

Financial Statements

Spur Community Foundation, Inc.
(a nonprofit organization)
Year Ended December 31, 2023



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Spur Community Foundation, Inc.
Ketchum, Idaho

We have reviewed the accompanying financial statements of Spur Community Foundation, Inc., a not-for-profit organization, which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Spur Community Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Harris CPAs P.C.

Meridian, Idaho
August 15, 2024



SPUR COMMUNITY FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2023

ASSETS

Current Assets

Cash and cash equivalents	\$	4,601,836
Accounts receivable		1,095
Prepaid expenses		<u>3,099</u>

Total Assets \$ 4,606,030

LIABILITIES AND NET ASSETS

Liabilities \$ 0

Net Assets

Without donor restrictions		4,254,167
With donor restrictions		<u>351,863</u>

Total Net Assets 4,606,030

Total Liabilities and Net Assets \$ 4,606,030

See accompanying notes and independent accountant's review report.

SPUR COMMUNITY FOUNDATION, INC.
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Revenues and Other Support			
Contributions of investments	\$ 1,980,673	\$ 747,007	\$ 2,727,680
Pledges and contributions	227,037	1,835,541	2,062,578
Custodial services	16,893		16,893
Investment income	<u>192,426</u>		<u>192,426</u>
	2,417,029	2,582,548	4,999,577
Net assets released from restrictions	<u>3,308,842</u>	<u>(3,308,842)</u>	<u>0</u>
Total Revenue	5,725,871	(726,294)	4,999,577
Expenses			
Program services			
Pass-through custodial grants	1,166,125		1,166,125
Donor advised grants	2,265,665		2,265,665
Discretionary grants	318,904		318,904
Nonprofit and donor services	<u>169,199</u>		<u>169,199</u>
Total Program Services	<u>3,919,893</u>	<u>0</u>	<u>3,919,893</u>
Supporting services			
Management and general	215,693		215,693
Fundraising	<u>151,387</u>		<u>151,387</u>
Total Supporting Services	<u>367,080</u>	<u>0</u>	<u>367,080</u>
Total Expenses	<u>4,286,973</u>	<u>0</u>	<u>4,286,973</u>
Change in Net Assets	1,584,354	(871,750)	712,604
Net Assets			
Beginning of Year	<u>2,815,269</u>	<u>1,078,157</u>	<u>3,893,426</u>
End of Year	<u>\$ 4,254,167</u>	<u>\$ 351,863</u>	<u>\$ 4,606,030</u>

See accompanying notes and independent accountant's review report.

SPUR COMMUNITY FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2023

	Program Services				Total Program Services	Supporting Services		Total Supporting Services	Total
	Donor Advised Grants	Discretionary Grants	Pass-through custodial Grants	Nonprofit and Donor Services		Management and Administrative	Fundraising		
Grant awards	\$ 2,265,665	\$ 318,904	\$ 1,166,125	\$	\$ 3,750,694	\$	\$	\$	\$ 3,750,694
Salaries & wages				108,921	108,921	115,059	106,063	221,122	330,043
Advertising						34,350	12,606	46,956	46,956
Independent contractors				30,500	30,500	4,000		4,000	34,500
Occupancy						30,047		30,047	30,047
Payroll taxes				7,621	7,621	8,646	8,083	16,729	24,350
Office supplies				13,067	13,067	3,786	3,843	7,629	20,696
Meetings & events							17,254	17,254	17,254
Employee benefits				3,679	3,679	3,536	1,897	5,433	9,112
Travel				3,447	3,447				3,447
Professional fees						2,500	660	3,160	3,160
Insurance						2,882		2,882	2,882
Other				1,964	1,964	10,887	981	11,868	13,832
	<u>\$ 2,265,665</u>	<u>\$ 318,904</u>	<u>\$ 1,166,125</u>	<u>\$ 169,199</u>	<u>\$ 3,919,893</u>	<u>\$ 215,693</u>	<u>\$ 151,387</u>	<u>\$ 367,080</u>	<u>\$ 4,286,973</u>

