

**NEW ALBANY COMMUNITY
FOUNDATION**

FINANCIAL STATEMENTS

June 30, 2022 and 2021

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 (the Foundation) which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, 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 the Foundation as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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.

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

Auditor's Responsibility 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, including omissions, 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 the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

The image shows a handwritten signature in black ink that reads "John Gerlach & Company LLP". The signature is written in a cursive, flowing style.

Columbus, Ohio
November 1, 2022

NEW ALBANY COMMUNITY FOUNDATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS:		
Cash and cash equivalents	\$ 261,665	\$ 833,317
Accounts receivable	18,442	1,087
Pledges receivable	304,302	1,031,096
Prepaid expenses	304,355	139,702
Office equipment - net of accumulated depreciation of \$37,969 and \$37,059 for 2022 and 2021, respectively	-	910
Beneficial interest in assets held by others	19,005,587	20,831,595
TOTAL ASSETS	<u>\$ 19,894,351</u>	<u>\$ 22,837,707</u>
 LIABILITIES AND NET ASSETS:		
Accounts payable	\$ 59,611	\$ 1,302
Grants payable	238,129	1,298,964
Organization endowment funds held for others	959,892	763,746
 Total Liabilities	 <u>1,257,632</u>	 <u>2,064,012</u>
 Net Assets:		
Without donor restrictions	17,627,222	20,103,830
With donor restrictions	1,009,497	669,865
 Total Net Assets	 <u>18,636,719</u>	 <u>20,773,695</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 19,894,351</u>	<u>\$ 22,837,707</u>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT:			
Contributions	\$ 1,334,763	\$ -	\$ 1,334,763
Special events - contributions	2,329,542	549,497	2,879,039
In-kind contributions	121,255	-	121,255
Interest income	69	-	69
Increase (decrease) in beneficial interest in assets held by others	(2,384,630)	-	(2,384,630)
Other income	27	-	27
Net assets released from restrictions	209,865	(209,865)	-
Total Revenue and Support	<u>1,610,891</u>	<u>339,632</u>	<u>1,950,523</u>
EXPENSES:			
Program services	2,744,902	-	2,744,902
Management and general	184,177	-	184,177
Fundraising	310,958	-	310,958
Special events	847,462	-	847,462
Total Expenses	<u>4,087,499</u>	<u>-</u>	<u>4,087,499</u>
CHANGE IN NET ASSETS	<u>(2,476,608)</u>	<u>339,632</u>	<u>(2,136,976)</u>
NET ASSETS AT BEGINNING OF YEAR	20,103,830	669,865	20,773,695
NET ASSETS AT END OF YEAR	<u>\$ 17,627,222</u>	<u>\$ 1,009,497</u>	<u>\$ 18,636,719</u>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT:			
Contributions	\$ 4,439,896	\$ -	\$ 4,439,896
Special events - contributions	1,557,403	649,709	2,207,112
In-kind contributions	417,086	-	417,086
Interest income	173	-	173
Increase in beneficial interest in assets held by others	3,471,457	-	3,471,457
Other income	7	-	7
Net assets released from restrictions	15,156	(15,156)	-
 Total Revenue and Support	 <u>9,901,178</u>	 <u>634,553</u>	 <u>10,535,731</u>
EXPENSES:			
Program services	7,281,160	-	7,281,160
Management and general	156,202	-	156,202
Fundraising	274,166	-	274,166
Special events	190,643	-	190,643
 Total Expenses	 <u>7,902,171</u>	 <u>-</u>	 <u>7,902,171</u>
 CHANGE IN NET ASSETS	 <u>1,999,007</u>	 <u>634,553</u>	 <u>2,633,560</u>
 NET ASSETS AT BEGINNING OF YEAR	 18,104,823	 35,312	 18,140,135
 NET ASSETS AT END OF YEAR	 <u>\$ 20,103,830</u>	 <u>\$ 669,865</u>	 <u>\$ 20,773,695</u>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2022

