

**ST. LOUIS COMMUNITY FOUNDATION
COMBINED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2025 AND 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAAconnect.com

**ST. LOUIS COMMUNITY FOUNDATION
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2025 AND 2024**

INDEPENDENT AUDITORS' REPORT	1
COMBINED FINANCIAL STATEMENTS	
COMBINED STATEMENTS OF FINANCIAL POSITION	3
COMBINED STATEMENTS OF ACTIVITIES	4
COMBINED STATEMENTS OF CASH FLOWS	6
NOTES TO COMBINED FINANCIAL STATEMENTS	7



INDEPENDENT AUDITORS' REPORT

Board of Directors
St. Louis Community Foundation
St. Louis, Missouri

Report on the Combined Financial Statements

Opinion

We have audited the combined financial statements of St. Louis Community Foundation, which comprise the combined statements of financial position as of December 31, 2025 and 2024, and the related combined statements of activities, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements referred to above present fairly, in all material respects, the financial position of St. Louis Community Foundation as of December 31, 2025 and 2024, and the changes in its net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of St. Louis Community Foundation 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 Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 combined 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 St. Louis Community 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 St. Louis Community 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.



CliftonLarsonAllen LLP

St. Louis, Missouri
August 20, 2026

**ST. LOUIS COMMUNITY FOUNDATION
COMBINED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 85,951,723	\$ 85,385,746
Investments	644,607,546	505,054,228
Accounts and Interest Receivable	176,614	354,622
Contributions Receivable - Charitable Lead Trusts	51,996	25,576
Grants Receivable	7,400,000	-
Prepaid Expenses	148,470	123,513
Total Current Assets	<u>738,336,349</u>	<u>590,943,685</u>
PROPERTY AND EQUIPMENT, NET	920,708	964,814
NOTES RECEIVABLE	10,253,984	12,185,441
CONTRIBUTIONS RECEIVABLE - CHARITABLE LEAD TRUSTS - LONG-TERM	114,688	141,108
GRANTS RECEIVABLE - LONG-TERM	<u>26,600,000</u>	<u>-</u>
Total Assets	<u><u>\$ 776,225,729</u></u>	<u><u>\$ 604,235,048</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 831,180	\$ 635,678
Gift Annuity Obligations	24,000	24,000
Grants Payable	14,336,458	8,335,615
Beneficiary and Agency Liabilities	2,310,813	325,100
Total Current Liabilities	<u>17,502,451</u>	<u>9,320,393</u>
GIFT ANNUITY OBLIGATIONS - LONG-TERM	164,978	188,978
GRANTS PAYABLE - LONG-TERM	<u>16,417,864</u>	<u>8,664,579</u>
Total Liabilities	34,085,293	18,173,950
NET ASSETS		
Without Donor Restrictions	741,973,752	585,894,414
With Donor Restrictions	166,684	166,684
Total Net Assets	<u>742,140,436</u>	<u>586,061,098</u>
Total Liabilities and Net Assets	<u><u>\$ 776,225,729</u></u>	<u><u>\$ 604,235,048</u></u>

See accompanying Notes to Combined Financial Statements.

**ST. LOUIS COMMUNITY FOUNDATION
COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUES, GAINS, AND OTHER SUPPORT			
Contributions	\$ 195,980,317	\$ -	\$ 195,980,317
Contributions of Nonfinancial Assets	4,850,000	-	4,850,000
Investment Income	17,890,237	-	17,890,237
Fees and Other Revenues	677,825	-	677,825
Net Gain on Investments	60,996,827	-	60,996,827
Total Revenues, Gains, and Other Support	280,395,206	-	280,395,206
EXPENSES			
Program	123,211,285	-	123,211,285
Management and General	923,566	-	923,566
Fundraising	181,017	-	181,017
Total Expenses	124,315,868	-	124,315,868
CHANGE IN NET ASSETS	156,079,338	-	156,079,338
Net Assets - Beginning of Year	585,894,414	166,684	586,061,098
NET ASSETS - END OF YEAR	<u>\$ 741,973,752</u>	<u>\$ 166,684</u>	<u>\$ 742,140,436</u>

See accompanying Notes to Combined Financial Statements.

**ST. LOUIS COMMUNITY FOUNDATION
COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUES, GAINS, AND OTHER SUPPORT			
Contributions	\$ 114,208,798	\$ -	\$ 114,208,798
Investment Income	15,337,662	-	15,337,662
Change in Value of Split-Interest			
Agreements - Charitable Lead Trusts	-	6,315	6,315
Fees and Other Revenues	1,108,866	-	1,108,866
Net Gain on Investments	41,870,608	-	41,870,608
Net Assets Released from Restrictions	31,075	(31,075)	-
Total Revenues, Gains, and Other Support	<u>172,557,009</u>	<u>(24,760)</u>	<u>172,532,249</u>
EXPENSES			
Program	85,344,253	-	85,344,253
Management and General	840,552	-	840,552
Fundraising	199,309	-	199,309
Total Expenses	<u>86,384,114</u>	<u>-</u>	<u>86,384,114</u>
CHANGE IN NET ASSETS	86,172,895	(24,760)	86,148,135
Net Assets - Beginning of Year	<u>499,721,519</u>	<u>191,444</u>	<u>499,912,963</u>
NET ASSETS - END OF YEAR	<u><u>\$ 585,894,414</u></u>	<u><u>\$ 166,684</u></u>	<u><u>\$ 586,061,098</u></u>

See accompanying Notes to Combined Financial Statements.

