

COMMUNITY FOUNDATION OF
THE GUNNISON VALLEY
AUDITED FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2022



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INDEPENDENT AUDITORS' REPORT

Board of Directors and Management
Community Foundation of the Gunnison Valley
Gunnison, Colorado

Opinion

We have audited the financial statements of the Community Foundation of the Gunnison Valley (the "Foundation"), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Community Foundation of the Gunnison Valley as of December 31, 2022, and the changes in their net assets and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Community Foundation of the Gunnison Valley and to meet 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 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 the Community Foundation of the Gunnison Valley's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance whether the 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 GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Community Foundation of the Gunnison Valley'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 Community Foundation of the Gunnison Valley's ability to continue as going concerns 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.



October 2, 2023

Community Foundation of the Gunnison Valley
Statement of Financial Position
December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Current assets:			
Cash and equivalents	\$ 554,534	\$ 179,839	\$ 734,373
Investments	1,558,228	10,162,865	11,721,093
Total current assets	<u>2,112,762</u>	<u>10,342,704</u>	<u>12,455,466</u>
Property and equipment, at cost			
Furniture and office equipment	4,882	-	4,882
Computers and software	31,269	-	31,269
Less: Accumulated depreciation	(36,151)	-	(36,151)
Net property and equipment	<u>-</u>	<u>-</u>	<u>-</u>
Other assets			
Real estate held for sale	-	132,400	132,400
Mortgage receivable	-	26,682	26,682
Right of use asset	67,726	-	67,726
Investment, other	30,562	60,479	91,041
Total other assets	<u>98,288</u>	<u>219,561</u>	<u>317,849</u>
Total assets	<u>\$ 2,211,050</u>	<u>\$ 10,562,265</u>	<u>\$ 12,773,315</u>
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 69,170	\$ -	\$ 69,170
Agency obligations	-	609,727	609,727
Total current liabilities	<u>69,170</u>	<u>609,727</u>	<u>678,897</u>
Lease liabilities	67,726	-	67,726
Total liabilities	<u>136,896</u>	<u>609,727</u>	<u>746,623</u>
Net assets			
Net assets without donor restrictions:			
Undesignated	910,662	-	910,662
Board designated	1,163,492	-	1,163,492
Total net assets without donor restrictions	<u>2,074,154</u>	<u>-</u>	<u>2,074,154</u>
Net assets with donor restrictions	-	9,952,538	9,952,538
Total net assets	<u>2,074,154</u>	<u>9,952,538</u>	<u>12,026,692</u>
Total liabilities and net assets	<u>\$ 2,211,050</u>	<u>\$ 10,562,265</u>	<u>\$ 12,773,315</u>

The accompanying notes are an integral part of these financial statements.
See independent auditors' report.

Community Foundation of the Gunnison Valley
Statement of Activities
For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions	\$ 965,177	\$ 834,167	\$ 1,799,344
Interest and dividends	12,608	76,154	88,762
Realized loss	(18,772)	(109,848)	(128,620)
Unrealized loss	(209,151)	(1,962,570)	(2,171,721)
Other income	171,842	-	171,842
Net assets released from restrictions	1,041,652	(1,041,652)	-
Total revenues	<u>1,963,356</u>	<u>(2,203,749)</u>	<u>(240,393)</u>
Expenses			
Program services:	<u>1,832,199</u>	<u>-</u>	<u>1,832,199</u>
Supporting services:			
Management and general	62,325	-	62,325
Fundraising	<u>20,959</u>	<u>-</u>	<u>20,959</u>
Total supporting services	<u>83,284</u>	<u>-</u>	<u>83,284</u>
Total expenses	<u>1,915,483</u>	<u>-</u>	<u>1,915,483</u>
Reclassifications			
Reclassification of funds	<u>(38,167)</u>	<u>142,335</u>	<u>104,168</u>
Changes in net assets	<u>9,706</u>	<u>(2,061,414)</u>	<u>(2,051,708)</u>
Net assets - December 31, 2021	<u>2,064,448</u>	<u>12,013,952</u>	<u>14,078,400</u>
Net assets - December 31, 2022	<u>\$ 2,074,154</u>	<u>\$ 9,952,538</u>	<u>\$ 12,026,692</u>

The accompanying notes are an integral part of these financial statements.
See independent auditors' report.

