

**COMMUNITY FOUNDATION
OF SOUTH GEORGIA, INC.**

**FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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PROFESSIONAL GROUP LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Community Foundation of South Georgia, Inc.
Thomasville, Georgia

Opinion

We have audited the accompanying financial statements of the Community Foundation of South Georgia, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows, for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Community Foundation of South Georgia, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles general accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Community Foundation of South Georgia, Inc.'s internal control.
- 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 Community Foundation of South Georgia, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

AMB Professional Group LLC

Thomasville, Georgia

November 1, 2022

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

ASSETS

	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	\$ 7,147,582	\$ 6,879,130
Investments, at fair value	108,568,048	95,460,191
Investment income receivable	271	438
	115,715,901	102,339,759
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	227,376	223,848
OTHER ASSETS		
Other receivables	178,113	178,113
TOTAL ASSETS	\$ 116,121,390	\$ 102,741,720

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accrued expenses	\$ 21,000	\$ 28,966
Gift annuity payable	2,207	25,623
	23,207	54,589
OTHER LIABILITIES		
Funds held as nonprofit agency endowments	11,652,508	10,540,110
	11,675,715	10,594,699
NET ASSETS		
Without donor restrictions:		
Designated	11,648,256	10,633,165
Donor advised	76,010,679	66,385,616
Scholarship	2,153,429	1,742,843
Field of interest	7,404,320	6,848,333
Other without donor restrictions	2,010,178	1,623,013
	99,226,862	87,232,970
With donor restrictions		
Designated	1,051,184	978,421
Donor advised	1,122,187	1,053,887
Scholarship	2,201,012	2,052,793
Field of interest	638,552	638,552
Other with donor restrictions	205,878	190,398
	5,218,813	4,914,051
	104,445,675	92,147,021
TOTAL LIABILITIES AND NET ASSETS	\$ 116,121,390	\$ 102,741,720

The accompanying notes are an integral part of these financial statements.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS THEN ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>			<u>2020</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE:						
Support:						
Gifts, grants, and contributions	\$ 9,118,968	\$ 1,890	\$ 9,120,858	\$ 8,845,223	\$ 7,153	\$ 8,852,376
Less amounts received on behalf of others	(125,989)	-	(125,989)	(26,550)	-	(26,550)
Net gifts, grants, and contributions	<u>8,992,979</u>	<u>1,890</u>	<u>8,994,869</u>	<u>8,818,673</u>	<u>7,153</u>	<u>8,825,826</u>
Other revenue:						
Investment income (net of expenses)	13,306,794	798,191	14,104,985	8,074,249	690,273	8,764,522
Change in value of split-interest agreements	-	(2,286)	(2,286)	-	(4,174)	(4,174)
Agency endowment management fee income	120,931	-	120,931	104,297	-	104,297
Other income	69	-	69	5,173	-	5,173
Net investment income and other revenue	<u>13,427,794</u>	<u>795,905</u>	<u>14,223,699</u>	<u>8,183,719</u>	<u>686,099</u>	<u>8,869,818</u>
Net assets released from restrictions	<u>493,033</u>	<u>(493,033)</u>	<u>-</u>	<u>378,128</u>	<u>(378,128)</u>	<u>-</u>
Total support, revenue, and net assets released from restrictions	<u>22,913,806</u>	<u>304,762</u>	<u>23,218,568</u>	<u>17,380,520</u>	<u>315,124</u>	<u>17,695,644</u>
EXPENSES:						
Program services:						
Grants and philanthropic distributions	10,793,954	-	10,793,954	9,017,703	-	9,017,703
Less amounts disbursed on behalf of others	(415,947)	-	(415,947)	(457,496)	-	(457,496)
Total grants and philanthropic distributions, net	<u>10,378,007</u>	<u>-</u>	<u>10,378,007</u>	<u>8,560,207</u>	<u>-</u>	<u>8,560,207</u>
Community programs	<u>162,568</u>	<u>-</u>	<u>162,568</u>	<u>152,064</u>	<u>-</u>	<u>152,064</u>
Total program services, net	<u>10,540,575</u>	<u>-</u>	<u>10,540,575</u>	<u>8,712,271</u>	<u>-</u>	<u>8,712,271</u>
Support services:						
Fundraising and development	108,381	-	108,381	101,374	-	101,374
Management and general	270,958	-	270,958	253,445	-	253,445
Total support services	<u>379,339</u>	<u>-</u>	<u>379,339</u>	<u>354,819</u>	<u>-</u>	<u>354,819</u>
Total expenses	<u>10,919,914</u>	<u>-</u>	<u>10,919,914</u>	<u>9,067,090</u>	<u>-</u>	<u>9,067,090</u>
CHANGES IN NET ASSETS	<u>11,993,892</u>	<u>304,762</u>	<u>12,298,654</u>	<u>8,313,430</u>	<u>315,124</u>	<u>8,628,554</u>
NET ASSETS – Beginning of year	<u>87,232,970</u>	<u>4,914,051</u>	<u>92,147,021</u>	<u>78,919,540</u>	<u>4,598,927</u>	<u>83,518,467</u>
NET ASSETS – End of year	<u>\$ 99,226,862</u>	<u>\$ 5,218,813</u>	<u>\$ 104,445,675</u>	<u>\$ 87,232,970</u>	<u>\$ 4,914,051</u>	<u>\$ 92,147,021</u>

