

NEVADA COMMUNITY FOUNDATION, INC.
AND SUPPORTING ORGANIZATIONS
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 and 2023



NEVADA COMMUNITY FOUNDATION, INC.
AND SUPPORTING ORGANIZATIONS
JUNE 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Nevada Community Foundation, Inc. and
Supporting Organizations
Las Vegas, Nevada

Opinion

We have audited the accompanying consolidated financial statements of Nevada Community Foundation, Inc. and Supporting Organizations (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Nevada Community Foundation, Inc. and Supporting Organizations as of June 30, 2024 and 2023, 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 Nevada Community Foundation, Inc. and Supporting Organizations and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated 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 consolidated 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 consolidated 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 Nevada Community Foundation, Inc. and Supporting Organizations' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Nevada Community Foundation, Inc. and Supporting Organizations' 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.

Houldsworth, Russo & Company, P.C.

Las Vegas, Nevada

July 18, 2025

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

ASSETS

	2024	2023
Current assets		
Cash and cash equivalents	\$ 26,218,401	\$ 4,015,843
Cash and cash equivalents held by Greater Horizons	-	22,839,139
Investments	134,310,967	75,621,269
Investments held by Greater Horizons	-	138,154,340
Accounts receivable	371,164	9,250
Life insurance annuity receivable, current portion	69,462	69,462
Contribution receivable, current portion	792,111	8,215,123
Prepaid income taxes	-	1,635,241
Other current assets	68,657	180,151
	<u>161,830,762</u>	<u>250,739,818</u>
Other assets		
Investments held by Greater Horizons, long-term	-	42,843,975
Investments, long-term	55,169,297	-
Split-interest agreements	203,997	294,347
Life insurance annuity receivable, net of current portion	954,176	988,889
Contribution receivable, net of current portion and unamortized discount of \$5,940,714 and \$3,178,291	11,642,174	12,434,286
Furniture and equipment, net of accumulated depreciation of \$25,192 and \$59,603	32,429	45,107
Other assets	210,795	2,919
	<u>68,212,868</u>	<u>56,609,523</u>
	<u>\$ 230,043,630</u>	<u>\$ 307,349,341</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	\$ 84,419	\$ 62,066
Grants payable, current portion	635,000	2,898,020
Accrued expenses	54,179	100,646
Agency obligations	404,058	473,486
Deferred compensation liability	206,986	-
Income tax liability	478,987	-
Deferred tax liability	-	17,901,185
	<u>1,863,629</u>	<u>21,435,403</u>
Long-term liabilities		
Grants payable, net of current portion and discount	1,632,950	717,710
Split-interest liability	-	53,580
	<u>1,632,950</u>	<u>771,290</u>
Total liabilities	<u>3,496,579</u>	<u>22,206,693</u>
Net assets		
Without donor restrictions	142,568,201	206,153,413
With donor restrictions	83,978,850	78,989,235
Total net assets	<u>226,547,051</u>	<u>285,142,648</u>
	<u>\$ 230,043,630</u>	<u>\$ 307,349,341</u>

See notes to consolidated financial statements

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Contributions	\$ 6,498,657	\$ 1,558,732	\$ 8,057,389
Foundation support fees	120,000	-	120,000
Investment return, net	16,176,089	7,784,079	23,960,168
Change in value of split-interest agreements	-	11,108	11,108
Net assets released from restrictions	<u>4,364,304</u>	<u>(4,364,304)</u>	<u>-</u>
 Total revenues, gains, and other support	 27,159,050	 4,989,615	 32,148,665
 Expenses and losses:			
Program services	105,513,686	-	105,513,686
Supporting services:			
Development	306,086	-	306,086
Management and general	<u>2,825,675</u>	<u>-</u>	<u>2,825,675</u>
 Total expenses and losses	 <u>108,645,447</u>	 <u>-</u>	 <u>108,645,447</u>
 Other non-operating revenues:			
Gain on deferred tax liability	<u>17,901,185</u>	<u>-</u>	<u>17,901,185</u>
 CHANGE IN NET ASSETS	 (63,585,212)	 4,989,615	 (58,595,597)
 NET ASSETS, BEGINNING OF YEAR	 <u>206,153,413</u>	 <u>78,989,235</u>	 <u>285,142,648</u>
 NET ASSETS, END OF YEAR	 <u><u>\$ 142,568,201</u></u>	 <u><u>\$ 83,978,850</u></u>	 <u><u>\$ 226,547,051</u></u>

