

**THE EDEN PRAIRIE
COMMUNITY FOUNDATION**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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COMMUNITY FOUNDATION**

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Eden Prairie Community Foundation
Eden Prairie, Minnesota

Opinion

We have audited the accompanying financial statements of The Eden Prairie Community Foundation, which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year 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 Eden Prairie Community Foundation, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Eden Prairie Community Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Eden Prairie Community Foundation'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 Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Eden Prairie 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 The Eden Prairie 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Event Revenues and Expenses and Schedules of Foundation Grants and Scholarships are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited The Eden Prairie Community Foundation's fiscal year 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 15, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Casey Menden, Faust & Nelson, P.A.

March 17, 2025

THE EDEN PRAIRIE COMMUNITY FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total (Summarized)
<u>ASSETS</u>				
Current Assets:				
Cash and Cash Equivalents	\$ 111,332	\$ 330,781	\$ 442,113	\$ 267,516
Certificates of Deposit	50,000	-	50,000	-
Investments	456,987	1,028,656	1,485,643	1,368,684
Donations Receivable	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Current Assets	618,319	1,359,437	1,977,756	1,636,200
Property and Equipment:				
Equipment	-	-	-	-
Less Accumulated Depreciation	-	-	-	-
Net Property and Equipment	-	-	-	-
Total Assets	<u>\$ 618,319</u>	<u>\$ 1,359,437</u>	<u>\$ 1,977,756</u>	<u>\$ 1,636,200</u>

See accompanying notes to financial statements

THE EDEN PRAIRIE COMMUNITY FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total (Summarized)
<u>LIABILITIES AND NET ASSETS</u>				
Current Liabilities:				
Accounts Payable	\$ 500	\$ -	\$ 500	\$ -
Payroll Withholdings	2,819	-	2,819	4,165
Total Current Liabilities	3,319	-	3,319	4,165
Net assets				
Without Donor Restrictions:				
Undesignated	216,697	-	216,697	147,447
Board Designated	398,303	-	398,303	141,752
Total	615,000	-	615,000	289,199
With Donor Restrictions:				
Perpetual in Nature	-	676,872	676,872	607,641
Purpose Restrictions	-	682,565	682,565	735,195
Total	-	1,359,437	1,359,437	1,342,836
Total Net Assets	615,000	1,359,437	1,974,437	1,632,035
Total Liabilities and Net Assets	<u>\$ 618,319</u>	<u>\$ 1,359,437</u>	<u>\$ 1,977,756</u>	<u>\$ 1,636,200</u>

See accompanying notes to financial statements

THE EDEN PRAIRIE COMMUNITY FOUNDATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

YEARS ENDED JUNE 30, 2024 AND 2023

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total (Summarized)
Support and Revenue:				
Century Club	\$ 600	\$ -	\$ 600	\$ 3,025
Event Receipts	153,757	-	153,757	138,090
Donations	376,990	-	376,990	52,027
Donor Advised Funds	-	83,111	83,111	82,769
EP Players	-	7,672	7,672	3,087
Endowments	-	150	150	6,650
Grants Fund	-	-	-	950
Interfaith Circle	-	1,250	1,250	-
EP Youth Housing	-	-	-	100
School Supply Fund	-	270	270	526
Marilyn's Two Can	-	9,054	9,054	4,732
SW Pride	-	10	10	250
Youth Initiative CounterAct	-	108	108	578
Eden Prairie Local News	-	9,308	9,308	32,521
STEM	-	103	103	103
Friends of Eden Prairie Parks	-	1,669	1,669	1,000
Kaleidoscope	-	2,000	2,000	3,442
Scheel's Sports Scholarship	-	-	-	25,000
EP Professionals in Aging	-	1,218	1,218	-
Nonfinancial contribution - office space	3,736	-	3,736	3,736
Investment Income	4,659	156,160	160,819	116,143
Fiduciary Agent Fee	3,918	-	3,918	3,788
Other Revenue	-	-	-	-
Net Assets Released from Restriction:				
Satisfaction of Donor Restrictions	255,482	(255,482)	-	-
Total Support and Revenue	799,142	16,601	815,743	478,517

