



**York County Community Foundation and
Affiliates**

**Consolidated Financial Statements and
Supplementary Information**

December 31, 2022 and 2021



York County Community Foundation and Affiliates

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December 31, 2022 and 2021

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Independent Auditor's Report

To the Board of Directors
York County Community Foundation and Affiliates
York, Pennsylvania

Opinion

We have audited the consolidated financial statements of York County Community Foundation and Affiliates (collectively, the Organization), which comprise the consolidated statement of financial position as of December 31, 2022 and 2021, the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 raises substantial doubt about the Organization's ability to continue as a going concern for one year after the date 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 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 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 GAAS, 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 the Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

RKL LLP

June 28, 2023
York, Pennsylvania

York County Community Foundation and Affiliates

Consolidated Statement of Financial Position

	December 31,	
	2022	2021
Assets		
Assets		
Cash	\$ 319,089	\$ 211,735
Prepaid expenses and other assets	51,900	7,871
Investments	186,234,079	207,736,601
Beneficial interests in trusts	2,311,575	2,989,184
Cash surrender value of life insurance	165,587	167,431
Right-of-use asset, operating lease	447,430	-
Leasehold improvements and equipment (less accumulated depreciation: \$684,792 in 2022 and \$665,652 in 2021)	42,530	53,338
Total Assets	\$ 189,572,190	\$ 211,166,160
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	\$ 159,540	\$ 212,058
Grants and fund distribution payables	1,020,957	1,392,388
Obligation under operating lease	453,482	-
Liability to life income beneficiaries under split-interest agreements	2,706,755	3,356,146
Funds held as agency endowments	29,889,285	32,823,848
Total Liabilities	34,230,019	37,784,440
Net Assets		
Without donor restrictions	149,865,358	166,689,955
With donor restrictions	5,476,813	6,691,765
Total Net Assets	155,342,171	173,381,720
Total Liabilities and Net Assets	\$ 189,572,190	\$ 211,166,160

York County Community Foundation and Affiliates

Consolidated Statement of Activities

	Year Ended December 31, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Losses, and Support			
Contributions and bequests	\$ 8,618,829	\$ 44,007	\$ 8,662,836
In kind contributions	360,295	-	360,295
Less amounts received as agency endowments	(2,130,771)	-	(2,130,771)
Contributions	6,848,353	44,007	6,892,360
Investment income, net of fees	1,327,143	-	1,327,143
Plus investment loss for agency endowments	67,571	-	67,571
	1,394,714	-	1,394,714
Investment losses	(20,912,960)	-	(20,912,960)
Plus investment losses for agency endowments	3,650,428	-	3,650,428
	(17,262,532)	-	(17,262,532)
Change in value of split-interest agreements	(69,444)	(322,857)	(392,301)
Losses from beneficial interest in trusts	-	(588,881)	(588,881)
Other income	2,899	-	2,899
Net assets released from restrictions	347,221	(347,221)	-
	280,676	(1,258,959)	(978,283)
Total Revenues, Gains and Losses, and Support	(8,738,789)	(1,214,952)	(9,953,741)
Expenses			
Program services	6,596,648	-	6,596,648
Supporting services			
Management and general	892,773	-	892,773
Development	596,387	-	596,387
Total Expenses	8,085,808	-	8,085,808
Deficiency of Revenues, Gains and Losses, and Support over Expenses	(16,824,597)	(1,214,952)	(18,039,549)
Forgiveness of Note Payable	-	-	-
Change in Net Assets	(16,824,597)	(1,214,952)	(18,039,549)
Net Assets at Beginning of Year	166,689,955	6,691,765	173,381,720
Net Assets at End of Year	\$ 149,865,358	\$ 5,476,813	\$ 155,342,171

See accompanying notes.

York County Community Foundation and Affiliates

Consolidated Statement of Activities (continued)

	Year Ended December 31, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Support			
Contributions and bequests	\$ 9,019,764	\$ 43,216	\$ 9,062,980
In kind contributions	834,580	-	834,580
Less amounts received as agency endowments	(998,111)	-	(998,111)
Contributions	8,856,233	43,216	8,899,449
Investment income, net of fees	1,583,956	-	1,583,956
Plus investment loss for agency endowments	30,803	-	30,803
	1,614,759	-	1,614,759
Investment gains	29,718,419	-	29,718,419
Less investment gains for agency endowments	(5,152,052)	-	(5,152,052)
	24,566,367	-	24,566,367
Change in value of split-interest agreements	(69,108)	400,797	331,689
Gains from beneficial interest in trusts	-	170,485	170,485
Other income	443	-	443
Net assets released from restrictions	83,351	(83,351)	-
	14,686	487,931	502,617
Total Revenues, Gains, and Support	35,052,045	531,147	35,583,192
Expenses			
Program services	6,570,379	-	6,570,379
Supporting services			
Management and general	804,614	-	804,614
Development	557,590	-	557,590
Total Expenses	7,932,583	-	7,932,583
Excess of Revenues, Gains, and Support over Expenses	27,119,462	531,147	27,650,609
Forgiveness of Note Payable	207,300	-	207,300
Change in Net Assets	27,326,762	531,147	27,857,909
Net Assets at Beginning of Year	139,363,193	6,160,618	145,523,811
Net Assets at End of Year	\$ 166,689,955	\$ 6,691,765	\$ 173,381,720

See accompanying notes.

