

**PLACER COMMUNITY FOUNDATION  
AUDITED  
CONSOLIDATED FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2021  
(With Summarized Comparative Totals  
for the Year Ended December 31, 2020)**

**PLACER COMMUNITY FOUNDATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Placer Community Foundation  
Auburn, California

### **Opinion**

We have audited the accompanying consolidated financial statements of Placer Community Foundation (the Foundation) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Placer Community Foundation as of December 31, 2021, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Foundation's ability to continue as a going concern for a reasonable period of time.

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

## **Report on Summarized Comparative Information**

We have previously audited the Foundation's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 18, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Consolidated Statements of Financial Position, Activities, and Schedule of Grants Awarded are presented for purposes of additional analysis and are not part of the required 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Jensen Smith". The signature is written in a cursive, flowing style.

Jensen Smith  
Certified Public Accountants, Inc.  
Lincoln, California  
August 18, 2022

**PLACER COMMUNITY FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2021**  
**(With Summarized Comparative Information for December 31, 2020)**

	2021	2020
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Equivalents	\$ 594,800	\$ 1,172,395
Cash and Equivalents held by Greater Horizons	1,762,453	788,754
Cash and Equivalents held by Greater Horizons - Inv. Accounts	931,398	2,282,521
Prepaid Expenses & Other Receivables	3,307	3,307
<b>Total Current Assets</b>	3,291,958	4,246,977
<b>Non-Current Assets</b>		
Investments in Fixed Income Accounts	4,119,282	2,209,490
Investments in Government Securities	1,152,980	891,622
Investments in Mutual Funds	2,434,778	3,035,089
Investments in Common Stock	7,792,846	5,319,315
Investments in Closed End Funds	4,777,378	5,871,877
Building	156,597	156,597
Land	110,360	110,360
Leasehold Improvements	79,121	79,121
Furniture and Equipment	26,359	26,359
Artwork and Collections	26,450	4,750
Accumulated Depreciation	(133,075)	(123,660)
<b>Total Non-Current Assets</b>	20,543,076	17,580,920
<b>TOTAL ASSETS</b>	\$ 23,835,034	\$ 21,827,897
 <b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 173,178	\$ 2,230
Grants Payable	15,000	5,000
Accrued Personnel Costs	14,070	7,996
Accrued Vacation and Retirement Benefits	69,150	52,941
Deferred Revenue - Membership Dues	12,100	18,975
Note Payable - Payroll Protection Program	-	67,000
<b>Total Current Liabilities</b>	283,498	154,142
<b>TOTAL LIABILITIES</b>	283,498	154,142
 <b>NET ASSETS</b>		
Without Donor Restrictions	9,843,808	8,776,941
With Donor Restrictions	13,707,728	12,896,814
<b>TOTAL NET ASSETS</b>	23,551,536	21,673,755
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 \$ 23,835,034	 \$ 21,827,897

See Accompanying Notes

**PLACER COMMUNITY FOUNDATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(With Summarized Comparative Information for December 31, 2020)**

	Year Ended December 31, 2021			Total
	Without Donor Restrictions	With Donor Restrictions	Total	Year Ended December 31, 2020
<b>REVENUES, GRANTS, GAINS AND OTHER INCOME</b>				
Contributions	\$ 2,453,424	\$ 154,053	\$ 2,607,477	6,636,204.00
Member Dues	29,075	-	29,075	27,900.00
Other Income	735,910	-	735,910	88,236.00
Interest and Dividends	137,189	260,902	398,091	316,861.00
Net Realized (Loss) Gain	557,082	1,232,215	1,789,297	218,683.00
Net Unrealized (Loss) Gain	(29,678)	(346,758)	(376,436)	883,024.00
Net Assets Released from Restriction	622,748	(622,748)	-	-
<b>Total Revenues, Grants, Gains and Other Income</b>	<b>4,505,750</b>	<b>677,664</b>	<b>5,183,414</b>	<b>8,170,908</b>
<b>EXPENSES</b>				
<b>Program Expenses</b>	3,227,922	-	3,227,922	5,095,950
<b>Support Services</b>				
General and Administration	51,808	-	51,808	57,167
Fundraising	25,904	-	25,904	24,503
<b>Total Support Services</b>	<b>77,711</b>	<b>-</b>	<b>77,711</b>	<b>81,670</b>
<b>Total Expense</b>	<b>3,305,633</b>	<b>-</b>	<b>3,305,633</b>	<b>5,177,620</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,200,117</b>	<b>677,664</b>	<b>1,877,781</b>	<b>2,993,288</b>
Internal Funding to Endowments	(133,250)	133,250	-	-
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>8,776,941</b>	<b>12,896,814</b>	<b>21,673,755</b>	<b>18,680,467</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 9,843,808</b>	<b>\$ 13,707,728</b>	<b>\$ 23,551,536</b>	<b>\$ 21,673,755</b>