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Special Events	
Grants approved	\$ 2,014,505	\$ -	\$ -	\$ -	\$ 2,014,505
Speaker fees and lecture expenses	501,821	-	-	-	501,821
Salaries and benefits	152,669	121,951	225,354	-	499,974
Occupancy expenses	10,468	8,362	15,452	-	34,282
Advertising and promotion	24,180	19,315	35,692	-	79,187
Insurance	3,568	2,850	5,267	-	11,685
Travel, entertainment, and memberships	2,958	2,363	4,367	-	9,688
Consulting services	8,300	6,630	12,252	-	27,182
Special event expenses	-	-	-	847,462	847,462
Depreciation	-	910	-	-	910
Other	26,433	21,796	12,574	-	60,803
Total	\$ <u>2,744,902</u>	\$ <u>184,177</u>	\$ <u>310,958</u>	\$ <u>847,462</u>	\$ <u>4,087,499</u>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2021

	Supporting Services				Total
	Program Services	Management and General	Fundraising	Special Events	
Grants approved	\$ 6,232,144	\$ -	\$ -	\$ -	\$ 6,232,144
Speaker fees and lecture expenses	389,476	-	-	-	389,476
Salaries and benefits	186,511	99,441	189,841	-	475,793
Occupancy expenses	15,490	8,259	15,767	-	39,516
Advertising and promotion	43,003	22,928	43,772	-	109,703
Insurance	4,907	2,616	4,995	-	12,518
Travel, entertainment, and memberships	2,745	1,463	2,794	-	7,002
Consulting services	2,896	1,544	2,948	-	7,388
Special event expenses	-	-	-	190,643	190,643
Depreciation	-	910	-	-	910
Other	403,988	19,041	14,049	-	437,078
Total	\$ 7,281,160	\$ 156,202	\$ 274,166	\$ 190,643	\$ 7,902,171

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (2,136,976)	\$ 2,633,560
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	910	910
Change in beneficial interest in assets held by others	2,384,630	(3,471,457)
(Increase) decrease in assets:		
Accounts receivable	(17,355)	(1,087)
Pledges receivable	726,794	(1,031,096)
Prepaid expenses	(164,653)	(88,670)
Increase (decrease) in liabilities:		
Accounts payable	58,309	(4,839)
Grants payable	(1,060,835)	1,298,964
Organization endowment funds held for others	196,146	245,465
Net Cash Provided (Used) by Operating Activities	<u>(13,030)</u>	<u>(418,250)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Transfers (to) from beneficial interest in assets held by others	(558,622)	726,621
Net Cash Provided (Used) by Investing Activities	<u>(558,622)</u>	<u>726,621</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(571,652)</u>	<u>308,371</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	833,317	524,946
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 261,665</u>	<u>\$ 833,317</u>

See Notes to Financial Statements

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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. Management estimates include an allowance for doubtful accounts related to pledges receivable. 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 – Legally binding unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Legally binding 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, 2022

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 \$35,840 and \$24,401 in 2022 and 2021, respectively, for these donated materials and facilities. Donated services are recognized as in-kind contributions 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, as well as public relations consulting services for their events in 2022 and 2021. The Foundation received and recorded \$25,000 and \$15,000 in 2022 and 2021, respectively, for printing and advertising donated services. The Foundation received and recorded \$50,000 and \$-0- in 2022 and 2021, respectively, for public relations consulting donated services. These amounts are recorded in in-kind contributions and program and special events expense. The Foundation received and recorded donated legal services of \$-0- and \$94,400 in 2022 and 2021, respectively, and recorded in-kind contributions and legal expenses for these services. The Foundation received and recorded construction consulting services of \$10,415 and \$283,285 for the amphitheater project in 2022 and 2021, respectively, and recorded in-kind contributions and program expense for these services.

Risks 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, operations and cash flows.

2. PLEDGES RECEIVABLE

Unconditional pledges receivable consist of the following:

	<u>2022</u>	<u>2021</u>
Gross unconditional pledges receivable	\$ 304,302	\$ 1,031,096
Less - Allowance	-	-
Net unconditional pledges receivable	<u>\$ 304,302</u>	<u>\$ 1,031,096</u>
Amounts due in:		
Less than one year	\$ 4,302	\$ 581,096
One to five years	300,000	450,000
Total	<u>\$ 304,302</u>	<u>\$ 1,031,096</u>

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

3. 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.