**ST. LOUIS COMMUNITY FOUNDATION
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Contributions	\$ 58,253,371	\$ 49,556,718
Cash Paid to Gift Annuitants	(24,000)	(17,685)
Cash Received from Fees and Other Revenues	677,825	1,117,750
Cash Paid for Charitable Grants	(99,859,920)	(84,860,795)
Cash Paid to Trustees, Suppliers, Employees, and Service Providers	(8,456,979)	(8,118,717)
Interest and Dividends Received	<u>17,890,237</u>	<u>15,337,662</u>
Net Cash Used by Operating Activities	(31,519,466)	(26,985,067)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(109,965,600)	(64,977,884)
Sales of Investments	140,164,063	128,191,884
Notes Receivable	1,931,457	-
Purchase of Property and Equipment	<u>(44,477)</u>	<u>(29,530)</u>
Net Cash Provided by Investing Activities	<u>32,085,443</u>	<u>63,184,470</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	565,977	36,199,403
Cash and Cash Equivalents - Beginning of Year	<u>85,385,746</u>	<u>49,186,343</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 85,951,723</u></u>	<u><u>\$ 85,385,746</u></u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED BY OPERATING ACTIVITIES		
Change in Net Assets	\$ 156,079,338	\$ 86,148,135
Contributed Investments	(108,754,954)	(64,568,576)
Net Gain on Investments	(60,996,827)	(41,870,608)
Depreciation and Amortization	88,583	89,115
Loss on Disposal of Property and Equipment	-	8,884
Change in Value of Split-Interest Agreements - Charitable Lead Trusts	-	(6,315)
(Increase) Decrease in Assets:		
Prepaid Expenses	(24,957)	(18,355)
Accounts and Interest Receivable	178,008	(119,264)
Contributions Receivable - Charitable Lead Trusts	-	31,075
Grants Receivable	(34,000,000)	-
Unconditional Promises to Give	-	11,000
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	2,181,215	130,113
Gift Annuity Obligations	(24,000)	(24,000)
Grants Payable	<u>13,754,128</u>	<u>(6,796,271)</u>
Net Cash Used by Operating Activities	<u><u>\$ (31,519,466)</u></u>	<u><u>\$ (26,985,067)</u></u>

See accompanying Notes to Combined Financial Statements.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Louis Community Foundation (the Foundation) is a tax-exempt, nonprofit, autonomous, publicly supported, nonsectarian philanthropic institution established in 1915. The Foundation is dedicated to improving the quality of life throughout the metropolitan St. Louis region by helping individuals, families, and businesses make a difference through charitable giving. The Foundation represents thousands of donors through hundreds of separate component funds supporting a broad range of community interests.

Combined Statement Presentation

The combined financial statements include the accounts of the St. Louis Community Foundation (the Trust), the St. Louis Community Foundation, Inc. (the Corporation), the St. Louis Real Estate Foundation (the Real Estate), the Alberici Foundation (the Alberici), and STLCF LLC. The Corporation is a publicly supported charity as described by Internal Revenue Code (IRC) Section 509(a)(1) whose directors also serve as the governing body for the Trust. The Real Estate and Alberici entities are separate corporations with separate boards of directors. The Corporation is the sole member of Alberici and as such maintains significant control over Alberici's board, its governing documents, and certain aspects of its operations, in particular, approving certain financial transactions, acceptance of certain gifts, and any modifications to its governing documents. STLCF LLC was created in 2025 for the purpose of holding donated property received at the end of 2025. All assets of the Corporation, the Real Estate, the Alberici, and STLCF LLC entities are administratively managed by the Trust. The Real Estate entity had no activity during the years ended December 31, 2025 and 2024.

Significant intercompany transactions have been eliminated in these combined financial statements.

Total contributions by entity are as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Corporation Entity	\$ 189,548,706	\$ 109,988,081
Trust Entity	3,681,611	3,190,717
Alberici Foundation	2,750,000	1,030,000
STLCF LLC	4,850,000	-
Total	<u>\$ 200,830,317</u>	<u>\$ 114,208,798</u>

Basis of Accounting

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

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

Under the accounting standards set forth by the Financial Accounting Standards Board, the Foundation is required to report contributions received as without donor restriction or with donor restriction, depending on the existence of any donor restrictions. In addition, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction. Net assets with donor restriction are for the support of specific operating activities. At present, the Foundation has no net assets with donor restriction in perpetuity.

The Foundation maintains its internal accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure whereby resources with various restrictions as to expendability or user purpose are classified for accounting purposes in accordance with activities or objectives specified by donors.

These combined financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. As stated in the Foundation's gift instrument agreements, the Foundation's board of directors, in furtherance of the purposes of the Foundation, has the ultimate authority and control over all property gifted to them and the related income derived therefrom. Such authority includes the ability to remove a donor restriction.

