



**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES**

**Consolidated Financial Statements**

**Years ended December 31, 2024 and 2023**



# THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The Muskingum County Community Foundation and Affiliates  
Zanesville, Ohio

### Opinion

We have audited the consolidated financial statements of The Muskingum County Community Foundation and Affiliates (collectively, the Foundation), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024, and the changes in its 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

### Other Matter

The financial statements of the Foundation, as of and for the year ended December 31, 2023, were audited by other auditors, whose report, dated August 9, 2024, expressed an unmodified opinion on those statements.

### 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; 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.

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 issued or available to be issued.

### Auditors' 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a

substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 the 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 the 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as of and for the year ended December 31, 2024, as a whole. The supplementary schedules of grants awarded; gifts, bequests, in-kind donations, and grants; investment income; and investment (composition at market) are presented for purposes of additional analysis and is not a required part of the 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 as of and for the year ended December 31, 2024, 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 as of and for the year ended December 31, 2024 is fairly stated in all material respects in relation to the financial statements as a whole. The supplementary information as of and for the year ended December 31, 2023, was audited by other auditors, whose report, dated August 9, 2024, expressed an unmodified opinion on such information in relation to the financial statements as a whole.

*SEO CPA Group, LTD*

SEO CPA Group, LTD  
Zanesville, Ohio

July 24, 2025

**The Muskingum County Community Foundation and Affiliates**  
**Consolidated Statement of Financial Position**  
**As of December 31, 2024 and 2023**

<b>ASSETS</b>		
	<b><u>2024</u></b>	<b><u>2023</u></b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,979,439	\$ 1,412,237
Certificates of deposit	100,037	71,254
Pledges receivable, current	21,000	-
Contributions receivable	1,070	970
Accounts receivable	150	150
Other receivables	13,487	13,489
Prepaid expenses and other current assets	10,579	9,965
Total current assets	2,125,762	1,508,065
<b>Property and Equipment, Net</b>		
Building and renovations	406,438	406,438
Land	490,239	863,239
Leasehold improvements	240,315	189,894
Equipment	105,336	102,050
Furniture and fixtures	56,287	56,287
Property and equipment, at cost	1,298,615	1,617,908
Less: accumulated depreciation	(364,297)	(337,221)
Property and equipment, net	934,318	1,280,687
<b>Other Assets</b>		
Investments	32,668,421	29,230,879
Collections and artwork	36,702	40,873
Cash surrender value - life insurance policies	544,208	525,113
Pledges receivable, long-term	73,500	-
Contributions receivable - charitable remainder trusts	137,090	132,287
Total other assets	33,459,921	29,929,152
<b>Total Assets</b>	<b>\$ 36,520,001</b>	<b>\$ 32,717,904</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 7,050	\$ 49,313
Grants payable	2,418	9,000
Accrued expenses	10,656	10,474
Deferred grant revenue	139,637	-
Funds held as agency endowments	1,525,251	1,464,366
Total current liabilities	1,685,012	1,533,153
<b>Net assets</b>		
Net assets without donor restriction	34,740,489	31,184,751
Net assets with donor restriction	94,500	-
Total net assets	34,834,989	31,184,751
<b>Total Liabilities and Net Assets</b>	<b>\$ 36,520,001</b>	<b>\$ 32,717,904</b>

See independent auditors' report and notes to the financial statements.

**The Muskingum County Community Foundation & Affiliates**  
**Consolidated Statement of Activities**  
**For the year ended December 31, 2024**  
(with summarized comparative totals for the year ended December 31, 2023)

	<b>2024</b>			<b>2023</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	
<b>Support and Revenue</b>				
Support				
Gifts and bequests	\$ 3,265,066	\$ 94,500	\$ 3,359,566	\$ 2,452,738
Grants received	119,288	-	119,288	26,000
In-kind contributions	42,070	-	42,070	68,770
Total support	<u>3,426,424</u>	<u>94,500</u>	<u>3,520,924</u>	<u>2,547,508</u>
Revenue:				
Interest and dividends	836,643	-	836,643	742,182
Net realized and unrealized gains on investments	1,763,504	-	1,763,504	2,387,399
Administrative fees	356,632	-	356,632	297,069
Event revenue	189,556	-	189,556	122,347
Other revenue	2,654	-	2,654	40,710
Increase in cash surrender value - life insurance	19,095	-	19,095	20,773
Change in value of trust agreements	4,802	-	4,802	18,304
Gain on disposal of property and equipment	827,000	-	827,000	-
Total Revenue	<u>3,999,886</u>	<u>-</u>	<u>3,999,886</u>	<u>3,628,784</u>
<b>Total Support and Revenue</b>	<b>7,426,310</b>	<b>94,500</b>	<b>7,520,810</b>	<b>6,176,292</b>
<b>Expenses</b>				
Program services expenses	2,862,766	-	2,862,766	1,832,420
Supporting services expenses				
Management and general	834,036	-	834,036	773,075
Fundraising and development	173,770	-	173,770	230,463
Total supporting services expenses	<u>1,007,806</u>	<u>-</u>	<u>1,007,806</u>	<u>1,003,538</u>
<b>Total Expenses</b>	<b><u>3,870,572</u></b>	<b><u>-</u></b>	<b><u>3,870,572</u></b>	<b><u>2,835,958</u></b>
<b>Change In Net Assets</b>	<b>3,555,738</b>	<b>94,500</b>	<b>3,650,238</b>	<b>3,340,334</b>
<b>Beginning Net Assets</b>	<b><u>31,184,751</u></b>	<b><u>-</u></b>	<b><u>31,184,751</u></b>	<b><u>27,844,417</u></b>
<b>Ending Net Assets</b>	<b><u>\$ 34,740,489</u></b>	<b><u>\$ 94,500</u></b>	<b><u>\$ 34,834,989</u></b>	<b><u>\$ 31,184,751</u></b>

See independent auditors' report and notes to the financial statements.