Community Foundation of the Gunnison Valley
Statement of Functional Expenses
For the Year Ended December 31, 2022

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Grants to organizations	\$ 1,340,986	\$ -	\$ -	\$ 1,340,986
Grants to individuals	22,950	-	-	22,950
Salaries	90,917	12,101	4,069	107,087
Compensation of officers	71,741	9,549	3,211	84,500
CFGV admin fee	107,883	14,359	4,829	127,071
Office expenses	56,981	7,584	2,550	67,116
Contract labor	51,551	6,861	2,307	60,720
Professional fees	21,886	2,913	980	25,778
Information technology	17,036	2,267	763	20,066
Insurance	15,518	2,065	695	18,278
Payroll taxes	10,056	1,338	450	11,845
Occupancy	12,735	1,695	570	15,000
Advertising and promotion	4,425	589	198	5,212
Other employee costs	3,716	495	166	4,377
Fundraising	3,170	422	142	3,734
Meetings	648	86	29	763
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 1,832,199</u>	<u>\$ 62,325</u>	<u>\$ 20,959</u>	<u>\$ 1,915,483</u>

The accompanying notes are an integral part of these financial statements.
See independent auditors' report.

Community Foundation of the Gunnison Valley
Statement of Cash Flows
For the Year Ended December 31, 2022

Cash flows from operating activities:	
Change in net assets	\$ (2,051,708)
Adjustments to reconcile net income to net cash provided by operating activities	
Unrealized loss	2,191,461
Changes in:	
Mortgage receivable	6,620
Agency obligations	(106,611)
Accounts payable and accrued liabilities	45,270
Net cash provided by operating activities	<u>85,032</u>
Cash flows from investing activities	
Securities transactions	<u>(362,360)</u>
Net cash used in investing activities	<u>(362,360)</u>
Net change in cash and cash equivalents	<u>(277,328)</u>
Cash and cash equivalents - beginning of year	<u>1,011,701</u>
Cash and cash equivalents - end of year	<u>\$ 734,373</u>

The accompanying notes are an integral part of these financial statements.
See independent auditors' report.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Gunnison Area Foundation (the “Foundation”) was incorporated in July 1997, as a not-for-profit corporation in the State of Colorado. In 2004, the name was changed to the Gunnison Area Community Foundation. In 2007 the Foundation changed its name to "Community Foundation of the Gunnison Valley". The Foundation was organized for the purpose of providing a permanent entity to manage resources to help build community for the benefit of all residents of the Gunnison Watershed. The Foundation combines charitable giving by individuals and groups to meet area needs that are not possible or are more difficult to achieve without the united effort of many community members. The Foundation's support comes from business and individual donor contributions.

Financial Statement Presentation

The Foundation has adopted current standards of reporting for Not-for-Profit Entities. Under this standard, the Foundation is required to report information regarding its financial position according to two classes of net assets based on the existence of or absence of donor-imposed restrictions.

Net Assets Without Donor Restrictions – consists of net assets that are available for use in general operations and not subject to donor restrictions. The governing board has designated a portion of net assets without donor restrictions as board-designated endowments, and other board-designated funds.

Net Assets With Donor Restrictions – consist of net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Foundation has also adopted "Accounting for Contributions Received and Contributions Made.", as modified by ASU 2016-14. In accordance with this standard, contributions received are recorded as: support without donor restrictions or support with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of accounting

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when earned and expenses are recognized when the product or service has been received and the liability incurred.

Cash and equivalents

The Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Foundation maintains cash balances with a creditworthy, high quality financial institution as determined by management. The funds in these bank accounts may, at times, exceed the amounts insured by the Federal Deposit Insurance Corporation. Management does not believe that the Foundation is exposed to any significant credit risk with respect to cash.

Property and Equipment

Property and equipment are recorded at cost, if purchased, or fair value at the date of donation. The Foundation capitalizes property and equipment with a cost or fair value at the date of donation of \$5,000 or more. Depreciation is provided on the straight-line basis, based on the estimated useful lives of the underlying assets.

Agency Endowments and Other Funds Held on Behalf of Others

Agency endowments and other funds held on behalf of others represent assets transferred to the Foundation that are for the benefit of the transferring entity. These funds are accounted for as a liability by the Foundation and appear in the accompanying statements of financial position as "Agency Obligations".

Accounting for receipts in which the donor specifies itself or an affiliate as a beneficiary conforms to the "Transfers of Assets to a Not-for-Profit Entity or Charitable Trust that Raises or Holds Contributions for Others", SFAS No. 136.