4. GRANTS

Grants approved and paid during the year ended June 30, 2022 and those committed for future payment consist of the following at June 30, 2022:

	Unpaid Balance June 30, 2021	Approved	Paid	Unpaid Balance June 30, 2022
Education	\$ -	\$ 257,720	\$ 257,720	\$ -
Arts and Humanities	1,298,964	1,583,375	2,644,210	238,129
Environment	-	-	-	-
General	-	1,333	1,333	-
Health	-	172,077	172,077	-
Total	<u>\$ 1,298,964</u>	<u>\$ 2,014,505</u>	<u>\$ 3,075,340</u>	<u>\$ 238,129</u>

Grants approved and paid during the year ended June 30, 2021 and those committed for future payment consist of the following at June 30, 2021:

	Unpaid Balance June 30, 2020	Approved	Paid	Unpaid Balance June 30, 2021
Education	\$ -	\$ 91,023	\$ 91,023	\$ -
Arts and Humanities	-	5,979,945	4,680,981	1,298,964
Environment	-	1,500	1,500	-
General	-	50,876	50,876	-
Health	-	108,800	108,800	-
Total	<u>\$ -</u>	<u>\$ 6,232,144</u>	<u>\$ 4,933,180</u>	<u>\$ 1,298,964</u>

5. 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.

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

5. FUNDS HELD BY THE COLUMBUS FOUNDATION (continued)

	<u>2022</u>	<u>2021</u>
Balance at beginning of year	\$ 20,831,595	\$ 18,086,759
Net transfers (to) from New Albany Community Foundation	558,622	(723,770)
Net investment income	249,989	125,848
Net realized and unrealized gains	(2,634,619)	3,342,758
Balance at end of year	<u>\$ 19,005,587</u>	<u>\$ 20,831,595</u>

Components of these funds are as follows:

	<u>2022</u>	<u>2021</u>
<u>General Philanthropy</u>		
Abercrombie and Fitch Fund	\$ 82,756	\$ 70,939
Charlie and Shannan Dankworth Fund	16,285	19,380
DeAscentis Family Fund	387,787	545,659
Ric & Marina Dillon Fund	123,631	145,062
Diane and Steve Herman Fund	27,367	31,493
Emily and Jason Hurst Family Fund	75,353	60,829
John W. Kessler Fund	279,982	360,909
Krebs Family Fund	113,927	131,477
New Albany Community Foundation Fund	310,455	358,281
New Albany Realty Association Fund	49,490	59,552
New Albany Women's Network Endowment Fund	213,493	257,821
Paul and Jennifer Naumoff Family Fund	59,544	68,121
Lucas Family Foundation Fund	29,532	34,081
Justice Fund	244,555	282,229
Thanks for Giving Fund	24,727	18,422
Christopher and Sarah Zochowski Family Fund	40,186	46,377
Debbie and Larry Triplett Fund	9,038	-
Michael and Nanette Triplett Family Fund	928,323	1,092,700
National Veterans Leadership Foundation Fund	123,911	23,225
New Albany Wealth Management Group Fund	29,759	44,438
Barbara LeVeque Fund	26,674	31,673
Archer Family Fund	82,097	103,857
	<u>3,278,872</u>	<u>3,786,525</u>
<u>Arts and Culture</u>		
Endowment for Arts and Sciences Program Fund	5,541,166	6,604,844
Jody and Joel Altschule Endowment Fund	20,371	23,054
Amphitheater Fund	828,801	1,432,672
Ron Cadieux Memorial	17,206	-
Fixari Family Endowment Fund	13,918	16,017