**The Muskingum County Community Foundation and Affiliates  
Consolidated Statement of Functional Expenses  
For the year ended December 31, 2024**

	Program Services	Supporting Services		Total
		Management and General	Fundraising and Development	
Grants awarded	\$ 2,565,269	\$ -	\$ -	\$ 2,565,269
Trustee and administrative fees	-	343,769	-	343,769
Fundraising expense	-	-	25,357	25,357
Salaries and wages	192,894	116,402	101,490	410,786
Employee benefits	48,660	29,365	5,873	83,898
Payroll taxes	3,103	24,818	3,103	31,024
Professional fees	3,839	30,706	3,839	38,384
Advertising	1,689	13,510	1,689	16,888
Office expenses	6,753	54,028	6,753	67,534
Occupancy	8,373	66,984	8,373	83,730
Conferences and meetings	1,831	14,645	1,831	18,307
Interest	-	3,946	-	3,946
Depreciation and amortization expense	14,893	12,185	-	27,078
Insurance	1,474	11,784	1,474	14,732
Special project expenses	8,734	69,871	8,734	87,339
Dues and subscriptions	1,969	15,746	1,969	19,684
Contracted services	2,767	22,135	2,767	27,669
Other expenses	518	4,142	518	5,178
<b>Total Expenses on the Statement of Activities</b>	<b>\$ 2,862,766</b>	<b>\$ 834,036</b>	<b>\$ 173,770</b>	<b>\$ 3,870,572</b>

See independent auditors' report and notes to the financial statements.

**The Muskingum County Community Foundation and Affiliates  
Consolidated Statement of Functional Expenses  
For the year ended December 31, 2023**

	Program Services	Supporting Services		Total
		Management and General	Fundraising and Development	
Grants awarded	\$ 1,547,312	\$ -	\$ -	\$ 1,547,312
Trustee and administrative fees	-	283,199	-	283,199
Fundraising expense	-	-	58,594	58,594
Salaries and wages	181,606	141,248	113,942	436,796
Employee benefits	42,472	33,034	12,638	88,144
Payroll taxes	13,378	10,406	8,602	32,386
Professional fees	3,699	29,595	3,699	36,993
Advertising	1,014	8,116	1,014	10,144
Office expenses	8,979	71,830	8,979	89,788
Occupancy	10,067	80,531	10,067	100,665
Conferences and meetings	3,350	26,795	3,350	33,495
Interest	-	2,713	-	2,713
Depreciation and amortization expense	10,964	8,971	-	19,935
Insurance	1,753	14,024	1,753	17,530
Special project expenses	5,970	47,756	5,970	59,696
Dues and subscriptions	754	6,036	754	7,544
Contracted services	450	3,600	450	4,500
Other expenses	652	5,221	651	6,524
<b>Total Expenses on the Statement of Activities</b>	<b>\$ 1,832,420</b>	<b>\$ 773,075</b>	<b>\$ 230,463</b>	<b>\$ 2,835,958</b>

See independent auditors' report and notes to the financial statements.

**The Muskingum County Community Foundation and Affiliates**  
**Consolidated Statement of Cash Flows**  
**For the Years Ended December 31, 2024 and 2023**

	<u><b>2024</b></u>	<u><b>2023</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 3,650,238	\$ 3,340,334
Adjustments to reconcile change in total net assets to net cash from operating activities:		
Depreciation and amortization expense	27,078	19,935
(Gain) loss on sale or disposal of property and equipment	(827,000)	-
Increase in cash surrender value of life insurance	(19,095)	(20,863)
Reinvested interest on certificates of deposit	-	(1,496)
Net realized and unrealized (gains) losses on investments	(1,889,499)	(2,387,399)
(Increase) decrease in operating assets:		
Pledges receivable	(21,000)	-
Contributions receivable	(100)	10,890
Accounts and other receivables	(2)	1,442
Prepaid expenses and other current assets	(614)	(1,739)
Contributions receivable - charitable remainder trust	(4,803)	(18,304)
Increase (decrease) in operating liabilities:		
Accounts payable	(42,263)	18,289
Grants payable	(6,582)	(15,906)
Accrued expenses	182	(1,629)
Deferred grant revenue	139,637	-
Funds held as agency endowments	60,885	157,390
Net cash provided by operating activities	1,067,062	1,100,944
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for the purchase of property and equipment	(53,707)	(412,452)
Proceeds from sale of property and equipment	1,101,665	-
Payments for the purchase of investments	(13,130,380)	(9,721,948)
Proceeds from redemption of investments	11,507,137	7,933,470
Payments for the purchase of collections	-	(4,112)
Proceeds from sale of collections	4,171	-
Proceeds from maturity of certificate of deposits	71,254	-
Net cash (used for) investing activities	(499,860)	(2,205,042)
<b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	567,202	(1,104,098)
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF PERIOD</b>	1,412,237	2,516,335
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF PERIOD</b>	\$ 1,979,439	\$ 1,412,237
<b>SUPPLEMENTAL DISCLOSURES:</b>		
Cash paid for interest	\$ 3,946	\$ 2,713

See independent auditors' report and notes to the financial statements.