See accompanying notes to financial statements

THE EDEN PRAIRIE COMMUNITY FOUNDATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

YEARS ENDED JUNE 30, 2024 AND 2023

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total (Summarized)
Expenses:				
Program Services:				
Community Support	313,309	-	313,309	237,638
Events	55,280	-	55,280	54,876
Total Program Expenses	368,590	-	368,590	292,514
Supporting Services:				
General and Administrative	45,692	-	45,692	49,368
Fundraising	59,060	-	59,060	56,045
Total Support Expenses	104,751	-	104,751	105,413
Total Expenses	473,341	-	473,341	397,927
Change in Net Assets	325,801	16,601	342,402	80,590
Net Assets:				
Beginning of Year	289,199	1,342,836	1,632,035	1,551,445
End of Year	\$ 615,000	\$ 1,359,437	\$ 1,974,437	\$ 1,632,035

See accompanying notes to financial statements

THE EDEN PRAIRIE COMMUNITY FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2024 AND 2023

	2024				2023	
	Program Services		Supporting Services		Total	Total
	Community Support	Events	General and Administrative	Fund-Raising		
Grants and Scholarships	\$ 256,805	\$ -	\$ -	\$ -	\$ 256,805	\$ 181,549
Payroll	47,428	23,714	23,714	23,714	118,571	119,403
Payroll Taxes	3,628	1,814	1,814	1,814	9,071	9,134
Dinner	-	3,652	-	-	3,652	3,088
Audit and Accounting	1,960	-	11,109	-	13,069	13,569
Invitations	811	-	-	2,434	3,245	936
Auction Items	-	16,482	-	-	16,482	12,790
Other-Event	-	3,363	-	1,583	4,946	7,480
Entertainment	-	2,097	-	-	2,097	699
Advertising	-	818	-	2,453	3,270	20,672
Bank, Credit Card Fees	775	1,292	-	3,101	5,169	2,818
Event Facility Deposits	-	-	-	20,617	20,617	7,817
Marketing	66	263	-	329	658	849
Donor Mailings	218	546	-	1,419	2,183	-

See accompanying notes to financial statements

THE EDEN PRAIRIE COMMUNITY FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2024 AND 2023

	2024				2023	
	Program Services		Supporting Services			
	Community Support	Events	General and Administrative	Fund-Raising	Total	Total
						(Summarized)
Breakfast/Luncheon	-	-	-	-	-	357
Website/social media	682	171	427	427	1,706	2,182
Dues & Subscriptions	-	-	1,306	-	1,306	2,656
Insurance	-	-	532	-	532	2,007
Miscellaneous Office	-	-	1,541	-	1,541	1,820
Rent	934	934	934	934	3,736	4,096
Shipping and Postage	-	-	236	236	471	115
Supplies	-	135	135	-	269	102
Fund administrative fees	-	-	3,945	-	3,945	3,788
Total Expenses by Program	<u>\$ 313,309</u>	<u>\$ 55,280</u>	<u>\$ 45,692</u>	<u>\$ 59,060</u>	<u>\$ 473,341</u>	<u>\$ 397,927</u>

See accompanying notes to financial statements

THE EDEN PRAIRIE COMMUNITY FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 342,402	\$ 80,590
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Decrease (increase) in donations receivable	-	-
Decrease (increase) in prepaid expenses	-	1,070
Increase (decrease) in accounts payable	500	(6,703)
Increase (decrease) in payroll withholdings	(1,346)	1,382
Net cash from operating activities	341,556	76,339
CASH FLOWS FROM INVESTING ACTIVITIES:		
Certificates of deposit, net	(50,000)	-
Investments, net	(116,959)	(73,169)
Net cash from investing activities	(166,959)	(73,169)
 Net Increase (Decrease) in Cash and Cash Equivalents	 174,597	 3,170
 Cash and Cash Equivalents at Beginning of Year	 267,516	 264,346
 Cash and Cash Equivalents at End of Year	 \$ 442,113	 \$ 267,516
 Supplemental disclosure:		
Income taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -
 Significant Non-cash Activity		
Nonfinancial contribution - office space	\$ 3,736	\$ 3,736