York County Community Foundation and Affiliates

Consolidated Statement of Cash Flows

	Years Ended December 31,	
	2022	2021
Cash Flows from Operating Activities		
Change in net assets	\$ (18,039,549)	\$ 27,857,909
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	19,140	15,563
Net unrealized and realized investment (gains) losses	20,912,960	(29,718,419)
Non-cash contributions	(360,295)	(834,580)
Proceeds from sale of donated securities	360,470	858,287
Forgiveness of note payable	-	(207,300)
Amortization of right-of-use asset - operating lease included in occupancy expense	70,712	-
(Increase) decrease in cash surrender value of life insurance	1,844	(5,737)
Changes in operating assets and liabilities		
Prepaid expenses and other assets	(44,029)	105,280
Beneficial interests in trusts	677,609	(178,489)
Accounts payable and accrued liabilities	(52,518)	31,095
Grants and fund distribution payables	(371,431)	139,591
Obligation under operating lease	(64,660)	-
Liability to life income beneficiaries under split-interest agreements	(649,391)	61,153
Funds held as agency endowments	(2,934,563)	5,117,226
Net Cash Provided by (Used in) Operating Activities	(473,701)	3,241,579
Cash Flows from Investing Activities		
Purchase of investments	(59,531,740)	(31,664,098)
Proceeds from sale of investments	60,376,541	28,683,843
Capital expenditures	(8,332)	(31,260)
Net Cash Provided by (Used in) Investing Activities	836,469	(3,011,515)
Increase in Cash and Cash Equivalents	362,768	230,064
Cash and Cash Equivalents at Beginning of Year	14,107,456	13,877,392
Cash and Cash Equivalents at End of Year	\$ 14,470,224	\$ 14,107,456
Cash and Cash Equivalents Consists of:		
Cash	\$ 319,089	\$ 211,735
Cash and cash equivalents in investments	14,151,135	13,895,721
	\$ 14,470,224	\$ 14,107,456

Supplementary Schedule of Noncash Investing and Financing Activities

In 2022

Noncash contributions consist of investments of \$360,295.

A right-of-use asset, operating lease and operating lease liability of \$518,142 was recorded in conjunction with the adoption of Accounting Standards Codification Topic 842, *Leases*.

In 2021

Noncash contributions consist of investments of \$834,580.

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 1 - Nature of Operations

The York County Community Foundation (a community foundation), Supporting Organizations and Disregarded Entities (the Foundation) are nonprofit organizations exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). In addition, the Foundation qualifies for the charitable contribution deduction under IRC Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under IRC Section 509(a) because it is an organization of the type described in Section 509(a)(1) of the Code and in the case of its supporting organizations, 509(a)(3).

The York County Community Foundation Advocacy Council (Council) (a Pennsylvania nonprofit organization) was formed to study community challenges and concerns and to develop and advocate support for recommendations.

Memorial Health Fund (Memorial) (a Pennsylvania nonprofit organization) is an affiliate of York County Community Foundation as a supporting organization. Its purpose is to improve the complete physical, mental, and social well-being of the residents of York County.

TroveStreet is a single member LLC whose sole member is the Foundation. Its purpose is to provide information, services, and opportunities for the older adults within York County.

For purposes of these consolidated financial statements, the entities are collectively referred to as the Organization. The Organization's primary sources of revenue are from investment income and contributions.

The Organization operates as a collection of component funds established by donors. The Organization's funds represent gifts of capital from individuals, families, corporations, trusts, private foundations, and other nonprofit organizations. The Organization serves donors in many ways, including providing a variety of tools and options to help them achieve their charitable goals. The Organization uses its local expertise and philanthropic leadership for powerful community improvement to make York County a great place to live, demonstrating its capacity and ability to fulfill donor intent and be a good steward of all its resources.

Note 2 - Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows.

Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, if any, at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Consolidation

The consolidated financial statements include the accounts of the York County Community Foundation, Memorial Health Fund, TroveStreet, and the York County Community Foundation Advocacy Council. All significant intercompany transactions and balances have been eliminated in consolidation.

Note 2 - Summary of Significant Accounting Policies (continued)

Basis of Presentation

The Organization utilizes the accrual method of accounting and follows the *Not-for-Profit Entities Topic 958* of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), which requires the Organization 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.

Contributions

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

All contributions are considered to be available for operations unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as support with donor restrictions that increases that net asset class. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

Net Asset Classification

All contributions, including those with donor-imposed restrictions, are subject to the variance power of the Organization, as established in its governing documents. The variance power gives the Board of Directors the ability to modify donor restrictions that are incapable of fulfillment or inconsistent with the charitable needs of the community. As a result of the variance power, most contributions are classified as net assets without donor restrictions for consolidated financial statement purposes.

The net assets of the Organization and changes therein are classified and reported as follows:

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

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that are restricted for a specified purpose or passage of time or are restricted in perpetuity.

When donor restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Cash Equivalents

The Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Note 2 - Summary of Significant Accounting Policies (continued)

Promises to Give

Promises to give are stated at outstanding balances. The Organization considers promises to give to be fully collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established or the amounts will be charged to income when that determination is made by management. Unpaid balances remaining after the stated payment terms will be considered past due. Recoveries of previously charged off accounts are recorded when received. All promises to give are considered current as of December 31, 2022 and 2021.

Investments

The goal of the Organization is to invest its assets in a manner that will preserve and enhance the real value of the assets over time. The investment policy strives to achieve a total rate of return sufficient to replace the assets spent for grants and expenses and recoup any value lost due to inflation. To minimize risk, the Organization diversifies its investments among various financial instruments and asset categories and uses multiple managers. The Organization's portfolios are managed by outside investment managers who invest according to the investment guidelines established by the Investment Committee and approved by the Board of Directors.

Dividend and interest income is accrued as such income is earned.

Beneficial Interests in Trusts

Beneficial interests in trusts consist of beneficial interests in charitable remainder trusts and beneficial interests in perpetual trusts.

For beneficial interests in charitable remainder trusts, donors established and funded trusts under which specified distributions are made to a designated beneficiary or beneficiaries over the trusts' terms. Upon termination of the trusts, the Organization receives the assets remaining in the trusts. Beneficial interests in charitable remainder trusts are recorded at the fair value of the trusts' assets net of the present value of the estimated future payments to be made under the specific terms of the trusts. Changes in net assets of the trusts are recorded as gains or losses (change in value of trusts) in the consolidated statement of activities. Net assets and changes in the net assets are recorded as net assets with donor restrictions, subject to the passage of time.

For beneficial interests in perpetual trusts, the Organization is the beneficiary of several perpetual trusts held by a third party. Under the terms of the trusts, the Organization has the irrevocable right to receive the income generated by the trust in perpetuity. The beneficial interests in perpetual trusts are recorded at fair value. Changes in net assets of trusts are recorded as gain or losses (change in value of trusts) on the consolidated statement of activities. Net assets and changes in the net assets are recorded perpetually as net assets with donor restrictions. Distributions received from these trusts are recorded as investment income without donor restrictions. During the year ended December 31, 2022, one of the trusts was terminated and the Organization received a distribution of \$191,510. There were no trusts terminated during the year ended December 31, 2021.