See Accompanying Notes

**PLACER COMMUNITY FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(With Summarized Comparative Information for December 31, 2020)**

	Support Services			2021	2020
	Program Expenses	General and Administration	Fund Raising	Expenses Total	Expenses Total
<b>EXPENSES</b>					
Salaries and Wages	\$ 465,891	\$ 30,718	\$ 15,359	\$ 511,968	\$ 459,517
Payroll Taxes	34,494	2,274	1,137	37,906	34,172
Employee Benefits	62,074	4,093	2,046	68,213	60,287
Grants to Other Organizations	1,594,821	-	-	1,594,821	4,312,323
Accounting and Audit Services	65,101	4,292	2,146	71,540	66,501
FIMS and Technology Consulting	38,669	2,484	1,242	42,395	37,659
Professional Services	168,344	971	485	169,800	48,600
Equipment Rental & Maintenance	341	23	11	375	527
Supplies	4,100	270	135	4,505	4,502
Telephone	6,661	439	220	7,320	6,183
Postage	2,866	44	22	2,932	7,063
Printing and Promotion	739,015	3,617	1,808	744,440	79,799
Utilities	4,925	325	162	5,412	4,677
Travel and Meetings	10,260	361	180	10,801	8,394
Depreciation	8,567	565	282	9,414	13,243
Insurance	4,829	318	159	5,307	4,819
Membership Dues & Subscriptions	6,411	423	211	7,045	9,403
Board Development	364	24	12	400	2,353
Donor Relations	3,683	235	117	4,035	9,307
Other	6,506	332	166	7,004	8,291
<b>Total Expenses</b>	<b>\$ 3,227,922</b>	<b>\$ 51,808</b>	<b>\$ 25,904</b>	<b>\$ 3,305,633</b>	<b>\$ 5,177,620</b>

See Accompanying Notes



**PLACER COMMUNITY FOUNDATION**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(With Summarized Comparative Information for December 31, 2020)**

	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 1,877,781	\$ 2,993,288
Adjustments to reconcile net assets to cash flows from operating activities:		
Depreciation	9,414	13,243
Net Unrealized Loss (Gain)	376,436	(883,024)
Non-cash Donation of Collection	(21,700)	-
<b>(Increase) Decrease in:</b>		
Prepaid Expenses	-	-
<b>Increase (Decrease) in:</b>		
Accounts Payable	170,948	(248)
Grants Payable	10,000	(14,400)
Accrued Personnel Costs	6,074	(13,482)
Accrued Vacation and Retirement Benefits	16,209	18,114
Deferred Revenue	(6,875)	1,025
<b>Net cash provided(used) by operating activities</b>	<b>2,438,287</b>	<b>2,114,516</b>
<b>Cash flows from investing activities</b>		
Purchases and Reinvestment of Securities	(14,548,792)	(6,470,505)
Proceeds from Sales of Securities	11,222,486	6,910,393
Purchase of Fixed Assets	-	(3,959)
<b>Net cash provided(used) by investing activities</b>	<b>(3,326,306)</b>	<b>435,929</b>
<b>Cash flows from financing activities</b>		
Proceeds from Note Payable	-	67,000
<b>Net cash provided(used) by financing activities</b>	<b>-</b>	<b>67,000</b>
Change in cash, cash equivalents, and restricted cash	<b>(888,019)</b>	<b>2,550,445</b>
<b>Cash, cash equivalents, and restricted cash</b>		
Beginning of Year	4,176,670	1,626,225
End of Year	<b>\$ 3,288,651</b>	<b>\$ 4,176,670</b>

Non-Cash Financial Transaction

The Paycheck Protection Program loan of \$67,000 was received in 2020 and forgiven in 2021. In 2021, the forgiven loan is reported as a reduction of the liability and income to the organization.

Supplemental information for the years ended December 31, 2021 and 2020

Federal taxes paid	\$ -
Interest paid	\$ -

See Accompanying Notes

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 1 – Nature of Organization and Significant Accounting Policies**

Organization and Nature of Activities

The Placer Community Foundation (the Foundation) is a nonprofit organization whose mission is to grow local giving to benefit the community. The Foundation’s function is to receive and accept funds to be administered and disbursed through grants exclusively for charitable purposes. The Foundation provides efficient and effective giving tools for donors, impactful grants for nonprofits and collaborative leadership around the most pressing needs of the community. Donors at the Foundation support charitable activities both locally and beyond. The Foundation primarily receives its revenue from donors in Placer County.

The primary program expense of the Foundation consists of direct financial support provided to other charities and charitable causes. Other substantial activities classified as program expenditures include the convening of charities to examine different community issues, nonprofit capacity building, a visiting artist-in-residence program, 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 nonprofits in Placer County.

