

*Financial Statements*

**BENTON COMMUNITY  
FOUNDATION, INC.**

**DECEMBER 31, 2024 AND 2023**

**BENTON COMMUNITY FOUNDATION, INC.**

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LAFAYETTE OFFICE  
415 Columbia Street, Suite 2000  
PO Box 970  
Lafayette, IN 47902-0970  
Phone 765.428.5000  
Fax 765.428.5700

RENSSELAER OFFICE  
311 East Drexel Parkway  
PO Box 68  
Rensselaer, IN 47978-0068  
Phone 219.866.5196  
Fax 219.866.5835

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Benton Community Foundation, Inc.  
Fowler, Indiana

### Opinion

We have audited the accompanying financial statements of Benton Community Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Benton Community Foundation, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Benton Community Foundation, Inc. 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 these 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 Benton Community Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## INDEPENDENT AUDITOR'S REPORT--CONTINUED

### 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 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 Benton Community Foundation, Inc.'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 Benton Community Foundation, Inc.'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.

*Huth Thompson LLP*

**October 15, 2025**  
Lafayette, Indiana

**BENTON COMMUNITY FOUNDATION, INC.**

**STATEMENTS OF FINANCIAL POSITION**

As of December 31,

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,398,540	\$ 580,149
Contribution Receivable	2,769	4,259
Prepaid Expenses	<u>4,807</u>	<u>4,634</u>
<b>TOTAL CURRENT ASSETS</b>	<b>1,406,116</b>	<b>589,042</b>
<b>INVESTMENTS</b>	<b>9,831,276</b>	<b>8,827,360</b>
<b>PROPERTY AND EQUIPMENT</b>		
Furniture, Equipment, and Website	23,473	23,473
Less Accumulated Depreciation	<u>(18,702)</u>	<u>(17,233)</u>
	<u>4,771</u>	<u>6,240</u>
	<u><b>\$11,242,163</b></u>	<u><b>\$ 9,422,642</b></u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 12,424	\$ 15,867
Liability to Other Organizations	22,729	21,045
Refundable Advance	470,712	48,500
Grants Payable	<u>219,806</u>	<u>194,506</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>725,671</b>	<b>279,918</b>
<b>NET ASSETS</b>		
Net Assets Without Donor Restrictions	5,807,872	4,996,549
Net Assets With Donor Restrictions	<u>4,708,620</u>	<u>4,146,175</u>
	<u><b>10,516,492</b></u>	<u><b>9,142,724</b></u>
	<u><b>\$11,242,163</b></u>	<u><b>\$ 9,422,642</b></u>

See Notes to Financial Statements.

**BENTON COMMUNITY FOUNDATION, INC.**

**STATEMENTS OF ACTIVITIES**  
For the Years Ended December 31,

	2024			2023		
	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions
<b>REVENUE, GAINS AND OTHER SUPPORT</b>						
Contributions of Cash and Other Financial Assets	\$ 863,285	\$ 174,135	\$ 689,150	\$ 341,745	\$ 117,154	\$ 224,591
Contributions of Nonfinancial Assets	8,037	8,037	-	8,843	8,843	-
Grant Income	56,745	2,500	54,245	12,732	-	12,732
Interest and Dividends, Net of Fees	463,401	264,065	199,336	358,707	201,608	157,099
Net Realized and Unrealized Gain on Investments	558,762	315,069	243,693	784,430	442,309	342,121
Fees for Services	12,552	12,552	-	6,907	6,907	-
Net Assets Released from Restrictions	-	623,979	(623,979)	-	347,879	(347,879)
<b>TOTAL REVENUE, GAINS, AND OTHER SUPPORT</b>	<b>1,962,782</b>	<b>1,400,337</b>	<b>562,445</b>	<b>1,513,364</b>	<b>1,124,700</b>	<b>388,664</b>
<b>EXPENSES</b>						
Program Services	426,705	426,705	-	486,284	486,284	-
Management and General	138,935	138,935	-	126,347	126,347	-
Fundraising	23,374	23,374	-	22,814	22,814	-
<b>TOTAL EXPENSES</b>	<b>589,014</b>	<b>589,014</b>	<b>-</b>	<b>635,445</b>	<b>635,445</b>	<b>-</b>
<b>INCREASE IN NET ASSETS</b>	<b>1,373,768</b>	<b>811,323</b>	<b>562,445</b>	<b>877,919</b>	<b>489,255</b>	<b>388,664</b>
<b>NET ASSETS--Beginning of Year</b>	<b>9,142,724</b>	<b>4,996,549</b>	<b>4,146,175</b>	<b>8,264,805</b>	<b>4,507,294</b>	<b>3,757,511</b>
<b>NET ASSETS--End of Year</b>	<b>\$ 10,516,492</b>	<b>\$ 5,807,872</b>	<b>\$ 4,708,620</b>	<b>\$ 9,142,724</b>	<b>\$ 4,996,549</b>	<b>\$ 4,146,175</b>

See Notes to Financial Statements.