The accompanying notes are an integral part of these financial statements.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS THEN ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Changes in net assets	\$ 12,298,654	\$ 8,628,554
Adjustments to reconcile increase in net assets to cash generated by operating activities:		
Depreciation	11,525	10,450
Noncash contributions	(1,553,980)	(1,555,968)
Net realized and unrealized (appreciation)/ depreciation on investments	(14,165,200)	(7,525,824)
Changes in operating assets and liabilities:		
Accrued investment income	167	6,293
Accrued expenses	(7,966)	17,667
Gift annuity payable	(23,416)	(21,528)
Funds held as nonprofit agency endowments	1,112,398	555,325
Net cash provided (used) by operating activities	<u>(2,327,818)</u>	<u>114,969</u>
Cash flow from investing activities:		
Purchases of furniture and equipment	(15,053)	-
Purchase of investments	(25,750,299)	(37,646,607)
Proceeds from sales and maturities of investments	<u>28,361,622</u>	<u>31,698,251</u>
Net cash provided (used) by investing activities	<u>2,596,270</u>	<u>(5,948,356)</u>
Net increase (decrease) in cash and cash equivalents	268,452	(5,833,387)
Cash and cash equivalents, beginning of year	<u>6,879,130</u>	<u>12,712,517</u>
Cash and cash equivalents, end of year	<u><u>\$ 7,147,582</u></u>	<u><u>\$ 6,879,130</u></u>
Supplemental information:		
Noncash investing activities:		
Donated investments	\$ 1,553,980	\$ 1,555,968

The accompanying notes are an integral part of these financial statements.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1 – ORGANIZATION

Nature of Operations

The Community Foundation of South Georgia, Inc. (the “Foundation”) was established in 1996 as a tax-exempt, publicly supported charitable organization to improve life in South Georgia and promote effective philanthropy. The Foundation accomplishes its purpose by building a permanent endowment for the benefit of the community through the support of philanthropically minded citizens of South Georgia. Funds are contributed by individuals, corporations, and non-profit agencies and support a wide range of organizations that promote the educational, cultural, health, social, and civic development in South Georgia. The Foundation operates a grant program that seeks out opportunities for the effective use of its resources in a manner that is consistent with its donors’ intent.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accompanying financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles using the accrual basis of accounting.

(b) Classification of Net Assets

The Foundation is required to report information regarding its financial position and activities according to two classes of net assets – *with donor restrictions and without donor restrictions* – based upon the existence or absence of donor-imposed restrictions.

Net assets *with donor restrictions* consist of irrevocable charitable gift annuities and certain permanently restricted endowment funds. When donor restrictions expire, that is, when a stipulated time or purpose restriction ends, net assets *with donor restrictions* are reclassified to net assets *without donor restrictions* and reported in the statements of activities as net assets released from restrictions.

Net assets *without donor restrictions* consist of contributions, including those with certain donor-imposed restrictions, that are subject to the variance power established by the Foundation’s governing documents. The variance power provision gives the board of directors of the Foundation (the Board) the ability to modify any restriction placed on gifts to the Foundation that is incapable of fulfillment or is no longer consistent with the charitable needs of the community. Accordingly, unless time restrictions have been imposed on contributions, net assets are generally classified as net assets *without donor restrictions*. The Foundation’s governing documents provides that absent contrary directions given in the transferring instrument, all or part of any fund may be expensed subject to certain conditions. Contributions with donor-imposed restrictions that are met during the same reporting period as the contribution are included as support without restrictions which increases net assets *without donor restrictions*.