During 2021, the Foundation took on several leadership initiatives to address a range of pandemic-related community needs. Working closely with Placer County Health and Human Services and other community partners, PCF expanded COVID harm reduction efforts to include a vaccine outreach and incentive program called “Sleeves Up Placer”. The Foundation provided coordination and scheduling for a mobile vaccine clinic, outreach to combat misinformation, and \$50 VISA gift cards for vaccines being provided at strategic locations, with the goal of increasing vaccine uptake among the most vulnerable and hard-to-reach populations. In all, the Sleeves Up Placer program supported over 7,000 vaccine doses, and the VISA gift cards helped support economic resiliency with more \$350,000 disseminated. The Foundation also supported the county’s efforts to quickly and thoroughly disburse rent and utility assistance available through the Emergency Rental Assistance (ERA) program to help residents struggling to remain in their homes because of the pandemic. Working closely with stakeholders and contractors, the Foundation helped strategize, launch and execute on an outreach program quickly and effectively. By the end of May 2021 – a month after the application window closed – the county and city had received 1,487 referrals over the course of its month-long application window, exceeding the initial goal of 1,300. Two-thirds of the referrals came through the website created by PCF. The Foundation continued its work to raise awareness on the need for affordable housing in 2021. Ground was broken on an affordable housing development at the Placer County Government Center, which had been the focus of advocacy work for the previous five years. The Foundation responded to the River Fire accepting donations to support families in Placer and Nevada Counties. \$258,101 was distributed to fire victims in form of gift cards and cash to help with the cost of personal care items, clothing, emergency housing and food. The Foundation also continued its Nonprofit Initiative providing 987 hours of training and technical assistance to 166 organizations. The Foundation sponsors Placer Collaborative Network which consists of over 40 public and private health, mental health, social service and education agencies that are working together to provide comprehensive services to the community.

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 1 – Nature of Organization and Significant Accounting Policies - Continued**

The financial statements of the Foundation include the related supporting organization, Auburn Community Foundation. Auburn Community Foundation was established in 1948 and in 2005 terminated its private foundation status and commenced operation as Type 1 supporting organization. As such, these organizations are required under generally accepted accounting principles to be consolidated, but they hold a separate Internal Revenue Service exemption letter and are required to be reported separately for federal and state tax filings.

Basis of Accounting

The financial statements of the Foundation are prepared on the accrual basis of accounting and maintained in accordance with accounting principles generally accepted in the United States of America. Revenue is recognized when earned and expenditures are recognized when the liability is incurred, rather than when cash is received or disbursed.

Consolidated Financial Information

These consolidated financial statements include certain prior – year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation’s financial statements for the year ended December 31, 2020 from which the summarized information was derived.

Classes of Net Assets

The financial statements report amounts by class of net assets as defined below:

*Net Assets Without Donor Restrictions:* The net assets not subject to donor-imposed restrictions including transactions that are related to the donor advised funds. Revenues are reported as increases in net assets without donor restrictions unless the use of the related assets are limited by donor-imposed restrictions.

*Net Assets With Donor Restrictions:* The net assets subject to donor-imposed restrictions include donor restricted contributions and income on endowment contributions that can only be expended as stipulated by the donor. This class of net assets includes the assets contributed to the Foundation where the original dollar value is to remain in perpetuity as a permanent endowment of the Foundation. While the Foundation’s bylaws provide for variance power, which, under certain unanticipated circumstances, allows for the modification of restrictions, management believes that such variance power does not apply to endowment funds, and accordingly, has recorded such amounts as with donor restrictions. It is the Foundation’s policy that permanently restricted assets are reported at their original value at the time of the gift. Income, realized and unrealized gains and losses on those assets are recorded as with donor restriction but do not impact the original corpus of the permanently restricted endowment.

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 1 – Nature of Organization and Significant Accounting Policies - Continued**

Cash and Cash Equivalents

Cash and cash equivalents include cash held in checking, savings, money market accounts and certificates of deposit. The carrying value of cash and cash equivalents approximates fair value due to the nature of the investment. Certificates of deposits are considered to be cash equivalents because they are liquid and the cost of liquidation is insignificant.

At December 31, 2021 and 2020 cash totaling \$2,693,851 and \$3,071,275, respectively, was held by the Greater Kansas City Community Foundation / Greater Horizons in the name of the Foundation.

Investments

The Foundation carries investments in equity securities, mutual funds, fixed income, money market funds and government securities, all of which have readily determinable values based upon public markets. Investments are carried at fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Equipment and Depreciation

Equipment is stated at cost or at fair market value at the date of donation in the case of donated assets. Depreciation is computed on the straight-line method and is based on expected useful lives of three to five years. Additions and betterments of \$1,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. Equipment is inventoried periodically and retired assets and the related accumulated depreciation are removed from the books when identified.

Land and Building

In 2014, the Auburn Community Foundation was gifted a building from a 501(c)(3) non-profit organization. The value of the property was determined based upon a current sale of an adjacent building. The building is being depreciated on a straight line basis over a period of 27 years. Land is not being depreciated. See Note 5 for further discussion of this transaction.