See notes to consolidated financial statements

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Contributions	\$ 4,475,254	\$ 54,953,169	\$ 59,428,423
Foundation support fees	57,000	-	57,000
Investment return, net	9,409,953	3,026,176	12,436,129
Other income	133,074	-	133,074
Change in value of split-interest agreements	-	77,630	77,630
Income tax benefit	1,786,560	-	1,786,560
Net assets released from restrictions	<u>3,816,600</u>	<u>(3,816,600)</u>	<u>-</u>
 Total revenues, gains, and other support	 19,678,441	 54,240,375	 73,918,816
 Expenses and losses:			
Program services	11,102,112	-	11,102,112
Supporting services:			
Development	508,196	-	508,196
Management and general	628,854	-	628,854
Loss on disposal of assets	<u>152</u>	<u>-</u>	<u>152</u>
 Total expenses and losses	 <u>12,239,314</u>	 <u>-</u>	 <u>12,239,314</u>
 CHANGE IN NET ASSETS	 7,439,127	 54,240,375	 61,679,502
 NET ASSETS, BEGINNING OF YEAR	 <u>198,714,286</u>	 <u>24,748,860</u>	 <u>223,463,146</u>
 NET ASSETS, END OF YEAR	 <u><u>\$ 206,153,413</u></u>	 <u><u>\$ 78,989,235</u></u>	 <u><u>\$ 285,142,648</u></u>

See notes to consolidated financial statements

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Program Services	Supporting Services		Total
		Development	Management and General	
Grants awarded	\$ 104,915,499	\$ -	\$ -	\$ 104,915,499
Salaries	244,900	167,047	207,876	619,823
Payroll taxes	17,196	11,039	14,347	42,582
Employee benefits	49,189	37,215	48,231	134,635
Total salaries and related expenses	311,285	215,301	270,454	797,040
Accounting and audit fees	-	-	215,430	215,430
Bank fees	508	-	3,647	4,155
Conferences and education	-	-	5,339	5,339
Consulting services	113,729	47,935	96,382	258,046
Depreciation and amortization	-	-	16,125	16,125
Income tax expense	-	-	1,933,392	1,933,392
Information technology	17,628	23,943	88,761	130,332
Insurance	176	-	18,042	18,218
Investment expenses	-	-	21,139	21,139
Legal	18,544	3,938	61,226	83,708
Lobbying	4,500	-	-	4,500
Media and public relations	21,972	12,983	3,400	38,355
Meetings and travel	3,549	1,336	17,152	22,037
Office	34,513	-	14,332	48,845
Other	1,969	-	-	1,969
Rent	103	650	59,366	60,119
Special events and luncheons	69,711	-	-	69,711
Telephone	-	-	1,488	1,488
	<u>\$ 105,513,686</u>	<u>\$ 306,086</u>	<u>\$ 2,825,675</u>	<u>\$ 108,645,447</u>
Income tax expense			<u>(1,933,392)</u>	
Management and general expenses, net of income tax expense			<u>\$ 892,283</u>	

See notes to consolidated financial statements

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Program Services	Supporting Services		Total
		Development	Management and General	
Grants awarded	\$ 10,070,069	\$ -	\$ -	\$ 10,070,069
Salaries	243,678	175,375	235,820	654,873
Payroll taxes	20,791	14,964	20,121	55,876
Employee benefits	58,990	42,455	57,088	158,533
Total salaries and related expenses	323,459	232,794	313,029	869,282
Accounting and audit fees	-	-	67,459	67,459
Conferences and education	-	-	2,873	2,873
Consulting services	252,073	40,369	33,908	326,350
Depreciation and amortization	2,645	919	3,857	7,421
Direct program donations	350,467	-	-	350,467
Donor meetings - recognition	-	1,130	-	1,130
Information technology	30,953	22,277	29,953	83,183
Insurance	6,896	4,963	6,674	18,533
Legal	19,701	71,024	71,024	161,749
Lobbying	8,863	-	16,460	25,323
Media and public relations	-	37,663	37,662	75,325
Meetings and travel	2,022	-	1,166	3,188
Memberships	-	350	1,520	1,870
Office	14,265	4,954	20,795	40,014
Postage	3,517	759	761	5,037
Printing	380	274	368	1,022
Publications and subscriptions	-	-	112	112
Rent	8,017	2,784	11,687	22,488
Special events and luncheons	6,559	86,837	6,589	99,985
Telephone	1,655	575	2,414	4,644
Vehicle expense	571	524	543	1,638
	<u>\$ 11,102,112</u>	<u>\$ 508,196</u>	<u>\$ 628,854</u>	<u>\$ 12,239,162</u>