Accordingly, the accompanying combined financial statements classify all net assets (fund balances) as net assets without donor restriction except for certain contributions received under charitable lead trust agreements as more fully described under Note 4. However, to assist with the classification of resources in accordance with the activities or objectives specified by donors, the following categories of net assets without donor restriction are used by the Foundation:

Designated – Contributions whereby donors are able to designate specific organizations to be the recipient of the income generated from these funds. However, the Foundation retains the authority to rescind a donor's designation if the charitable organization is no longer operating in an efficient manner, is no longer operating within the tax-exempt purpose for which it was established, or is no longer in existence.

Donor Advised – Contributions that are subject to donor recommendations regarding the particular organizations and projects that are to receive grants from these funds. The donor recommendations are solely advisory and the Foundation's board of directors is not bound by such recommendations.

Field of Interest – Contributions whereby the donors are able to channel their resources into broad areas of interest, e.g., arts, education, health care, work with the elderly, or youth services. The Foundation's board of directors uses these resources to make grants to programs or organizations that are most likely to achieve positive results for that area of interest.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Scholarship – Contributions whereby donors may name the scholarship, designate a particular field of study, designate a specific educational institution or program, and select eligibility requirements. Scholarship funds may be established to benefit any level of education from preschool to postgraduate studies and vocational training.

Discretionary – Contributions not having donor-imposed recommendations that are used to respond to changing community needs as determined by the Foundation's board of directors.

Supporting Organization – Contributions to an independent foundation legally affiliated with the Foundation. The supporting organization has its own board, grant-making program, and investment structure.

Operating – Used in connection with administrative services provided by the Foundation.

Temporarily Restricted Fund – Holds certain beneficial interests in the underlying assets of certain charitable lead trusts.

All transfers made between funds are authorized by the board.

Estimates and Assumptions

The preparation of combined 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Credit Risk

The Foundation maintains its cash-in-bank deposit accounts at various financial institutions. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As of December 31, 2025 and 2024, the Foundation had approximately \$26,065,426 and \$12,965,573, respectively, in excess of FDIC insurance limits.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentrations

During the year ended December 31, 2025, the Foundation received approximately 54% from four donors. During the year ended December 31, 2024 the Foundation received 50% of its total contribution revenue from three individual donors.

Cash and Cash Equivalents

Cash and cash equivalents represent cash in banks, money market funds, certificate of deposits, and similar short-term investment vehicles. The Foundation considers investment vehicles not intended to be held for long-term investment purposes to be cash equivalents and is mainly comprised of money market accounts.

Investments

The Foundation maintains its investment portfolio with over 25 financial institutions. An investment committee monitors the performance of these institutions and reports quarterly to the board of directors. An external investment consultant is engaged to independently report to the investment committee the investment returns on a quarterly basis.

Investments in mutual funds, equities, and fixed income securities are carried at fair value based upon quoted market prices on established exchanges. Cash and cash equivalents are carried at cost which approximates fair value. Other investments consist of notes receivable, private investment funds, ownership interest in a limited partnership, ownership interest in a limited liability corporations, and other miscellaneous holdings and are carried at estimated fair value, net asset value, or cost.

Net changes in fair value of investments and realized gains and losses on investments disposed are reported in the combined statements of activities as net gains or losses on investments. Both the purchase and sale of investments are recorded effective on the trade date.

Donated securities are recorded at their fair value at the date received by the Foundation, generally the date of the donation.

In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the combined statements of financial position.

Accounts and Interest Receivable and Unconditional Promises to Give

Accounts receivable consists of consulting fees and accrued interest. Unconditional promises to give consist of nonoperating pledge donations from individuals. Unconditional promises to give are recognized as revenues in the period the promises are received. Accounts receivable and unconditional promises to give are stated at the amount management expects to collect from balances outstanding at year-end.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts and Interest Receivable and Unconditional Promises to Give (Continued)

Based on management's assessment of the credit history with clients and donors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial. Unconditional promises to give are recorded net of an allowance for doubtful accounts and accounts receivable net of an allowance for credit losses. The allowance for accounts receivable represents an estimate of expected losses based upon a specific review of all significant outstanding invoices. For those invoices not specifically reviewed, provisions are provided at differing rates, based upon the age of the receivable, historical experience and current and expected future economic conditions. The Foundation writes-off a receivable and charges it against its recorded allowance when management has exhausted collection efforts without success. The allowance recorded was \$-0- as of December 31, 2025 and 2024. Management has deemed that no allowance for credit loss is necessary for accounts receivable as of December 31, 2025 and 2024.

Contributions Receivable – Charitable Lead Trusts

The Foundation recognizes its beneficial interest in the underlying assets of these split-interest agreements as net assets with donor restriction. The initial transaction to recognize a new charitable lead trust is to record both a receivable and contribution revenue measured by the present value of the future cash flows. Distributions from the trusts and collected by the Foundation are reported both as reductions in the receivable and as reclassifications from net assets with donor restriction to net assets without donor restriction. Amortization of the initial discount is recognized as payments are received by adjusting the receivable and recording as revenue the net change in the value of the split-interest agreement as is presented under the net asset with donor restriction class in the combined statements of activities.