Note 2 - Summary of Significant Accounting Policies (continued)

Leasehold Improvements and Equipment

The Organization's policy is to capitalize all leasehold improvements and equipment with a useful life of greater than one year. Amortization and depreciation is provided on the straight-line method. Leasehold improvements are amortized over the life of the lease and equipment is depreciated over the estimated useful lives of the respective assets.

Maintenance and repairs are charged to expense when paid; major renewals and betterments greater than \$1,000 are capitalized. When items of furniture, equipment, or leasehold improvements are sold or retired, the related cost and accumulated depreciation and amortization are removed from the accounts and any gain or loss is included in the results of operations.

Right-of-Use Assets and Lease Liabilities

The Organization records leases in accordance with Topic 842, *Leases*, as of January 1, 2022, which recognizes most leases on the consolidated statement of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis.

The Organization elected the "package of practical expedients" under the transition guidance within Topic 842, in which the Organization does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases, or (3) the initial direct costs for any existing leases.

The Organization determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Organization obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Organization also considers whether its service arrangements include the right to control the use of an asset.

The Organization made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of twelve months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or January 1, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Organization made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

Adoption of Topic 842 resulted in the recording of an additional ROU asset and lease liability related to the Organization's operating lease of \$518,142 at January 1, 2022. The adoption of the new lease standard did not materially impact consolidated change in net assets or consolidated cash flows and did not result in a cumulative-effect adjustment to the opening balance of net assets.

Note 2 - Summary of Significant Accounting Policies (continued)

Liability to Life Income Beneficiaries under Split-Interest Agreements

The Organization acts as trustee for certain charitable remainder unitrusts. The Organization is also an issuer of charitable gift annuities. The net present value of the anticipated benefit to be received from these agreements is recorded as contribution revenue in the year the agreement is created. The present value of the estimated future payments to be distributed during the beneficiary's expected life is recorded as a liability.

As required distributions are made to these beneficiaries, the liabilities are reduced. Adjustments to the liabilities to reflect amortization of the discount, reevaluations of the present value of the estimated future payments, and changes in actuarial assumptions are recognized in the consolidated statement of activities as a change in the value of split-interest agreements.

Funds Held as Agency Endowments

Funds held as agency endowments consist of assets transferred from nonprofit organizations that specified themselves or an affiliate as the beneficiary of the fund. It is a reciprocal agreement between the nonprofit organization and the Organization.

Assets are transferred permanently to an endowed fund at the Organization. The assets are invested in an appropriate endowment portfolio allocation and an annual spending policy is applied to determine the maximum amount available to grant to the nonprofit organization during the year. An administrative fee is charged to each fund based on the fund balance.

These endowed funds provide a steady and reliable annual income stream to the nonprofit organization.

Income Taxes

The Foundation is a nonprofit entity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from income taxes on related activities pursuant to Section 509(a) of the Code.

Memorial is a nonprofit entity as described in Section 501(c)(3) of the Code and is exempt from income taxes on related activities pursuant to Section 509(a) of the Code.

TroveStreet is a single member LLC whose sole member is the Foundation. TroveStreet was organized solely and exclusively for charitable purposes in accordance with Section 501(c)(3) of the Internal Revenue Code and that further the tax-exempt purposes of the Foundation. TroveStreet is a disregarded entity for tax purposes and all activity is reported under the Foundation.

The Council is a nonprofit entity as described in Section 501(c)(3) of the Code and is exempt from income taxes on related activities pursuant to Section 509(a) of the Code. In addition, the Council was organized under the Pennsylvania Nonprofit Corporation Law and is exempt from state income taxes.

Note 2 - Summary of Significant Accounting Policies (continued)

Income Taxes (continued)

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization, including whether the entity is exempt from income taxes. Management of the Organization evaluated the tax positions taken and concluded that the Organization had taken no uncertain tax positions that require recognition or disclosure in the consolidated financial statements. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before 2019.

Functional Allocation of Expenses

The cost of providing program and other related activities are summarized on a functional basis in the consolidated statement of activities and by natural classification in Note 10 to the consolidated financial statements. Accordingly, certain costs have been allocated among the program and supporting services. Supporting services consist of management and general, and fundraising (development) expenses. Expenses require allocation on a reasonable basis that is consistently applied. Expenses are generally allocated on the basis of estimates of time and effort.

Donated or Contributed Investments, Services, or Materials

Donated or contributed investments, services, or materials meeting the criteria for recognition, are reflected in the consolidated financial statements as in-kind contributions at their estimated value on the date of receipt. Contributed services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at the fair value when received.

Change in Accounting Principles

In February 2016, the FASB issued ASC Topic 842, *Leases*, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their statements of financial position as a ROU asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Topic 842 also requires additional disclosure to key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in Topic 840, *Leases*) and operating leases, with classification affecting the pattern of expense recognition in the consolidated statement of activities. The new standards are effective for fiscal years beginning after December 15, 2021. During the year ended December 31, 2022, the Organization implemented the provisions of the relevant standards (refer to Note 12).

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 2 - Summary of Significant Accounting Policies (continued)

Change in Accounting Principles (continued)

In September 2020, the FASB issued Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires not-for-profit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. Also, this ASU requires disclosure of a disaggregation of the amount of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets as well as additional information around valuation and usage of the contributed nonfinancial assets. The amendments in this standard should be applied on a retrospective basis and are effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. During the year ended December 31, 2022, the Organization implemented the provisions of this standard (refer to Note 3).

Note 3 - In-kind Contributions

In-kind contributions consist of the following for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Investment securities	<u>\$ 360,295</u>	<u>\$ 834,580</u>

Investment securities are valued at market value on the date contributed. Fair value was based on quoted market prices for the identical securities. It is the Organization's policy to sell contributed securities upon receipt. If there are any associated donor restrictions, the proceeds from the sale of the securities are included with net assets with donor restrictions until spent.

There are no associated donor restrictions related to in-kind contributions received during the years ended December 31, 2022 and 2021.