See notes to consolidated financial statements

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (58,595,597)	\$ 61,679,502
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	16,125	7,421
Realized/unrealized gains on investments	(15,651,647)	(4,270,922)
Change in the value of split interest agreements	36,770	70,171
Contributions of securities	(4,161,050)	(9,925,190)
Discount on grants payable	(60,761)	(64,144)
Discount on contribution receivable	2,762,423	3,178,290
Loss on disposal of assets	-	152
Deferred tax liability	(17,901,185)	(1,989,021)
Changes in operating assets and liabilities		
Accounts receivable	(361,914)	2,750
Life insurance annuity receivable	34,713	34,027
Contribution receivable	5,452,701	(23,827,699)
Prepaid income taxes	1,635,241	(1,582,682)
Other assets	(96,382)	(146,573)
Accounts payable	22,353	22,987
Grants payable	(1,287,019)	2,200,782
Accrued expenses	(46,467)	9,420
Agency obligations	(69,428)	(493,561)
Deferred compensation liability	206,986	-
Income tax liability	478,987	-
Net cash provided by (used in) operating activities	<u>(87,585,151)</u>	<u>24,905,710</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(13,565,471)	(100,238,402)
Proceeds from sale of investments	100,517,488	92,787,132
Purchases of furniture and equipment	(3,447)	(49,235)
Net cash provided by (used in) investing activities	<u>86,948,570</u>	<u>(7,500,505)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(636,581)	17,405,205
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>26,854,982</u>	<u>9,449,777</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 26,218,401</u>	<u>\$ 26,854,982</u>
Cash and cash equivalents held by Nevada Community Foundation	\$ 26,218,401	\$ 4,015,843
Cash and cash equivalents held by Greater Horizons	-	22,839,139
	<u>\$ 26,218,401</u>	<u>\$ 26,854,982</u>
Supplemental disclosures of cash flow information:		
Cash payments for taxes on unrelated business income	<u>\$ 86,357</u>	<u>\$ 1,835,439</u>

See notes to consolidated financial statements

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities – Nevada Community Foundation, Inc. and Supporting Organizations (collectively, the Foundation) is a not-for-profit corporation established on September 15, 1988. Its function is to receive and accept funds to be administered and disbursed through grants exclusively for charitable purposes primarily in Nevada or for the benefit of residents of Nevada. The Foundation's mission is to match donors' philanthropic interests with the myriad needs of the community. The Foundation primarily receives its revenue from donors in the Southern Nevada region. Additionally, fees are charged to administer the various donor funds, which are presented net of related expenses.

Donors may choose among various types of funds, including:

Funds without donor restrictions: The donors do not restrict the use of their gifts, which allows the Foundation's staff to direct where funds are needed most.

Donor advised funds (DAFs)/community supported funds: The donors have ongoing involvement in the use of their gifts.

Field of interest funds: The donor identifies target interest areas and the Foundation awards grants to community organizations and programs that are making a difference in the area selected by the donor.

Scholarship funds: The donors determine the eligibility criteria students must meet, and the Foundation provides the expertise, guidance and personal service for the scholarship's administration.

Designated funds: Donors can direct gifts to a specific non-profit organization or purpose they are passionate about.

As disclosed in Note 9, donations to certain above funds are included in net assets with donor restrictions.

The primary program expense of the Foundation consists of its direct financial support of other charities and charitable causes. Other substantial activities classified as program expenditures include the convening of charities to examine different community issues, the creation and publication of educational and resource materials, technical and organizational consulting assistance to charities, and public education efforts designed to raise the level of charitable giving for the broad benefit of all non-profits in Nevada.

Principles of Consolidation –The consolidated financial statements of the Foundation include related supporting organizations established to support the Foundation. The Ritter Charitable Trust is a supporting organization established under section 509(a)(3) of the Internal Revenue Code. This supporting organization is operated in connection with the Foundation and is commonly known as a Type 1 supporting organization. As such, the organizations are consolidated in accordance with generally accepted accounting principles, but they each hold a separate Internal Revenue Service (IRS) exempt determination letter and are required to be reported separately for federal compliance requirements. All intercompany transactions have been eliminated in consolidation.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Principles of Consolidation (Continued) – Frontier Philanthropy, LLC, a Nevada limited liability company was established in 2017. The Foundation is the sole member of Frontier Philanthropy, LLC. Nevada Community Foundation Trust, a Nevada Trust, was established in 2023. The Foundation is the sole trustee of Nevada Community Foundation Trust. Frontier Philanthropy, LLC and Nevada Community Foundation Trust were established exclusively to further the charitable purposes of the Foundation. All intercompany transactions have been eliminated in consolidation

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the amounts reported and disclosed in the financial statements. Actual results could differ from those estimates. Significant estimates include the valuation of investments, valuation of contributions receivable and amounts related to taxable income, including prepaid income taxes, deferred tax liability and income tax expense.