**BENTON COMMUNITY FOUNDATION, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Years Ended December 31,

	2024				2023			
	Total	Program Services	Management And General	Fundraising	Total	Program Services	Management And General	Fundraising
Grants	\$ 339,194	\$ 339,194	\$ -	\$ -	\$ 400,137	\$ 400,137	\$ -	\$ -
Program Expense	26,436	23,936	2,500	-	33,079	29,998	3,081	-
Salaries and Wages	104,793	35,506	46,752	22,535	109,535	34,465	53,094	21,976
Payroll Taxes	9,282	1,259	7,184	839	9,049	1,256	6,955	838
Staff Benefits	5,652	-	5,652	-	4,320	-	4,320	-
Professional Fees	16,688	-	16,688	-	14,900	-	14,900	-
Technology	29,102	-	29,102	-	15,831	-	15,831	-
Depreciation	1,469	-	1,469	-	3,455	-	3,455	-
Dues and Subscriptions	802	-	802	-	750	-	750	-
Insurance	6,601	500	6,101	-	6,461	525	5,936	-
Supplies	2,017	-	2,017	-	1,112	-	1,112	-
Meals & Entertainment	410	-	410	-	499	-	499	-
Postage	955	10	945	-	800	-	800	-
Printing & Copying	600	-	600	-	481	-	481	-
Staff & Board Development	120	-	120	-	265	35	230	-
Development Costs	31,457	26,150	5,307	-	22,453	19,843	2,610	-
Occupancy	8,037	-	8,037	-	8,843	-	8,843	-
Repairs & Maintenance	1,824	-	1,824	-	-	-	-	-
Telephone	2,617	-	2,617	-	2,541	-	2,541	-
Travel	82	-	82	-	701	-	701	-
Bank Fees	146	146	-	-	25	25	-	-
Miscellaneous	730	4	726	-	208	-	208	-
<b>TOTAL EXPENSES</b>	<b>\$ 589,014</b>	<b>\$ 426,705</b>	<b>\$ 138,935</b>	<b>\$ 23,374</b>	<b>\$ 635,445</b>	<b>\$ 486,284</b>	<b>\$ 126,347</b>	<b>\$ 22,814</b>

See Notes to Financial Statements.

**BENTON COMMUNITY FOUNDATION, INC.**

**STATEMENTS OF CASH FLOWS**

For Years Ended December 31,

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in Net Assets	\$ 1,373,768	\$ 877,919
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities--		
Depreciation & Amortization	1,469	3,454
Realized and Unrealized (Gain) on Investments	(500,598)	(779,514)
(Increase) Decrease in Assets--		
Contribution Receivable	1,490	(3,059)
Prepaid Expenses	(173)	421
Increase (Decrease) in Liabilities--		
Accounts Payable	(3,443)	10,859
Refundable Advance	422,212	48,500
Liability to Other Organizations	1,684	2,039
Grants Payable	25,300	30,144
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>1,321,709</u>	<u>190,763</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(1,875,563)	(1,276,995)
Proceeds from Sale of Investments	1,372,245	864,707
<b>NET CASH (USED) BY INVESTING ACTIVITIES</b>	<u>(503,318)</u>	<u>(412,288)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	818,391	(221,525)
<b>CASH AND CASH EQUIVALENTS--Beginning of Year</b>	<u>580,149</u>	<u>801,674</u>
<b>CASH AND CASH EQUIVALENTS--End of Year</b>	<u>\$ 1,398,540</u>	<u>\$ 580,149</u>

See Notes to Financial Statements.