See accompanying notes to financial statements

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT OTHER INFORMATION

Foundation

The Eden Prairie Community Foundation (the “Foundation”) is a Minnesota nonprofit organization, which was incorporated in 1981. Its purpose is to foster pride in Eden Prairie through support of community organizations and projects that create a better quality of life and make the city a special place to live and work.

Method of Functional Expense Allocation

ASU No. 2016-14 *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* requires disclosure of the description of the methods used to allocate costs among program and support functions. Costs were allocated based on factors determined by the finance committee and the executive director of the Foundation, including time and effort, square footage, and deemed benefit.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Without Donor Restrictions - Net assets not subject to donor-imposed stipulations.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time. Expirations of restrictions on net assets with donor restrictions are reported as net assets released from restrictions.

Contributed Non-Financial Assets

ASU 2020-07 requires contributed non-financial assets to be presented on a separate line item on the statement of activities, apart from contributions of cash or other financial assets. During 2024 and 2023, the Foundation had \$3,736 and \$3,736 in contributed non-financial rent relating to the full-time use of an office at the Eden Prairie City Center.

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT OTHER INFORMATION (Continued)

Contributions

Contributions are recorded as received. All contributions are available for unrestricted use unless specifically restricted by the donor.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The nonfinancial contribution relating to the use of an office at the Eden Prairie City Center is valued at the market rate for a similarly sized executive office in the Eden Prairie area.

Accounting Standards Update (ASU) No. 2018-018 – *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* clarified the guidance for evaluating whether a transaction is a reciprocal (i.e., an exchange transaction) or nonreciprocal (i.e., a contribution) and for distinguishing between conditional and unconditional contributions.

ASU 2014-09 (ASC 606) creates a single framework for recognizing revenue from contracts with customers that fall within its scope. Topic 606 does not apply to contributions, so the Foundation feels that its impact is minimal.

Use of Estimates

The preparation of the accompanying financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents. The Foundation places its cash with high credit quality financial institutions. These monies are FDIC insured up to \$250,000. Monies at this financial institution exceeded FDIC limits in fiscal years 2024 and 2023.

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT OTHER INFORMATION (Continued)

Concentration of Support

Substantially all support is received in the form of contributions from various individuals and corporations in and around Eden Prairie. The continuation of the program of The Eden Prairie Community Foundation is dependent upon future community support.

One contributor accounted for 37.5% of revenues for the fiscal year 2024. One contributor accounted for 12.60% of revenues for the fiscal year 2023.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Additions, improvements or major renewals are capitalized. If items of property are sold, retired or otherwise disposed of, they are removed from the asset and accumulated depreciation accounts and any gain or loss thereon is reflected in the Statements of Activities and Changes in Net Assets. The Foundation capitalizes assets with a cost of \$1,000 or greater.

Depreciation of property and equipment is computed using accelerated methods over the estimated useful lives of the assets ranging from 3 to 5 years.

Cash Equivalents

The Foundation considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are stated at cost, which approximates fair value.

ASU 2016-18 requires that restricted cash and cash equivalents be included in the beginning and ending cash and cash equivalents, in the statements of cash flows.

Accounts Receivable

Accounts receivable, if applicable, are recorded at estimated net realizable value. The Foundation follows a policy of providing an allowance for credit losses, which is recorded as an offset to accounts receivable. The Foundation assesses credit losses on a collective basis where similar risk characteristics exist. Receivables that do not share risk characteristics with other receivables, or where known collectability issues exist, are evaluated on an individual basis. In determining the allowance for credit losses, the Foundation considers historical loss rates, adjusted for current market conditions, and reasonable and supportable forecasts of future economic conditions, when applicable.