Basis of Presentation – Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC). Under these standards, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions: Net assets that are subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that require passage of time or the occurrence of a specific event. When conditions of the restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates the principal balance be kept in perpetuity while permitting the Foundation to use or expend part or all of the income derived from the assets. These restrictions neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization.

The Foundation has adopted FASB ASC Subtopic 958-205, *Endowments of Non-Profit Organizations: Net Asset Classification of Funds*. The Foundation has interpreted the State of Nevada enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions, until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued) – In accordance with UPMIFA, the Foundation considers the following in making a determination to the appropriate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Cash and Cash Equivalents – In May 2009, the Foundation entered into an agreement with Greater Kansas City Community Foundation/Greater Horizons (Greater Horizons) to provide accounting and related services. During the year ended June 30, 2011, the Foundation entered into an agreement with Greater Horizons to provide investment accounting services. These services ended as of June 30, 2023.

The Foundation maintains cash balances at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Additionally, the Foundation maintains cash balances in money market accounts at investment institutions and cash balances held by Greater Horizons. These amounts may exceed FDIC insured limits. The Foundation has not experienced any losses in such accounts.

For purposes of the statement of cash flows, the Foundation considers all highly-liquid investments with an initial maturity of three months or less that are not held for reinvestment to be cash equivalents.

Investments – Pursuant to FASB ASC Subtopic 958-320, *Investments – Debt and Equity Securities for Not-for-Profit Organizations*, the Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the consolidated statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statement of activities. Foreign investments, investments in corporate, municipal government and government agency securities are stated at current market value by closing market price or closing market bid quotations as referenced in published sources of current market quotations. Foreign investments are translated into United States dollars at year-end rates of exchange. Privately held stock is valued based on discounted cash flow models.

Realized and unrealized gains and losses on investments are recorded in the accompanying consolidated statement of activities. The amounts the Foundation will ultimately realize could differ materially from the recorded amounts, and significant fluctuations in fair values could occur from year to year. Purchases and sales of investments are recorded on a trade-date basis. The Foundation uses the specific identification method for investment sales. Changes in the value of foreign investments resulting from changes in the exchange rate are reported as part of the unrealized gains on the related investments.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued) – Market volatility of equity-based investments is expected to substantially impact the value of such investments at any given time. Management evaluates the investment portfolio on an ongoing basis. The Foundation maintains master investment accounts for its donor-restricted and Board designated funds. Realized and unrealized gains and losses from securities in the master investment accounts are allocated monthly to the individual funds based on the relationship of the market value of each fund to the total market value of the master investment accounts, as adjusted for additions to or deductions from those accounts. Investments in real estate consist of property recorded at cost or the fair market value at the date of the donation.

Furniture and Equipment – Effective July 1, 2023, the Foundation changed its capitalization policy. Under the previous policy, expenditures for property and equipment in excess \$500 with a useful life of over one year were capitalized. Under the new policy, expenditures for property and equipment in excess of \$5,000 or more with a useful life of over one year are capitalized. Purchased property and equipment are carried at cost. Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Depreciation is computed using primarily the straight-line method from three to ten years.

Revenue Recognition – All contributions are recognized as support in the consolidated statement of activities in the period received, including bequests and unconditional promises to give, at their estimated net realizable value. Bequests are recognized at the time the Foundation's right to them is established by a court and to the extent the value of the proceeds is subject to reasonable estimation. The Foundation reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets whether or not the restrictions are met in the same reporting period. Investment income earned on the support is also presented as support with donor restrictions.

Basis of Accounting – The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Foundation Support Fee Revenue – The Foundation charges a fee for managing the funds of the Foundation. The fees are charged and considered earned in accordance with the terms of the agreements with the Foundation.

Donated Services – Donated services are recognized as contributions in accordance with FASB ASC if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Assets – Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

Functional Expense Allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Expenses that can be directly allocated to the programs or supporting functions include grants awarded, accounting and audit fees, bank fees, conferences and education, consulting services, depreciation and amortization, income tax expense, information technology, insurance, investment expenses, legal, lobbying, media and public relations, meetings and travel, office, other, rent, special events and luncheons, and telephone. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Such allocations are determined by management on an equitable basis. The expenses allocated based on time and effort include salaries, payroll taxes, and employee benefits.

