

**STARK COMMUNITY FOUNDATION,
THE HENRY AND LOUISE TIMKEN
FOUNDATION, THE WILLIAM AND
MINNETTE GOLDSMITH FOUNDATION,
HEALTH FOUNDATION OF GREATER
MASSILLON, NEWMARKET PROJECT, INC.
AND SCF DEVELOPMENT, LTD.**

COMBINED FINANCIAL REPORT

DECEMBER 31, 2020 and 2019

STARK COMMUNITY FOUNDATION,
THE HENRY AND LOUISE TIMKEN FOUNDATION,
THE WILLIAM AND MINNETTE GOLDSMITH FOUNDATION,
HEALTH FOUNDATION OF GREATER MASSILLON,
NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

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Independent Auditors' Report

Distribution Committee and Board of Directors
Stark Community Foundation, The Henry and Louise
Timken Foundation, The William and Minnette Goldsmith
Foundation, Health Foundation of Greater Massillon,
Newmarket Project, Inc. and SCF Development, Ltd.
Canton, Ohio

We have audited the accompanying combined financial statements of Stark Community Foundation, The Henry and Louise Timken Foundation, The William and Minnette Goldsmith Foundation, Health Foundation of Greater Massillon, (collectively referred to as "Foundations"), Newmarket Project, Inc. ("Corporation"), and SCF Development, Ltd. ("Partnership"), which comprise the combined statements of financial position as of December 31, 2020 and 2019, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of

the combined financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Stark Community Foundation, The Henry and Louise Timken Foundation, The William and Minnette Goldsmith Foundation, Health Foundation of Greater Massillon, Newmarket Project, Inc., and SCF Development, Ltd. as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information on pages 25 to 27 is presented for purposes of additional analysis of the financial statements rather than to present the financial position and results of operations of the individual entities, and it is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Meloney + Novotny LLC

Canton, Ohio
July 23, 2021

STARK COMMUNITY FOUNDATION,
THE HENRY AND LOUISE TIMKEN FOUNDATION,
THE WILLIAM AND MINNETTE GOLDSMITH FOUNDATION,
HEALTH FOUNDATION OF GREATER MASSILLON,
NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

Combined Statements of Financial Position

	December 31,	
	2020	2019
Assets		
Cash and cash equivalents	\$ 678,703	\$ 1,889,691
Interest and dividends receivable	396,921	328,317
Notes and loans receivable, less allowances of \$468,288 in 2020 and \$146,559 in 2019	6,966,309	3,362,122
Contributions receivable, net	411,111	396,707
Prepaid expenses	48,378	40,635
Investments	308,746,493	283,439,435
 Property and equipment:		
Land, building and improvements	2,039,998	1,921,721
Furniture and office equipment	60,228	61,308
	2,100,226	1,983,029
Less allowance for depreciation	532,143	485,946
	1,568,083	1,497,083
 Other assets	5,942,833	5,725,284
Total assets	\$ 324,758,831	\$ 296,679,274

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

STARK COMMUNITY FOUNDATION,
THE HENRY AND LOUISE TIMKEN FOUNDATION,
THE WILLIAM AND MINNETTE GOLDSMITH FOUNDATION,
HEALTH FOUNDATION OF GREATER MASSILLON,
NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

Combined Statements of Financial Position

	December 31,	
	2020	2019
Liabilities, net assets, and member's (deficit)		
Liabilities:		
Accounts payable and accrued expenses	\$ 64,790	\$ 53,192
Liability to annuitants and others	2,638,069	2,645,285
Grants payable	2,326,217	2,983,860
Interest rate swap	144,404	56,862
Note payable	1,883,423	1,978,679
Funds held as agency endowments	89,180,145	82,137,812
	96,237,048	89,855,690
 Net assets without donor restrictions (See Note B):		
General purpose	37,007,742	33,971,758
Field of interest	52,920,230	48,810,488
Donor advised	61,999,167	56,610,272
Designated	59,711,558	51,193,584
Supporting and affiliated organizations	20,741,861	20,015,320
	232,380,558	210,601,422
Member's (deficit)	(3,858,775)	(3,777,838)
Total net assets and member's (deficit)	228,521,783	206,823,584
 Total liabilities, net assets, and member's (deficit)	\$ 324,758,831	\$ 296,679,274