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT OTHER INFORMATION (Continued)

Income Taxes

The Foundation is exempt from federal and state income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. The Foundation had no unrelated business income tax in 2023 or 2022.

The Foundation reviews income tax positions taken or expected to be taken in income tax returns to determine if there are any income tax uncertainties. This includes positions that the entity is exempt from income taxes or not subject to income taxes on unrelated business income. The Foundation recognizes tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by taxing authorities, based on the technical merits of the positions.

The Foundation has identified no significant income tax uncertainties. The Foundation files information returns as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the Internal Revenue Service. The Foundation's federal and state tax returns are open to examination for fiscal years 2022 through 2024 (tax form years 2021 through 2023).

Recently Adopted Accounting Pronouncement

Effective July 1, 2023, the Foundation adopted FASB Accounting Standards Update (ASU) No. 2016-03, as amended through March 2020: *Financial Instrument Credit Losses* (Topic 326). This standard requires that an entity measure all of its expected credit losses for financial assets held based on historical experience, current conditions, and reasonable and supportable forecasts. The Foundation adopted this guidance using the required modified-retrospective approach. This guidance replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires consideration of past events, current conditions, and reasonable and supportable forecasts about the future to assess credit loss estimates and will generally result in the earlier recognition of an allowance for credit losses. This adoption of the standard did not have a material effect on the Foundation's financial statements. There was no cumulative effect adjustment to the Foundation's financial statements at the adoption date as a result of adopting this standard.

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 EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT OTHER INFORMATION (Continued)

Fair Value Measurements (Continued)

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. Financial assets and liabilities recorded on the 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 mutual funds, collective funds, and U.S. Treasury futures.

Level 2 - Financial assets and liabilities are valued using inputs 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, municipal bonds, equity futures and corporate debt securities.

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 private equity, venture capital, hedge funds and real estate.

The Foundation holds certain assets that are required to be measured at fair value on a recurring basis. The fair value of the Foundation's investment securities are determined using level 1 inputs from the brokerage statements.

NOTE 2 – FINANCIAL ASSETS AND LIQUIDITY RESOURCES

The Foundation is primarily funded by contributions from donors, some of which contain donor restrictions. Those restrictions require that resources be used in a certain manner of in a future period. Therefore, the Foundation must maintain adequate resources to meet those responsibilities to its donors and certain financial assets may not be available for general expenditure within one year. As part of its liquidity management, the Foundation has a policy to structure its financial assets to be available as general expenditures, liabilities and other obligations become due.

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 2 – FINANCIAL ASSETS AND LIQUIDITY RESOURCES (Continued)

The information below reflects the Foundation’s financial assets as of the statement of financial position date, reduced by amounts that are not available for general use due to contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts that are not available also include the board designated amounts that could be utilized if the Foundation approved the use:

Financial assets at June 30, 2024	\$ 1,927,756
Less financial assets unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	(1,359,437)
Board designated - grants and scholarships	<u>(398,303)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 170,016</u>
Financial assets at June 30, 2023	\$ 1,636,200
Less financial assets unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	(1,342,836)
Board designated - grants and scholarships	<u>(141,752)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 151,612</u>

NOTE 3 - INVESTMENTS

Investment securities consisted of the following:

	June 30, 2024		June 30, 2023	
	Cost	Market	Cost	Market
Money Market Funds	\$ 58,685	\$ 58,685	\$ 54,195	\$ 54,195
Mutual Funds - Equity Funds	<u>1,355,846</u>	<u>1,426,958</u>	<u>1,215,727</u>	<u>1,314,489</u>
Total	<u>\$ 1,414,531</u>	<u>\$ 1,485,643</u>	<u>\$ 1,269,922</u>	<u>\$ 1,368,684</u>

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 3 - INVESTMENTS (Continued)

The Foundation holds investments in a variety of investment funds. In general, their investments are exposed to various risks, such as interest rate, credit and overall market volatility. 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 be material to the amounts reported in the Statement of Financial Position.