**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Program and Supporting Services

The Muskingum County Community Foundation (“MCCF”), formerly The Zanesville Foundation, was formed in August 1985 for the purpose of encouraging gifts from individuals, estates, corporations and other entities and to provide the means for those gifts to be accumulated and distributed for the benefit of the community of Muskingum County.

MCCF administers the funds of MCCF, Limited, MCCF II, LLC, MCCF III, LLC, and Wooden Building, LTD, which are all limited liability companies. MCCF is the sole member of these four entities. MCCF, Limited was formed in April 2002. MCCF II, LLC and MCCF III, LLC were formed in November 2004 and January 2010, respectively, and Wooden Building, LTD was formed in July 2013, to support MCCF and its charitable purposes.

Basis of Accounting and Financial Statement Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Principles of Consolidation

The consolidated financial statements include MCCF, and its four wholly owned subsidiaries: MCCF, Limited, MCCF II, LLC, MCCF III, LLC and Wooden Building, LTD (collectively, the “Foundation”). All significant intercompany accounts and transactions have been eliminated in consolidation.

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

*Net Assets without Donor Restrictions* – Net assets without donor restrictions are available for use at the discretion of the Board of Trustees (the “Board”) and/or management for general operating purposes. From time to time, the Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion. While most of the Foundation’s net assets are reported without donor restriction, many of them are endowments intended to benefit specific charities. These net assets are listed as net assets without donor restriction due to the existence of variance power.

*Net Assets with Donor Restrictions* – Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Foundation reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions.

Accounting standards provide that if the governing body of an organization has the ability to remove a donor restriction, the contributions should be classified as net assets without donor restrictions. Accordingly, the financial statements classify all net assets that the Foundation has obtained variance power from the donor as net assets without donor restrictions.

Financial Instruments

Substantially all of the Foundation’s current assets and liabilities are considered financial instruments. These assets and liabilities are reflected at fair value, or at carrying amounts that approximate fair value because of the short maturity of the instrument. Financial instruments, which potentially subject the Foundation to concentrations of credit risk, consist of cash and cash equivalents, certificates of deposit, receivables, and investments.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Certificates of Deposit

Certificates of deposit are carried at principal plus interest. Maturities of 90 days or less are considered “cash and cash equivalents.” Certificates of deposit with original maturities greater than three months and remaining maturities less than one year are classified as “current.” Certificates of deposit with remaining maturities greater than one year are classified as “long-term.”

**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Pledges Receivable

Pledges to give are recognized as revenue in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Pledges to give are recorded at net realizable value if they are expected to be collected in one year and at fair value if they are expected to be collected in more than one year.

Investments

Marketable debt and equity securities are stated at fair market values as determined at year-end. Net realized and unrealized gains and losses on investments are reflected in the statement of activities.

Collections and Artwork

The Foundation capitalizes its collections and artwork, which include a stained glass work of art, various framed paintings by local artists, various pottery artifacts and various other items. These pieces are held for exhibition to the public and are protected and preserved by the Foundation. It is the intent of the Foundation to hold these items indefinitely.

Property and Equipment

Purchased equipment is recorded at cost, less accumulated depreciation. Leasehold improvements are depreciated over the lesser of the useful life or the lease term. Donated equipment is recorded as support at its estimated fair value at the time of donation. Such donations are reported as support without donor restriction unless the donor has restricted the donated asset to a specific purpose. As of December 31, 2024 and 2023, the Foundation did not have donated property restricted for a specific purpose. It is the Foundation's policy to capitalize expenditures for items in excess of \$400. Expenditures for replacements are capitalized and the replaced items are retired. Maintenance and repairs are charged to operations. Gains and losses from the sale of property and equipment are included in revenue and support. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets as follows:

Building and renovations	39 years
Leasehold improvements	15 years
Equipment	5 - 7 years
Furniture and fixtures	5 - 7 years

Depreciation and amortization expense for the year ended December 31, 2024 and 2023 was \$27,078 and 19,935, respectively.

Revenue Recognition

The Foundation's specific revenue and support recognition policies are as follows:

Contributions

Contributions, gifts and bequests received are recorded as with donor restriction or without donor restrictions depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give (pledges) are recorded as received and are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded as their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk free interest rates applicable to the years in which the promises are received to discount the amounts. Amortization of the discount is included in the related contribution revenue.

Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Donated Materials

Donated property, marketable securities, and other non-cash donations are recorded as contributions at their fair market value at the date of transfer.

**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Revenue Recognition (Continued)

In-Kind Services

Office space and some services are furnished without charge or at discounted rates and are accounted for as revenue and expense at fair market values as determined by comparable properties and services.

Contract with Customers

The Foundation assesses administration fees to the various funds at a rate of 0.25% of the market value of invested assets at each quarter end. Scholarship funds were assessed fees at a rate of 0.50% per quarter. Project type funds were assessed fees at a rate of 2% of income coming into the fund. Revenue from these contracts with customers is recognized over time as performance obligations of performing administrative services are met.