Income Tax Status – The Foundation and the related supporting organizations are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A). The related supporting organizations are exempt from federal income tax under Section 509(a)(3) of the Internal Revenue Code. Income which is not related to the Foundation's exempt purposes, less applicable deductions, is subject to state and federal income taxes.

The Foundation follows accounting standards for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under this guidance, the Foundation may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes and accounting in interim periods.

Management evaluated the Foundation's tax position and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Generally, the Foundation is no longer subject to income tax examinations by the U.S. federal, state and local tax authority for years before 2020.

Management's Review – Subsequent events have been evaluated through July 18, 2025, which is the date the consolidated financial statements were available to be issued.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 2. INVESTMENTS

In accordance with the FASB ASC the following are quantitative disclosures about the fair value measurements of assets. Fair value measurements are categorized on three levels:

Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities, which are traded by dealers and brokers in active markets. Valuations obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain unobservable assumptions and projections in determining the fair value assigned to such assets and liabilities.

Investments in marketable securities and investments under management are based on quoted market prices and are categorized as Level 1 of the fair value hierarchy.

Investments in government and agency securities are based on market prices as well as activity for identical or similar assets or liabilities when there is no active market. Government and agency securities which are valued based on quoted market prices are categorized as Level 1 of the fair value hierarchy. Government and agency securities which are valued based on activity for identical or similar assets or liabilities are categorized as Level 2 on the fair value hierarchy.

Limited partnerships are investments in limited partnerships that invest primarily in other limited partnerships for the purpose of making investments in international private equity investments, equity securities, warrants or other options that are generally not actively traded at the time of the investment. Generally, the partnership may not transfer or withdraw its investment in limited partnerships prior to their termination. Since the investments are valued using unobservable inputs and do not permit redemption at the measurement date, such investments are classified as Level 3 of the fair value hierarchy.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 2. INVESTMENTS (CONTINUED)

For the fiscal years ended June 30, 2024 and 2023, the application of valuation techniques applied to similar assets and liabilities has been consistent. Investments measured at fair value on a recurring basis at June 30, 2024 and 2023 are summarized as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>June 30, 2024</u>
Marketable securities	\$ 10,952,107	\$ -	\$ -	10,952,107
Domestic equity				
mutual funds	167,183,191	-	-	167,183,191
Alternative investment				
mutual funds	4,841,175	-	-	4,841,175
Domestic fixed income	6,105,758	-	-	6,105,758
Cash surrender value of life				
insurance policies	-	363,315	-	363,315
Split-interest agreements	-	-	203,997	203,997
Other	<u>34,718</u>	<u>-</u>	<u>-</u>	<u>34,718</u>
	<u>\$ 189,116,949</u>	<u>\$ 363,315</u>	<u>\$ 203,997</u>	<u>\$ 189,684,261</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>June 30, 2023</u>
Corporate bonds	\$ 3,070,555	\$ -	\$ -	\$ 3,070,555
Marketable securities	31,957,967	-	-	31,957,967
Domestic equity				
mutual funds	74,532,741	-	-	74,532,741
Alternative investment				
mutual funds	16,442,976	-	-	16,442,976
Domestic fixed income	53,683,148	-	-	53,683,148
Government and agency				
securities	65,489	-	-	65,489
Cash surrender value of life				
insurance policies	-	368,624	-	368,624
Limited partnerships	-	-	76,658	76,658
Stock, privately held	-	-	74,433,203	74,433,203
Certificates of deposit	404,696	-	-	404,696
Split-interest agreements	-	-	294,347	294,347
Cash held for reinvestment	<u>1,583,527</u>	<u>-</u>	<u>-</u>	<u>1,583,527</u>
	<u>\$ 181,741,099</u>	<u>\$ 368,624</u>	<u>\$ 74,804,208</u>	<u>\$ 256,913,931</u>

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 3. LIFE INSURANCE ANNUITY RECEIVABLE

The Foundation is the beneficiary of a life insurance policy for which the guaranteed minimum income benefit (GMIB) option was exercised in April 2022. Under the GMIB option, the Foundation receives monthly payments of \$5,789 with ten years of guaranteed payments. The receivable is recorded at present value and is based on the expected return multiple on the IRS Ordinary Life Annuities Return Table.