NOTE 4 - CERTIFICATES OF DEPOSIT

The Foundation holds investments in bank certificates of deposits. In general, these investments are exposed to minimal risks. Amortized cost plus accrued interest approximates fair value. These securities mature from August 2025 to February 2026.

Effective July 1, 2023, the Organization adopted ASU No. 2016-13 Financial Instruments – Credit Losses (Topic 326) which requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected.

A summary is as follows:

	<u>2024</u>	<u>2023</u>
Certificates of deposit, at cost	\$ 50,000	\$ -
Accrued interest	-	-
Allowance for credit losses	-	-
	<u> </u>	<u> </u>
Fair value	<u>\$ 50,000</u>	<u>\$ -</u>

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 5 - EVENT RECEIPTS

The EP Gives gala receipts and the Brewfest receipts are as follows:

	<u>2024</u>	<u>2023</u>
Ticket sales	\$ 10,925	\$ 10,875
Fund-the-Need Donations	27,626	21,195
Sponsorships	33,200	30,750
Auction and Raffle Proceeds	38,466	30,005
Miscellaneous	975	3,904
	<u>111,192</u>	<u>96,729</u>
Sponsorships	24,000	20,000
Ticket Sales	18,565	21,361
Cash contributions	-	-
Raffle Sales	-	-
Miscellaneous	-	-
	<u>42,565</u>	<u>41,361</u>
Total EP Gives receipts	<u>111,192</u>	<u>96,729</u>
Total Brewfest receipts	<u>42,565</u>	<u>41,361</u>
Total Event Receipts	<u><u>\$ 153,757</u></u>	<u><u>\$ 138,090</u></u>

NOTE 6 - ENDOWMENT FEASIBILITY STUDY

The purpose of an endowment is to provide long-term sustainability for the Foundation. In fiscal year 2016, the Foundation hired a consultant to perform an endowment feasibility study at a cost of \$18,500. \$12,500 of this fee was incurred in 2016, while the remaining \$6,000 was incurred in fiscal year 2017. In August 2016 the consultant reported to the Foundation that an endowment campaign was feasible. Rather than immediately implementing such a campaign, the Board agreed to spend \$6,000 on a four-month project to lay the groundwork for a potential campaign (September 2016 through December 2016 at \$1,500 per month). The foundation employed a consultant at various times during the fiscal year 2017 and into fiscal year 2018. The Foundation formed an Endowment Leadership Committee and began accepting endowment fund pledges shortly thereafter. The Foundation continues to solicit and accept endowment donations as this fund grows.

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 7 - BOARD DESIGNATED AND RESTRICTED NET ASSETS

	2024	2023
Board Designated		
Operating Reserve	\$ -	\$ -
Grants and Scholarships	398,303	141,752
Total Board Designated	\$ 398,303	\$ 141,752
With Donor Restrictions - Purpose Restrictions		
Donor Advised Funds	\$ 364,488	\$ 363,765
J. Harris Scholarship	253,953	257,402
EP Youth Scholarship	361	3,861
CounterAct Fund	1,491	1,391
EP Players	1,489	13,567
EP Reads	949	974
EP Fire Relief	142	145
Interfaith Circle	2,891	1,695
EP Youth Housing	-	17,956
School Supply Fund	2,680	2,486
Marilyn's Two Can	2,868	7,918
SW Pride	431	433
Covid-19	9,349	9,349
Local News Fund	13,400	24,645
STEM	281	587
Kaleidoscope	239	3,298
Scheel's	24,813	24,813
EP Parks	2,011	910
EP Professionals in Aging	729	-
Total With Donor Restrictions - Purpose Restrictions	\$ 682,565	\$ 735,195
With Donor Restrictions - Perpetual in Nature		
Society of Founders	\$ 54,819	\$ 54,819
Endowments	622,053	552,822
Total With Donor Restrictions - Perpetual in Nature	\$ 676,872	\$ 607,641