During the years ended December 31, 2022 and 2021, the Organization did not receive any contributed services that met the requirements for recognition in the consolidated statement of activities.

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 4 - Investments

Investments are at fair value and consist of the following as of December 31:

	<u>2022</u>	<u>2021</u>
Equity securities	\$ 107,804,463	\$ 132,232,629
Alternative investments	44,903,596	42,939,792
Fixed income funds	18,578,101	17,993,416
Cash equivalents	14,151,135	13,895,721
Other investments	796,784	675,043
	<u>\$ 186,234,079</u>	<u>\$ 207,736,601</u>

Equity securities include equity-based mutual funds and pooled separate investments. Fixed income funds include fixed income-based mutual funds and pooled separate investments (refer to Note 5).

Note 5 - Alternative and Pooled Investments

The Organization invests in hedged funds, pooled separate accounts, private equity, and real estate alternative investments to further diversify its investment portfolio. The funds (primarily the hedge funds and private equity) have investments in certain securities, limited partnerships, real estate, and other investment funds for which market values may not be readily available. The underlying portfolio funds may hold investments for which market quotations are not readily available and thus valued at their fair value, as determined in good faith by their respective portfolio fund managers. Investments in limited partnerships and other investment funds are valued at fair value, which is generally the latest net asset value made available by the fund manager or administrator prior to the valuation date.

The Organization also holds assets placed with a money manager who holds the investments in pooled separate accounts. The value of these investments are held at the net asset value (NAV) of the units held. The NAV is issued as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

The funds hold certain investments, which may be valued by a single market maker. The estimated values may differ significantly from the values that would have been used had a ready market for the investment existed; they may have been affected by the decline in liquidity and prices of investments and real estate or by the lack of observable transaction data and inputs in certain transactions. Actual results could differ from those estimates, and the difference could be material.

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 5 - Alternative and Pooled Investments (continued)

The alternate investment category consists of the following:

	Fair Value		As of December 31, 2022		
	December 31, 2022	December 31, 2021	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Pooled Investments					
Equity					
CF Strategic Solutions Global Equity LLC	\$ 55,646,936	\$ 65,076,407	\$ -	Monthly	5 days
SSGA S&P Global Largemidcap Natural Resources Index	5,707,425	6,573,906	-	Daily	2 days
CF Credit Series	3,186,563	3,585,548	-	Monthly	5 days
SSGA US REIT Index NL	3,080,462	5,305,125	-	Daily	2 days
CFI High Quality Bond Fund LLC	2,669,538	2,020,467	-	Weekly	5 days
SSGA S&P 500 Index Non-Lending QP Strat.	1,602,412	4,104,027	-	Daily	2 days
SSGA US Aggregate Bond Index Non-Lending Strat.	702,000	1,699,163	-	Daily	2 days
SSGA Screened S&P 500 Index Strategy	193,833	284,204	-	Daily	2 days
SSGA MSCI ACWI EX USA IMI Screened Index	141,885	201,692	-	Monthly	2 days
Alternative Investments					
Hedge Funds					
Global Absolute Alpha Company D	17,855,161	18,581,613	-	Quarterly	65 days
FEG Directional Access TEI Fund LLC	-	34,258	-	Semi-Annual	95 days
Private Equity					
Global Private Equity Partners 2014	4,406,708	4,925,538	470,000	None	None
CCI-SSG Global Private Equity Fund II	3,714,028	3,829,198	698,250	None	None
Venture Partners XII	2,444,242	2,208,330	150,000	None	None
Venture Partners XIII	2,333,131	1,918,061	400,000	None	None
Secondary Partners II	1,928,674	2,317,871	499,998	None	None
CCI-SSG Global Private Equity Fund III	1,753,154	1,039,603	1,100,000	None	None
Common Fund Real Estate Opportunity FS II	1,084,603	440,016	2,981,476	None	None
Secondary Partners III	981,670	661,885	810,000	None	None
CCI-SSG Global Private Equity Fund IV	668,655	331,349	4,400,000	None	None
Common Fund Private Credit II	421,743	394,084	606,985	None	None
Environmental Sustainability Partners 2020	412,843	61,291	600,000	None	None
Venture Partners XIV	290,570	70,000	3,115,000	None	None
Real Estate					
Strategic Solutions Core Real Estate Fund	6,608,414	6,126,695	-	Quarterly	100 days

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 5 - Alternative and Pooled Investments (continued)

During March 2017, the Organization tendered redemption offers for the two FEG funds. As of December 31, 2021, one fund has been fully liquidated. The other fund held a balance of \$34,258 and was liquidated in 2022.

The private equity funds were entered under terms of subscription agreements and have no redemption options and the investment will terminate on February 4, 2029. Drawdowns for the years ended December 31, 2022 and 2021 amounted to \$3,522,303 and \$4,193,935, respectively.

Risks arise from changes in the value of the transactions, contracts, and agreements and the potential inability of the funds to timely liquidate individual funds or real estate in the portfolio. There are numerous factors that may significantly influence the market value of these contracts and agreements, including interest rate volatility and currency and future adverse political and economic developments involving investments in foreign companies. These factors were considered by the Organization prior to making this investment and it was determined the investment would be beneficial to leverage risk in other areas of the investment portfolio.

Note 6 - Fair Value of Financial Instruments

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 6 - Fair Value of Financial Instruments (continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used are required to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Cash equivalents: these assets have liquidity available within 90 days or less from initial purchase date and therefore do not need to be marked to market.

Mutual funds: valued based on quoted market prices for the identical securities.

Other investments: marketable and nonmarketable securities include alternative investments and pooled separate investments and are valued using the net asset value (NAV) of the fund obtained from the general partner or investment manager. Substantially all the underlying investments are marked to market, with the general partner reserving the right to make adjustments to such valuations or approve the use of certain estimates if deemed necessary to reflect the appropriate estimated fair value.

Beneficial interests in perpetual trusts (trusts): valued at the Organization's interest in the quoted market prices of the underlying assets contained in the trusts at year-end. Control of the assets is held by the Trustee, not the Organization.