The Foundation solicits a variety of contributions to fund its grants, including donor advised funds. Donor-advised funds allow the donor to recommend distributions to charitable programs or other charitable organizations approved by the Foundation. Although the Foundation generally fulfills the donors’ recommendation, they are subject to approval by the Foundation’s Executive Committee and are therefore classified as net assets *without donor restrictions*.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gifts, grants and other income *with* and *without donor restrictions* are recorded as revenue and support when received by the Foundation. Such revenues and support are recorded at fair value. The Foundation's policy is to record revenue and support as *without donor restrictions* if the restriction is satisfied in the year the revenue and support is recognized. Investment income is recognized when earned.

(c) Investments

Investments are made according to the Investment Objectives and Policies adopted by the Foundation's Board. These guidelines provide for investment in equities, fixed income, and other securities with performance measured against appropriate indices. The Foundation contracts with outside parties to provide investment management and consulting services.

Investment purchases and sales are accounted for on a trade-date basis. Interest income is recorded when earned and dividends are recorded on the ex-dividend date.

The Foundation reports its investments at fair value. The fair value of investments in securities traded on national securities exchanges are valued at the closing price on the last business day of the fiscal year; securities traded on the over-the-counter market are valued at the last reported bid price. All investments other than real property investments held at December 31, 2021 and 2020 are traded on a national securities exchange and are valued using the closing price on the last business day of the fiscal year.

Investments for which observable market prices in active markets do not exist are reported at fair value, as determined in good faith by the Foundation's management. The valuations of limited partnership investments include assumptions and methods that are prepared by the general partners of the limited partnerships and are reviewed by the Foundation's management. Real property values are initially based on independent appraisals, which are occasionally updated. Additionally, on an annual basis, Foundation management analyzes comparable sales data sourced from independent third parties to estimate changes in real property fair values.

The Foundation uses net asset value to determine fair value of those underlying investments that (a) do not have a readily determinable fair value and (b) either have attributes of an investment company or prepare its financial statements consistent with the measurement principles of an investment company. There are no amounts reported at net asset value at December 31, 2021 and 2020 which are redeemable with the fund at net asset value under the original terms of the partnership agreements and/or subscription agreements and operations of the underlying funds.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amount reported in the statements of financial position.

(d) Cash and Cash Equivalents

Cash and cash equivalents include short term, highly liquid investments with maturities of three months or less at the time of purchase.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Funds Held for Others

The Foundation receives and distributes assets under certain agency and intermediary arrangements. FASB ASC Section 958-605-05-4, *Transfers of Assets to a Not-for-Profit Entity or Charitable Trust that Raises or Holds Contributions for Others*, establishes the standards for transactions in which a recipient organization accepts a contribution from a donor and agrees to transfer those assets, the return on those assets, or both, to another entity that is specified by the donor.

FASB ASC Section 958-605-05-4 requires that if a not-for-profit organization establishes a fund at a recipient organization with its own funds and specifies itself or its affiliates as the beneficiary of that fund, the recipient organization must account for the transfer of such assets as a liability. The liability is reflected under funds held as nonprofit agency endowments on the accompanying statements of financial position.

(f) Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of certain donor restrictions. See Note 2(b) for a description of the accounting policy for the classification of net assets.

(g) Grants

Unconditional grants are recognized as an expense in the period in which they are approved by the Foundation's Board for discretionary grants. Grants are made from available principal and income in accordance with the designation of donors. Grants that are conditional on future uncertain events are expensed when those conditions are substantially met.

(h) Contributed Services

No amounts have been reflected in the financial statements for donated services. The Foundation generally pays for services requiring specific expertise. All contributed services for the years then ended December 31, 2021 and 2020 do not meet the criteria for recognition as contributed services.

(i) Fixed Assets

Fixed Assets purchased in excess of \$2,500 are capitalized and are carried at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

Building	39 Years
Building improvements	39 Years
Office furniture/equipment	7 Years

(j) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual amounts could differ from those estimates.