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

5. FUNDS HELD BY THE COLUMBUS FOUNDATION (continued)

<u>Arts and Culture (continued)</u>	<u>2022</u>	<u>2021</u>
Neal Hauschild and Jeff Ramm Fund	7,194	6,260
Jo Ann & Scott Johnson Family Fund	49,301	58,522
Ralph A. Johnson Endowment Fund	33,129	40,691
Ken and Jackie Krebs New Albany Symphony Orchestra Fund	63,985	-
Lucas Arts Programming Endowment	371,192	440,595
Jeanne B. McCoy Arts Capital Maintenance Fund	200,132	392,784
Jeanne B. McCoy Community Center for the Arts Non-Endowed Fund	273,995	-
Jeanne B. McCoy Community Center for the Arts Endowed Fund	173,818	-
Mershad Family Fund	441,676	524,284
Ryan Family Fund	93,034	110,436
Patricia and Yaromir Steiner Fund	160,538	196,052
Ron Cadieux and Sandy Rains Family Fund	1,977	2,281
New Albany Symphony Orchestra Fund	65,750	75,879
The C. Charleen Hinson Fund	4,310	407,041
Arlene and Michael Weiss Endowment Fund	42,856	50,871
Adam and Jennifer Zochowski Family Fund	56,927	67,937
	<u>8,610,571</u>	<u>10,627,186</u>
<u>Education</u>		
Donna and Nick Akins Fund	136,258	131,707
New Albany Author Residency Program Fund	33,237	20,813
Kathryn Borghi Memorial Fund	100,103	115,524
Captain Carwash Entrepreneurial Enrichment Fund	37,345	45,794
New Albany Center for Civil Discourse & Debate Fund	192,687	190,296
New Albany Education Foundation Fund	160,721	185,352
NAPLS Extracurricular Activities	48,488	11,784
Ben W. Hale Memorial Fund	134,575	126,157
New Albany Lecture Series Endowment Fund	36,084	41,643
New Albany Lecture Series Student Lectures Endowment	40,111	45,078
Leslie Wexner New Albany Lecture Series Fund	1,282,186	1,326,019
New Albany Branch Library Fund	66,298	78,896
Isadora Alexandria Loew Klodell Fund	15,992	17,760
Redgrave Family Fund	98,866	88,729
Lynne & Steve Smith Family Fund	85,679	93,713
Leslie H. Wexner Leadership Academy Fund	8,924	10,269
Carolyn and Lance White Family Endowment Fund	59,002	68,091
Christine & Jeffrey Rodek Fund	122,881	141,811
	<u>2,711,737</u>	<u>2,790,055</u>

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

5. FUNDS HELD BY THE COLUMBUS FOUNDATION (continued)

<u>Health and Wellness</u>	<u>2022</u>	<u>2021</u>
Healthy New Albany Walking Club and Wellness Fund	1,751,608	1,977,992
New Albany Athletic Booster's Turf Field Fund	108,856	125,626
Philip and Sheryl Heit Fund	25,381	49,484
The Huntington Bank Fund	338,020	362,522
The Rocky Fork Company Fund	1,244	1,431
Deborah and William B. Rusch Fund	63,421	78,583
Well-Being Fund	27,927	32,137
Well-Being Connection Fund (Berend Family)	184,714	236,682
COVID-19 Assistance Fund	-	32,379
Form5 Prosthetics Fund	-	1,823
New Albany Food Pantry Fund	23,020	13,565
Safety Town Summer Camp Fund	10,786	12,412
Andrew and Sue Skasko Family Fund	9,745	11,213
	<u>2,544,722</u>	<u>2,935,849</u>
<u>Historic Preservation</u>		
William H. Resch Endowment Fund	3,355	1,908
New Albany - Plain Twp Historical Ealy House Sustaining Fund	98,455	113,141
Nancy I. Ferguson Fund	12,933	14,883
Jon Pryor Environmental Scholarship Fund	33,981	39,104
	<u>148,724</u>	<u>169,036</u>
<u>Administrative</u>		
New Albany Community Foundation Reserve Fund	300,634	346,948
New Albany Community Foundation Operating Fund	1,392,186	152,829
	<u>1,692,820</u>	<u>499,777</u>
Total	<u>\$ 19,005,587</u>	<u>\$ 20,831,595</u>

