVID-19 Assistance Fund	11,687	-
Form5 Prosthetics Fund	8,534	-
New Albany Food Pantry Fund	7,425	-
Safety Town Summer Camp Fund	10,685	-
	<u>2,331,099</u>	<u>2,248,478</u>
<u>Historic Preservation</u>		
William H. Resch Endowment Fund	2,431	2,091
New Albany - Plain Twp Historical Ealy House Sustaining Fund	90,701	87,932
Nancy I. Ferguson Fund	12,812	12,370
Jon Pryor Environmental Scholarship Fund	34,365	33,180
	<u>140,309</u>	<u>135,573</u>

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

4. FUNDS HELD BY THE COLUMBUS FOUNDATION (continued)

<u>Administrative</u>	<u>2020</u>	<u>2019</u>
New Albany Community Foundation Reserve Fund	278,132	269,642
New Albany Community Foundation Operating Fund	305,315	445,240
	<u>583,447</u>	<u>714,882</u>
Total	<u>\$ 18,086,759</u>	<u>\$ 16,742,172</u>

5. NET ASSETS

Net assets with donor restrictions consist of the following:

	<u>2020</u>	<u>2019</u>
Time restricted - other	\$ 35,312	\$ 241,873
Total	<u>\$ 35,312</u>	<u>\$ 241,873</u>

6. NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors as follows:

	<u>2020</u>	<u>2019</u>
Satisfaction of time restriction	\$ 231,963	\$ 269,454
Total	<u>\$ 231,963</u>	<u>\$ 269,454</u>

7. ORGANIZATION ENDOWMENT FUND HELD FOR OTHERS

Organization endowment funds held for others consist of two funds, the New Albany Women's Network Endowment Fund and the New Albany- Plain Township Historical Society Sustaining Endowment. The Foundation maintains variance power and legal ownership of organization endowment funds, and as such, reports the funds as assets of the Foundation. However, in accordance with the Not-for-Profit Entities Topic of the FASB ASC, a liability has been established, which is equivalent to the fund's current fair market value.

8. ASSETS AND LIABILITIES – FAIR VALUE INFORMATION

In accordance with the Fair Value Measurements and Disclosures Topic of the FASB ASC, all financial instruments that are being measured and reported on a fair value basis must be disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.



NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

8. ASSETS AND LIABILITIES – FAIR VALUE INFORMATION (continued)

Assets measured at fair value on a recurring basis at June 30, 2020 were as follows:

Description	Total	Level 1	Level 2	Level 3
Beneficial interest in assets held by others	\$ 18,086,759	\$ 18,086,759	\$ -	\$ -
Total	<u>\$ 18,086,759</u>	<u>\$ 18,086,759</u>	<u>\$ -</u>	<u>\$ -</u>

Assets measured at fair value on a recurring basis at June 30, 2019 were as follows:

Description	Total	Level 1	Level 2	Level 3
Beneficial interest in assets held by others	\$ 16,472,172	\$ 16,472,172	\$ -	\$ -
Total	<u>\$ 16,472,172</u>	<u>\$ 16,472,172</u>	<u>\$ -</u>	<u>\$ -</u>

These assets are marketable securities held by The Columbus Foundation on behalf of the New Albany Community Foundation.

9. RETIREMENT PLAN

The Foundation has a 401(k) defined contribution plan that covers all eligible employees. Employees are eligible to participate in the Plan after one year of eligible service and working 1,000 hours in the year before eligibility. Employer contributions to the plan were based on 4% of total compensation for the years ended June 30, 2020 and 2019. Employer contributions totaled \$10,099 and \$9,801 for the years ended June 30, 2020 and 2019, respectively.

10. LEASES

The Foundation leases office space under a non-cancelable operating lease having an initial or remaining lease term in excess of one year and expiring in August 2020. A summary of the minimum rental payments due under this non-cancelable operating lease are as follows:

Fiscal Year Ending In:	Amount
2021	\$ 4,594
Total	<u>\$ 4,594</u>

Total rental expense was \$27,469 and \$26,906 for 2020 and 2019, respectively.

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

11. LIQUIDITY

The Foundation has \$18,611,705 of financial assets available within one year of the statement of financial position date to meet cash needs for grants and other expenditures. Financial assets consist of cash and cash equivalents of \$524,946 and beneficial interest in assets held by others of \$18,086,759. Of those financial assets, \$20,156 are subject to donor or other contractual restrictions that make them unavailable for grants and other expenditures within one year of the statement of financial position date. The Foundation structures its financial assets to be available as expenditures, liabilities, and other obligations come due. In addition to financial assets available to meet general expenditures over the year, the Foundation anticipates covering its general expenditures by receiving sufficient contributions.

12. RECLASSIFICATIONS

Certain amounts in the 2019 financial statements have been reclassified for comparative purposes to conform with the presentation in the 2020 financial statements.

13. SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 29, 2020, which is the date the financial statements were available to be issued.

The Foundation entered into a loan agreement on September 10, 2020, in the amount of \$1,000,000. The loan has a fixed rate of interest of 4% and matures in October 2027. Quarterly principal and interest payments of \$41,124 begin in January 2021.