(k) Reclassifications

Certain 2020 financial statement amounts may have been reclassified to conform to the 2021 presentation.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Income Taxes

The Foundation has received a determination letter from the Internal Revenue Service indicating it has been classified as a publicly supported charitable organization under Internal Revenue Code (IRC) Section 501(c)(3). As a publicly supported charity, the Foundation is exempt from federal income taxes under Section 509(a)(1) of the IRC, except on unrelated business income. The Organization's Department of the Treasury information returns are subject to examination, generally for three years after the filing date.

(m) Cost Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated are shown in Note 11 and are allocated on the basis of estimates of time and effort.

(n) Recent Accounting Pronouncements

In August 2018, the FASB issued ASU No. 2018-13, *Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by eliminating certain components previously required to be disclosed for investments valued with unobservable inputs. Under the new guidance, for certain investments valued at net asset value, the requirement to disclose the estimate of period of time over which the underlying assets might be liquidated is replaced by the disclosure of that time period if the investee has announced timing publicly. The Foundation adopted the guidance in this ASU for the year ended December 31, 2020 retrospectively. The adoption did not result in a material change to the financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to clarify presentation and disclosure of contributed nonfinancial assets with an intention to provide the reader of the financial statements with a clearer understanding of what type of nonfinancial assets were received and how they are used and recognized by the Not-for-Profit entity. It is important to note that this ASU will not change the accounting and recognition of nonfinancial assets but rather the disclosure requirements in the financial statements. The Foundation will implement the guidance in the ASU on a retrospective basis for annual periods beginning after June 15, 2021. The Foundation does not expect adoption of this ASU to have a material effect on the financial statements.

NOTE 3 – CHARITABLE GIFT ANNUITIES (Split interest agreements)

Donors have contributed assets to the Foundation in exchange for a promise by the Foundation to pay a fixed amount for a specified period of time to the donor. Under the terms of such agreements, no trust exists as the assets received are held by and the liability is an obligation of the Foundation. The present value of payments to beneficiaries under these arrangements is calculated using discount rates representing risk-free rates in existence at the date of gift. The liability is based upon Internal Revenue Service annuity and mortality tables.

NOTE 4 – RETIREMENT PLAN

During 2018 the Foundation established a match for its 401(k) retirement plan for all eligible employees reaching the age of 21. The plan features salary deferrals with an employer match up to 5% of compensation. For the years then ended December 31, 2021 and 2020, the Foundation's employer match was \$17,223 and \$16,134.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 5 – LIQUIDITY AND AVAILABILITY

The Foundation is primarily funded by contributions from donors and investment earnings. The following reflects the Foundation’s financial assets as of the statements of financial position dates, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

	2021	2020
Cash and cash equivalents	\$ 7,147,582	\$ 6,879,130
Investments	108,568,048	95,460,191
Pledges, notes and other receivables	178,384	178,551
Total financial assets	115,894,014	102,517,872
Less amounts not available for general expenditure within one year:		
Net assets with donor restrictions	5,218,813	4,914,051
Available for general expenditure within one year	\$ 110,675,201	\$ 97,603,821

As part of the Foundation’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Foundation invests cash in excess of daily requirements in short-term investments and money market funds.

NOTE 6 – FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, fair value is defined as the price that the Foundation would receive upon selling an asset or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market of the asset. FASB ASC 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available. The three-tier hierarchy of inputs is summarized in the three broad levels listed as follows:

- Level I – Quoted prices are available in active markets for identical investments as of the reporting date. Valuation adjustments are not applied to Level I instruments. Since valuations are based on quoted prices that are readily available in an active market, valuation of these products does not entail a significant degree of judgment.
- Level II – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level I. Fair Value is determined through the use of models or other valuation methodologies.
- Level III – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 6 – FAIR VALUE MEASUREMENTS (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The fair value of each investment in the table below was measured using FASB ASC 820 input guidance and valuation techniques. The following table sets forth carrying amounts and estimated fair values for investments at December 31.