Advertising Costs

The Foundation expenses the production costs of advertising the first time the advertising takes place. Advertising expense for the years ended December 31, 2024 and 2023 was \$16,888 and \$10,144, respectively.

Leases

The Foundation applies FASB ASC 842 in the accounting for leases. The Foundation determines if a contract contains a lease when the contract conveys the right to control the use of identified assets for a period in exchange for consideration. Upon identification and commencement of a lease, the Foundation establishes a right-of-use (“ROU”) asset and a lease liability. The total lease term is determined by considering the initial term per the lease agreement, which is adjusted to include any renewal or termination options that the Foundation is reasonably certain to exercise. The Organization does not recognize ROU assets and lease liabilities for leases with a term of 12 months or less.

Functional Expenses

The Foundation estimates the percentage of each major category of expense that is related to its exempt function activities to determine the amount allocated to program expense.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Risks and Uncertainties

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of financial position.

Income Taxes

The Foundation is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and had no unrelated business income subject to income tax for the years ended December 31, 2024 and 2023. MCCF is the sole member of its four subsidiary entities, all of which are limited liability companies and are disregarded entities for IRS reporting purposes.

GAAP requires management to evaluate the level of uncertainty related to whether tax positions taken will be sustained upon examination. Any positions taken that do not meet the more-likely-than-not threshold must be quantified and recorded as a liability for unrecognized tax benefits in the accompanying consolidated statement of financial position along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Management believes that none of the tax positions taken would materially impact the financial statements and no such liabilities have been recorded.

Compensated Absences

Full-time employees of the Foundation earn a vested right to compensation for unused paid time off. Accordingly, the Foundation has accrued a liability for paid time off compensation that employees have earned but not yet taken.

**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Concentration of Credit Risk

The Foundation invests its funds with local financial institutions or investment advisors. Other than funds needed for current operations, all funds are deposited with financial institution trust departments under various trust agreements and cash management arrangements. Monies are invested by the trust departments, subject to agreements and general guidelines, in cash management accounts, mutual funds, U.S. Treasury securities, agency issues of the United States government, corporate bonds, and corporate capital stock (foreign and domestic). Deposits in interest-bearing and non-interest bearing accounts are collectively insured by the Federal Deposit Insurance Corporation (“FDIC”) up to a coverage limit of \$250,000 at each FDIC-insured depository institution. As a result, the Foundation may have balances that exceed the insured limit.

**NOTE B – LIQUIDITY AND AVAILABILITY**

The following reflects the Foundation’s financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of December 31 because of contractual or donor-imposed restrictions or internal designations. Amounts not available include amounts set aside by the Board for growth and sustainability of the Foundation that could be drawn upon if the Board approves the action. The Foundation’s financial assets available within one year of the statements of financial position date for general expenditure are as follows:

Cash and cash equivalents	\$	1,979,439
Certificates of deposit		100,037
Accounts receivable		150
Contributions and pledges receivable		22,070
Other receivables		13,487
Total financial assets		2,115,183
Less those unavailable for general expenditure within one year, due to:		
Contractual or donor-imposed restrictions		(21,000)
Total available for general expenditures within one year	\$	2,094,183

As part of the Foundation’s liquidity management, it maintains a sufficient level of operating cash and short-term investments to be available as its general expenditures, liabilities, and other obligations come due. Management treats investments as long-term assets. Additionally, the Foundation has the Board designated endowment fund, while the Foundation does not intend to spend this fund for purposes other than those identified, the amounts could be made available for current operations, if necessary.

**NOTE C – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consisted of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Cash on hand, checking and savings accounts	\$ 790,729	\$ 257,547
Cash management funds	1,188,710	1,154,690
Total cash and cash equivalents	\$ 1,979,439	\$ 1,412,237

**NOTE D – PLEDGES RECEIVABLE**

Pledges receivable as of December 31, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Receivable in less than one year	\$ 21,000	\$ -
Receivable in one to five years	73,500	-
Total pledges receivable	\$ 94,500	\$ -

**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE E – CONTRIBUTIONS RECEIVABLE – CHARITABLE REMAINDER TRUSTS**

As of December 31, 2024 and 2023, the Foundation had contributions receivable from a unitrust of \$383,029 and \$358,015 respectively. These contributions receivable were discounted to \$137,090 and \$132,287 as of December 31, 2024 and 2023, respectively, using fair market value of assets donated and a market discount rate. The unitrust is irrevocable and transfers assets upon the death of the life beneficiary. The agreement specified that a certain percentage of the net fair market value of the trust assets be paid in quarterly installments to the donor(s) from income and, to the extent income is insufficient, from principal. Any income in excess of the unitrust amount shall be added to the principal.