Additionally, certain of the Organization's beneficial interests in perpetual trusts were invested in assets whose fair value was determined using net asset value of the respective trust's investments. Although the investments in these trusts are exclusively identified as Level 3 in accordance with ASC 820, the underlying holdings of the investments fund are comprised of a combination of Level 1, 2, and 3 securities. The investments fund reports the net asset value of the fund's investment to the fund on a periodic basis.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value at time of sale or maturity or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 6 - Fair Value of Financial Instruments (continued)

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31:

	2022			Total
	Level 1	Level 2	Level 3	
Cash Equivalents	\$ 14,151,135	\$ -	\$ -	\$ 14,151,135
Mutual Funds				
Domestic stock funds	23,292,612	-	-	23,292,612
Fixed income funds	12,020,000	-	-	12,020,000
International stock funds	10,198,721	-	-	10,198,721
Natural resources funds	4,425,002	-	-	4,425,002
Real estate funds	3,515,175	-	-	3,515,175
Other	-	-	796,784	796,784
	<u>\$ 67,602,645</u>	<u>\$ -</u>	<u>\$ 796,784</u>	<u>68,399,429</u>
Pooled Separate Investments (a)				
Equity				66,372,953
Fixed income				6,558,101
Alternative Investments (a)				
Private equity funds				20,440,021
Hedge funds				17,855,161
Real estate				6,608,414
Total Investments				<u>\$ 186,234,079</u>
Beneficial Interests in Perpetual Trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,311,575</u>	<u>\$ 2,311,575</u>

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 6 - Fair Value of Financial Instruments (continued)

	2021			
	Level 1	Level 2	Level 3	Total
Cash Equivalents	\$ 13,895,721	\$ -	\$ -	\$ 13,895,721
Mutual Funds				
Domestic stock funds	30,462,138	-	-	30,462,138
Fixed income funds	10,688,238	-	-	10,688,238
International stock funds	11,248,015	-	-	11,248,015
Natural resources funds	4,710,807	-	-	4,710,807
Real estate funds	4,266,308	-	-	4,266,308
Other	-	-	675,043	675,043
	<u>\$ 75,271,227</u>	<u>\$ -</u>	<u>\$ 675,043</u>	<u>75,946,270</u>
Pooled Separate Investments (a)				
Equity				81,545,361
Fixed income				7,305,178
Alternative Investments (a)				
Private equity funds				18,197,226
Hedge funds				18,615,871
Real estate				6,126,695
Total Investments				<u>\$ 207,736,601</u>
Beneficial Interests in Perpetual Trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,900,456</u>	<u>\$ 2,900,456</u>
Charitable Remainder Trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,728</u>	<u>\$ 88,728</u>

(a) This class represents investments not in active markets that are measured at fair value using the net asset value per share (or its equivalent) practical expedient and have, therefore, not been classified in the fair value hierarchy (see Note 5).

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require transfer of financial instruments from one fair value level to another.

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 6 - Fair Value of Financial Instruments (continued)

Changes in Fair Value Levels (continued)

The Organization evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the year ended December 31, 2022, \$88,728 was transferred from Level 3 to Level 1 due to the distribution received from a terminated trust (refer to Note 2). There were no transfers in or out of Levels 1, 2, or 3 during the year ended December 31, 2021.

During the years ended December 31, 2022 and 2021, there were no purchases of Level 3 assets.

The carrying amounts of cash, accounts payable and accrued expenses, and grants payable in the accompanying consolidated statement of financial position, approximate fair value given the short-term nature of these financial instruments.

Note 7 - Liquidity and Availability

Financial assets available for grants and general expenditures, that is, without donor restrictions or other designations limiting their use, within one year of the consolidated statement of financial position, comprise the following as of December 31:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 11,040,856	\$ 10,215,900
Promises to give	33,410	7,871
Distributions from beneficial interest in assets held by others	115,000	110,000
Endowment spending-rate distributions and appropriations	<u>7,365,919</u>	<u>7,227,774</u>
Financial Assets Available to be Used for Grants and General Expenditures Within One Year	<u>\$ 18,555,185</u>	<u>\$ 17,561,545</u>

The Organization's board-designated endowments are subject to an annual spend rate of 4.5%. A spendable amount of \$7,365,919 as of December 31, 2022 will be made available for grant making and administrative expenses from these endowments within the next twelve months. Although there is no intention to spend from board-designated endowments (beyond spending-rate distributions and appropriations), these amounts could be made available if necessary.

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its awarded grants, general expenditures, liabilities, and other obligations are due. The Organization invests cash in excess of daily requirements in money market accounts, certificates of deposit, treasuries, and short-term investments.

Endowment assets are pooled for investment, with liquidity managed through the pool's target allocations to illiquid investments, and periodic review of current illiquidity and projected total exposure to managers with lock-up provisions.

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 8 - Grants and Fund Distributions

Grants and fund distributions approved and paid in 2022 and 2021 and those committed for future payments consisted of the following at December 31, 2022 and 2021:

	<u>Grants</u>	<u>Distributions from Agency Endowments</u>	<u>Total</u>
Payable December 31, 2020	\$ 1,252,797	\$ -	\$ 1,252,797
2021 grants approved	5,498,397	1,002,134	6,500,531
2021 grants paid	<u>(5,358,806)</u>	<u>(1,002,134)</u>	<u>(6,360,940)</u>
Payable December 31, 2021	1,392,388	-	1,392,388
2022 grants approved	5,777,101	1,347,336	7,124,437
2022 grants paid	<u>(6,148,532)</u>	<u>(1,347,336)</u>	<u>(7,495,868)</u>
Payable December 31, 2022	<u>\$ 1,020,957</u>	<u>\$ -</u>	<u>\$ 1,020,957</u>

Grants payable consist of the following for the remaining two years ending December 31:

2023	\$ 945,957
2024	<u>75,000</u>
	<u>\$ 1,020,957</u>

Note 9 - Organization Endowment Funds Held for Others

The Organization maintains variance power and legal ownership of organization endowment funds, and as such, continues to report the funds as assets of the Organization. However, in accordance with the *Not-for-Profit Entities Topic 958* of the FASB ASC, a liability has been established as funds held as agency endowments, which is equivalent to the funds' current fair market value as of December 31:

	<u>2022</u>	<u>2021</u>
Organization Endowment Funds Held for Others	<u>\$ 29,889,285</u>	<u>\$ 32,823,848</u>

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 10 - Functional Expenses

The tables below present expenses by both their nature and function for the years ended December 31:

	2022			
	Program Services	Management and General	Development	Total
Grants	\$ 5,777,101	\$ -	\$ -	\$ 5,777,101
Salaries and benefits	537,206	589,002	475,924	1,602,132
Services and professional fees	146,466	135,284	18,070	299,820
Office and occupancy	91,293	134,042	80,871	306,206
Program costs	44,582	15,305	21,522	81,409
Depreciation	-	19,140	-	19,140
	<u>\$ 6,596,648</u>	<u>\$ 892,773</u>	<u>\$ 596,387</u>	<u>\$ 8,085,808</u>
	2021			
Grants	\$ 5,498,397	\$ -	\$ -	\$ 5,498,397
Salaries and benefits	561,366	595,180	438,304	1,594,850
Services and professional fees	374,334	63,579	20,890	458,803
Office and occupancy	92,373	119,446	75,632	287,451
Program costs	43,909	10,846	22,764	77,519
Depreciation	-	15,563	-	15,563
	<u>\$ 6,570,379</u>	<u>\$ 804,614</u>	<u>\$ 557,590</u>	<u>\$ 7,932,583</u>

Note 11 - Retirement Plan

The Organization maintains a 403(b)(7) tax-deferred retirement plan that covers employees who meet certain eligibility requirements. The Organization's contributions to the plan are comprised of a matching contribution equal to 100% of an employee's contribution, not to exceed 5% of an employee's compensation. Participants may make voluntary contributions to the plan up to Internal Revenue Service guideline amounts. Employer contributions to the plan were \$54,009 and \$58,026 for the years ended December 31, 2022 and 2021, respectively.

Note 12 - Lease

The Organization adopted Topic 842 on January 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period consolidated financial statements. Under this transition provision, the Organization has applied Topic 842 to reporting periods beginning on January 1, 2022, while prior periods continue to be reported and disclosed in accordance with the Organization's historical accounting treatment under ASC Topic 840, *Leases*.

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 12 - Lease (continued)

The Organization leases office space through 2023, with a renewal option through 2028. The option to extend a lease are included in the lease terms only when it is reasonably certain that the Organization will exercise that option. Renovations to the expanded space are capitalized as leasehold improvements.

Operating lease cost is recognized on a straight-line basis over the lease term.

The components of lease expense are as follows for the year ended December 31, 2022:

Operating lease cost	\$ 78,192
Common area maintenance (CAM) charges	<u>22,800</u>
Total Lease Cost	<u>\$ 100,992</u>

Rent expense and CAM charges under the lease was \$94,726 for the year ended December 31, 2021.

Weighted-Average Remaining Lease Term

Operating lease	6.01 Years
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Weighted-Average Discount Rate

Operating lease	1.55%
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Future undiscounted cash flows for each of the next five years and thereafter and a reconciliation to the lease liability recognized on the consolidated statement of financial position are as follows as of December 31, 2022:

	<u>Operating Lease</u>
2023	\$ 73,584
2024	75,647
2025	77,916
2026	80,254
2027	82,662
Thereafter	<u>85,141</u>
Total Lease Payments	475,204
Imputed interest	<u>(21,722)</u>
Total Present Value of Lease Liability	<u>\$ 453,482</u>

York County Community Foundation and Affiliates

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Note 13 - Net Assets Without Restrictions

The Organization's net assets without donor restrictions consist of undesignated and board-designated amounts for the following purposes as of December 31:

	<u>2022</u>	<u>2021</u>
Undesignated	\$ 14,387,864	\$ 16,626,503
Board-designated for Endowment	<u>135,477,494</u>	<u>150,063,452</u>
	<u>\$ 149,865,358</u>	<u>\$ 166,689,955</u>

Note 14 - Net Assets With Restrictions

The Organization's net assets with donor restrictions are restricted for the following purposes or periods as of December 31:

	<u>2022</u>	<u>2021</u>
Perpetual in nature	\$ 2,311,575	\$ 2,900,456
Subject to passage of time	<u>3,165,238</u>	<u>3,791,309</u>
	<u>\$ 5,476,813</u>	<u>\$ 6,691,765</u>

Note 15 - Reclassification

Certain information in the 2021 consolidated financial statements and related consolidated footnotes contain reclassifications necessary to make that information comparable to information presented in the 2022 consolidated financial statements. There was no change to total changes in net assets or total net assets.

Note 16 - Subsequent Events

The Organization has evaluated subsequent events through June 28, 2023. This date is the date the consolidated financial statements were available to be issued. No material events subsequent to December 31, 2022 were noted.

York County Community Foundation and Affiliates

Consolidating Statement of Financial Position

	December 31, 2022					
	York County Community Foundation	TroveStreet	York County Community Foundation Advocacy Council	Memorial Health Fund	Eliminations	Total
Assets						
Assets						
Cash	\$ 138,999	\$ 65,322	\$ 100	\$ 114,668	\$ -	\$ 319,089
Prepaid expenses and other assets	47,780	4,120	-	-	-	51,900
Investments	186,234,079	-	-	-	-	186,234,079
Beneficial interests in trusts	142,231	-	-	2,169,344	-	2,311,575
Beneficial interest in community foundation	-	-	-	19,153,974	(19,153,974)	-
Cash surrender value of life insurance	165,587	-	-	-	-	165,587
Right-of-use asset, operating lease	447,430	-	-	-	-	447,430
Leasehold improvements and equipment (less accumulated depreciation of \$684,792)	42,530	-	-	-	-	42,530
Total Assets	\$ 187,218,636	\$ 69,442	\$ 100	\$ 21,437,986	\$ (19,153,974)	\$ 189,572,190
Liabilities and Net Assets						
Liabilities						
Accounts payable and accrued liabilities	\$ 159,362	\$ 178	\$ -	\$ -	\$ -	\$ 159,540
Grants and fund distribution payables	670,957	-	-	350,000	-	1,020,957
Obligation under operating lease	453,482	-	-	-	-	453,482
Liability to life income beneficiaries under split-interest agreements	2,706,755	-	-	-	-	2,706,755
Supporting organization interest in community foundation	19,053,552	-	-	-	(19,053,552)	-
Funds held as agency endowments	29,989,707	-	-	-	(100,422)	29,889,285
Total Liabilities	53,033,815	178	-	350,000	(19,153,974)	34,230,019
Net Assets						
Without donor restrictions	130,877,352	69,264	100	18,918,642	-	149,865,358
With donor restrictions	3,307,469	-	-	2,169,344	-	5,476,813
Total Net Assets	134,184,821	69,264	100	21,087,986	-	155,342,171
Total Liabilities and Net Assets	\$ 187,218,636	\$ 69,442	\$ 100	\$ 21,437,986	\$ (19,153,974)	\$ 189,572,190