Grants Receivable

The Foundation recorded grants receivable of \$34,000,000 during the year ended December 31, 2025 related to multi-year commitments to the Inclusive Prosperity Partnership Fund (IPP). IPP is focused on advancing economic growth in St. Louis. IPP's initial priority areas are quality jobs for people with low incomes, affordable housing, and early childhood education. Management has deemed that no allowance for doubtful accounts is necessary as of December 31, 2025.

Notes Receivable

Notes receivable is recorded net of an allowance for credit losses. Terms and conditions of the notes receivable agreement are reviewed for determination of an allowance for credit losses while performing an analysis based upon the aging, historical experience, and current and expected future economic conditions. Management has deemed that no allowance for credit loss is necessary for notes receivable as of December 31, 2025 and 2024.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Policy is to capitalize amounts over \$1,000. Maintenance and repairs are charged to expense as incurred. When property and equipment are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any profit or loss arising from such disposition is included as an increase (or decrease) in net assets without donor restriction in the year disposed. The assets are depreciated over periods ranging from five to seven years, using the straight-line method. Significant additions to leasehold improvements will be depreciated over the life of the related lease term, which is 25 years, using the straight-line method.

Long-Lived Assets

The Foundation's management reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Contributions

Contributions are recognized as revenues in the period received. Conditional promises to give, which depend upon specified future and uncertain events, are recognized as revenue in the periods when the conditions upon which they depend are substantially met. The Foundation does not have any conditional promises to give as of December 31, 2025 and 2024.

Contribution of Nonfinancial Assets

Contributed nonfinancial assets include donated property held for sale, which are recorded at the respective fair values of the property received. Total contributions of donated property received during the years ended December 31, 2025 and 2024 was \$4,850,000 and \$0-, respectively.

Gift Annuity Obligations

The Foundation is the beneficiary of several gift annuity agreements. Annuity agreements represent the present value of future annuities payable to the annuitants as of December 31, 2025 and 2024, as determined by the terms of the annuity agreement and present value factors provided by the Internal Revenue Service (IRS). The gift portion of the annuity agreement is calculated using methods and rates provided by the IRS and is recognized upon receipt. Discount rates range between 4.8% and 7.4% based on the year the gift was received.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Gift Annuity Obligations (Continued)

Upon the donor's death, the excess, if any, of the initial gift received from the donor, plus investment earnings thereon, over the cumulative distributions paid to the donor, will be either expended as a grant or held as an endowment with the investment earnings distributed as stipulated by the gift annuity contract.

Beneficiary and Agency Liabilities

Beneficiary funds are donor-restricted funds given to the Foundation where the donor is also the beneficiary. Although the Foundation retains legal ownership of beneficiary liabilities through the irrevocable gifts contributed to the Foundation, because this is a reciprocal transfer, the Foundation must account for the fair value of these funds as both assets and liabilities on the statements of financial position in accordance with accounting principles generally accepted in the United States of America. Agency advised funds are donor-restricted funds held by the Foundation on behalf of and for the contributing agency.

Grants for Charitable Purposes

Grants for charitable purposes are expensed in the period that they are approved by the board of directors.

Income Taxes

All five entities — the Trust, the Corporation, the Real Estate entity, the Alberici Foundation, and STLCF LLC — are exempt from federal income taxes under Section 501(a) by reason of being an organization described in Section 501(c)(3) of the Internal Revenue Code (the Code).

Allocation of Functional Expenses

Expenses are allocated by functional expense between program, fundraising, and general and administrative services, based on management's estimates of salaries, utilization of space and programs. 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.

Fair Value Measurements

The Foundation follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the Foundation has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets. Level 1 includes various common stocks, mutual funds, hedge funds, corporate bonds, and U.S. Treasury obligations.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly, for substantially the full term through corroboration with observable market data. Level 2 includes private collateralized mortgage obligations, investment in a limited liability partnership, contributions receivable - charitable lead trusts, and gift annuity obligations.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes investments in limited liability companies and real estate held for sale.

Leases

The Foundation determines if an arrangement is a lease at inception. Operating leases are included in operating lease ROU assets, other current liabilities, and operating lease liabilities on the statement of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on the statement of financial position.

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Foundation uses its incremental borrowing rate or a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Foundation has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statement of financial position.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The Foundation has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component. The Foundation's lease agreements do not contain any material residual value guarantees or material restrictive covenants, and the individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Foundation has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

NOTE 2 INVESTMENTS

Investments consist of the following at December 31:

	2025	
	Fair Value	Percent
Common Stock	\$ 124,352,073	19.2 %
Mutual Funds	281,920,273	43.7
Corporate Bonds	121,297,343	18.8
U.S. Government Obligations	51,297,913	8.0
Hedge Funds or Other	56,459,703	8.8
Investment in Limited Partnership	78,857	-
Investment in Limited Liability Companies	4,351,384	0.7
Property - Held for Sale	4,850,000	0.8
Total	<u>\$ 644,607,546</u>	<u>100.0 %</u>