**NOTE F – INVESTMENTS**

Investments are recorded at fair value. The value assigned to investments received by the gift is the market value at the date of the donation. Marketable equity securities are valued at fair value determined by quoted prices as of December 31, 2024 and 2023. Investments consisted of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Equity funds	\$ 15,999,948	\$ 12,368,755
Common stock domestic	5,359,301	4,822,988
Common stock international	598,549	736,112
Bond funds	5,107,141	8,396,035
Corporate obligations domestic	2,309,284	2,294,978
Governmental obligations	1,968,028	198,055
Other equity interests	11,843	413,956
Marketable certificates of deposit	1,314,327	-
Investments, at fair value	<u>32,668,421</u>	<u>29,230,879</u>
Excess fair value over cost	<u>(5,244,880)</u>	<u>(4,383,176)</u>
Investments, at cost	<u>\$ 27,423,541</u>	<u>\$ 24,847,703</u>

**NOTE G – CASH SURRENDER VALUE – LIFE INSURANCE**

The Foundation is the owner and beneficiary of various insurance policies given as contributions. The Foundation, in most cases, pays the premium and the donor reimburses the Foundation. Cash surrender values are determined at the end of the statement year and revenue is adjusted accordingly. For the years ended December 2024 and 2023, cash surrender values increased by \$19,095 and \$20,863, respectively. The aggregate face values of the policies assigned to the Foundation are approximately \$2,013,159 and \$2,100,000 as of December 31, 2024 and 2023, respectively.

**NOTE H – ENDOWMENTS**

Investment Policy

The Foundation's investment policy was established to give general guidance to investment managers with a goal of earning a reasonable rate of return based on market conditions while minimizing risk. Target allocations are as follows. Acceptable ranges are also given for each category.

US equities	35%
International equities – developed	15%
International equities – emerging	5%
Alternative Investments: REITs	5%
Alternative Investments: Long Short	5%
Alternative Investments: Relative Value / Event Driven	5%
Investment grade fixed income	30%

This policy applies to all of the Foundation's investments as a whole, with the exception of those assets in the Donor Advised/Pass Thru pool, which has a benchmark of 30% equity and 70% fixed income as of December 31, 2023. During 2024, this benchmark was changed to 95% fixed income and 5% cash.

**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE H – ENDOWMENTS (CONTINUED)**

Spending Policy

Subject to giving instruments and statutory requirements, the Foundation’s spending policy is determined by total return. The amount to be spent in the coming year is calculated in October, using September 30th figures, and is reviewed and approved by the Board annually. The calculation is based on a 12-quarter moving average of the market value of the total fund multiplied by an amount not to exceed 5%. Half of all fees (administration, investment management and custodianship) will be included in the multiplier. The other half of all fees will come from the principal balance. The spending policy applies to all endowment funds held by the Foundation.

The tables below represent changes in Board designated endowment net assets for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 2,866,607	\$ 2,629,556
Contributions	1,091,487	243,705
Investment income	156,393	19,906
Net (depreciation) appreciation	123,106	104,967
Amounts appropriated for expenditures	<u>(1,156,398)</u>	<u>(131,527)</u>
Balance, end of the year	<u>\$ 3,081,195</u>	<u>\$ 2,866,607</u>

**NOTE I – FAIR VALUE MEASUREMENT**

In accordance with the Fair Value Measurements and Disclosures Topic of the FASB ASC, all financial instruments that are being measured and reported on a fair value basis must be classified and disclosed in one of the following three categories:

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

Level 2: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation or other means, and if the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There were no changes in methodologies used during the years ended December 31, 2024 and 2023.

*Common stocks:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Corporate and government bonds:* Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

*Mutual funds and other equity interests:* Valued at the net asset value (“NAV”) of shares held at year end. NAV is based on the value of underlying assets owned by the fund, minus its liabilities and then divided by the number of shares outstanding. NAV is a quoted price in an active market.

*Certificates of deposit:* Valued at the cost plus interest earned, which approximates fair value.

**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE I – FAIR VALUE MEASUREMENT (CONTINUED)**

Assets measured at fair value on a recurring basis were as follows:

<u>Description</u>	<u>December 31, 2024</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity funds	\$ 15,999,948	\$ -	\$ -	\$ 15,999,948
Common stock domestic	5,359,301	-	-	5,359,301
Common stock international	598,549	-	-	598,549
Bond funds	5,107,141	-	-	5,107,141
Corporate obligations domestic	2,309,284	-	-	2,309,284
Government obligations	1,968,028	-	-	1,968,028
Other equity interest	11,843	-	-	11,843
Marketable certificates of deposit	-	1,314,327	-	1,314,327
<b>Total</b>	<b>\$ 31,354,094</b>	<b>\$ 1,314,327</b>	<b>\$ -</b>	<b>\$ 32,668,421</b>

<u>Description</u>	<u>December 31, 2023</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity funds	\$ 12,368,755	\$ -	\$ -	\$ 12,368,755
Common stock domestic	4,822,988	-	-	4,822,988
Common stock international	736,112	-	-	736,112
Bond funds	8,396,035	-	-	8,396,035
Corporate obligations domestic	2,294,978	-	-	2,294,978
Government obligations	198,055	-	-	198,055
Other equity interest	413,956	-	-	413,956
<b>Total</b>	<b>\$ 29,230,879</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,230,879</b>

**NOTE J – AGENCY FUNDS**

The Foundation has adopted provisions of the “Revenue Recognition” topic of the FASB Accounting Standards Codification (“ASC”). Provisions of this topic establish standards for transactions in which a community foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets, or both to another entity that is specified by the donor. Provisions also specifically require that if a not-for-profit organization establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as agency endowments.

The Foundation maintains variance power and legal ownership of agency endowment funds and as such continues to report the funds as assets of the Foundation. However, in accordance with the “Revenue Recognition” topic of the FASB ASC, a liability has been established for the fair value of the funds, which is equivalent to the funds current fair market value.