York County Community Foundation and Affiliates

Consolidating Statement of Financial Position (continued)

	December 31, 2021					
	York County Community Foundation	TroveStreet	York County Community Foundation Advocacy Council	Memorial Health Fund	Eliminations	Total
Assets						
Assets						
Cash	\$ 114,846	\$ 80,000	\$ 100	\$ 16,789	\$ -	\$ 211,735
Prepaid expenses and other assets	17,888	-	-	234	(10,251)	7,871
Investments	207,736,601	-	-	-	-	207,736,601
Beneficial interests in trusts	264,786	-	-	2,724,398	-	2,989,184
Beneficial interest in community foundation	-	-	-	22,422,846	(22,422,846)	-
Cash surrender value of life insurance	167,431	-	-	-	-	167,431
Right-of-use asset, operating lease	-	-	-	-	-	-
Leasehold improvements and equipment (less accumulated depreciation of \$665,652)	53,338	-	-	-	-	53,338
Total Assets	\$ 208,354,890	\$ 80,000	\$ 100	\$ 25,164,267	\$ (22,433,097)	\$ 211,166,160
Liabilities and Net Assets						
Liabilities						
Accounts payable and accrued liabilities	\$ 212,058	\$ 10,251	\$ -	\$ -	\$ (10,251)	\$ 212,058
Grants and fund distribution payables	942,388	-	-	450,000	-	1,392,388
Obligation under operating lease	-	-	-	-	-	-
Liability to life income beneficiaries under split-interest agreements	3,356,146	-	-	-	-	3,356,146
Supporting organization interest in community foundation	22,304,978	-	-	-	(22,304,978)	-
Funds held as agency endowments	32,941,716	-	-	-	(117,868)	32,823,848
Total Liabilities	59,757,286	10,251	-	450,000	(22,433,097)	37,784,440
Net Assets						
Without donor restrictions	144,630,237	69,749	100	21,989,869	-	166,689,955
With donor restrictions	3,967,367	-	-	2,724,398	-	6,691,765
Total Net Assets	148,597,604	69,749	100	24,714,267	-	173,381,720
Total Liabilities and Net Assets	\$ 208,354,890	\$ 80,000	\$ 100	\$ 25,164,267	\$ (22,433,097)	\$ 211,166,160

York County Community Foundation and Affiliates

Consolidating Statement of Activities

	Year Ended December 31, 2022					Total
	York County Community Foundation	TroveStreet	York County Community Foundation Advocacy Council	Memorial Health Fund	Eliminations	
Changes in Net Assets without Donor Restrictions						
Revenues, Gains and Losses, and Support						
Contributions and bequests	\$ 8,618,829	\$ 152,986	\$ 620	\$ 5,473	\$ (159,079)	\$ 8,618,829
In kind contributions	360,295	-	-	-	-	360,295
Less amounts received as agency endowments	(2,130,771)	-	-	-	-	(2,130,771)
Contributions	6,848,353	152,986	620	5,473	(159,079)	6,848,353
Investment income, net of fees	1,228,523	-	-	114,763	(16,143)	1,327,143
Plus investment loss for agency endowments	67,814	-	-	-	(243)	67,571
	1,296,337	-	-	114,763	(16,386)	1,394,714
Investment losses	(18,601,420)	-	-	-	(2,311,540)	(20,912,960)
Plus investment losses for agency endowments	3,663,289	-	-	-	(12,861)	3,650,428
	(14,938,131)	-	-	-	(2,324,401)	(17,262,532)
Change in value of split-interest agreements	(69,444)	-	-	-	-	(69,444)
Losses from beneficial interest in trusts	-	-	-	(2,345,128)	2,345,128	-
Other income	86,372	119	-	-	(83,592)	2,899
Net assets released from restrictions	347,221	-	-	-	-	347,221
	364,149	119	-	(2,345,128)	2,261,536	280,676
Total Revenues, Gains and Losses, and Support	(6,429,292)	153,105	620	(2,224,892)	(238,330)	(8,738,789)

York County Community Foundation and Affiliates

Consolidating Statement of Activities (continued)

	Year Ended December 31, 2022					Total
	York County Community Foundation	TroveStreet	York County Community Foundation Advocacy Council	Memorial Health Fund	Eliminations	
Expenses						
Program services	\$ 5,839,002	\$ 151,756	\$ -	\$ 844,220	\$ (238,330)	\$ 6,596,648
Supporting services						
Management and general	888,204	1,834	620	2,115	-	892,773
Development	596,387	-	-	-	-	596,387
Total Expenses	7,323,593	153,590	620	846,335	(238,330)	8,085,808
Deficiency of Revenues, Gains and Losses, and Support over Expenses	(13,752,885)	(485)	-	(3,071,227)	-	(16,824,597)
Forgiveness of Note Payable	-	-	-	-	-	-
Changes in Net Assets without Donor Restrictions	(13,752,885)	(485)	-	(3,071,227)	-	(16,824,597)
Net Assets without Donor Restrictions at Beginning of Year	144,630,237	69,749	100	21,989,869	-	166,689,955
Net Assets without Donor Restrictions at End of Year	\$ 130,877,352	\$ 69,264	\$ 100	\$ 18,918,642	\$ -	\$ 149,865,358

York County Community Foundation and Affiliates

Consolidating Statement of Activities (continued)