SPUR COMMUNITY FOUNDATION, INC.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2023

Cash Flow From Operating Activities

Change in net assets	\$	712,604
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Noncash contribution of investments		(2,727,680)
Realized gain		(9,323)
Changes in operating assets and liabilities:		
Accounts receivable		4,215
Prepaid expenses		(1,462)
Pledges receivable		102,500
Accounts payable		<u>(9,480)</u>
Net Cash Provided (Used) by Operating Activities		(1,928,626)

Cash Flow from Investing Activities

Sale of investments		<u>2,737,003</u>
Net Change in Cash and Cash Equivalents		808,377

Cash and Cash Equivalents - Beginning of Year 3,793,459

Cash and Cash Equivalents - End of Year \$ 4,601,836

See accompanying notes and independent accountant's review report.

SPUR COMMUNITY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note A – Significant Accounting Policies

Nature of Organization

Spur Community Foundation, Inc., (the Foundation) is an Idaho nonprofit Corporation that was founded in April 2016 by Wood River Valley community members interested in improving philanthropy in the area, on both an individual and communal level. Understanding the importance of the nonprofit sector to the economy, the community's needs, and local quality of life, Spur's founders recognized how the Wood River Valley could benefit from a curator of philanthropic opportunity. Spur Community Foundation, Inc. seeks to expand funding to the nonprofit sector, assist donors with giving purposefully and impactfully, and foster excellence and accountability in nonprofits, accomplished primarily by receiving donations of financial assets for the purpose of granting funds to other nonprofit organizations and making investments in the social sector of the Wood River Valley. A description of the Foundation's program services is below.

Donor Advised Grants

The Foundation's programs include donor advised grants, which are distributions from donor advised funds. Donor advised funds are utilized for purposes specified by the donors and are distributed at the discretion of the donors. However, the Foundation reserves the right to modify any restrictions or conditions on the distribution of funds for any specified charitable purpose if, in the sole judgment of the board of directors (the board), such restrictions or conditions become unnecessary, undesirable, incapable of fulfillment or inconsistent with the charitable needs of the state of Idaho. Therefore, all contributions to donor advised funds are classified as without donor restrictions except for unconditional bequests and promises to give and notes receivable for which the cash has not been received.

Discretionary Grants

Spur Community Foundation, Inc. offers grants to nonprofit organizations from discretionary grant funds based on applications received from nonprofit organizations in the Wood River Valley that go through a competitive application process. These funds are awarded at the discretion of management and the board of directors of the Foundation.

Nonprofit and Donor Services

The Foundation provides a variety of services to nonprofit organizations including leadership coaching, consulting, benchmarking, and assessments. Spur Community Foundation, Inc. gathers and maintains a Knowledge Library with details about nonprofit organizations that serve the Wood River Valley to be a resource to philanthropy-minded individuals who want information to help guide their charitable giving. The Foundation also provides giving-analysis and impact reporting to donors who have contributed to any of the Foundation's grant funds.

SPUR COMMUNITY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note A – Significant Accounting Policies (Continued)

Custodial Funds

In response to special short-term needs or opportunities of importance to the community at large, Spur Community Foundation may offer custodial fund services to a third party, tax-exempt entity. These services usually include receiving and processing donations into a Fund restricted for a designated purpose. The relationship between The Foundation and the third-party is documented by a Custodial Grant Agreement that specifies the conditions that must be met before money will be released to the other entity. Spur typically charges a fee for this service by either invoicing the third-party or deducting the fees from the receipts before distributing dollars to the third-party entity.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The Foundation reports net assets and revenues, expenses, gains and losses are classified according to two classes of net assets: with donor restrictions and without donor restrictions. Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net asset with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

Cash and Cash Equivalents

The Foundation considers its short-term, highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Use of Estimates

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

SPUR COMMUNITY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note A – Significant Accounting Policies (Continued)

Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist of cash and investments. Accounts at these financial institutions are insured by the Federal Deposit Insurance Corporation for up to \$250,000 and the Securities Investor Protection Corporation for up to \$500,000. At December 31, 2023, the Foundation had uninsured balances totaling \$3,897,993.