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 7 - BOARD DESIGNATED AND RESTRICTED NET ASSETS (Continued)

Permanently restricted net assets at June 30, 2024 and 2023, included in the net assets with donor restrictions, consist of an endowment fund established in 2006 and the Society of Founders Endowment established in 2012 to provide annual investment income to support the Foundation's mission. The original principal of the gift is to be held and invested by the Foundation indefinitely and income is available for support of area projects and organizations.

The Board of Directors of The Eden Prairie Community Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the prudent expenditure of donor-restricted endowment funds. Unless stated otherwise in the gift instrument, the assets in an endowment fund are donor-restricted assets until appropriated for expenditure by the Foundation. In making a determination to appropriate, an organization shall act in good faith with the care that a prudent person would exercise. The donors of the Foundation's endowment funds have permitted an appropriation policy of spending earnings of the endowment fund. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

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

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

The Foundation has adopted an investment policy and philosophy that concentrates on maximizing total return within reasonable risk parameters. This is accomplished through a strategic plan that strives to maintain and grow the investment corpus and provide annual earnings to support the Foundation's mission. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that preserve the inflation-adjusted value of the fund.

THE EDEN PRAIRIE COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 7 - BOARD DESIGNATED AND RESTRICTED NET ASSETS (Continued)

Changes in permanently restricted endowment net assets are as follows:

	<u>2024</u>	<u>2023</u>
Beginning of Year Balance	\$ 607,641	\$ 551,024
Contributions	-	6,504
Investment income	69,231	50,113
Donor Requested Transfers	<u>-</u>	<u>-</u>
End of Year Balance	<u>\$ 676,872</u>	<u>\$ 607,641</u>

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 17, 2025, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

THE EDEN PRAIRIE COMMUNITY FOUNDATION

SCHEDULES OF EVENT REVENUE AND EXPENSES

YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Revenue Collected:		
Contributions, Sponsorships	\$ 85,801	\$ 75,849
Ticket Sales/Auction	67,956	62,241
Total Revenue	<u>153,757</u>	<u>138,090</u>
Less Direct Expenses:		
Dinner	3,652	3,088
Deposits	-	-
Auction Items	16,482	12,790
Entertainment	2,097	699
Credit Card Fees	1,292	705
Total Direct Expenses	<u>23,523</u>	<u>17,282</u>
Revenue Collected for Event, Net of Direct Expenses	<u>130,234</u>	<u>120,808</u>
Other Expenses Paid:		
Payroll	23,714	23,881
Payroll Taxes	1,814	1,827
Invitations	-	-
Advertising	818	5,168
Telephone	-	-
Rent	934	1,024
Other	4,477	5,695
Total Other Expenses Paid for Event	<u>31,757</u>	<u>37,595</u>
Revenue Collected Greater Than Expenses Paid	<u>\$ 98,477</u>	<u>\$ 83,213</u>