# BENTON COMMUNITY FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

### NOTE 1: FOUNDATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of Benton Community Foundation, Inc.'s significant accounting policies consistently applied in the preparation of the accompanying financial statements are as follows:

A) Nature of Activities--Benton Community Foundation, Inc. (the Foundation) was founded in 1998 and operated under the Greater Lafayette Community Foundation. On November 7, 2003, Benton Community Foundation, Inc. was incorporated under the laws of the State of Indiana. Benton Community Foundation began operating independently from the Greater Lafayette Community Foundation and all the assets, liabilities, and net assets were transferred to the Benton Community Foundation, Inc. on September 1, 2004.

Benton Community Foundation, Inc. was established to benefit people, institutions, and communities primarily, but not exclusively, in Benton County. The mission of the Foundation is to enhance the quality of life in Benton County through civic leadership and philanthropy.

B) Net Assets--In accordance with FASB Accounting Standards Codification (Accounting Standards), the net assets of the Foundation are reported in each of the following classes:

- 1) *Net Assets Without Donor Restrictions*--Net assets that are not subject to donor-imposed stipulations.
- 2) *Net Assets With Donor Restrictions*--Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time. Also, included are net assets subject to donor-imposed stipulations that the assets be maintained in perpetuity by the Foundation. Additionally, in accordance with accounting standards, excess income from these donor endowment funds are classified as restricted for a purpose until appropriated by the Board of Directors for expenditure.

All donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the restriction. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Restrictions on gifts of fixed assets or contributions restricted for the purchase of fixed assets expire when the asset is placed in service, unless otherwise noted by the donor.

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 1: FOUNDATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

- C) **Cash and Cash Equivalents**--For the purpose of the statements of cash flows, the Foundation considers highly liquid investments with an original maturity of three months or less to be cash equivalents.
- D) **Investments**--Investments are carried at market value. The Foundation records donated securities at their fair market values at the date of donation. Realized and unrealized investment gains and losses are determined by comparison of costs of acquisition to proceeds at the time of disposal or market value at the statement of financial position date. These gains and losses and other investment income are reflected in the statement of activities as changes in net assets. The Foundation charges fees to funds managed based on the type of fund established to help defray personnel, office, and other operating costs.
- E) **Equipment and Depreciation**--Property and equipment are stated at cost less accumulated depreciation. If donated, the cost is the fair market value at the date of receipt. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, on a straight-line method. Maintenance, repairs, and minor renewals are charged to operations as incurred.
- The Foundation capitalizes equipment over \$2,000 which has an expected useful life of greater than one year. Upon sale or disposition of properties, the asset account is relieved of the cost and the accumulated depreciation account is charged with depreciation taken prior to the sale. Any resultant gain or loss is credited or charged to activities. Depreciation and amortization expense for the years ended December 31, 2024 and 2023 was \$1,469 and \$3,454, respectively.
- F) **Contributions**--The Foundation follows the applicable provisions for recording contributions contained in the accounting standards. Communications from individuals indicating the Foundation has been included in a will as a beneficiary are intentions to give. Such communications are not unconditional promises to give because individuals retain the ability to modify their will during their lifetime. When the will is declared valid in probate court the Foundation recognizes a contribution at fair market value.
- G) **Refundable Advance**--Refundable advance represents funds received from a granting agency that have not yet been matched or spent by the Foundation. If the Foundation does not match or spend the advanced funds, the granting agency may reduce the future funding or request that the funding be returned.

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE 1: FOUNDATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

- H) **Contributions of Nonfinancial Assets**--The Foundation records various types of contributions of nonfinancial assets including office space, utilities, cleaning, and materials. These contributions are recognized at fair market value when received.

The Foundation's policy related to gifts of nonfinancial assets is to utilize the assets given to carry out the mission of the Foundation. If an asset is provided that does not allow the Foundation to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. All contributions of nonfinancial assets are considered without donor restriction and able to be used by the Foundation as determined by the board of directors.

The Foundation also receives significant donations of time from volunteers that do not meet the two recognized criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the financial statements.

- I) **Grants**--Grants are charged to activities and recognized as liabilities when authorized by the Board of Directors, regardless of the year in which they are paid unless a condition is placed on the grant by the Board of Directors. Conditional grants are not charged to activities or recognized as liabilities until the condition has been substantially satisfied.
- J) **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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- K) **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 similar provisions of the State Code. The Foundation has been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in the Section 170(b)(1)(A)(vi).