	2024	
	Fair Value	Percent
Common Stock	\$ 124,167,373	24.7 %
Mutual Funds	205,234,173	40.6
Corporate Bonds	104,779,831	20.7
U.S. Government Obligations	30,075,910	6.0
Hedge Funds or Other	38,488,002	7.6
Investment in Limited Partnership	82,328	-
Investment in Limited Liability Companies	2,226,611	0.4
Total	<u>\$ 505,054,228</u>	<u>100.0 %</u>

Investments are carried at fair value or cost in accordance with accounting principles generally accepted in the United States of America.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 2 INVESTMENTS (CONTINUED)

Investment in Limited Partnership

The investment in limited partnership consists of a single partnership that holds assets comprised of marketable debt and equity securities valued based on unadjusted quoted market prices within active markets. The Foundation's pro rata share of these underlying marketable securities consists of the following at December 31:

	Fair Value	
	2025	2024
Equity Holdings	\$ 73,870	\$ 66,474
Fixed Income Securities	4,987	15,854
Total	<u>\$ 78,857</u>	<u>\$ 82,328</u>

The limited partnership also holds cash and cash equivalents totaling \$4,799 and \$4,386 as of December 31, 2025 and 2024, respectively, and is included within the Foundation's total cash and cash equivalents as reported on the combined statements of financial position.

Investment in Private Companies

As of December 31, 2025 and 2024, the Foundation had four and five separate equity interests in limited liability companies with a total value of \$4,351,384 and \$2,226,611, respectively. The value of the equity interests was derived from independent appraisals, subsequent sales values, original carrying cost, or company financial statements.

Private Investment Funds

Included under investments above are investments in various private investments, whose aggregate carrying values at December 31, 2025 and 2024 totaled \$56,459,703 and \$38,488,002, respectively. These investments provide the means for the fund manager to, for example, take both long and short positions, use arbitrage, buy and sell undervalued securities, trade options or bonds, and engage in other investment activities for the purpose of reducing volatility and risk while attempting to preserve capital and provide positive investment returns under all market conditions. At December 31, 2025 and 2024, the Foundation's holdings in hedge funds total approximately 8.8% and 7.6%, respectively, of the total carrying value of all investments.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 3 CONTRIBUTIONS RECEIVABLE – CHARITABLE LEAD TRUSTS

The following is a schedule of the gross minimum payments to be received from charitable lead trusts at December 31, 2025:

<u>Year Ending December 31,</u>	<u>Amount</u>
2026	\$ 62,150
2027	31,075
2028	31,075
2029	31,075
2030	31,075
Total	<u>186,450</u>
Discount to Record Charitable Lead Trusts at Present Value	(19,766)
Total	<u><u>\$ 166,684</u></u>

Discount rates ranging from 3.25% to 5.75% were used to record contributions receivable under charitable lead trusts at the present value of the future cash flows at December 31, 2025 and 2024.

NOTE 4 GRANTS RECEIVABLE

The following is a schedule of anticipated grant receivable collections at December 31, 2025 related to IPP grants:

<u>Year Ending December 31,</u>	<u>Amount</u>
2026	\$ 7,400,000
2027	7,400,000
2028	7,400,000
2029	7,400,000
2030	4,400,000
Total	<u><u>\$ 34,000,000</u></u>

NOTE 5 NOTES RECEIVABLE

In 2022, the Foundation was gifted with stock from four owners of a privately-held company. In January 2023, the stock was liquidated and four notes were created in the total amount of \$14,975,416, with an interest rate of 4.34%. The balance is expected to be paid in full within two to seven years, with payments varying depending on the current cash flows of the privately-held company. As no specific payment terms are outlined, the full balance will be considered long term. Management has assessed the receivable in regards to CECL, and has determined that no allowance of credit losses is considered necessary. The balance of the receivable was \$10,253,984 and \$12,185,441 as of December 31, 2025 and 2024, respectively. Total interest of \$280,141 and \$190,095 was paid in 2025 and 2024, respectively.

ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31:

	<u>2025</u>	<u>2024</u>
Leasehold Improvements	\$ 1,385,037	\$ 1,376,115
Computers	617,855	590,508
Office Furniture and Equipment	251,209	243,001
Total	2,254,101	2,209,624
Less: Accumulated Depreciation	(1,333,393)	(1,244,810)
Total	<u>\$ 920,708</u>	<u>\$ 964,814</u>

NOTE 7 GRANTS PAYABLE

Grants payable by fund are as follows at December 31:

	<u>2025</u>	<u>2024</u>
Discretionary	\$ -	\$ 25,000
Designated	1,111,115	1,693,097
Donor Advised	26,158,039	12,308,125
Supporting Organization	325,000	500,000
Field of Interest	3,160,168	2,473,972
Total Grants Payable	<u>\$ 30,754,322</u>	<u>\$ 17,000,194</u>

Grants authorized but unpaid at year-end are reported as liabilities. Grants to be paid in more than one year are discounted using a rate of 1%. The following is a summary of grants authorized and payable at December 31, 2025, net of the discount of \$265,029:

<u>Year Ending December 31,</u>	<u>Amount</u>
2026	\$ 14,336,458
2027	9,239,960
2028	6,280,266
2029	651,575
2030	246,063
Total	<u>\$ 30,754,322</u>

ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 8 FAIR VALUE MEASUREMENT AND NET ASSET VALUE

The Foundation uses fair value measurement to record fair value adjustments to certain financial assets and financial liabilities that are measured on a recurring basis. The fair values of significant financial assets and liabilities that are measured on a recurring basis at December 31, 2025 are as follows:

	Total at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Common Stock	\$ 124,352,073	\$ 124,352,073	\$ -	\$ -
Mutual Funds	281,920,273	281,920,273	-	-
Corporate Bonds	121,297,343	121,297,343	-	-
U.S. Government Obligations	51,297,913	51,297,913	-	-
Hedge Funds	14,140,664	14,140,664	-	-
Investment in Limited Partnership	78,857	-	78,857	-
Investment in Limited Liability Companies	2,619,273	-	-	2,619,273
Property - Held for Sale	4,850,000	-	-	4,850,000
Total	600,556,396	<u>\$ 593,008,266</u>	<u>\$ 78,857</u>	<u>\$ 7,469,273</u>
Investments Held at Net Asset Value or its Equivalent	42,319,039			
Closely Held Shares Held at Cost	1,732,111			
Total Investments	<u>\$ 644,607,546</u>			
Contributions Receivable - Charitable Lead Trusts	\$ 166,684	\$ -	\$ 166,684	\$ -
Gift Annuity Obligations	<u>\$ (188,978)</u>	<u>\$ -</u>	<u>\$ (188,978)</u>	<u>\$ -</u>

The fair values of significant financial assets and liabilities that are measured on a recurring basis at December 31, 2024 are as follows:

	Total at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Common Stock	\$ 124,167,373	\$ 124,167,373	\$ -	\$ -
Mutual Funds	205,234,173	205,234,173	-	-
Corporate Bonds	104,779,831	104,779,831	-	-
U.S. Government Obligations	30,075,910	30,075,910	-	-
Hedge Funds	15,967,619	15,967,619	-	-
Investment in Limited Partnership	82,328	-	82,328	-
Investment in Limited Liability Companies	494,500	-	-	494,500
Total	480,801,734	<u>\$ 480,224,906</u>	<u>\$ 82,328</u>	<u>\$ 494,500</u>
Investments Held at Net Asset Value or its Equivalent	22,520,383			
Closely Held Shares Held at Cost	1,732,111			
Total Investments	<u>\$ 505,054,228</u>			
Contributions Receivable - Charitable Lead Trusts	\$ 166,684	\$ -	\$ 166,684	\$ -
Gift Annuity Obligations	<u>\$ (212,978)</u>	<u>\$ -</u>	<u>\$ (212,978)</u>	<u>\$ -</u>

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 8 FAIR VALUE MEASUREMENT AND NET ASSET VALUE (CONTINUED)

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and financial liabilities valued using Level 2 inputs are based on inputs other than quoted prices (interest rates) that are observable for the financial asset or liability. Financial assets valued using Level 3 inputs are based on unobservable inputs for the asset or liability used to measure fair value that rely on the reporting entity's own assumptions based on the best information available under the circumstances. Inputs under fair value measurement guidance refer broadly to the assumptions that market participants would use in pricing the asset or liability.

The amount of total gains (losses) for the period is included in changes in net assets within the combined statements of activities. All assets have been valued using a market approach. There have been no changes in valuation approaches or techniques.

Investments using Level 3 inputs are as follows:

	Investments in LLCs	Property Held for Sale
December 31, 2023	\$ 1,538,169	\$ -
Total Gains	3,711	-
Purchases/Contributions/Transfers	-	-
Sales	(1,047,380)	-
December 31, 2024	494,500	-
Total Gains	(27,025)	-
Purchases/Contributions/Transfers	2,151,798	4,850,000
Sales	-	-
December 31, 2025	<u>\$ 2,619,273</u>	<u>\$ 4,850,000</u>

Investments in certain entities that calculate net asset value per share (or its equivalent) as of December 31, 2025 and 2024, that have limits as to redemption frequency or notification period are as follows:

	2025 Net Asset Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
			At the Fund's	
Hedge Funds, Private Equity, and Other	\$ 25,035,092	None	Discretion	N/A
Hedge Funds	1,963,395	None	Quarterly	30 Days' Notice
Hedge Funds	611,400	None	Quarterly	95 Days' Notice
Private Equity	4,504,228	\$ 362,439	Illiquid	N/A
Private Equity	2,539,098	\$ 1,007,638	Annual	None
Private Equity	1,105,664	None	Quarterly	Before Quarter-End
Social Impact Investment	6,560,162	\$ 2,629,294	Illiquid	N/A
Total	<u>\$ 42,319,039</u>			

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 8 FAIR VALUE MEASUREMENT AND NET ASSET VALUE (CONTINUED)

	2024 Net Asset Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
			At the Fund's	
Hedge Funds	\$ 15,642,258	None	Discretion	N/A
Social Impact Investment	6,878,125	\$ 4,500,000	Illiquid	N/A
Total	<u>\$ 22,520,383</u>			

Fair value measurement policy includes:

Common stock and mutual funds are invested in domestic and international companies. These assets provide full disclosure of the underlying holdings and are valued using fair value methods that have quoted values observable on a daily basis.