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

STARK COMMUNITY FOUNDATION,
THE HENRY AND LOUISE TIMKEN FOUNDATION,
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HEALTH FOUNDATION OF GREATER MASSILLON,
NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

Combined Statements of Activities

	Years ended December 31,	
	2020	2019
	<u> </u>	<u> </u>
Revenues and investment activity		
Total contributions	\$ 15,407,953	\$ 11,617,843
Less: amounts received for agency transactions	<u>3,303,866</u>	<u>1,610,562</u>
Net contributions	12,104,087	10,007,281
Investment income, net	2,087,560	3,237,337
Less: investment income for agency transactions	<u>767,996</u>	<u>580,260</u>
Net investment income	1,319,564	2,657,077
Rental income	145,397	142,630
Other income	119,610	81,447
Less: other income for agency transactions	<u>130</u>	<u>50</u>
Net other income	119,480	81,397
Total net realized and unrealized investment gains	27,375,288	43,859,579
Less: investment gains on agency transactions	<u>6,849,677</u>	<u>12,481,994</u>
Net realized and unrealized investment gains	20,525,611	31,377,585
Total revenues and investment activity	<u>34,214,139</u>	<u>44,265,970</u>
 Expenses		
Total grants	13,620,779	13,117,301
Less: grants made from agency transactions	<u>3,879,336</u>	<u>3,854,441</u>
Net grants expense	9,741,443	9,262,860
Depreciation	47,185	46,519
Provision for uncollectible contributions and loans	399,848	119,657
Other expenses	<u>2,327,464</u>	<u>2,337,609</u>
Total expenses	12,515,940	11,766,645
Change in net assets and member's (deficit)	21,698,199	32,499,325
 Net assets and member's (deficit) at beginning of year	206,823,584	174,324,259
 Net assets and member's (deficit) at end of year	<u>\$ 228,521,783</u>	<u>\$ 206,823,584</u>

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

STARK COMMUNITY FOUNDATION,
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HEALTH FOUNDATION OF GREATER MASSILLON,
NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

Combined Statement of Functional Expenses

Year Ended December 31, 2020

	<u>Program Services</u>	<u>Management & General</u>	<u>Fund- raising</u>	<u>Total</u>
Functional Expenses				
Grant expenditures	\$ 9,741,443	\$ -	\$ -	\$ 9,741,443
Salaries and wages	516,602	493,957	268,791	1,279,350
401(k) contributions and fees	21,652	20,703	11,266	53,621
Employee benefits	107,428	102,719	55,895	266,042
Payroll taxes	34,232	32,731	17,811	84,774
Professional fees	26,745	25,573	13,916	66,234
Trustee bank and investment management fees	-	1,029,882	-	1,029,882
Payroll fees	968	925	503	2,396
Advertising and promotion	-	-	79,135	79,135
Office expenses	15,088	14,427	7,850	37,365
Information technology	35,039	33,504	18,231	86,774
Occupancy	28,730	27,471	14,949	71,150
Travel	551	527	287	1,365
Conferences and meetings	1,492	1,426	776	3,694
Interest	-	164,976	-	164,976
Depreciation	19,053	18,218	9,914	47,185
Insurance	1,804	1,725	939	4,468
Life insurance premiums	-	32,279	-	32,279
Dues and subscriptions	7,124	6,811	3,707	17,642
Fund expenses	21,624	20,677	11,251	53,552
Initiatives	4,104	-	-	4,104
Other	7,488	7,159	3,896	18,543
Provision for uncollectible loans and contributions	-	399,848	-	399,848
Total expenses	<u>10,591,167</u>	<u>2,435,538</u>	<u>519,117</u>	<u>13,545,822</u>
Less expenses included with revenues on the combined statements of activities	<u>-</u>	<u>(1,029,882)</u>	<u>-</u>	<u>(1,029,882)</u>
Total expenses included in the expense section on the combined statements of activities	<u>\$ 10,591,167</u>	<u>\$ 1,405,656</u>	<u>\$ 519,117</u>	<u>\$ 12,515,940</u>