Artwork and Collections

In 2015, the Foundation was the recipient of a piece of art with an appraised value of \$4,750. At the request of the donor and with the approval of the Foundation's Board, the donated artwork is on display at the Foundation's office. In 2021, the Foundation received a donation of jewelry valued at \$21,700. At the request of the donor, the jewelry will be sold and proceeds used to create a fund. Neither the artwork nor the jewelry are depreciated.

Deferred Revenue

At December 31, 2021 and 2020, deferred revenue consisted of dues received from members of the Placer Collaborative Network for the next calendar year.

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 1 – Nature of Organization and Significant Accounting Policies - Continued**

Grants

Grants to other organizations are recorded as expenses in the period that they are approved for payment by the Board of Directors.

Contributed Services

No amounts have been reflected in the financial statements for donated services. The Foundation generally pays for services requiring specific expertise. However, individuals perform a variety of tasks to assist the Foundation on a volunteer basis.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as restricted support. When a donor restriction expires, through the passage of time or accomplishment of purpose, restricted net assets are reclassified to without donor restriction in the Statement of Activities as net assets released from restriction. All contributions are recorded at fair market value at the time of the receipt.

Tax Status

The Auburn Community Foundation and the Placer Community Foundation are exempt from income taxes under Section 501(C)(3) of the Internal Revenue Code and are exempt from state income taxes under Section 23701d of the California Revenue and Taxation Code.

Functional Allocation of Expenses

Costs that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on an evaluation by the Foundation's management. Time studies are used to allocate payroll and related expenses and operating expenses that cannot be identified with a specific program or supporting service.

Fair Value of Financial Instruments

Due to the short term nature of cash and cash equivalents, receivables, accounts payable and accrued liabilities, their carrying amounts approximate their fair value.

Concentrations of Credit and Market Risk

A majority of the Foundation's assets are invested in marketable securities. These securities are subject to risks such as interest rate, credit and overall market volatility. Due to the level of these risks, it is reasonably possible that changes in values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 1 – Nature of Organization and Significant Accounting Policies - Continued**

The Foundation has cash and cash equivalents maintained at financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 in interest-bearing accounts. At December 31, 2021, there was \$139,424 in funds held in bank accounts in excess of the FDIC \$250,000 insured amounts. At December 31, 2020, there was \$706,556 in funds held in bank accounts in excess of the FDIC \$250,000 insured amounts. Additionally, the Foundation maintains cash balances in a money market pool held by Greater Horizons. Uninsured accounts included in the money market pool and investment accounts totaled \$2,693,851 and \$3,071,275 at December 31, 2021 and 2020, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – Investments**

At December 31, 2021, the estimated fair value of the Foundation’s investments, none of which are held for trading purposes, are as follows:

	<u>Fair Value</u>	<u>Cost</u>
Fixed Income Accounts:		
Corporate Bonds	\$ 1,461,619	\$ 1,448,695
Accrued Interest	\$ 619,065	\$ 605,750
Asset Backed Securities	\$ 1,689,609	\$ 1,719,195
REITs	\$ 348,989	\$ 263,406
Government Securities	\$ 1,152,980	\$ 1,145,634
Mutual Funds:		
Fixed Income	\$ 578,777	\$ 571,205
Equity	\$ 1,180,209	\$ 1,041,324
Non-traditional	\$ 675,792	\$ 830,187
Stocks	\$ 7,792,846	\$ 6,487,957
Exchange Traded	<u>\$ 4,777,378</u>	<u>\$ 3,350,197</u>
TOTAL	<u>\$20,277,264</u>	<u>\$17,463,550</u>

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 2 – Investments – Continued**

At December 31, 2020, the estimated fair value of the Foundation’s investments, none of which are held for trading purposes, are as follows:

	<u>Fair Value</u>	<u>Cost</u>
Fixed Income Accounts:		
Corporate Bonds	\$ 1,082,227	\$ 1,001,241
Accrued Interest	\$ 256,428	\$ 219,310
Asset Backed Securities	\$ 476,470	\$ 464,148
REITs	\$ 394,366	\$ 332,596
Government Securities	\$ 891,622	\$ 832,392
Mutual Funds:		
Fixed Income	\$ 1,390,807	\$ 1,336,423
Equity	\$ 830,654	\$ 605,705
Non-traditional	\$ 813,628	\$ 802,043
Stocks	\$ 5,319,315	\$ 4,079,313
Exchange Traded	<u>\$ 5,871,876</u>	<u>\$ 4,419,357</u>
TOTAL	<u>\$17,327,393</u>	<u>\$14,092,528</u>

Securities are held in custodial investment accounts administered by a financial institution. The fair value of investments in securities traded on national security exchanges is valued at the price on the last business day of the years. Investments purchases and sales are accounted for on a trade-date basis.