Corporate bonds and U.S. government bonds are valued daily using fair value market methods and are observable daily. These assets provide full disclosure of the underlying holdings whereby the Foundation is able to verify its account balances daily if necessary.

Hedge funds are invested in a diverse portfolio of long/short funds, event-driven funds, turnaround situation funds, and other strategies. These are valued utilizing observable fair market methods available on a daily basis along with unobservable inputs used to determine the fair value, in which case the valuation used is the most current data available estimated at our fiscal year-end or may be based on their net asset value.

Investment in limited partnership consists of investments in domestic and international companies, as well as corporate and government bond funds. These assets provide full disclosure of the underlying holdings and are valued using fair value methods that have quoted values observable on a daily basis.

Social impact investments consist of investments in funds whose strategy is to provide a financial return and generate a measurable, beneficial social impact. The assets are valued using pricing inputs that are unobservable and reflect the reporting entity's own assumptions.

Closely held shares are assets consisting of closely held private interests. These assets are valued using pricing inputs that are unobservable and reflect the reporting entity's own assumptions. The assets are valued at December 31, 2025 and 2024, using independent appraisals, subsequent sales values, original carrying cost, or company financial statements.

Real Estate – held for sale is valued using observable inputs, such as listing prices and recent comparable sales, as well as unobservable inputs that reflect the reporting entity own assumptions.

ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 9 NET ASSETS

Net assets with donor restriction are available for the following purpose at December 31:

	2025	2024
Charitable Lead Trust - Timing Restriction	<u>\$ 166,684</u>	<u>\$ 166,684</u>

Net assets were released from donor-imposed restrictions as follows for the years ended December 31:

	2025	2024
With Donor Restriction:		
Charitable Lead Trust - Timing Restriction	<u>\$ -</u>	<u>\$ 31,075</u>

NOTE 10 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position sheet date, comprise the following:

	2025	2024
Cash and Cash Equivalents	\$ 85,951,723	\$ 85,385,746
Short-Term Investments		
Less: Property - Held for Sale	639,757,546	505,054,228
Accounts Receivable and Other Assets	176,614	354,622
Grants Receivable	7,400,000	-
Total	<u>\$ 733,285,883</u>	<u>\$ 590,794,596</u>

The assets above include \$498,488,292 and \$391,565,838 in donor-advised funds as of December 31, 2025 and 2024, respectively. The Foundation generally uses these assets for grant making based on donor recommendations.

Endowment funds consist of board-designated endowments. As described in Note 11, the Foundation's board-designated endowments are subject to an annual spending rate. For the year ended December 31, 2025, this rate was 4.00% and \$5,081,261 of appropriation from the board-designated endowments was available for the March 2026 annual distributions. For the year ended December 31, 2024, the rate was also 4.00% and \$3,679,420 of appropriation from the board-designated endowments was available for the March 2025 annual distributions. Although the Foundation does not intend to spend from this board-designated endowment (other than amounts appropriated per the board's annual spending rate approval), because of the variance power held by the board, these amounts could be made available if necessary, so are included in the liquidity above.

As part 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 become due. The Foundation invests cash in excess of daily requirements in short-term investments and money market funds.

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 11 ENDOWMENT NET ASSETS

The endowment consists of individual funds established for a variety of purposes. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. As stated in Note 1, under the Foundation's gift instrument agreements, the board of directors has the authority to remove a donor restriction, thus at December 31, 2025 and 2024, endowment net assets consist of only funds designated by the board of directors to function as endowments.

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 designated that the organization holds in perpetuity or for a specified time period(s). Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce results, over time, to outperform a weighted, blended market index, based on the target allocations established for the portfolio after adjusting for an estimated rate of inflation and net of investment management and custody fees while assuming a moderate level of investment risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term, rate-of-return objectives, the endowment 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 endowment targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of establishing its spending policy annually. A spending policy rate of 4.0% was established for the years ended December 31, 2025, and 2024. The spending policy rate of 4.0% was based on a 16-quarter trailing average. In establishing this policy, the endowment considered the long-term expected return on its endowment. This is consistent with the organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Endowment net asset composition by type of net asset at December 31:

	<u>2025</u>	<u>2024</u>
Net Assets Without Donor Restriction -		
Board-Designated Endowment Funds	<u>\$ 162,213,247</u>	<u>\$ 154,075,159</u>

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 11 ENDOWMENT NET ASSETS (CONTINUED)

Changes in the board designated endowment net assets without donor restriction for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Endowment Net Assets - Beginning of Period	\$ 154,075,159	\$ 120,957,899
Investment Return:		
Investment Income/Realized/Unrealized Gains	20,544,452	17,548,923
Net Transfers	<u>(1,113,595)</u>	<u>2,654,989</u>
Total Investment Return	19,430,857	20,203,912
Other Revenue	608	83
Contributions	122,685	354,803
Transfer	-	23,686,505
Reclassification of Endowment Fund	(4,850,810)	-
Expenses:		
Charitable Grants, Fees and Administrative Expenses	<u>6,565,252</u>	<u>11,128,043</u>
Total Expenses	<u>6,565,252</u>	<u>11,128,043</u>
Endowment Net Assets - End of Period	<u><u>\$ 162,213,247</u></u>	<u><u>\$ 154,075,159</u></u>