	Year Ended December 31, 2022					Total
	York County Community Foundation	TroveStreet	York County Community Foundation Advocacy Council	Memorial Health Fund	Eliminations	
Changes in Net Assets with Donor Restrictions						
Revenues, Gains and Losses, and Support						
Contributions and bequests	\$ 44,007	\$ -	\$ -	\$ -	\$ -	\$ 44,007
Less amounts received as agency endowments	-	-	-	-	-	-
Contributions	44,007	-	-	-	-	44,007
Investment income, net of fees	-	-	-	-	-	-
Plus investment loss for agency endowments	-	-	-	-	-	-
	-	-	-	-	-	-
Change in value of split-interest agreements	(322,857)	-	-	-	-	(322,857)
Losses from beneficial interest in trusts	(33,827)	-	-	(555,054)	-	(588,881)
Net assets released from restrictions	(347,221)	-	-	-	-	(347,221)
	(703,905)	-	-	(555,054)	-	(1,258,959)
Total Revenues, Gains and Losses, and Support	(659,898)	-	-	(555,054)	-	(1,214,952)
Changes in Net Assets with Donor Restrictions	(659,898)	-	-	(555,054)	-	(1,214,952)
Net Assets with Donor Restrictions at Beginning of Year	3,967,367	-	-	2,724,398	-	6,691,765
Net Assets with Donor Restrictions at End of Year	\$ 3,307,469	\$ -	\$ -	\$ 2,169,344	\$ -	\$ 5,476,813

York County Community Foundation and Affiliates

Consolidating Statement of Activities (continued)

	Year Ended December 31, 2021					Total
	York County Community Foundation	TroveStreet	York County Community Foundation Advocacy Council	Memorial Health Fund	Eliminations	
Changes in Net Assets without Donor Restrictions						
Revenues, Gains, and Support						
Contributions and bequests	\$ 9,019,764	\$ 80,000	\$ 600	\$ 5,250	\$ (85,850)	\$ 9,019,764
In kind contributions	834,580	-	-	-	-	834,580
Less amounts received as agency endowments	(998,111)	-	-	-	-	(998,111)
Contributions	8,856,233	80,000	600	5,250	(85,850)	8,856,233
Investment income, net of fees	1,472,380	-	-	102,534	9,042	1,583,956
Plus investment loss for agency endowments	30,916	-	-	-	(113)	30,803
	1,503,296	-	-	102,534	8,929	1,614,759
Investment gains	26,314,206	-	-	-	3,404,213	29,718,419
Less investment gains for agency endowments	(5,171,025)	-	-	-	18,973	(5,152,052)
	21,143,181	-	-	-	3,423,186	24,566,367
Change in value of split-interest agreements	(69,108)	-	-	-	-	(69,108)
Gains from beneficial interest in trusts	-	-	-	3,427,907	(3,427,907)	-
Other income	443	-	-	-	-	443
Net assets released from restrictions	83,351	-	-	-	-	83,351
	14,686	-	-	3,427,907	(3,427,907)	14,686
Total Revenues, Gains, and Support	31,517,396	80,000	600	3,535,691	(81,642)	35,052,045

York County Community Foundation and Affiliates

Consolidating Statement of Activities (continued)

	Year Ended December 31, 2021					Total
	York County Community Foundation	TroveStreet	York County Community Foundation Advocacy Council	Memorial Health Fund	Eliminations	
Expenses						
Program services	\$ 5,988,146	\$ 9,711	\$ -	\$ 654,164	\$ (81,642)	\$ 6,570,379
Supporting services						
Management and general	800,842	540	600	2,632	-	804,614
Development	557,590	-	-	-	-	557,590
Total Expenses	<u>7,346,578</u>	<u>10,251</u>	<u>600</u>	<u>656,796</u>	<u>(81,642)</u>	<u>7,932,583</u>
Excess of Revenues, Gains, and Support over Expenses	24,170,818	69,749	-	2,878,895	-	27,119,462
Forgiveness of Note Payable	<u>207,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>207,300</u>
Changes in Net Assets without Donor Restrictions	24,378,118	69,749	-	2,878,895	-	27,326,762
Net Assets without Donor Restrictions at Beginning of Year	<u>120,252,119</u>	<u>-</u>	<u>100</u>	<u>19,110,974</u>	<u>-</u>	<u>139,363,193</u>
Net Assets without Donor Restrictions at End of Year	<u>\$ 144,630,237</u>	<u>\$ 69,749</u>	<u>\$ 100</u>	<u>\$ 21,989,869</u>	<u>\$ -</u>	<u>\$ 166,689,955</u>

York County Community Foundation and Affiliates

Consolidating Statement of Activities (continued)

	Year Ended December 31, 2021					Total
	York County Community Foundation	TroveStreet	York County Community Foundation Advocacy Council	Memorial Health Fund	Eliminations	
Changes in Net Assets with Donor Restrictions						
Revenues, Gains, and Support						
Contributions and bequests	\$ 43,216	\$ -	\$ -	\$ -	\$ -	\$ 43,216
Less amounts received as agency endowments	-	-	-	-	-	-
Contributions	<u>43,216</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,216</u>
Investment income, net of fees	-	-	-	-	-	-
Plus investment loss for agency endowments	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in value of split-interest agreements	400,797	-	-	-	-	400,797
Gains from beneficial interest in trusts	7,987	-	-	162,498	-	170,485
Net assets released from restrictions	(83,351)	-	-	-	-	(83,351)
	<u>325,433</u>	<u>-</u>	<u>-</u>	<u>162,498</u>	<u>-</u>	<u>487,931</u>
Total Revenues, Gains, and Support	<u>368,649</u>	<u>-</u>	<u>-</u>	<u>162,498</u>	<u>-</u>	<u>531,147</u>
Changes in Net Assets with Donor Restrictions	<u>368,649</u>	<u>-</u>	<u>-</u>	<u>162,498</u>	<u>-</u>	<u>531,147</u>
Net Assets with Donor Restrictions at Beginning of Year	<u>3,598,718</u>	<u>-</u>	<u>-</u>	<u>2,561,900</u>	<u>-</u>	<u>6,160,618</u>
Net Assets with Donor Restrictions at End of Year	<u>\$ 3,967,367</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,724,398</u>	<u>\$ -</u>	<u>\$ 6,691,765</u>