NOTE 4. ASSETS HELD AND LIABILITIES UNDER SPLIT-INTEREST AGREEMENTS

The Foundation acts as trustee for various irrevocable trusts. These trusts are governed by the respective trust agreements, which generally provide for either an income stream or a future distribution of cash or other assets, in whole or in part, for a specified period or upon the occurrence of a specific event, respectively. The irrevocable trust assets are recorded at fair value, and a related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the trust liability is recorded as a contribution with donor restrictions until such amount is received via trust distribution or is expended in satisfaction of the donor-restricted purpose stipulated by the trust agreement, or both, if any. At that time, net assets with donor-imposed time or purpose restrictions are released to net assets without donor restrictions, and net assets with donor restrictions that are perpetual in nature are transferred to the endowment. In subsequent years, the liability for future trust payments to the donor is reduced by payments made to the donor and is adjusted to reflect amortization of the discount and changes in actuarial assumptions at the end of the year.

Under charitable gift annuity contracts, the Foundation receives immediate and unrestricted title to contributed assets and agrees to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability is recorded as a contribution without donor restrictions. In subsequent years, the liability for future annuity payments is reduced by payments made to the specified beneficiaries and is adjusted to reflect amortization of the discount and changes in actuarial assumptions at the end of the year.

The fair value of the assets and liabilities are categorized as Level 3 assets.

The Foundation's split-interest agreement assets and liabilities are valued at fair value on a recurring basis as of June 30, 2024 as follows:

	<u>Level 3 Assets</u>	<u>Level 3 Liabilities</u>
Assets held by third party:		
February 2012 agreement	\$ <u>203,997</u>	\$ <u>-</u>

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 4. ASSETS HELD AND LIABILITIES UNDER SPLIT-INTEREST AGREEMENTS (CONTINUED)

The Foundation's split-interest agreement assets and liabilities are valued at fair value on a recurring basis as of June 30, 2023 as follows:

	<u>Level 3 Assets</u>	<u>Level 3 Liabilities</u>
Assets held by third party:		
February 2012 agreement	\$ 186,131	\$ -
Assets and liabilities held by the Foundation:		
December 1991 agreement	108,216	53,580
	<u>\$ 294,347</u>	<u>\$ 53,580</u>

NOTE 5. AGENCY OBLIGATIONS

Agency obligations are funds held in trust by the Foundation and can only be used for the following organizations. The donors control the use and distribution of these funds. The agencies' assets held in trust and corresponding obligations consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Gillis Foundation Fund	\$ 144,266	\$ 136,110
Nevada Blind Children Foundation Fund	81,815	74,645
Communities in Schools Fund	36,204	35,010
Red Mountain Music Fund	291	40,138
Nevada COVID-19 Task Force, Inc. Fund	-	186,060
Nevad Grant Lab	140,634	-
Helping Hands Surgical Care Fund	848	1,523
	<u>\$ 404,058</u>	<u>\$ 473,486</u>

NOTE 6. COMMITMENTS AND CONTINGENCIES

Concentrations – There were no concentrations in grants paid during the year ended June 30, 2023. Of the total grants paid out during the year ended June 30, 2024 to various organizations, the Foundation donated a significant amount to one organization totaling \$94,653,316, representing 89% of grants awarded.

During the year ended June 30, 2024, one donor contributed a total of \$2,623,838 representing 33% of total contributions. During the year ended June 30, 2023, one donor contributed a total of \$53,529,373 representing 90% of total contributions. The contribution receivable is due from a single donor for the years ended June 30, 2024 and 2023 .

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 7. EMPLOYEE BENEFIT PLAN

Effective January 1, 2018, the Foundation entered into an agreement with Automatic Data Processing to establish a 401(k) plan. The Foundation makes matching contributions to the plan each year of 3% of all employees' compensation. The total contributions and expenses associated with the plan for the years ending June 30, 2024 and 2023 were \$20,020 and \$17,754, respectively.

The Executive Committee approved a Section 457 deferred compensation plan on July 28, 2014, effective July 1, 2014. There is only one participant in the deferred compensation plan. The Foundation will determine its contribution, if any, for the plan year and the participant may contribute salary reduction in excess of such Board contribution up to the maximum allowed by law. There were contributions of \$30,000 and \$20,500 to the plan for the years ended June 30, 2024 and 2023, respectively.

NOTE 8. GRANTS PAYABLE

The main function of the Foundation is to receive and accept funds to be administered and disbursed through grants exclusively for charitable purposes primarily in Nevada or for the benefit of residents of Nevada. Grants payable to be paid after one year are discounted based on the year promised at rates ranging from 1.18% to 4.71%.