NOTE 12 RETIREMENT PLAN

The Foundation maintains a tax-qualified 403(b) deferred compensation plan. Under this plan, employees may elect to defer a percentage of their salary subject to IRS limits. After one year of service, the Foundation will contribute on behalf of the employee 2.5% of the employee's salary plus matching contributions equal to the employee's contributions to the 403(b) plan up to 4% of the employees' compensation. The Foundation's expense for the 403(b) plan totaled \$158,743, and \$140,668, for the years ended December 31, 2025 and 2024, respectively.

ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 13 FUNCTIONAL EXPENSES

The following is a detail of expenses by functional classification for the year ended December 31, 2025:

	Program Services	Supporting Services			
	Program Services	Management and General	Fund Raising - Operations	Total Support Services	Total Expenses
Salaries and Related Expenses	\$ 3,547,870	\$ 626,095	\$ -	\$ 626,095	\$ 4,173,965
Grants and Project Expenses	118,447,724	-	-	-	118,447,724
Legal and Accounting	87,829	103,317	-	103,317	191,146
Miscellaneous	19,300	3,446	230	3,676	22,976
Fundraising	713	38	-	38	751
Office Supplies	38,246	2,013	-	2,013	40,259
Data Processing	144,421	25,790	1,719	27,509	171,930
Professional Services	108,931	33,452	1,297	34,749	143,680
Advertising and Marketing	44,767	34,941	153,230	188,171	232,938
Occupancy	67,397	12,035	802	12,837	80,234
Other	599,513	69,152	22,853	92,005	691,518
Business Taxes and Fees	30,164	-	-	-	30,164
Depreciation and Amortization	74,410	13,287	886	14,173	88,583
Total Expenses	<u>\$ 123,211,285</u>	<u>\$ 923,566</u>	<u>\$ 181,017</u>	<u>\$ 1,104,583</u>	<u>\$ 124,315,868</u>

The following is a detail of expenses by functional classification for the year ended December 31, 2024:

	Program Services	Supporting Services			
	Program Services	Management and General	Fund Raising - Operations	Total Support Services	Total Expenses
Salaries and Related Expenses	\$ 3,074,191	\$ 542,504	\$ -	\$ 542,504	\$ 3,616,695
Grants and Project Expenses	80,802,639	-	-	-	80,802,639
Legal and Accounting	105,922	102,313	-	102,313	208,235
Miscellaneous	42,511	7,591	506	8,097	50,608
Fundraising	1,218	64	8,538	8,602	9,820
Office Supplies	35,811	1,885	-	1,885	37,696
Data Processing	130,860	23,368	1,558	24,926	155,786
Professional Services	62,466	11,155	744	11,899	74,365
Advertising and Marketing	33,552	32,574	151,036	183,610	217,162
Occupancy	68,796	12,285	819	13,104	81,900
Other	805,828	93,446	35,217	128,663	934,491
Business Taxes and Fees	91,024	-	-	-	91,024
Rent	14,578	-	-	-	14,578
Depreciation and Amortization	74,857	13,367	891	14,258	89,115
Total Expenses	<u>\$ 85,344,253</u>	<u>\$ 840,552</u>	<u>\$ 199,309</u>	<u>\$ 1,039,861</u>	<u>\$ 86,384,114</u>

**ST. LOUIS COMMUNITY FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 14 LEASE COMMITMENTS

In 2016, the Foundation entered into a new lease agreement for its new principal office space. The duration of the lease is 25 years with a 10-year renewal option and is rent-free. The lease included a stipulation that building improvements outlined in the construction contract be partially paid by the Foundation, with the remainder being paid by the landlord. At December 31, 2025 and 2024, these building improvements related to the lease totaled approximately \$1,633,000 of which approximately \$1,266,000 was paid for by the Foundation. Building improvements and general upkeep of the building is maintained by the Foundation and provides a reasonable estimate of conditions required on a lease with specific rent requirements, accordingly, the estimated in-kind rent expense or in-kind receivable is deemed immaterial.

The Foundation elected to apply the provisions of the FASB Accounting Standards Codification (ASC) 842, but no right-of-use asset or lease liability was recorded in 2024 or 2025 due to immateriality to the financial statements. The Foundation leases a copier and fax machine under an operating lease which expires in January 2027. The expense associated with this lease totaled \$11,117 and \$12,897 for the years ended December 31, 2025 and 2024, respectively.

NOTE 15 INCOME TAXES

The Foundation has adopted ASC 740-10, *Income Taxes*, as it relates to uncertain tax positions and has evaluated their tax positions taken for all open tax years. The Foundation is not currently under audit nor has the Foundation been contacted by the IRS.

Based on the evaluation of the Foundation's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded at December 31, 2025 and 2024.

NOTE 16 SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 20, 2026, that date that the financial statements were available for issue.