	2021	2020
	Level 1	
Common and Preferred Stock	\$ 53,783,823	\$ 49,091,727
Equity/Bond Mutual Funds and ETF's	42,178,716	30,996,340
Corporate Bonds	8,283,874	8,893,919
Municipal Bonds	67,432	349,886
U.S. Govt and Agency Bonds	1,723,910	1,569,211
Certificate of Deposits and Other	2,059,436	4,088,251
Total Level 1 Investments	108,097,191	94,989,334
	Level 2	
Real Estate	470,857	470,857
Total Fair Value of Investments	\$ 108,568,048	\$ 95,460,191

Cost basis of investments are summarized as follows at December 31:

	2021	2020
Stocks, Bonds, ETF's, Mutual Funds, Certificates of Deposit, Real Estate, and Other	\$ 82,181,419	\$ 74,593,442

NOTE 7 – INVESTMENT MANAGEMENT AND CUSTODIAL FEES

Invested funds are primarily held in custodial investment accounts and are managed by professional investment advisors. Accordingly, the Foundation has entered into agreements with these professional investment advisors. Generally, such agreements are cancelable by either party upon written notice.

For the years then ended December 31, 2021 and 2020, investment management and other investment fees include approximately \$549,799 and \$433,329, respectively.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 8 – Fixed Assets

The Foundation capitalized all fixed asset acquisitions in excess of \$2,500. Property and equipment are capitalized at cost if purchased, or at fair market value on the date received if donated. Property and equipment are depreciated using the straight-line method over their estimated useful lives. As of December 31, fixed assets consisted of:

	2021	2020
Building	\$ 215,000	\$ 215,000
Building improvements	39,448	39,448
Office furniture/equipment	38,531	23,478
Less: accumulated depreciation	(65,603)	(54,078)
	227,376	223,848
Depreciation expense for the years then ended	\$ 11,525	\$ 10,450

NOTE 9 – CONCENTRATIONS OF CREDIT AND ECONOMIC RISK

Financial instruments, which potentially subject the Foundation to concentrations of credit risk, consist principally of cash and cash equivalents, and investments. The Foundation places cash and cash equivalents with high credit quality financial institutions. The Foundation’s combined deposits at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. From time to time, the Foundation’s deposits significantly exceed the FDIC insured limit.

The Foundation invests in a variety of investment vehicles, as described in Note 3. These investment securities are exposed to interest rate, market, credit, and other risks depending on the nature of the specific investment. Accordingly, it is reasonably possible that these factors will result in changes in the value of the Foundation’s investments, which could materially affect amounts reported in the financial statements.

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date of the independent auditor’s report, which is the date the financial statements were available to be issued. In recent days, the COVID-19 pandemic has been impacting businesses and organizations across a range of industries. The impact of this pandemic could potentially affect the Foundation’s financial position and operational activities. The extent of the impact of COVID-19 on the Foundation’s operations will depend on certain developments, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Foundation’s financial position or operational activities is uncertain.

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 11 –FUNCTIONAL CLASSIFICATION OF EXPENSES

For the year then ended December 31, 2021, total expenses of the Foundation were classified by function as follows:

	Community Programs	Management and General	Fundraising and Development	Total
Salaries and Wages	\$ 104,289	\$ 173,816	\$ 69,526	\$ 347,631
Payroll Taxes	7,281	12,137	4,855	24,273
Insurance Benefits	13,833	23,056	9,222	46,111
Retirement Benefits	5,166	8,612	3,445	17,223
Office Expenses	1,418	2,363	945	4,726
Office Maintenance	6,686	11,144	4,457	22,287
Postage and Delivery	794	1,324	530	2,648
Bank Charges	6	10	4	20
Telephone	1,647	2,745	1,098	5,490
Utilities	933	1,556	622	3,111
Repairs and Maintenance	126	210	84	420
Insurance – Other	5,110	8,516	3,406	17,032
Property Taxes	2,368	3,946	1,578	7,892
Storage	430	718	287	1,435
Professional Fees	3,420	5,700	2,280	11,400
Dues and Memberships	4,847	8,079	3,232	16,158
Training/Seminars	105	177	71	353
Depreciation	3,457	5,763	2,305	11,525
Mileage/Donor Development	652	1,086	434	2,172
	<u>\$ 162,568</u>	<u>\$ 270,958</u>	<u>\$ 108,381</u>	<u>\$ 541,907</u>

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 11 –FUNCTIONAL CLASSIFICATION OF EXPENSES (Continued)

For the year then ended December 31, 2020, total expenses of the Foundation were classified by function as follows:

	Community Programs	Management and General	Fundraising and Development	Total
Salaries and Wages	\$ 102,112	\$ 170,188	\$ 68,075	\$ 340,375
Payroll Taxes	7,021	11,701	4,680	23,402
Insurance Benefits	11,803	19,671	7,868	39,342
Retirement Benefits	4,840	8,067	3,227	16,134
Office Expenses	1,077	1,795	718	3,590
Office Maintenance	3,425	5,709	2,283	11,417
Postage and Delivery	739	1,233	493	2,465
Telephone	1,605	2,677	1,071	5,353
Utilities	866	1,444	577	2,887
Insurance – Other	4,265	7,109	2,843	14,217
Property Taxes	2,440	4,066	1,626	8,132
Storage	343	571	228	1,142
Professional Fees	3,362	5,604	2,242	11,208
Dues and Memberships	4,548	7,582	3,033	15,163
Website Expense	61	101	40	202
Depreciation	3,135	5,225	2,090	10,450
Board Meeting Expense	85	141	56	282
Mileage/Donor Development	337	561	224	1,122
	<u>\$ 152,064</u>	<u>\$ 253,445</u>	<u>\$ 101,374</u>	<u>\$ 506,883</u>

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 12 – LIST OF CHARITABLE FUNDS

As of December 31, 2021, the following Charitable Funds had been established with the Foundation:

Field of Interest Funds - Charitable Funds established to benefit a particular area of concern.

1928 Traditional Episcopal Support Fund	Murray H. Gaskins Sr. Charitable Fund
Community Public Education Fund	O.F. and Montez Roberts Fund for Eye Sight Preservation-Donalsonville Lions Club
COVID-19 Relief Fund	One Heartbeat Charitable Fund
Dick Bob Mason Memorial Education Fund	Open Arms Foundation Fund
Friends of Downtown Thomasville Charitable Fund	Pelham Public Education Endowment Fund
Grace Recovery Foundation Fund	Richard & Teresa Vanlandingham Maxi Grant Smile Fund
Grady County Public Education Endowment Fund	South Georgia Disaster Relief Fund
Harrison Cemetery Preservation Fund	South Georgia Episcopal Outreach Fund
I.T.M. Charitable Fund	Spark Thomasville Fund
Jim Neill Memorial Foundation Fund	Thomas County Children's Dental Assistance Fund
Justice League for Opportunity Fund	Thomasville Creates Charitable Funds
Lowndes Excellence in Education	Valdosta Classical Music Fund
Mitchell Electric Charitable Fund	Wiregrass Disaster Recovery Fund
Mitchell EMC Patcap Fund	
MNW Fund to Support Youth with Special Needs	

Designated Funds - Charitable Funds established for the sole benefit of a designated nonprofit organization.

Early A. Reed, Merle Reed Shingler, Sidney H. Shingler, Sr., and Sue Shingler Charitable Fund	Thomasville Police Community Fund
First Baptist Church of Thomasville Charitable Fund	Thomasville YMCA Gift Annuities Fund
Frank R. Pidcock Foundation Fund	Trinity Anglican Church of Thomasville Fund
Marvin M., Lorene B., and David Grubbs Charitable Fund	
Stockton Baptist Church Fund	

Donor Advised Funds - Charitable Funds where the donor participates in the grant making process by advising the Foundation when and where grants are given.

167 Individual and Family Donor Advised Funds	Fifth Friday Foundation Fund
Change for Children Charitable Fund	Rise Development Charitable Fund
Equity Group – GA Division Fund	

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 12 – LIST OF CHARITABLE FUNDS (Continued)

Scholarship Funds - Charitable Funds set up to assist students with expenses of post-secondary educational endeavors.