Grants payable are summarized as follows at June 30:

	2024	2023
Due in one year	\$ 635,000	\$ 2,898,020
Due in one to five years	1,760,000	783,999
	2,395,000	3,682,019
Current	635,000	2,898,020
Non-current	1,760,000	783,999
Less: discounts to present value	(127,050)	(66,289)
Non-current, net of current portion and discount	<u>\$ 1,632,950</u>	<u>\$ 717,710</u>

The Foundation pledges scholarship funds to individuals throughout the year. The scholarships are conditional based on the individual attending school for the pledged semester. As these pledges are conditional, these pledges are recognized only when the conditions on which they depend are substantially met and the pledges become unconditional.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 9. NET ASSETS WITH DONOR RESTRICTIONS AND ENDOWMENTS

Net assets with donor restrictions are available as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Animals	\$ 21,546,915	\$ 17,277,795
Arts	1,123,069	1,190,855
Charities	2,490,956	5,477,343
Children and youth issues	14,086,034	10,106,288
Community support	2,819	85,143
Education	4,497,279	4,372,898
Emergency relief	331,547	2,519,584
Environment and parks	108,414	49,009
Homelessness	811	1,301
Medical research	16,189,395	12,652,435
Scholarships	2,611,265	2,523,261
Seniors	121,792	113,389
Time restricted – animals	4,973,714	8,259,764
Time restricted – children and youth issues	3,108,571	5,162,352
Time restricted – medical	4,352,000	7,227,293
Time restricted	<u>8,434,269</u>	<u>1,970,525</u>
	<u>\$ 83,978,850</u>	<u>\$ 78,989,235</u>

The Foundation's net assets with donor restrictions include donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with the endowment funds, including funds designated by the Board of Directors to function as endowments (collectively referred to as the endowment fund), are classified and reported based on the existence or absence of donor-imposed restrictions. Included in the medical, children and youth, animals, scholarships, and seniors balances are nonexpendable endowment funds. As of June 30, 2024 and 2023, the balance of funds to be held in perpetuity was \$67,603,584 and \$63,493,384, respectively.

The endowment includes only donor-restricted endowment funds and earnings. As required by generally accepted accounting principles (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 9. NET ASSETS WITH DONOR RESTRICTIONS AND ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law – The Board of Directors of the Foundation has interpreted Nevada state laws as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment funds are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in accordance with the donor's wishes. There are no Board designations of endowment funds.

During the year ended June 30, 2024 the Foundation's endowment funds had the following activity:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, June 30, 2023	\$ -	\$ 68,989,464	\$ 68,989,464
Contributions	-	4,010,200	4,010,200
Investment return, net	-	6,836,039	6,836,039
Amount appropriated for expenditure	<u>-</u>	<u>(3,839,518)</u>	<u>(3,839,518)</u>
Change in net assets	<u>-</u>	<u>7,006,721</u>	<u>7,006,721</u>
Balance, June 30, 2024	<u>\$ -</u>	<u>\$ 75,996,185</u>	<u>\$ 75,996,185</u>

During the year ended June 30, 2023 the Foundation's endowment funds had the following activity:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, June 30, 2022	\$ -	\$ 13,112,291	\$ 13,112,291
Contributions	-	54,003,712	54,003,712
Investment return, net	-	2,427,795	2,427,795
Amount appropriated for expenditure	<u>-</u>	<u>(554,334)</u>	<u>(554,334)</u>
Change in net assets	<u>-</u>	<u>55,877,173</u>	<u>55,877,173</u>
Balance, June 30, 2023	<u>\$ -</u>	<u>\$ 68,989,464</u>	<u>\$ 68,989,464</u>

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 9. NET ASSETS WITH DONOR RESTRICTIONS AND ENDOWMENTS (CONTINUED)

Funds with Deficiencies – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration. Any deficiencies of this nature would reduce the related net assets with donor restrictions. There were no deficiencies at June 30, 2024 or 2023.

Return Objectives and Risk Parameters – The Foundation has adopted investment and spending policies for endowment assets, the primary emphasis of which is on capital growth. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results attainable over a more than ten-year time frame. The Foundation expects its endowment funds, over time, to provide an average rate of return commensurate with other moderate risk investment portfolios.

Strategies Employed for Achieving Objectives – To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment 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 return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy – The Foundation has a current policy of retaining the earnings within the endowment fund until such time that the Board has determined specific expenditures in which to use the earnings not restricted by the donor, with an expected annual distribution rate of 2.5%. This policy is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for June 30:

Satisfaction of purpose restrictions:

	2024	2023
Animals	\$ 1,436,889	\$ 185,069
Arts	1,500	283,325
Charities	127,556	251,450
Children and youth	860,723	344,679
Community support	126,550	59,128
Education	248,531	388,337
Emergency relief	221,000	320,236
Environment and parks	239,915	749,712
Homelessness	500	729,094
Medical	598,581	288,852
Scholarships	176,928	85,261
Seniors	3,674	3,457
	<u>4,042,347</u>	<u>3,688,600</u>