The changes in Agency Obligations are reflected in the liability section of the Statement of Financial Position and not in the Statement of Activities.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Contributions and Revenue

Contributions, including promises to give, are considered conditional or unconditional depending on the nature and existence of any donor or grantor's conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identification of a barrier that is more than trivial and that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when the promise to give is received from the donor.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributed Services

During the year ended December 31, 2022, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Foundation, but these services do not meet the criteria for recognition as contributed services.

Grants

Program grants awarded by the Foundation are recorded as expense and liabilities when they are approved by the Board of Directors and/or the grant committees in accordance with the Foundation's approval process.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Compensation and benefits are allocated based on estimations of time and effort. Administrative expenses have been allocated based upon that program or functions total salary cost percentage.

Advertising Costs

The Foundation uses advertising to promote its programs. Advertising costs are charged to expense as incurred.

Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. The Foundation is treated as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). There was no unrelated business income for 2022.

The Foundation follows the Accounting for *Uncertainty in Income Taxes* accounting standard which requires the Foundation to determine whether a tax position (and the related tax benefit) is more likely than not to be sustained upon examination by the applicable taxing authority, based solely on the technical merits of the position. The Foundation believes they have appropriate support for any tax positions taken, and as such, do not have any uncertain tax positions that are significant to the financial statements. The tax returns of the Foundation generally remain subject to audit by the taxing authorities for three years after initial filing date.

Fair Value Measurements

The carrying amount reported in the statement of financial position for cash and cash equivalents, grants and contributions receivable, accounts payable, and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

Investments are reported at their fair market value on the balance sheet date (See Note 2).

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the results of reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Stewardship Agreements

The Foundation has entered into several stewardship agreements. The Foundation charges a fee, (ranging from 0.5% to 3%) to collect and disburse the money in relation to these agreements. The Foundation carries amounts not spent at year-end as net assets with donor restrictions.

Subsequent Events

Subsequent events have been evaluated for potential recognition and disclosure through the date of the auditors' report, which is also the date the financial statements were available to be issued.

New and Recently Implemented Accounting Pronouncements

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets. The purpose of ASU 2020-07 is to clarify the presentation and disclosure of contributed nonfinancial assets with an intention to provide the reader of the financial statements a clearer understanding of what type of nonfinancial assets were received and how they are used and recognized by the Foundation. ASU 2020-07 is effective for fiscal years beginning after June 15, 2021. Implementation of the new standard had no material impact of the financial statements of the Foundation.

In February 2016, FASB issued ASU No. 2016-02, Leases (Topic 842), which requires lessees to recognize on the statement of financial position a right-to-use asset and a lease liability for most lease arrangements with a term greater than one year. The new standard also requires new disclosures to help financial statement users better understand the amount, timing, and uncertainty of cash flows arising from the leases. ASU 2016-02 is effective for nonpublic entities for fiscal years beginning after December 15, 2021. Implementation of this new standard had no material impact on the financial statements of the Foundation.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 2 INVESTMENTS

Fair Value Measurements

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, the Foundation accounts for its financial instruments, as well as certain assets and liabilities, at fair value. Fair value is defined as the price that would be paid in an orderly transaction, or exit price, between market participants to sell the asset or transfer the liability in the principal or most advantageous market for the asset or liability.

The Foundation is required by generally accepted accounting principles to categorize its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access (examples include exchange-traded equity securities and most U.S. Government and agency securities).

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or use model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Inputs include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in non-active markets (examples may include corporate and municipal bonds, and most over-the-counter derivatives including interest rate and currency swaps).

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs for the asset or liability are typically based on an entity's own assumptions, as there is little, if any, related market activity and reflect assumptions a market participant would use in pricing the asset or liability (examples include certain private equity investments).

Subsequent to initial recognition, the Foundation may re-measure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 2 INVESTMENTS (Continued)

Fair Value Measurements (Continued)

Professional standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis.

Investments as of December 31, 2022 were as follows:

	<u>Level 1</u>	<u>Total</u>
Mutual funds	\$ 10,948,543	\$10,948,543
Exchange traded	269,342	269,342
Government money market	104,038	104,038
Certificates of deposit	399,170	399,170
Total	<u>\$ 11,721,093</u>	<u>\$11,721,093</u>

Investments that are considered Level 3 investments as of December 31, 2022 are recorded as Investment, Other. This investment totals \$91,041 and is reported at approximately fair value. (See Note 5)

NOTE 3 MORTGAGE RECEIVABLE

The Foundation holds a note receivable for a mortgage loan made August 1, 2016 for \$64,000 at 4.5% annual interest, due in monthly payments of \$665 with a final payment due August 1, 2026. At December 31, 2022, the balance of the note receivable was \$26,682. Interest received during 2022 was \$1,363.