**NOTE 3 – Liquidity and Availability of Financial Assets**

The Foundation’s financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>2021</u>	<u>2020</u>
Financial assets (cash, cash equivalents and investments), at year end	\$ 23,565,915	\$ 21,571,063
Less those unavailable for general expenditures within one year, due to:		
<u>Contractual or donor-imposed restrictions:</u>		
Restricted by donor with time or purpose restrictions (endowment funds)	(13,707,728)	(12,896,814)
Contractually set aside for specific purposes (donor-advised funds)	(2,040,056)	(1,363,301)
<u>Board designations:</u>		
Funds set aside for specific purposes	<u>(3,074,405)</u>	<u>(2,831,445)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,743,726</u>	<u>\$ 4,479,503</u>

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 4 – Fair Value of Financial Instruments**

Level 1 inputs are quoted market prices in active markets for identical assets.

Level 2 inputs are inputs other than quoted prices within Level 1; for example, quoted prices for similar assets.

Level 3 inputs are unobservable inputs for the assets.

The major categories of assets measured at fair value on a recurring basis for the year ended December 31, 2021 are:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash & Cash Equivalents	\$ 3,288,651	-	\$3,288,651	-
Fixed Income Accounts	\$ 4,119,282	\$ 4,119,282	-	-
Investments	\$16,157,982	\$16,157,982	-	-

The major categories of assets measured at fair value on a recurring basis for the year ended December 31, 2020 are:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash & Cash Equivalents	\$ 4,243,670	-	\$4,243,670	-
Fixed Income Accounts	\$ 2,209,490	\$ 2,209,490	-	-
Investments	\$15,117,903	\$15,117,903	-	-

The following methods and assumptions were used by the Foundation in estimating its fair value disclosures for financial instruments:

- Cash and Cash Equivalents: The carrying amounts reported in the statement of financial position approximate fair value because of the short maturities of those instruments.
- Fixed Income Accounts and Investments: The fair values of fixed income accounts and investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

**NOTE 5 – Lease/Related-Party Transaction**

On November 17, 2014, property was donated to the Auburn Community Foundation. The Auburn Community Foundation provides office space in this building to the Placer Community Foundation at no charge. It is the policy of the Auburn Community Foundation and the Placer Community Foundation to record donations of long-lived assets as increases in unrestricted net assets.



**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 5 – Lease/Related-Party Transaction - Continued**

In conjunction with the transfer, the Auburn Community Foundation agreed to lease part of the office space back to the original donor for a period two years with an option to renew the lease for two periods of five years. In 2016, the non-profit organization exercised the option to renew the lease for the next five years. Under the terms of the agreement, the donor, which is a 501(c)(3) non-profit organization, can occupy part of the office space rent free for two years. In addition, the Auburn Community Foundation established a \$50,000 endowment fund for the benefit of the 501(c)(3) organization in the year of the donation.

Beginning in year three, November 1, 2016, the rent became \$250 per month and is adjusted annually for the consumer price index for San Francisco-Oakland – San Jose California. Rents received in the year ended December 31, 2021 were \$272.87 per month through October 31, 2021 and \$282.96 for the remaining rest of the year.

**NOTE 6 – Endowment Funds**

The Foundation’s endowment consist of 50 endowment funds restricted by donors at December 31, 2021. The endowment funds are included in the Foundation portfolio and are allocated a proportionate share of the income, realized and unrealized gains and losses and fees each month. From time to time, the fair value of assets associated with endowment funds may fall below the historical gift value. The Foundation spending policy determines the distributions from the endowed funds for grantmaking in a given year. The spendable amount on an endowment is typically 4 or 5% of twelve quarter trailing average of the fair market value of the fund. It is the policy of the Foundation to adhere to the guidelines of California’s Uniform Prudent Management of Institutional Funds Act (Probate Code Section 18501 et seq.).

A reconciliation of restricted endowment fund activity for 2021 and 2020 follows:

	<u>2021</u>	<u>2020</u>
Balance, Beginning of Year	\$12,896,814	\$11,825,847
Contributions	154,053	508,724
Interest and Dividends	260,902	211,979
Net Realized & Unrealized (Losses) Gains (net of fees)	885,457	802,526
Transfer from(to)Unrestricted Funds	(489,498)	(452,262)
Balance, End of Year	<u>\$13,707,728</u>	<u>\$12,896,814</u>

Historical gift value in 2021 and 2020 were \$10,058,975 and \$9,771,634 respectively.

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 6 – Endowment Funds – Continued**

A total return investment policy based upon long-term investment strategies has been adopted for endowment assets as opposed to interest sensitive short-term policies. This allows funds to utilize current income as well as a portion of capital appreciation. The performance of the investment managers is evaluated quarterly based upon specified market indices.