See independent auditor's report

THE EDEN PRAIRIE COMMUNITY FOUNDATION

SCHEDULES FOUNDATION GRANTS AND SCHOLARSHIPS

YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
EPCF GRANTS:		
Eden Prairie Local News	\$ 6,000	\$ 2,900
Onward Eden Prairie	5,500	2,250
MoveFwd (formerly Teens Alone)	5,000	-
Jean Harris Scholarship Awards	4,000	-
Maria's Voice	4,000	-
Sojourner Project	4,000	3,000
Every Meal	3,500	2,000
Good in the Hood	3,500	2,000
PROP Youth Scholarships (from Youth Initiative)	3,500	3,500
Kaleidoscope Teens	3,000	2,000
Relate Counseling Center	3,000	2,500
The PROP Shop	2,500	1,500
Mother's Tutoring Academy	2,000	-
PROP (including grant from COVID-19 Response Fund)	2,000	2,000
Reach for Resources	2,000	-
Hammer Residences	1,500	2,000
Eden Prairie Community Education	1,000	2,000
Eden Prairie Players	1,000	-
Interfaith Circle	1,000	-
Mission Animal Hospital	1,000	-
Senior Community Services	1,000	-
Bluebirds and Blooms	500	-
CHOICE, Inc.	500	2,000
Friends of Eden Prairie Parks	500	-
Writers Rising Up	500	-
City of Eden Prairie (Parks & Recreation Dept., recently for "Art in Parks" Program")	-	1,600
Eden Prairie Community Board	-	700
Hope Kids MN	-	600
City of Eden Prairie Community Events	-	500
GRANTS FROM DESIGNATED FUNDS:		
Eden Prairie Local News	20,000	55,000
Monkey Wrench Productions	19,000	-
Onward Eden Prairie	17,956	-
Kathy Haubrich Reimbursable	4,888	-
Kaleidoscope Teens	3,645	100
Cargo Bike Shop	3,579	-

See independent auditor's report

THE EDEN PRAIRIE COMMUNITY FOUNDATION

SCHEDULES FOUNDATION GRANTS AND SCHOLARSHIPS

YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
GRANTS FROM DESIGNATED FUNDS (CONTINUED):		
Peacock Grove	2,700	-
Whirlyball Twin Cities	1,748	-
Tammy Ryder Harms Reimbursable	1,500	-
Erik Noren Reimbursable	1,182	-
Cari Reichenbach Reimbursable	423	-
Bridget Beyer Reimbursable	416	73
Amber Comforth Reimbursable	400	-
Abi Rajasekeran Reimbursable	390	-
Glenn Olson Reimbursable	100	-
Patricia Vanni Reimbursable	-	96
GRANTS FROM DONOR-ADVISED FUNDS:		
EPCF (includes grants to COVID-19 Response Fund)	37,950	24,700
PROP	13,000	5,000
St. Andrew Lutheran Church	7,800	7,800
Eden Prairie Local News	6,440	4,750
YMCA of the North	5,000	-
True Friends	4,500	4,000
Mission Animal Hospital	4,000	5,000
Hammer Residences	3,500	-
Chrestomathy	3,005	2,750
Eden Prairie Players	3,000	-
Mother's Tutoring Academy	3,000	-
One City	3,000	-
Charis Eccumenical Community	2,800	2,400
EP Senior Community Services	2,500	3,500
Kaleidoscope Teens	2,000	-
Bluebirds and Blooms	1,500	-
CHOICE, Inc.	1,483	2,000
Eden Prairie Community Band	1,250	780
Onward Eden Prairie/Haven House	1,250	2,000
Minnesota Public Radio	1,200	-
Brainerd Lakes Area Community Foundation	1,000	-
Bridging	1,000	-
Feed My Starving Children	1,000	-
Maria's Voice	1,000	2,000
MoveFwd (formerly Teens Alon)	1,000	-
NC Little Hospital	1,000	-
Sojourner Project	1,000	-

See independent auditor's report

THE EDEN PRAIRIE COMMUNITY FOUNDATION

SCHEDULES FOUNDATION GRANTS AND SCHOLARSHIPS

YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
GRANTS FROM DONOR-ADVISED FUNDS (CONTINUED):		
University of Minnesota Foundation	1,000	1,000
Friends of Eden Prairie Parks	500	-
Beyond New Beginnings	100	-
Let's Go Fishing	100	3,500
The PROP Shop	-	8,050
YMCA of the Greater Twin Cities	-	7,500
Every Meal	-	2,500
Waalid MN	-	2,000
Northeastern Minnesotans for Wilderness	-	1,000
Relate Counseling Center	-	1,000
	<u> </u>	<u> </u>
Total	<u>\$ 256,805</u>	<u>\$ 181,549</u>

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