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 9. NET ASSETS WITH DONOR RESTRICTIONS AND ENDOWMENTS (CONTINUED)

Satisfaction of time restrictions:

Time restricted	<u>321,957</u>	<u>128,000</u>
	<u>\$ 4,364,304</u>	<u>\$ 3,816,600</u>

NOTE 10. INCOME TAXES

In December 2013, the Foundation received a contribution of privately held stock. During the years ended June 30, 2024 and 2023, the Foundation had taxable activity proportionate to its ownership percentage related to the privately held stock, which is considered unrelated business income. As such, the Foundation recorded income tax expense of \$1,933,292, and \$202,461 during the years ended June 30, 2024 and 2023, respectively. During the year ended June 30, 2023, a \$1,989,021 decrease in the deferred tax liability estimate resulted in a net tax benefit of \$1,786,560 for the year.

The Foundation recognizes a deferred income tax liability related to the privately held stock with an estimated fair market value of \$0 and \$74,433,203 and an estimated tax basis of \$0 and \$0 as of June 30, 2024 and 2023, respectively. An estimated blended federal and state tax rate of 24.05% was used to determine the estimate deferred tax liability of \$0 and \$17,901,185 for the years ended June 30, 2024 and 2023, respectively. The privately held stock was transferred to another non-profit organization during the year ended June 30, 2024. As a result of this transfer of stock and the decrease in deferred tax liability the Foundation recognized a gain from the write off of the deferred tax liability of \$17,901,185.

NOTE 11. CONTRIBUTION RECEIVABLE

The Foundation is the beneficiary of a private living trust agreement that has become irrevocable due to the death of the trustor for the year ended June 30, 2024. The remaining trust assets consist of cash, securities, property, and other miscellaneous assets. Under the terms of the trust, the Foundation will receive a distribution of the remaining assets after the satisfaction of all bequests and expenses related to the administration of the trust. The Foundation applies a discount to the net value reported by the trustee to estimate the net realizable value of such expected distributions. For the year ended June 30, 2024, the discount rate used was 4.5%.

Contributions receivables are expected to be received as follows at June 30,:

	<u>2024</u>	<u>2023</u>
Due within one year	\$ 792,111	\$ 8,215,123
Due within two to five years	<u>17,582,888</u>	<u>15,612,577</u>
	18,374,999	23,827,700
Less: unamortized discount	<u>(5,940,714)</u>	<u>(3,178,291)</u>
Net contribution receivable	12,434,285	20,649,409

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 11. CONTRIBUTION RECEIVABLE (CONTINUED)

Less: contribution receivable, current portion	<u>(792,111)</u>	<u>(8,215,123)</u>
Contribution receivable, net of current portion	<u>\$ 11,642,174</u>	<u>\$ 12,434,286</u>

NOTE 12. LIQUIDITY AND AVAILABILITY OF FUNDS

The Foundation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 26,218,401	\$ 4,015,843
Cash and cash equivalents held by Greater Horizons	-	22,839,139
Investments	134,310,967	75,621,269
Investments held by Greater Horizons	-	138,154,340
Accounts receivable	371,164	9,250
Life insurance annuity receivable	69,462	69,462
Contribution receivable	<u>792,111</u>	<u>8,215,123</u>
	161,762,105	248,924,426
Less:		
Cash and cash equivalents, restricted	(2,578,866)	(2,971,118)
Investments, restricted	(70,243,721)	(55,127,941)
Agency obligations	<u>(404,058)</u>	<u>(473,486)</u>
	<u>\$ 88,535,460</u>	<u>\$ 190,351,881</u>

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NEVADA COMMUNITY FOUNDATION, INC. AND SUPPORTING ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024 and 2023

NOTE 13. SUBSEQUENT COMMITMENTS

The Foundation entered a lease agreement for office space commencing November 1, 2024 through October 31, 2025. The lease requires monthly payments of \$2,229. The Foundation entered into a second lease agreement for office space commencing May 1, 2025 through July 31, 2030. Future minimum payments under these subsequent leases are as follows:

2025	\$ 23,395
2026	70,463
2027	63,479
2028	71,326
2029	73,434
Thereafter	<u>82,043</u>
	<u>\$ 384,140</u>

NOTE 14. RECLASSIFICATION OF PRIOR YEAR PRESENTATION

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations for the year ended June 30, 2024. An adjustment has been made to the consolidated statement of financial position and consolidated statement of cash flows for fiscal year ended June 30, 2023, to reclassify the money market mutual funds of \$19,502,294 to cash and cash equivalents from investments.