As of December 31, 2024 and 2023, the Foundation was the owner of 25 and 21 agency endowment funds, respectively, with a combined value of \$1,525,251 and \$1,464,366, respectively. The following table summarizes activity in such funds during the years ended December 31:

	2024	<u>2023</u>
Agency Endowment Fund balances as of January 1	\$ 1,464,366	\$ 1,306,976
Amounts raised	4,656	4,929
Investment income, net of administrative and bank fees	25,158	18,689
Net unrealized and realized gains (losses) on investments	138,851	187,843
Repayments on refundable advance	(83,286)	(26,907)
Grants awarded	(24,494)	(27,164)
<b>Agency Endowment Fund balances as of December 31</b>	<b>\$ 1,525,251</b>	<b>\$ 1,464,366</b>

**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE K – SEGREGATED INVESTMENTS**

Certain funds are required by donor and trust agreements to be invested and maintained separately in specific financial instruments or bank trust accounts. As of December 31, 2024 and 2023, segregated funds include the Josephine Sebach Educational Fund assets with market values of \$2,626,662 and \$2,570,583, respectively, the Longaberger Quality of Life Endowment Fund assets with market values of \$1,666,833 and \$1,541,506, respectively, funds established from the estate assets of Mary Vashti Funk with market values of \$2,628,136 and \$2,719,977, respectively, funds established from the estate assets of Emmett J. France with market values of \$1,440,334 and \$1,401,467, respectively, and the Sarah E. Slack Prevention of Blindness Fund with market values of \$1,790,242 and \$1,757,968, respectively. These funds included cash and cash equivalents of \$279,563 and \$368,772 as of December 31, 2024 and 2023, respectively.

**NOTE L – RETIREMENT PLAN**

The Foundation has a Simple IRA in which employees may contribute any amount up to certain maximum limits allowable as specified in the Internal Revenue Code. The Foundation matches employee contributions up to 3%. The Foundation contributed \$11,073 and \$11,569 to the plan during the years ended December 31, 2024 and 2023, respectively.

**NOTE M – OPERATING LEASE**

The Foundation leases its offices from a non-profit organization. The term of the conditional lease was renewed for 20 years through 2039. The lease can be renewed for an additional 20-year term upon notification to the lessor at least one year prior to the expiration of the primary term. The Foundation is required to set aside \$1,000 per month to provide for maintenance and repairs of the building. If this fund reaches \$10,000 of unneeded and uncommitted funds, the monthly set aside may cease as long as the sum of \$10,000 is maintained in the accounts. The Foundation recognized the fair value of the building rent in the amount of \$41,000 and \$60,000 during the years ended December 31, 2024 and 2023, respectively, as non-financial contribution and corresponding rental expense.

**NOTE N – RELATED PARTY TRANSACTIONS**

A member of the Board is employed by a financial institution that is utilized by the Foundation. The Foundation had bank and investment accounts with said financial institution with a cumulative balance of \$34,735,217 as of December 31, 2024.

Board members and staff may be affiliated with recipients of funding from the Foundation or agencies with funds held by the Foundation.

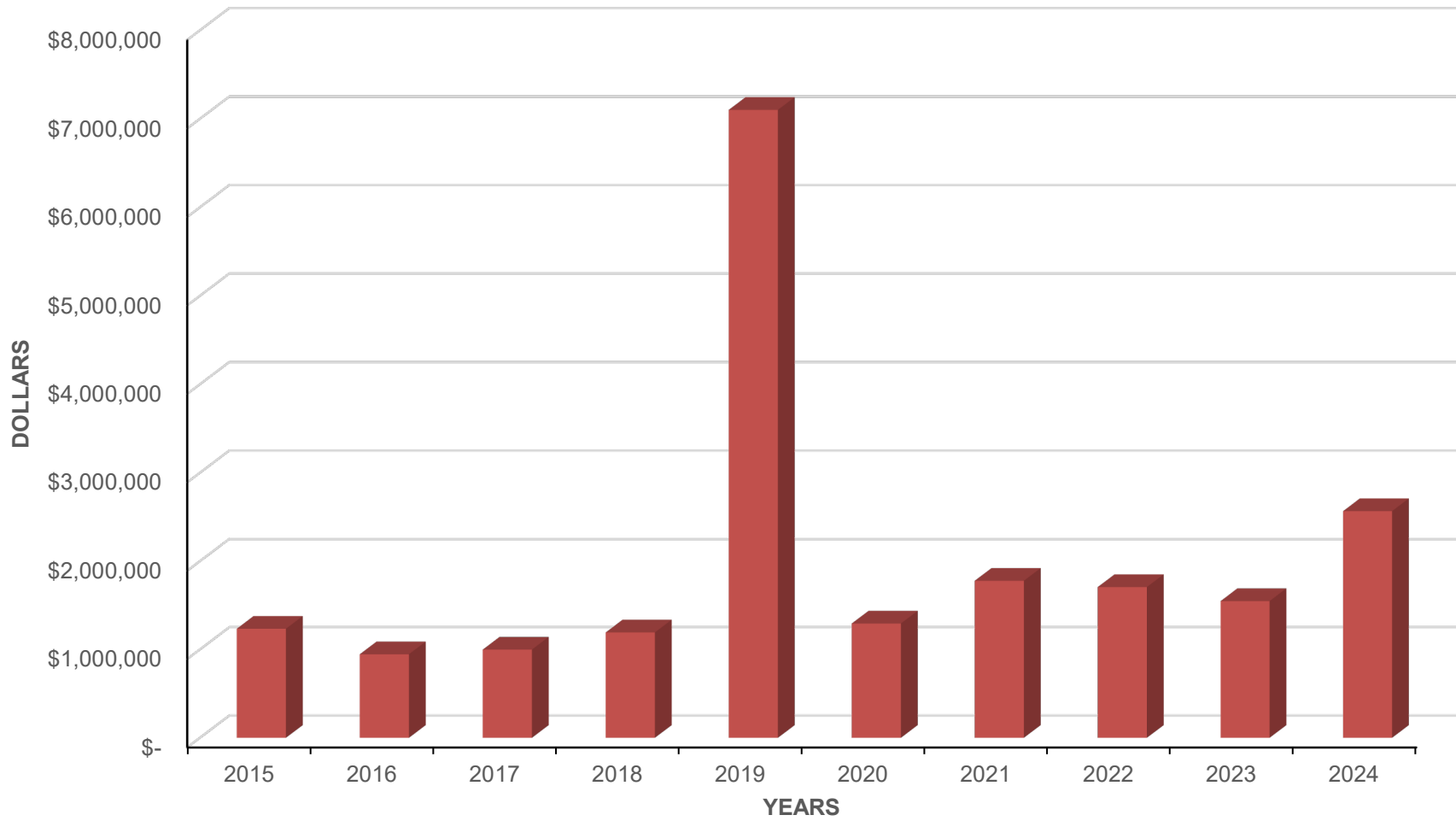
Staff, as well as Board members, their families, or their employers may contribute to the Foundation or agencies with funds administered by the Foundation.