All contributions, including those with donor imposed restrictions, are subject to the variance powers established by the Foundation's governing documents. The variance provision gives the Board of Directors the power to modify any restriction placed on gifts to the Foundation that is deemed to be unnecessary, incapable of fulfillment or is no longer consistent with the charitable needs of the community. In spite of the variance power, it is the policy of the Foundation to recognize gifts with or without donor restrictions based upon the intent of the donor.

**NOTE 7 – Employee Benefit Plan**

During the year ended December 31, 2009, the Board of Directors implemented a Simplified Employee Pension Plan (SEP) for employees with more than three years of service. The plan is a defined contribution plan with annual contribution amount determined by the Board of Directors on a yearly basis. Contributions are made to each employee's SEP-IRA. It is the intent of the Board to contribute at least 6% of compensation to eligible employees. In 2021 and 2020, the Board of Directors approved an employer contribution of 7.5% of each eligible employee's salary to the SEP. In addition, employees may contribute 100% of their salaries up to a maximum of \$19,500 in 2021 and 2020 to a 403(b) plan. Vesting is immediate on all contributions by the Foundation and the employees. Pension expense totaled \$29,500, \$23,017, \$23,372, \$24,928, \$24,689, and \$23,266 for the years ended December 31, 2021, 2020, 2019, 2018, 2017, and 2016, respectively.

**NOTE 8 – Open Tax Years**

The Foundation's tax form 990, Returns of Organizations Exempt From Income Tax for 2019, 2020 and 2021 are subject to examination by the Internal Revenue Service for three years after they are filed. Open years include 2018 through 2021 for the State of California which has a four year statute of limitations.

**NOTE 9 – Notes Payable**

On April 28, 2020, the Foundation entered into a loan for \$67,000, under the Paycheck Protection Program of the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT). The loan was partially forgiven on February 17, 2021, as the funds were used mostly for qualified expenses – Payroll costs, mortgage interest, utilities, rents, etc. The total amount forgiven was \$66,241 leaving a repayment amount of \$759. The forgiven portion of the loan is reported as income in 2021.

**PLACER COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**(With Summarized Comparative Totals for the Year Ended December 31, 2020)**

**NOTE 10 – Net Assets Without Donor Restrictions**

The net assets not subject to donor-imposed include funds that are set aside by the board either as donor advised funds or community funds. Advised funds enable donors to identify funding opportunities aligned with their values and charitable interests. Donors may recommend grant recipients subject to the Foundation’s due diligence and approval. At December 31, 2021, the Foundation had 46 advised funds totaling \$2,040,056 which are included in the net assets without donor restrictions. Other funds are set up by the Foundation and designated to specific purposes providing support for community needs. Net assets without donor restrictions at December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Donor advised funds	\$2,040,056	\$1,363,301
Designated funds	\$3,074,405	\$2,831,446
Without designations	<u>\$4,729,347</u>	<u>\$4,582,194</u>
TOTAL	<u>\$9,843,808</u>	<u>\$8,776,941</u>

**NOTE 11 – Uncertainties**

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of COVID-19 on the Foundation’s future operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Foundation’s donors, employees, volunteers and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the Foundation’s financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

**NOTE 12 – Evaluation of Subsequent Events**

The Foundation has evaluated events subsequent to December 31, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through August 18, 2022, the date which the financial statements were available to be issued. The following event required disclosure.

Subsequent to December 31, 2021, the stock market has experienced a significant decline in value. As of June 30, 2022, the Dow Jones had fallen by approximately 16%, the Nasdaq by 30% and the S&P 500 by over 20%. During the same period, it is estimated that the Foundation’s investments declined 18.4% or \$3,893,000 (unrealized loss). The Foundation will continue to monitor its investments as it has successfully done in the past, but has no immediate plans to make any significant change its investment portfolios.