6. NET ASSETS

Net assets with donor restrictions consist of the following:

	<u>2022</u>	<u>2021</u>
Time restricted - other	\$ 1,009,497	\$ 669,865
Total	<u>\$ 1,009,497</u>	<u>\$ 669,865</u>

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

7. 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>2022</u>	<u>2021</u>
Satisfaction of time restriction	\$ 209,865	\$ 15,156
Total	<u>\$ 209,865</u>	<u>\$ 15,156</u>

8. ORGANIZATION ENDOWMENT FUND HELD FOR OTHERS

Organization endowment funds held for others consist of five funds, the New Albany Women’s Network Endowment Fund, the New Albany- Plain Township Historical Society Sustaining Endowment, the Jeanne B. McCoy Arts Capital Maintenance Fund, the Jeanne B. McCoy Community Center for the Arts Non-Endowed Fund, and the Jeanne B. McCoy Community Center for the Arts Endowed Fund. 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.

9. 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.

Assets measured at fair value on a recurring basis at June 30, 2022 were as follows:

<u>Description</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interest in assets held by others	\$ 19,005,587	\$ 19,005,587	\$ -	\$ -
Total	<u>\$ 19,005,587</u>	<u>\$ 19,005,587</u>	<u>\$ -</u>	<u>\$ -</u>

Assets measured at fair value on a recurring basis at June 30, 2021 were as follows:

<u>Description</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interest in assets held by others	\$ 20,831,595	\$ 20,831,595	\$ -	\$ -
Total	<u>\$ 20,831,595</u>	<u>\$ 20,831,595</u>	<u>\$ -</u>	<u>\$ -</u>

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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

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

10. 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, 2022 and 2021. Employer contributions totaled \$15,427 and \$12,013 for the years ended June 30, 2022 and 2021, respectively.

11. LEASES

The Foundation leases office space under a non-cancelable operating lease having a remaining lease term in excess of one year and expiring in August 2024. A summary of the minimum rental payments due under this non-cancelable operating lease are as follows:

<u>Fiscal Year Ending In:</u>	<u>Amount</u>
2023	\$ 27,562
2024	27,562
2025	5,934
Total	<u>\$ 61,058</u>

Total rental expense was \$27,563 for both years ended June 30, 2022 and 2021.

12. LIQUIDITY

The Foundation has \$19,289,996 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 \$261,665, accounts receivable of \$18,442, current portion of pledges receivable of \$4,302 and beneficial interest in assets held by others of \$19,005,587. 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.

13. CHARLEEN AND CHARLES HINSON AMPHITHEATER AGREEMENTS

In August 2019, the City of New Albany (the City) entered into a fifty-year ground lease (the Ground Lease) of a site from the New Albany Plain Local School District for the Charleen and Charles Hinson Amphitheater (the Amphitheater). The Foundation, as the main funder of the project, entered into agreements with The New Albany Community Authority in July 2018 and August 2020 to facilitate the design and construction of the Amphitheater. In September 2021, following the completion of the Amphitheater, the Foundation executed a Project Ownership and Estoppel Certificate confirming the City's ownership of the Amphitheater structure during the term of the Ground Lease.

NEW ALBANY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

13. CHARLEEN AND CHARLES HINSON AMPHITHEATER AGREEMENTS (continued)

A summary of the financial activity recorded in the Foundation's financial statements is as follows:

	<u>2022</u>	<u>2021</u>
Statements of Financial Position:		
Pledges receivable	\$ -	\$ 431,096
Grants payable	238,129	1,298,964
Statements of Activities:		
Contributions	\$ 909,191	\$ 3,663,348
Grants approved	1,270,605	5,703,444

14. RECLASSIFICATIONS

Accounting Standards Update (ASU) 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets, became effective for the year ended June 30, 2022. ASU 2020-07 requires in-kind contributions to be shown separately in the Statement of Activities. In-kind contributions in the 2021 financial statements have been reclassified for comparative purposes, to conform with the presentation in the 2022 financial statements.

15. SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 1, 2022, which is the date the financial statements were available to be issued.