STARK COMMUNITY FOUNDATION,
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NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

Combined Statement of Functional Expenses

Year Ended December 31, 2019

	<u>Program Services</u>	<u>Management & General</u>	<u>Fund- raising</u>	<u>Total</u>
Functional Expenses				
Grant expenditures	\$ 9,262,860	\$ -	\$ -	\$ 9,262,860
Salaries and wages	477,418	434,689	230,847	1,142,954
401(k) contributions and fees	17,864	16,265	8,638	42,767
Employee benefits	61,095	55,626	29,542	146,263
Payroll taxes	31,263	28,465	15,117	74,845
Professional fees	1,505	74,426	8,355	84,286
Trustee bank and investment management fees	-	991,593	-	991,593
Payroll fees	1,031	939	499	2,469
Advertising and promotion	-	-	179,169	179,169
Office expenses	18,552	18,389	8,971	45,912
Information technology	34,592	31,496	16,727	82,815
Occupancy	4,496	109,167	2,174	115,837
Travel	2,742	2,497	1,326	6,565
Conferences and meetings	16,414	12,304	6,003	34,721
Interest	-	160,735	-	160,735
Depreciation	19,431	17,691	9,397	46,519
Insurance	5,964	5,430	2,883	14,277
Life insurance premiums	-	36,568	-	36,568
Dues and subscriptions	-	24,192	1,217	25,409
Fund expenses	33,984	9,512	19,775	63,271
Initiatives	20,289	-	-	20,289
Other	16,851	33,457	8,149	58,457
Provision for uncollectible loans and contributions	-	119,657	-	119,657
Total expenses	<u>10,026,351</u>	<u>2,183,098</u>	<u>548,789</u>	<u>12,758,238</u>
Less expenses included with revenues on the combined statements of activities	<u>-</u>	<u>(991,593)</u>	<u>-</u>	<u>(991,593)</u>
Total expenses included in the expense section on the combined statements of activities	<u>\$ 10,026,351</u>	<u>\$ 1,191,505</u>	<u>\$ 548,789</u>	<u>\$ 11,766,645</u>

STARK COMMUNITY FOUNDATION,
THE HENRY AND LOUISE TIMKEN FOUNDATION,
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HEALTH FOUNDATION OF GREATER MASSILLON,
NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

Combined Statements of Cash Flows

	Years ended December 31,	
	2020	2019
Operating activities		
Change in net assets and member's (deficit)	\$ 21,698,199	\$ 32,499,325
Adjustments to reconcile change in net assets and member's (deficit) to net cash provided by operating activities:		
Depreciation	47,185	46,519
Provision for uncollectible contributions and loans	399,848	119,657
Interest rate swap mark-to-market	87,542	79,878
Loss on disposal of property and equipment	90	-
Net realized and unrealized investment (gains)	(20,525,611)	(31,377,585)
Changes in operating assets and liabilities:		
Interest and dividends receivable	(68,604)	(9,397)
Contributions receivable	(18,698)	10,565
Prepaid expenses	(7,743)	2,933
Other assets	(217,549)	(657,654)
Accounts payable and accrued expenses	11,598	(4,928)
Grants payable	(657,643)	680,073
Funds held as agency endowments	7,042,333	10,818,425
Net cash provided by operating activities	7,790,947	12,207,811
Investing activities		
Purchases of property and equipment	(118,275)	(16,603)
(Increase) in notes and loans receivable	(3,999,741)	(214,302)
Proceeds from sale of investments	54,762,479	71,505,339
Purchases of investments	(59,543,926)	(82,284,443)
Net cash (used) by investing activities	(8,899,463)	(11,010,009)
Financing activities		
Change in liability to annuitants and others	(7,216)	(104,361)
Payments on note payable	(95,256)	(90,284)
Net cash (used) by financing activities	(102,472)	(194,645)
Net (decrease) increase in cash and cash equivalents	(1,210,988)	1,003,157
Cash and cash equivalents at beginning of year	1,889,691	886,534
Cash and cash equivalents at end of year	\$ 678,703	\$ 1,889,691