NOTE 4 REAL ESTATE

During the year ended December 31, 2008, the Foundation received assets, including real estate, from the William B. Endner Trust. The assets were transferred to the Foundation with the understanding that the Foundation would establish the William B. Endner Fund, a donor advised permanently restricted fund. During the years ended December 31, 2008 and 2009, four parcels of real estate were sold, and in 2016, additional parcels were sold, leaving a balance of \$132,400 as Real Estate Held for Sale on the Balance Sheet. Real Estate held for sale is carried at donated cost which the Foundation believes is approximately fair value.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 5 INVESTMENTS, OTHER

On August 1, 2013, the Foundation originally invested \$40,000 in Gunnison River Partnership, LLC ("GRP"), a Colorado limited liability company formed in April 2012. GRP's business purpose is to make debt and/or equity investments in privately-held enterprises in the greater Gunnison Valley of Colorado. This is reported as "Investment, Other" on the Statement of Financial Position. In 2017, 2019, and 2020, additional GRP shares were donated to the Foundation. With other changes in the investment, the fair value of the investment is now \$91,041. This investment is Level 3 within the Fair Value Hierarchy (See Note 2).

NOTE 6 LEASES

On January 1, 2022, the Company implemented ASC 842- *Leases* using the effective date method and the practical expedients available to non-public entities under section 842-10-65-1.

The Company has one operating lease agreements for office facilities in Gunnison, Colorado (the "Lease"). The Leases has a 12-month term, but is renewable on substantially similar terms for four additional 12 month periods. The Foundation currently anticipates utilizing all available renewals.

Operating lease costs of \$15,000 are included within amortization expense and interest expense, respectively, for the year ended December 31, 2022. The discount rate applied to the Lease was 3.5%. The discount rate generally approximates the risk-free rate, as the discount rates implicit in the Company's leases cannot be readily estimated.

The following summarizes the line items in the balance sheet which include amounts for finance leases as of December 31, 2022.

Right of use assets, current	\$ 15,000
Right of use assets	<u>60,000</u>
Total	<u><u>\$ 75,000</u></u>
Lease liabilities, current	\$ 14,475
Lease liabilities	<u>53,251</u>
Total	<u><u>\$ 67,726</u></u>

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 6 LEASES (CONTINUED)

Maturities of the Lease liabilities as of December 31, 2022, were as follows:

2023	\$	15,000
2024		15,000
2025		15,000
2026		15,000
2027		<u>15,000</u>
Undiscounted liabilities		75,000
Amount representing interest		<u>(7,274)</u>
Total lease liabilities	\$	<u><u>67,726</u></u>

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were comprised as follows:

	Balance January 1, 2022	Donor Restricted Revenues and Support	Net Assets Released From Restrictions	Balance December 31, 2022
Field of Interest Funds				
Crested Butte Arts Fund	\$ 84,929	\$ (14,225)	\$ 1,115	\$ 69,589
Gunnison Valley Education Foundation	14,070	20,639	15,841	18,867
Pamela G. Montgomery Nonprofit Leadership Fund	58,952	(5,119)	2,178	51,655
Rocky Mountain Health Foundation Partnership Fund	-	20,024	20,021	3
Slate River Alternative Education & Arts Endowment	179,110	(29,111)	8,231	141,768
Donor-Advised Funds				
Acorn I Fund	3,051	(511)	-	2,540
Anne Lamkin Kinder Fund	157,900	(20,462)	8,182	129,256
Be Haver Be Light Fund	164,749	(27,600)	1,445	135,704
Benevolence Alliance of the Gunnison Valley	1,551	5	19	1,537
Bill & Leni Burke Family Fund	713,672	202,371	112,762	803,282
Charles & Sharon Daubenberger Fund	51,826	(8,610)	3,554	39,662
Crested Butte Rotary Foundation	96,187	(5,317)	1,156	89,714
DeKraai Family Fund II	16,864	21,209	313	37,760
Don Haver Donor Advised Fund	7,985	4,376	4,186	8,174
Dunbar Family Fund	28,310	(4,979)	5,292	18,039
FEIP, LLC Fund	1,142	(76)	1,004	63
Fred & Sue Berry Donor Advised Fund	42,263	2,841	8,974	36,130
Fretthold Family Fund	204,514	(34,262)	1,793	168,459
GG Gives	1,705	(220)	1,486	-
Gunnison Rotary Youth Charitable Fund	48,301	(8,159)	6,068	33,511
Gunnison Valley Restorative Justice Fund	2,968	10	37	2,942
Hans & Lea Helmerich Charitable Fund	35,143	(5,887)	385	28,872
Harned Foundation Fund	227	1	3	225
Harper-Zealand Family Fund	851	1,741	1,270	1,322
Hemminghaus Family Fund	277,028	(46,231)	21,905	208,891
Joanie & Tom Atkinson Family Fund	23,037	(3,473)	10,403	9,161
Kathleen Gentry Donor Advised Fund	510,765	(78,951)	63,621	368,193
Keep Pedaling Fund	10,406	(1,743)	114	8,549
MacAllister Family Fund	50,674	(7,711)	5,501	37,463
MVB Fund	292,699	(48,937)	10,530	233,233
Nancy Tredway Donor Advised Fund	4,096	(686)	45	3,365
Nick and Patricia Williams Fund	11,703	(1,018)	8,049	2,636
Paul D. Witt Charitable Fund	44,405	(7,415)	4,470	32,520
P-Squared Donor Advised Fund	7,927	9,575	1,386	16,117
Resource Engineering Group Fund	199,278	(10,283)	16,279	172,716
Richard & Noelle Hagan Charitable Fund	37,825	(5,738)	7,369	24,718
The Rodman Fund	-	37,400	5,127	32,272
Sandra and Roger Dorf Fund	43,272	(5,571)	31,726	5,975
Stash Cash Fund	2,143	7	27	2,123
Walter Fund	65,568	228	654	65,142
Western + CFGV Disaster Relief Fund	368	(62)	4	302
William B. Endner Fund	4,634,508	(736,512)	138,131	3,759,865
Zen for Business Fund	-	1,617	8	1,609