Alan George Memorial YMCA Scholarship	Julien B. Roddenbery Scholarship
Attorneys' Title Guaranty Scholarship	Kevin Walden Memorial Scholarship
Bacon County High School Scholarship	Marie Wertz Memorial Scholarship
Benjamin E. Gordon Memorial Scholarship	Mary Kirkland Scholarship
Bill Reynolds Memorial Scholarship	Mitchell EMC Operation Roundup Scholarship
Cairo High School Band Scholarship	Molly Elkins Joiner Memorial Scholarship
Candice Sellers Memorial Scholarship	Moultrie-Colquitt County High Schools Alumni Scholarship
Charles M. Stripling 4-H Scholarship	Philip Pugh Memorial Scholarship
Cleve Bostick Memorial Scholarship	QUMC William S. McMichael Memorial Scholarship Fund
Coy Williams Memorial Scholarship	Robert P. "Bobby" Singletary Scholarship
Doug Henderson III Memorial Scholarship	Robert Warde Chambers Scholarship & Public Education Fund
Dr. Charlie Watt Scholarship	Rocky Ivey Memorial Scholarship
Dr. Lewis & Audrey Chisholm Scholarship	Savannah Singletary Memorial Scholarship
Gaskins Environmental Scholarship	Senior Chief David Blake McLendon Scholarship
Geraldine Grant Memorial Scholarship	T.B. McDowell Memorial Scholarship
Georgia Dental Hygienists' Association Scholarship	Terri Matthew Nursing Scholarship
Griffin Family Scholarship	Thomas McComb Scholarship
Harrison Hooks Memorial Scholarship	Thomasville Antiques Show Foundation Scholarship
Homer E. Breckenridge, Jr. Memorial Scholarship	Thomasville Rotary Scholarship
Hosea Hall Vann & Lilly Eason Vann Scholarship	Tucker Baptist Assoc. Scholarship
J.B. Jenkins Memorial Scholarship	University of GA Forestry Scholarship
Jack Gibbs Memorial Scholarship	Valwood School/William G. Eager III Memorial
James D. Eunice Scholarship	W.C. Ivey Memorial Scholarship
Joanne Pierce Drake Music Scholarship	Wh & Mary P. Muggridge Charitable Fund
John B. & Elizabeth V. Wight Scholarship	William J. & Margaret McKay Powell Scholarship
John Bulloch Scholarship	Wyatt Hutchins Alexander Family Scholarship
John M. Simmons Educational Scholarship	Zack Alday Memorial Scholarship

COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 12 – LIST OF CHARITABLE FUNDS (Continued)

Agency Funds - Charitable Funds established by a contribution from a donor where the Foundation has agreed to transfer the assets contributed, the return on investment of those assets or both to another entity that is specified by a donor.

Albany Area FCA Endowment Fund	Options Now Fund
Archbold Hospital-Brooks County Fund	Randolph County Schools Charitable Fund
Archbold Hospital-Grady County Fund	Roddenbery Memorial Library Fund
B'nai Israel Synagogue Fund	S. W. Georgia Technical College Foundation Fund
Behavioral Health Services Fund	Second Harvest of South Georgia Fund
Birdsong Nature Center Fund	South Georgia Pediatric Charitable Fund
Bishop Hall Charitable Fund	Strive2Thrive, Inc. Endowment Fund
Boys & Girls Clubs of Camilla/Mitchell Co. Fund	Thomas Area Soccer Association Fund
Boys & Girls Clubs of Moultrie/Colquitt Co. Endowment Fund	Thomas County Historical Society Fund
Camp Arrow Endowment Fund	Thomas-Grady ARC Fund
Community Soup Kitchen Endowment Fund	Thomas County Public Library Endowment Fund
Easter Seals Southern Georgia Fund	Thomasville Antiques Show Fund
First Presbyterian Church of Moultrie Fund	Thomasville Center for the Arts Building Fund
First Presbyterian Church of Thomasville Fund	Thomasville Center for the Arts Capital Improvement Fund
First Presbyterian Church of Valdosta Fund	Thomasville Community Resource Center Fund
First United Methodist Church of Thomasville Fund	Thomasville Garden Club Endowment Fund
Friends of Cherokee Lake Fund	Thomasville Landmarks Fund
Fulwood Garden Center Endowment Fund	Thomasville Music & Drama Troupe Fund
Georgia Pines Consumers Fund	Thomasville Primitive Baptist Church Foundation Fund
Grace Christian Academy Endowment Fund	Thomasville YMCA & Youth Center Fund
Hands and Hearts for Horses Fund	Tree House of Thomasville Fund
Hands on Thomas County Fund	Turner Center for the Arts Endowment Fund
Mitchell Co. Hospital Capital Campaign Fund	Turner Center for the Arts-Hudson Fund
MNW Boys & Girls Clubs of Thomas County Fund	Valwood School Endowment Fund
Moultrie-Colquitt Co. Library Endowment Fund	Vashti Center Endowment Fund
Nepenthic Society Fund	Wesley Chapel Endowment Fund
Open Door Charitable Fund	Westbrook School Endowment Fund
Open Future Fund	