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

STARK COMMUNITY FOUNDATION,
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HEALTH FOUNDATION OF GREATER MASSILLON,
NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

NOTES TO COMBINED FINANCIAL STATEMENTS

Organization and Summary of Significant Accounting Policies

A. Organization and Principles of Combination

The accompanying combined financial statements include the accounts of Stark Community Foundation, a community trust, and Stark Community Foundation, Inc., a charitable corporation, (referred to on a combined basis as "Stark Community Foundation"), The Henry and Louise Timken Foundation, The William and Minnette Goldsmith Foundation, Health Foundation of Greater Massillon, (collectively referred to as "Foundations"); Newmarket Project, Inc. ("Corporation") and SCF Development, Ltd. ("Partnership").

The mission of Stark Community Foundation is to partner with individuals, families, businesses and nonprofits to help them achieve their charitable goals.

The Henry and Louise Timken Foundation, The William and Minnette Goldsmith Foundation, and Health Foundation of Greater Massillon are organized as supporting organizations of Stark Community Foundation under Section 509(a)(3) of the Internal Revenue Code and operate exclusively for the charitable and educational purposes of Stark Community Foundation.

Newmarket Project, Inc. is a corporation which engages in the purchase, rental and sale of real property to enhance the rehabilitation of downtown Canton, Ohio. Stark Community Foundation is the sole member of Newmarket Project, Inc. and is empowered to receive contributions and hold investments for the Corporation.

SCF Development, Ltd. was originally organized as a for-profit limited liability company which was formed to purchase, renovate, and oversee the rental of the historic St. Edward Hotel in downtown Canton. Stark Community Foundation owns 100% of SCF Development, Ltd. During 2017, SCF Development amended its articles of incorporation to become a non-profit limited liability company.

All significant intercompany accounts and transactions have been eliminated in the combination.

B. Basis of Presentation

Accounting standards provide that not-for-profit organizations, including foundations, should classify net assets into categories based on the existence or absence of donor-imposed restrictions. These categories are defined as follows:

STARK COMMUNITY FOUNDATION,
THE HENRY AND LOUISE TIMKEN FOUNDATION,
THE WILLIAM AND MINNETTE GOLDSMITH FOUNDATION,
HEALTH FOUNDATION OF GREATER MASSILLON,
NEWMARKET PROJECT, INC. AND SCF DEVELOPMENT, LTD.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions. Use of net assets without donor restrictions may be board designated for specific purposes. Net assets without donor restrictions are presented in the following categories:

General purpose funds – Funds from donors who want the Board of Directors to use its discretion to make charitable grants to nonprofits that meet the changing needs of the community.

Field of interest funds – Funds which require the Board of Directors to make charitable grants to nonprofit agencies within a broad area defined by the donor.

Donor advised funds – Funds which enable donors to recommend grants to the Board of Directors for organizations and causes that they wish to support.

Designated funds – Funds for specific charitable organizations as designated by the Board of Directors of Stark Community Foundation to receive annual grant income from a fund.

Supporting and affiliated organizations – Funds are managed by the supporting organizations, which include The Henry and Louise Timken Foundation, The William and Minnette Goldsmith Foundation, and Health Foundation of Greater Massillon, and an affiliated organization, Newmarket Project, Inc.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time. Also included in this category are net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. There were no net assets with donor restrictions at December 31, 2020 and 2019.

Because the donor agreements reference the governing documents of the Foundations, which provide for the invasion of principal at the discretion of the Distribution Committee and Board of Directors, all of the Foundations' current donated funds are considered to be without donor restrictions.