**NOTE O – SUBSEQUENT EVENTS**

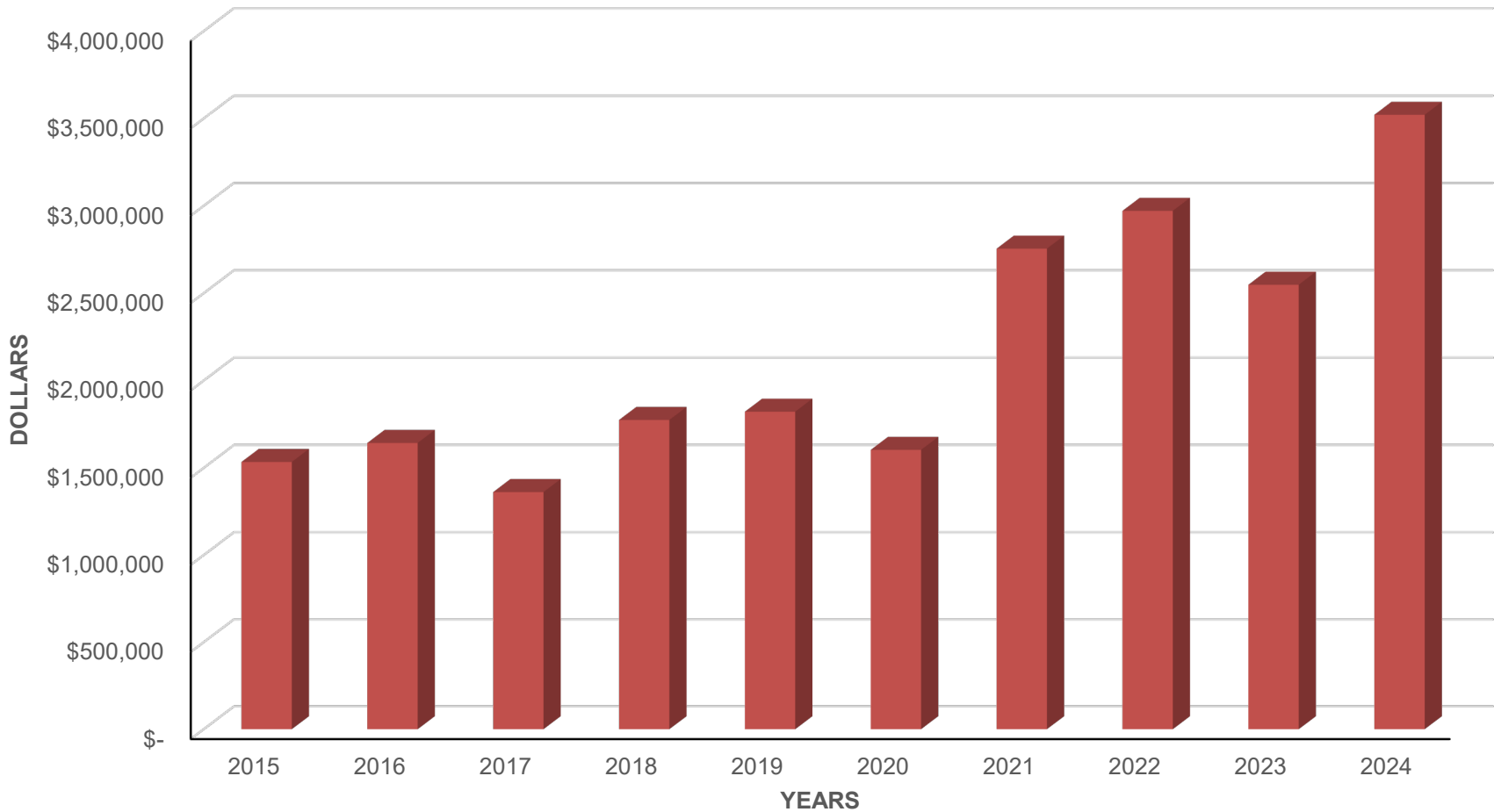
During 2025, the Muskingum County Land Reutilization Corporation received a grant for environmental remediation for a property owned by the Foundation.