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE 1: FOUNDATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

- K) Income Taxes (Continued)--Accounting Standards requires entities to disclose in their financial statements the nature of any uncertainties in their tax position. Tax years including 2021 and later are subject to examination by tax authorities. Areas that IRS and state tax authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. The Foundation does not believe that it has any uncertain tax positions with respect to these or other matters and has not recorded any unrecognized tax liabilities for penalties or interest. The Foundation is not aware of any circumstances or events that make it reasonably possible that tax benefits may increase or decrease within twelve months of the date of these financial statements.**
- L) Advertising Costs--Advertising costs are expensed as incurred. Total advertising expense was \$1,675 and \$1,689, for years ended December 31, 2024 and 2023, respectively.**

**NOTE 2: CONCENTRATION OF CREDIT RISK**

At certain times during the year, the Foundation maintained cash deposits with its banks which exceeded the \$250,000 amount insured by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2024 and 2023, the amount of cash over the FDIC limit was \$838,436 and \$163,993, respectively.

**NOTE 3: LIQUIDITY AND AVAILABILITY**

The following table reflects the Foundation's financial assets as of December 31, 2024 and 2023, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when not convertible to cash within one year, assets held for others, perpetual endowments and accumulated earnings net of appropriations within one year, or because the governing board has set aside the funds for a specific contingency reserve or a long-term investment as board designated endowments. These board designations could be drawn upon if the board approves that action.

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 3: LIQUIDITY AND AVAILABILITY (Continued)**

Financial assets available for general expenditure within one year of the statement of financial position date are as follows at December 31:

	<u>2024</u>	<u>2023</u>
<b>Financial Assets:</b>		
Cash and Cash Equivalents	\$ 1,398,540	\$ 580,149
Contribution Receivable	2,769	4,259
Prepaid Expenses	4,807	4,634
Investments	<u>9,831,276</u>	<u>8,827,360</u>
	11,237,392	9,416,402
<b>Less Donor-Imposed Restrictions:</b>		
Not subject to appropriation or expenditure	(1,343,778)	(1,343,528)
Restricted by donor for time or purpose	(3,364,842)	(2,802,647)
<b>Less Board Designations:</b>		
Restricted by the Board of Directors	(240,006)	(194,908)
<b>Less Assets Appropriated:</b>		
Liability to Other Organizations	(22,729)	(21,045)
Refundable Advance	(470,712)	(48,500)
Grants Payable	<u>(219,806)</u>	<u>(194,506)</u>
<b>Financial assets available to meet cash needs for general expenditures within one year</b>	<u>\$ 5,575,519</u>	<u>\$ 4,811,268</u>

**NOTE 4: INVESTMENTS**

The Foundation's investments are composed of bonds and equity funds. The portfolio is diversified. The fair value of the investments in bonds and equity funds is based upon quoted market prices. Changes in economic conditions could affect the market value of these investments.

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 4: INVESTMENTS (Continued)**

The following schedule summarizes the investment return in the statement of activities for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Interest, Dividends, and Capital Gains	\$ 496,476	\$ 386,183
Investment Fees	(28,474)	(24,474)
Realized Gain on Investments	102,152	37,102
Unrealized Gain on Investments	<u>458,853</u>	<u>750,071</u>
	1,029,007	1,148,882
Agency Adjustments	<u>(6,844)</u>	<u>(5,745)</u>
	<u>\$ 1,022,163</u>	<u>\$ 1,143,137</u>

Investments consisted of the following at December 31, 2024:

	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>
Allocation Equity	\$ 18,110	\$ 17,517	\$ 593
Foreign Large Growth Equity	583,752	456,424	127,328
Large Blend Equity	3,415,501	2,243,693	1,171,808
Mid-Cap Blend Equity	330,795	236,326	94,469
Short Government Equity	45,452	47,269	(1,817)
Small Growth Equity	269,935	261,631	8,304
Corporate Lending Fund	675,857	675,694	163
Infrastructure Fund	689,226	680,835	8,391
North Rock Hedge Fund	657,941	657,941	-
International ETF	583,219	615,580	(32,361)
Short-Term Bond	394,753	387,383	7,370
Intermediate-Term Bond	872,836	909,187	(36,351)
Nontraditional Bond	<u>1,293,899</u>	<u>1,307,348</u>	<u>(13,449)</u>
	<u>\$ 9,831,276</u>	<u>\$ 8,496,828</u>	<u>\$ 1,334,448</u>

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 4: INVESTMENTS (Continued)**

Investments consisted of the following at December 31, 2023:

	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>
Allocation Equity	\$ 16,134	\$ 15,623	\$ 511
Foreign Large Growth Equity	639,590	482,895	156,695
Large Blend Equity	3,162,636	2,276,872	885,764
Mid-Cap Blend Equity	292,771	221,149	71,622
Short Government Equity	43,639	45,722	(2,083)
Small Growth Equity	249,068	261,631	(12,563)
Corporate Lending Fund	587,982	591,972	(3,990)
Infrastructure Fund	559,778	566,995	(7,217)
North Rock Hedge Fund	527,536	527,536	-
International ETF	555,153	596,373	(41,220)
Short-Term Bond	339,652	334,265	5,387
Intermediate-Term Bond	728,314	882,213	(153,899)
Nontraditional Bond	1,125,107	1,148,519	(23,412)
	<u>\$ 8,827,360</u>	<u>\$ 7,951,765</u>	<u>\$ 875,595</u>

Included in investments at December 31, 2024 and 2023 are \$4,708,620 and \$4,146,175 of net assets with donor restrictions, respectively.

**NOTE 5: AMOUNTS HELD IN AGENCY ENDOWMENTS**

Funds established by an unrelated nonprofit organization using its own funds and for its own benefit are classified by the Foundation as a liability, rather than as a net asset, in accordance with FASB Accounting Standards Codification. Variance power is granted to the Foundation. As of December 31, 2024 and 2023, amounts held in agency endowments totaled \$22,729 and \$21,045, respectively.

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE 6: FUNCTIONAL ALLOCATION**

The major program the Foundation operates is providing grants and scholarships to meet the needs of the Benton County community. For the years ended December 31, 2024 and 2023, the Foundation's program expenses of providing grants and scholarships to the community were \$426,705 and \$486,284, respectively.

For the purposes of the statements of functional expenses, the Foundation allocated the following major expenses by the following percentages of the total expense for the years ended December 31, 2024 and 2023:

	<u>Program Services</u>	<u>Management &amp; General</u>	<u>Fundraising</u>
Executive Director Salary	40%	25%	35%
Staff Salaries	20%	80%	0%
Payroll Taxes	15%	75%	10%

All other costs are directly charged to the appropriate functional classification.

**NOTE 7: REFUNDABLE ADVANCE**

During 2023, the Foundation received \$50,000 from Lilly Endowment, Inc. The agreement contains certain requirements regarding the use of the grant funding that the Foundation must meet in order to release the funds. For the year ended December 31, 2023, the Foundation spent \$1,500 leaving a remaining refundable advance balance of \$48,500. During 2024, the Foundation spent the remaining grant in full.

During 2024, the Foundation received \$750,000 from Lilly Endowment, Inc. The agreement contains certain matching requirements that the Foundation must meet in order to release the funds. According to the grant agreement, funds must be matched by December 31, 2025. If the match is not met at the end of the grant term, the Foundation retains the funding, but future Lilly Endowment, Inc. funding is reduced by the unmatched portion. As of December 31, 2024, the Foundation had matched \$279,287 and the remaining \$470,712 was recorded as a refundable advance as of December 31, 2024.

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 8: DONATED FACILITY**

The Foundation receives donated office space to conduct operations. The space is provided at no cost to the Foundation but based on current market rates as provided by the donor, the Foundation would have paid the following:

	2024	2023
Rent	\$ 4,800	\$ 4,800
Utilities & Repairs	2,139	2,327
Cleaning	1,098	1,716
	<u>\$ 8,037</u>	<u>\$ 8,843</u>

**NOTE 9: NET ASSETS WITHOUT DONOR RESTRICTIONS**

The Foundation has the following net assets without donor restrictions as of December 31:

	2024	2023
Without Donor Restrictions, Undesignated--		
Benton County Unrestricted Fund	\$ 2,981,037	\$ 2,555,718
Benton County Memorial Fund	17,305	1,513
Bisontennial Fund	566,761	534,884
Boswell UMC Legacy	96,113	90,671
BP North America Fund	4,010	-
Casa Holscher Fund	89,147	82,925
Cox Sugar Tree Stock Farm	17,357	16,345
Earl Park Alumni	10,908	3,694
First Presbyterian Church Legacy	712,796	671,486
Fowler Ridge Fund	29,800	-
Foundation Operating Fund	372,268	323,410
Friends Endowment Fund	349,837	319,924
John and Christie Wright Family Fund	12,312	11,619
Justin and Ashley Bice Family Fund	5,509	5,014
James T Rainier Fund	18,727	-
Opportunity Fund	19,051	17,917
Our Kids Fund	33,206	31,310
The Powell Family Fund	184,631	135,211
Robert A Hasser Fund	47,091	-
	<u>\$ 5,567,866</u>	<u>\$ 4,801,641</u>