**PLACER COMMUNITY FOUNDATION**

**SUPPLEMENTAL STATEMENTS**

**PLACER COMMUNITY FOUNDATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2021**

	<u>Auburn Community Foundation</u>	<u>Placer Community Foundation</u>	<u>Consolidated Placer Community Foundation</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and equivalents	\$ 283	\$ 594,517	594,800
Cash and Equivalents held by Greater Horizons	12,750	1,749,703	1,762,453
Cash and Equivalents held by Greater Horizons - Inv. Accts.	146,205	785,193	931,398
Prepaid Expenses & Other Receivables	-	3,307	3,307
<b>Total Current Assets</b>	<b>159,238</b>	<b>3,132,720</b>	<b>3,291,958</b>
<b>Non-Current Assets</b>			
Investments in Fixed Income Accounts	941,486	3,177,796	4,119,282
Investments in Government Securities	142,035	1,010,945	1,152,980
Investments in Mutual Funds	152,282	2,282,496	2,434,778
Investments in Common Stock	2,014,015	5,778,831	7,792,846
Investments in Closed End Funds	623,400	4,153,978	4,777,378
Building	156,597	-	156,597
Land	110,360	-	110,360
Leasehold Improvements	77,046	2,075	79,121
Furniture and Equipment	-	26,359	26,359
Artwork and Collections	-	26,450	26,450
Accumulated Depreciation	(106,288)	(26,787)	(133,075)
<b>Total Non-Current Assets</b>	<b>4,110,933</b>	<b>16,432,143</b>	<b>20,543,076</b>
<b>Total Assets</b>	<b>\$ 4,270,171</b>	<b>\$ 19,564,863</b>	<b>\$ 23,835,034</b>
 <b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities:</b>			
Accounts Payable	\$ -	\$ 173,178	173,178.00
Grants Payable	-	15,000	15,000.00
Accrued Personnel Costs	-	14,070	14,070.00
Accrued Vacations and Retirement Benefits	-	69,150	69,150.00
Deferred Revenue - Membership Dues	-	12,100	12,100.00
Note Payable - Payroll Protection Program	-	-	0.00
<b>Total Current Liabilities</b>	<b>-</b>	<b>283,498</b>	<b>283,498</b>
<b>Total Liabilities</b>	<b>-</b>	<b>283,498</b>	<b>283,498</b>
<b>Net Assets:</b>			
Without Donor Restrictions	4,220,171	5,623,637	9,843,808
With Donor Restrictions	50,000	13,657,728	13,707,728
<b>Total Net Assets</b>	<b>4,270,171</b>	<b>19,281,365</b>	<b>23,551,536</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 4,270,171</b>	<b>\$ 19,564,863</b>	<b>23,835,034</b>

See Accompanying Notes and Independent Auditor's Report

**PLACER COMMUNITY FOUNDATION  
CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Auburn Community Foundation	Placer Community Foundation	Interfund Activities	Consolidated Placer Community Foundation
<b>REVENUES, GRANTS, GAINS AND OTHER INCOME</b>				
Contributions	\$ 100	\$ 2,607,377	\$ -	\$ 2,607,477
Member Dues	-	29,075	-	29,075
Program Fees	-	328,628	(328,628)	-
Other Income	3,304	732,606	-	735,910
Interest and Dividends	69,485	328,606	-	398,091
Net Realized (Loss) Gain	265,342	1,523,955	-	1,789,297
Net Unrealized (Loss) Gain	20,673	(397,109)	-	(376,436)
Net Assets Released From Restriction	-	-	-	-
<b>Total Revenues, Grants, Gains and Other Income</b>	<b>358,904</b>	<b>5,153,138</b>	<b>(328,628)</b>	<b>5,183,414</b>
<b>Expenses</b>				
Salaries and Wages	-	511,968	-	511,968
Payroll Taxes	-	37,906	-	37,906
Employee Benefits	-	68,213	-	68,213
Grants to Other Organizations	145,000	1,449,821	-	1,594,821
Accounting and Audit Services (interfund admin. fees)	69,118	331,050	(328,628)	71,540
FIMS and Technology Consulting	-	42,395	-	42,395
Professional Services	-	169,800	-	169,800
Equipment Maintenance	-	375	-	375
Supplies	-	4,505	-	4,505
Telephone	-	7,320	-	7,320
Postage	-	2,932	-	2,932
Printing and Promotion	-	744,440	-	744,440
Utilities	-	5,412	-	5,412
Travel and Meetings	-	10,801	-	10,801
Depreciation	7,668	1,746	-	9,414
Insurance	-	5,307	-	5,307
Membership Dues and Subscriptions	-	7,045	-	7,045
Board Development	-	400	-	400
Donor Relations	-	4,035	-	4,035
Other	391	6,613	-	7,004
<b>Total Expenses</b>	<b>222,177</b>	<b>3,412,084</b>	<b>(328,628)</b>	<b>3,305,633</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ 136,727</b>	<b>\$ 1,741,054</b>	<b>\$ -</b>	<b>\$ 1,877,781</b>