The financial statements and related disclosures include evaluation of the events up through and including July 24, 2025, which is the date the statements were available for issue.

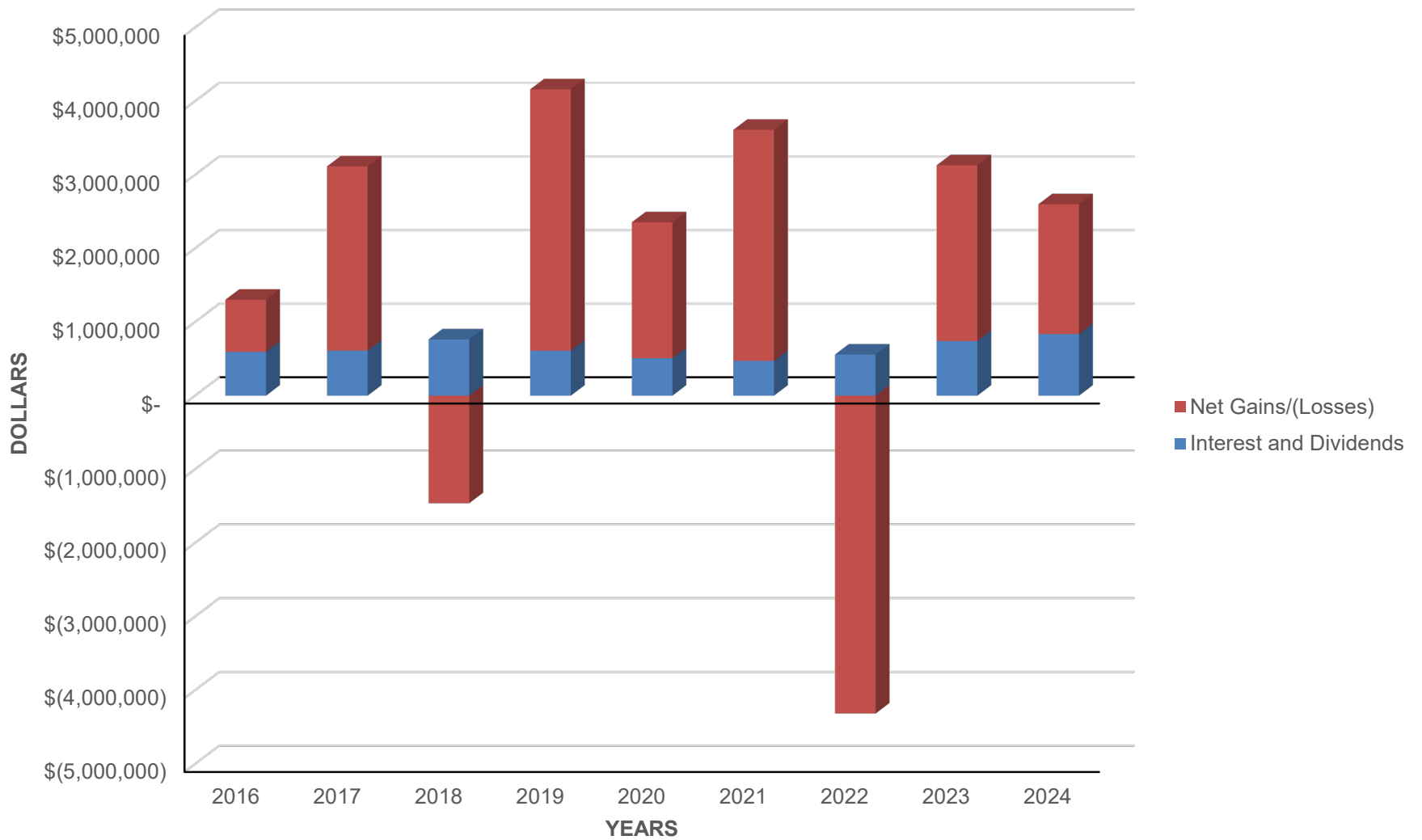
**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES**  
SUPPLEMENTARY SCHEDULE OF GRANTS AWARDED  
FOR THE YEARS ENDED DECEMBER 31



**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES**  
SUPPLEMENTARY SCHEDULE OF GIFTS, BEQUESTS, IN-KIND DONATIONS, AND GRANTS  
FOR THE YEARS ENDED DECEMBER 31



**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES**  
**SUPPLEMENTARY SCHEDULE OF INVESTMENT INCOME**  
**FOR THE YEARS ENDED DECEMBER 31**



**THE MUSKINGUM COUNTY COMMUNITY FOUNDATION AND AFFILIATES**  
SUPPLEMENTARY SCHEDULE OF INVESTMENT (COMPOSITON - AT MARKET)  
FOR THE YEAR ENDED DECEMBER 31, 2024