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**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 9: NET ASSETS WITHOUT DONOR RESTRICTIONS (Continued)**

	<u>2024</u>	<u>2023</u>
Without Donor Restrictions, Board Designated--		
Benton County Economic Development	\$ 38,564	\$ 34,405
Community Impact Fund	<u>201,442</u>	<u>160,503</u>
	<u>\$ 240,006</u>	<u>\$ 194,908</u>

**NOTE 10: NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions represent the historic value of donor gifts held in perpetuity at the donor's request and net assets that are subject to donor imposed or time stipulations, see Note 1B.

The following are net assets with donor restrictions as of December 31:

	<u>2024</u>	<u>2023</u>
Purpose and Time (due to UPMIFA) Restrictions--		
Adult Scholarship	\$ 1,522	\$ 353
Agri Institute Endowment Fund	28,235	26,650
Baldwin-Stemmel Family Scholarship Fund	104,741	66,926
Benton Central 4-H Council	8,841	8,345
Benton Central Agriculture Education Scholarship	4,273	3,864
Benton Central Athletic Booster Scholarship	2,380	2,420
Benton Central First Generation Scholarship	14,735	13,897
Benton Community Dollars for Scholars Fund	187,153	180,184
Benton Community Financial Literacy Fund	17,537	16,544
Benton County Cancer Fund	58,355	61,749
Benton County Public Library--Ella Grant Lawson	16,210	14,755
Benton County Toy Shop	22,381	23,109
Boswell Elementary Student Council-Mickie Krebs	5,218	5,323
Bruce Buchanan Memorial Fund	18,096	12,214
Bruce Creek Memorial Scholarship	21,976	18,582
CDC Resources for Disabled Children & Adults	2,926	2,663
Chad Wetli Special Needs	714	714
College Success Coalition	4,209	4,426
Council for Academic Excellence Pass Thru	10,000	20,472
Council for Academic Excellence Endowment	27,817	16,753
David and Gayle Guthridge	330,790	300,656
Davies-Ellis Scholarship	77,595	50,794
Dick & Rita Atha Sportsmanship Fund	10,148	11,371
Disaster Relief Fund	-	4

*(Continued on Page 17)*

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 10: NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

	<u>2024</u>	<u>2023</u>
Purpose and Time (due to UPMIFA) Restrictions (Continued)--		
Dolly Parton Imagination Library	21,824	22,859
Don and Marilyn Brouillette Fund	362,602	330,825
Ellsworth Park Big Pine Creek Watershed Project	3,847	-
Farm 2 Fork Community Project Fund	110	666
Fitzgerald Family Endowment	209,280	197,527
Helen Henderson Scholarship Fund	100,000	-
Helen Staeck Towne Memorial Fund	10,647	10,038
Irwin Family Education Endowment Fund	270,086	187,692
Jack Donaldson Scholarship Fund	11,442	10,397
Jack & Yvonne Blankman Scholarship Fund	78,259	71,239
Jeff Brooks Scholarship Fund	184,917	173,374
James H. and Mary Catherine Caufield Fund	18,252	10,601
James P. Brouillette Agricultural Scholarship	11,158	10,134
James and Mabel Wright Scholarship	1,244	2,244
Joe and Connie Widmer Memorial Scholarship	74,852	70,128
John & Marion Wilson Endowment	108,671	98,919
Kevin Klemme FFA Scholarship	2,133	2,659
Lilly Endowment Intern Fund	8,575	6,154
Margaret McGinnis Feathers Scholarship Fund	45,989	34,534
Marge Highland Memorial Fund	28,377	26,756
Marilyn Fischbach Reading and Writing Endowment	27,786	26,200
Marilyn Fischbach Reading and Writing Grant Fund	925	4,406
Mary Ann Freeland McGinnis Memorial Fund	60,713	57,248
Kevin J McCombs First Responder Fund	8,075	-
Mirranda's Hampshire Scholarship	25,442	23,889
Nancy Rainier Guardian Angel Hospice Fund	26,049	24,563
Nelson Bane Scholarship Fund	9,522	9,441
NextEra Energy	2,527	2,526
NICHES Land Trust Fund	5,122	3,629
Norma and Sarah Lauerman Fund	29,662	26,654
Norman K. Smith Memorial Scholarship	13,684	15,701
Otterbein Community Center	5,068	5,067
Otterbein Park Sports Facility	32,695	-
Otterbein Rotary Community Project	41	6,063
Oxford Church Camp Endowment	37,429	-
Oxford Church Camp Pass Thru	4,900	-
Oxford Mausoleum	5,933	5,933