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Fiscal Sponsorship

Gunnison Valley Skateboard Alliance	5,645	20	-	5,664
Lights and Sirens	1,532	5	-	1,538
Memorial Flags Fund	2,995	10	-	3,005
Southside Skate Park Fund	15,542	305	15	15,832
Taylor Canyon Fire Station Fund	-	1,675	1,675	-

Scholarships

Crested Butte Rotary Scholarship Fund	36,561	(5,861)	955	29,745
Dan Tredway Memorial Excellence in Teaching Award	77,163	(12,773)	2,433	61,958
Defensive Driving Scholarship	903	2	425	481
Der Forst Scholarship Fund	10,975	(1,839)	-	9,135
Elena Pedersen Scholarship Fund	55,387	(8,491)	5,208	41,688
GHS Teacher of Tomorrow Scholarship Fund	346	968	1,035	279
Gunnison Kiwanis Club Scholarship	41,327	(6,909)	3,564	30,854
Gunnison Memorial Scholarship Fund	114,771	(19,211)	7,973	87,587
Maxwell MacAllister Scholarship Fund	2,426	6,264	8,233	457
One Goal, One Passion Scholarship	1,336	(223)	12	1,101

Designated

CFGV Fundraisers	-	21,080.46	21,080.46	-
CFGV Fundraisers #2	-	2,500.00	2,500.00	-
CFGV Grant Fund	73,759.69	188,216.34	165,664.26	96,311.77
CFGV Health Initiatives Fund	1,156.38	4.03	-	1,160.41
Choice Pass Community Support Fund	21,325	13,288	4,058	30,554
Civility Initiative	713.10	2.48	-	715.58
Community Foundation Transfer Fund	26,187.16	45,285.38	71,472.54	-
Early Childhood Literacy Fund	18,850	1,466	2,621	17,695
Emily Gaynor Rothman Fund for Dance	63,689	(7,485)	2,847	53,358
Forever Fund	2,473,289	(240,277)	120,578	2,112,433
Gunnison Valley COVID-19 Recovery Fund	28,984.23	52.81	23,265.19	5,771.85
Gunnison High School Fund	3,559	(597)	-	2,962
John and Sandra Cosentino Rotary Scholarship Fund	20,258	17,381	2,314	35,325
Kids Kount Endowment	201,274	(33,923)	9,123	158,229
Matthew Van Eaton Memorial Fund	25,984	(4,226)	1,169	20,588
Nadine Henry 4-H Forever Fund	482,609	(73,130)	12,102	397,377
Patti Bouchard Bippus Education Fund	6,923	(872)	349	5,702
Post Rural Philanthropy Days Education Fund	6,985	21	1,147	5,859
Rosalind Cook Artistic Encouragement Award Fund	58,619	(9,738)	2,758	46,123
The Walnut Fund	100,082	(13,466)	31,013	55,603
Town of Mt. Crested Butte Community Housing Fund	6,433	1,154	129	7,458
Vosburg Family Fund	25,194	(3,529)	5,273	16,392