See Accompanying Notes and Independent Auditor's Report

**PLACER COMMUNITY FOUNDATION  
SCHEDULE OF GRANTS & SCHOLARSHIPS AWARDED  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Agency:</u>	<u>Amount</u>
Auburn Chamber of Commerce Foundation	\$ 191,701
Lighthouse Counseling and Family Resource Center	90,750
Sierra Nevada Memorial Hospital Foundation	77,500
Placer Land Trust	75,250
Boys & Girls Club of Placer County	66,250
Placer People of Faith Together	58,500
Gold Country Wildlife Rescue, Inc.	57,250
Mercy Housing California	55,000
Health Education Council	50,000
University of Southern California	50,000
Sierra College Foundation	39,507
Native Alliance of the Sierra Nevada Foothills	39,250
Placer County SPCA	36,600
Placer County Office of Education	36,250
Crisis Intervention Services dba Sierra Community House	30,000
Horses Honor	30,000
Auburn Symphony	20,500
Fosters & Paws	20,000
Latino Leadership Council	19,250
Gold Country Fair Heritage Foundation	17,250
Auburn State Theatre Incorporated	17,080
American Red Cross	17,000
Center for Nonprofit Leadership of the Sierra	15,500
St. Luke's Episcopal Church	15,000
Valley Resource Recovery dba Redwood Family Center	15,000
My Mother's Voice	14,000
Stand Up Placer	13,750
Placer Food Bank	13,100
Sight Word Busters	11,750
Child Advocates of Placer County - CASA	11,000
Seniors First	10,936
Firefighters Burn Institute	10,200
Almost Home 4Ever	10,000
Auburn Interfaith Food Closet Inc	10,000
Friends of Unwanted Rabbits - FUR	10,000
Leaps and Bounds Rabbit Rescue	10,000
Market Street Railway Company	10,000
Placer County Law Enforcement Chaplaincy	10,000
Blue Line Arts	9,025
Kitten Central of Placer County Inc	8,250
Friends of the Roseville Public Library	8,000
Scooter's Pals	8,000
Animal Spay and Neuter Clinic	7,500
St. Vincent de Paul Society of Roseville Area Conference Inc	7,500
Placer Family Housing dba Acres of Hope	7,250
Atlas Learning Academy	7,000
Foresthill Residents for Responsible Growth, Inc. (FROG)	6,846
KidsFirst Child Abuse Prevention Council of Placer County	6,500

See Accompanying Notes and Independent Auditor's Report

**PLACER COMMUNITY FOUNDATION  
SCHEDULE OF GRANTS & SCHOLARSHIPS AWARDED-CONTINUED  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Agency:</u>	<u>Amount</u>
Sierra Grace Fellowship	6,000
Teaching Everyone Animals Matter-TEAM	6,000
The Gathering Inn	5,600
Compassion Planet	5,500
Friends of Auburn Library	5,500
Art League of Lincoln	5,000
Assistance League of Greater Placer	5,000
Gigi's Playhouse Sacramento	5,000
Inspire Learning Academy, Inc.	5,000
Legal Services of Northern California	5,000
NorCal Golden Retriever Rescue, Inc	5,000
P.E.O. Foundation	5,000
In His Wakes, Inc.	4,505
Girl Scouts Heart of Central California	4,500
Salvation Army of Auburn	4,500
The Forgotten Soldier Program	4,500
Sacramento Region Community Foundation	4,300
Sierra College	4,250
California State University, Chico	4,000
Crisis Intervention Services d/b/a Sierra Community House	4,000
Opening Doors	4,000
University of California Santa Barbara	4,000
Agency on Aging-Area 4	3,000
Placer County Sheriff Canine Association	3,000
Star 6 Foundation	3,000
Ticket to Dream Foundation	3,000
Doctors without Borders USA Inc.	2,750
California State University, Sacramento	2,500
Girls on the Run	2,500
Hearts Landing Ranch	2,500
Keaton's Child Cancer Alliance	2,500
Monterey Bay Aquarium Foundation	2,500
Salt Lake Community College	2,500
Salvation Army of Roseville	2,500
AAUW, Auburn CA Branch	2,400
Sacramento Loaves and Fishes	2,250
A Touch of Understanding	2,200
Fisher House Foundation, Inc.	2,100
American Civil Liberties Union Foundation, Inc.	2,000
American Indian College Fund	2,000
Biola University	2,000
California State University, Long Beach	2,000
Chapa-De Indian Health Program, Inc.	2,000
Emerson College	2,000
FieldHaven Feline Center	2,000
Literacy Support Council of Placer County	2,000
New York University	2,000
Placer High FFA - Ag Boosters	2,000

See Accompanying Notes and Independent Auditor's Report



**PLACER COMMUNITY FOUNDATION  
SCHEDULE OF GRANTS & SCHOLARSHIPS AWARDED-CONTINUED  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Agency:</u>	<u>Amount</u>
Placer High School Music Boosters	2,000
Planned Parenthood Federation of America, Inc.	2,000
Ride to Walk, Inc.	2,000
Shriners Hospital for Children	2,000
University of Nevada-Reno Foundation	2,000
University of Nevada-Reno	2,000
Young Life	2,000
KVIE Inc	1,950
Capital Public Radio	1,740
Idaho State University	1,500
League of California Community Foundations	1,500
LemonAid Fund	1,500
The Arc of Placer County	1,500
California State University and Michelle Angel	1,250
California State University, Sacramento	1,250
Center for Disaster Philanthropy	1,250
Foothills Habitat for Humanity	1,250
The Petal Connection	1,250
UC Berkeley-UC Regents	1,250
Yes She Can Incorporated	1,200
Smile Train, Inc.	1,150
City of Roseville-Sports Center	1,081
Smaller Grants at \$1,000 or less (55 entities)	31,850
	<u>\$ 1,594,821</u>