*(Continued on Page 18)*

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 10: NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

	<u>2024</u>	<u>2023</u>
Purpose and Time (due to UPMIFA) Restrictions (Continued)--		
Oxford Park and Trails	55,831	-
Oxford Volunteer Fire Department Endowment	6,025	6,593
Paul & Linda Widmer Fund for Varsity Players	66,534	60,693
Pay It Forward	17,736	15,823
Promise Incentive Fund	101,679	101,169
Promise Operating Fund	30,999	30,993
Routt Catholic High School Fund	25,776	24,305
Tee It Up Awareness for Auto-Immune Disorders	3,069	8,849
The Cookie Jar Endowment Fund	173,213	153,559
The Cookie Jar Grantmaking Fund	902	1,161
The William and Alice Silver Memorial Fund	17,814	16,215
Thomas Timothy Scholarship Fund	-	4
Tracey Ransom Barnard Memorial Fund	32,152	27,029
Tri Kappa, Inc. Omicron Chapter Scholarship Fund	-	5,000
Wayne M. Senesac Memorial Scholarship	1,000	2,000
Wind Fair	8,422	8,420
	<u>\$ 3,364,842</u>	<u>\$ 2,802,647</u>

Net assets with donor restrictions to be held in perpetuity not subject to appropriation or expenditure are as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Irwin Family Educational Endowment Fund	\$ 701,710	\$ 701,710
Margaret McGinnis Feathers Scholarship Fund	151,166	151,166
NICHES Land Trust Fund	20,902	20,652
Baldwin-Stembel Scholarship Fund	470,000	470,000
	<u>\$ 1,343,778</u>	<u>\$ 1,343,528</u>

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE 11: FAIR VALUE MEASUREMENTS**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Section 820, Fair Value Measurements and Disclosures, specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). In accordance with FASB ASC 820, the following summarizes the fair value hierarchy:

**Level 1 Inputs--Unadjusted quoted market prices for identical assets and liabilities in an active market that the Organization has the ability to access. Valuations of these instruments do not require a high degree of judgment since the valuations are based on quoted prices in active markets.**

**Level 2 Inputs--Quoted prices from similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities that are not active; and inputs other than quoted prices that are observable, such as models or other valuation methodologies. Valuations in this category are inherently less reliable than quoted market prices due to the degree of subjectivity involved in determining appropriate methodologies and the applicable underlying assumptions.**

**Level 3 Inputs--Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements. These inputs require significant management judgment or estimation. These financial instruments have inputs that cannot be validated by readily determinable market data and generally involve considerable judgment by management.**

**As of December 31, 2024 and 2023, the assets noted below are reported at fair value on a recurring basis. Carrying values of non-derivative financial instruments, including cash and cash equivalents, receivables, payables, etc. approximate their fair values due to the short-term nature of these financial instruments. There were no changes in methods or assumptions during the years ended December 31, 2024 and 2023.**

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 11: FAIR VALUE MEASUREMENTS (Continued)**

The following table shows the investments measured at fair value at December 31, 2024 and 2023, grouped by the fair value hierarchy:

<u>December 31, 2024</u>	<u>Total Fair Value</u>	<u>Quoted Prices In Active Markets for Identical Assets/Liabilities (Level 1)</u>
Allocation Equity	\$ 18,110	\$ 18,110
Foreign Large Growth Equity	583,752	583,752
Large Blend Equity	3,415,501	3,415,501
Mid-Cap Blend Equity	330,795	330,795
Short Government Equity	45,452	45,452
Small Growth Equity	269,935	269,935
Corporate Lending Fund	675,857	675,857
Infrastructure Fund	689,226	689,226
North Rock Hedge Fund	657,941	657,941
International ETF	583,219	583,219
Short-Term Bond	394,753	394,753
Intermediate-Term Bond	872,836	872,836
Nontraditional Bond	1,293,899	1,293,899
	<u>\$ 9,831,276</u>	<u>\$ 9,831,276</u>
<u>December 31, 2023</u>	<u>Fair Value</u>	<u>(Level 1)</u>
Allocation Equity	\$ 16,134	\$ 16,134
Foreign Large Growth Equity	639,590	639,590
Large Blend Equity	3,162,636	3,162,636
Mid-Cap Blend Equity	292,771	292,771
Short Government Equity	43,639	43,639
Small Growth Equity	249,068	249,068
Corporate Lending Fund	587,982	587,982
Infrastructure Fund	559,778	559,778
North Rock Hedge Fund	527,536	527,536
International ETF	555,153	555,153
Short-Term Bond	339,652	339,652
Intermediate-Term Bond	728,314	728,314
Nontraditional Bond	1,125,107	1,125,107
	<u>\$ 8,827,360</u>	<u>\$ 8,827,360</u>