<u>\$ 12,144,753</u>	<u>\$ (939,672)</u>	<u>\$ 1,041,652</u>	<u>\$ 10,162,865</u>
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The prior year presentation of certain funds has been reclassified. These reclassifications had no effect on prior period total net assets.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 8 ENDOWMENTS

On April 21, 2008 the State of Colorado enacted the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA), the provisions of which apply to endowment funds. The Act has an effective date of September 1, 2008 and requires that those responsible for managing and investing endowment funds shall manage and invest the funds in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances. The Foundation classifies as net assets with donor restrictions, the original value of gifts made to the permanent fund. Restricted amounts are held until those amounts appropriated for expenditure by the Foundation in accordance with the restrictions placed on the funds by the original giver and in a manner consistent with the standards outlined by UPMIFA.

The Foundation has not adopted a written policy in relation to UPMIFA, but believes that its existing policies in relation to endowment funds are consistent with the standards outlined by UPMIFA.

The Foundation has adopted its Investment Policy as amended by the Board of Directors. This policy has identified the appropriate risk posture for the funds, stated expectations and objectives for the funds, provides asset allocation guidelines and establishes criteria to monitor and evaluate the performance results of the funds manager. The Foundation has not established an expected rate of return.

Changes in endowment net assets for the year ended December 31, 2022 were:

	<u>Board Designated</u>	<u>Donor Designated</u>	<u>Total</u>
Beginning of year	\$ 1,999,115	\$ 8,319,607	\$ 10,318,722
Change in value of investments	(278,830)	(1,162,863)	(1,441,693)
Expenditures	<u>(94,481)</u>	<u>(305,124)</u>	<u>(399,605)</u>
End of year	<u>\$ 1,625,804</u>	<u>\$ 6,851,620</u>	<u>\$ 8,477,424</u>

Deficiencies

From time to time, the fair value of assets associated with individual endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. These deficiencies can result from unfavorable market fluctuations. As of December 31, 2022, four of the Foundations endowment funds were deficient by a total of \$33,825, primarily due to unfavorable market conditions.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 8 ENDOWMENTS (CONTINUED)

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while ensuring preservation of the endowment assets. Under this policy, as approved by the Board of Directors, endowment assets are invested to maximize return, minimize risk, and minimize expenses.

Strategies Employed for Achieving Objectives

To satisfy its long-term objectives, the Foundation relies on a total return strategy in which investments returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Under the total return method, distributions consist of net investment income and may include a portion of the cumulative realized gains and unrealized gains. The spending rate will be determined annually by the Investment Committee and ratified by the Board based on the trailing 12 quarters of investment results for permanent funds and may vary between 0-5% annually of total permanent fund assets net of investment costs and management fees, provided that permanent funds principal, as adjusted for inflation, is not invaded.

Annual Review and Policy Changes

The Investment Committee shall review the provisions of the policy on an annual basis and report to the Board any recommended changes for the Board's consideration.

NOTE 9 COMPLIANCE WITH NATIONAL STANDARDS

The Foundation was confirmed in compliance with the National Standards for U.S. Community Foundations on August 19, 2020. Compliance comes following a rigorous examination of the policies and procedures of the Foundation by the Council on Foundations located in Washington D.C. AS of the date of these financial statements, the Foundation was in the process of applying for re-confirmation.

Community Foundation of the Gunnison Valley
Notes to Financial Statements
December 31, 2022

NOTE 10 RETIREMENT PLAN

The foundation offers a SIMPLE IRA to eligible full-time employees. Participants may contribute any amount up to the maximum allowable amount. The Foundation makes discretionary matching contributions. Matching contributions totaled \$4,477 for the year ended December 31, 2022.

NOTE 11 LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, are comprised of the following as of December 31, 2022:

	<u>2022</u>
Cash and cash equivalents	\$ 734,373
Investments	<u>11,721,093</u>
Total financial assets	<u>\$ 12,455,466</u>
Less:	
Restricted program contributions included in	
Cash and cash equivalents	179,839
Investments	10,162,865
Board designated balances	<u>1,163,492</u>
	<u>11,506,196</u>
Total financial assets available for general expenditure	<u>\$ 949,270</u>

The Foundation's goal is generally to maintain financial assets sufficient to meet 180 days of operating expenses.



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