Fair Value

The Foundation uses fair value reporting for financial assets and liabilities. A hierarchy for reporting the reliability of input measurements used to assess fair value for all assets and liabilities. Fair value is defined as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. The hierarchy established, prioritizes fair value measurements based on the types of inputs used in the valuation technique.

Contributions and Donor Imposed Restrictions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as contributions with donor restrictions that increases that net asset class. When donor restrictions expire, that is, when a time restriction ends and/or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of Nonfinancial Assets

Support arising from donated goods, property, and services is recognized in the financial statements at fair value. The Foundation receives in-kind contributions consisting of donated securities. Donated securities are reported as contributions in the statement of activities and are liquidated upon receipt. Donated securities of approximately \$2,727,680 have been reported at fair value on the date of donation in the statement of activities for the year ended December 31, 2023.

Revenue Recognition

Service fees consists of nonprofit advisory and custodial services. The Foundation recognizes revenue on such activities as the related performance obligations are completed. There was one remaining unperformed performance obligation for the Greenhorn Fire Station Housing fund at December 31, 2023.

SPUR COMMUNITY FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note A – Significant Accounting Policies (Continued)

Functional Allocation of Expense

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. Salaries and wages, employee benefits, and payroll taxes are allocated based on time studies performed annually. Management and General expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation

Income Taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. Accordingly, no provision for income taxes is made in the financial statements.

Uncertain Tax Positions

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Foundation may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of that position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year 2023. The Foundation files Form 990 in the U.S. federal jurisdiction. The Foundation is generally no longer subject to examination by the Internal Revenue Service for years before 2020.

Subsequent Events

The Foundation has evaluated subsequent events through August 15, 2024 which is the date the financial statements were available to be issued.

SPUR COMMUNITY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS

Note B – Liquidity and Availability of Resources

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

Financial assets available within one year	
Cash and cash equivalents	\$ 4,601,836
Accounts receivable	1,095
Prepaid expense	<u>3,099</u>
Total financial assets available within one year	4,606,030
Less amounts unavailable for general expenditures, within one year, due to:	
Restricted by donors with time or purpose restrictions	(351,863)
Board designated amounts	<u>(4,254,167)</u>
Total financial assets available within one year after restriction and designation	<u>\$ 0</u>

As part of the Foundation’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. At December 31, 2023, all net assets without donor restrictions are available for payment of any major expenditures incurred, except for receivables which are available when the receivable is collected which is expected within the next year and the expenditure is incurred. Board designated funds associated with the donor advised funds could be used to provide additional liquidity if deemed necessary by the board of directors.

Note C – Investment Income

Investment income consisted of the following for the year ended December 31, 2023:

Interest and dividends	\$ 183,151
Realized gain	9,323
Portfolio management fees	<u>(48)</u>
	<u>\$ 192,426</u>

SPUR COMMUNITY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS

Note D – Net Assets

The detail of the Foundation’s net asset categories at December 31, 2023, are as follows

Without donor restrictions	
Board designated – Spur Impact and Operations funds	\$ 206,769
Board designated – donor advised funds	<u>4,047,398</u>
Total without donor restrictions	4,254,167
With donor restrictions	
Time and purpose restricted	<u>351,863</u>
Total net assets	<u>\$ 4,606,030</u>

Note E – Operating Leases

The Foundation leases office space in Ketchum, Idaho. The lease expired in September 2023 and is now paid on a month-to-month basis. Monthly payments due under the lease total \$2,125. Total rental expense for the year ended December 31, 2023 was \$25,500.

Note F – Related Party Transactions

Spur Community Foundation, Inc. receives contributions and grants from members of the board of directors. Amounts received from board members totaled \$340,710 for the year ended December 31, 2023.