## BENTON COMMUNITY FOUNDATION, INC.

### NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

#### NOTE 12: ENDOWMENT

The Foundation's endowment consists of funds established for a variety of purposes. Its endowment includes only donor-restricted endowment funds. As required by generally accepted accounting principles, net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation follows the FASB Accounting Standards Codification which provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA).

#### *Interpretation of Relevant Law*

The Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (the Act) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary when fund agreements prohibit invasion of historic gift value. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with the Act, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Foundation and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Foundation
- (7) The investment policies of the Foundation

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024 and 2023

**NOTE 12: ENDOWMENT (Continued)**

For the year ended December 31, 2024 and 2023, the Foundation had the following endowment related activities:

December 31, 2024	Without Donor Restrictions	With Donor Restrictions
Endowment Net Assets, Beginning of Year	\$ 194,908	\$ 3,637,687
Investment Return:		
Investment Income	11,703	198,331
Net Appreciation, Realized and Unrealized	13,395	242,648
Total Investment Return	25,098	440,979
Contributions	-	469,265
Appropriation of Endowment Assets for Expenditure	-	(175,026)
Other Changes: Transfers	20,000	(282,239)
Endowment Net Assets, End of Year	<u>\$ 240,006</u>	<u>\$ 4,090,666</u>
December 31, 2023	Without Donor Restrictions	With Donor Restrictions
Endowment Net Assets, Beginning of Year	\$ 185,583	\$ 3,303,949
Investment Return:		
Investment Income	9,159	153,464
Net Appreciation, Realized and Unrealized	19,716	340,062
Total Investment Return	28,875	493,526
Contributions	-	21,609
Appropriation of Endowment Assets for Expenditure	(44,550)	(161,682)
Other Changes: Transfers	25,000	(19,715)
Endowment Net Assets, End of Year	<u>\$ 194,908</u>	<u>\$ 3,637,687</u>

# BENTON COMMUNITY FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

### NOTE 12: ENDOWMENT (Continued)

#### *Funds with Deficiencies*

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no deficiencies as of December 31, 2024 and 2023.

#### *Return Objectives and Risk Parameters*

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that ensure the future growth of the assets is sufficient to exceed the rate of inflation and provide for distribution of earnings, net of fees. All investment decisions have been delegated to the Finance Committee of the Foundation.

#### *Strategies Employed for Achieving Objectives*

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation's portfolio offers both equity and fixed income investments that are diversified among asset classes and investment styles, thus minimizing the risk of large loss over a defined investment horizon.

#### *Spending Policy and How the Investment Objectives Relate to Spending Policy*

The spending rate for distributable earnings will be set by the Board of Directors each year. The Board of Directors will act prudently and responsibly when deciding on a distribution that will allow for growth in the endowment fund over the course of time. The Board of Directors oversee the management of all assets taking into account the purposes, terms, and distribution requirements expressed by the governing instruments. The Board of Directors will exercise reasonable care, skill and caution in order to ensure preservation of all funds. The spending rate will be no more than 5% of the market value from any one fund at the end of the most recently ended fiscal year.

**BENTON COMMUNITY FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE 12: ENDOWMENT (Continued)**

Distributions that would invade the historic value of a particular fund are limited to interest and dividends. Endowed funds are not eligible for payout unless they have a minimum fund balance of \$5,000. Funds that have been held less than one calendar year may distribute no more than interest and dividends.

**NOTE 13: SUBSEQUENT EVENTS**

The Foundation has evaluated all subsequent events through October 15, 2025 the date which the financial statements were available to be issued.

Public Inspection