STARK COMMUNITY FOUNDATION,
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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

C. Cash and Cash Equivalents

Cash and cash equivalents consist primarily of checking accounts and short-term, highly liquid investments with a maturity of three months or less when purchased, excluding cash equivalent funds held in the Foundations' investment portfolio.

D. Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their future cash flows. The discounts on those amounts are computed using risk-free interest rates, and amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as contributions receivable until the conditions are met.

E. Investments

Investments in securities and other assets are reported at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at fair value based upon the most recently reported bid prices.

F. Alternative Investments

Stark Community Foundation's investment policy statement has a target of 33% of the total investment portfolio for alternative investment strategies, including defensive equity, real estate, infrastructure, private debt, and private equity. These investments are made with the intention of raising portfolio returns and/or lowering total volatility. In most cases, these investments are implemented via limited partnerships. These investments may not be traded on a national security exchange and are valued based on reports provided by investment managers and the audited financial statements of the funds. The Foundations obtain and consider the audited financial statements of such investments when evaluating the overall reasonableness of carrying value.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

F. Alternative Investments (Continued)

The Foundations believe this method provides a reasonable estimate of fair value. However, the recorded value may differ from market value had a readily available market existed for such investments, and those differences could be material. Furthermore, a portion of the alternative investments are measured at net asset value (NAV) as a practical expedient for fair value.

G. Realized and Unrealized Gains/Losses

Realized and unrealized gains/losses are determined by comparison of the market value at the preceding period to net proceeds received at the time of disposal or changes in the difference between market values between periods, respectively.

H. Investment Income

Investment income is shown net of trustee bank and investment management fees of \$1,029,882 and \$991,593 for the years ended December 31, 2020 and 2019, respectively.

I. Property and Equipment

Property and equipment is recorded at the lower of cost or fair value as determined by the trustee banks or management of the Foundations, Corporation or Partnership. Expenditures for maintenance and repairs are expensed as incurred, while expenditures for additions and improvements are generally capitalized. Depreciation is recorded on the straight-line basis over the estimated useful life of the asset.

Management reviews the investment in property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. If the property and equipment is considered impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the property and equipment exceeds the fair value of such property. There were no impairment losses recognized for the years ended December 31, 2020 and 2019.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

J. Other Assets

Other assets include an investment in the Stark Board of Trade, LLC, a beneficial interest in trust held by a third party and certain other investments.

K. Funds Held as Agency Endowments

Accounting standards provide guidance for transactions in which a donor transfers assets to a not-for-profit organization that accepts the assets from the donor and agrees to transfer those assets, the return on investment, or both, to a donor or another entity specified by the donor. Pursuant to these standards, certain agency endowment funds received by Stark Community Foundation are considered liabilities, rather than net assets of Stark Community Foundation.

L. Income Taxes

Stark Community Foundation, The Henry and Louise Timken Foundation, The William and Minnette Goldsmith Foundation, and Health Foundation of Greater Massillon qualify as organizations exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. Health Foundation of Greater Massillon is currently a private foundation under Section 509(a), but is terminating this status through Section 507(b)(1)(B) through December 31, 2021 to become a public charity under Section 509(a)(3). Newmarket Project, Inc. is exempt from federal income taxes under Section 501(c)(2) of the Internal Revenue Code. SCF Development, Ltd. is a single-member limited liability company; therefore, all activity is included in Stark Community Foundation for tax reporting purposes.

Stark Community Foundation is subject to unrelated business income tax on a portion of the income earned on alternative investments and unrelated debt-financed income. The federal tax expense and cash paid for federal tax for the years ended December 31, 2020 and 2019 was \$0.

An income tax overpayment of \$15,000 has been carried forward from 2019. The liability for 2020 is not expected to exceed that amount.

Management believes that there is appropriate support for any tax positions taken, and as such, they believe that they do not have any significant unrecognized tax benefits that are material to the combined financial statements.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

M. Credit Risk Concentration

As a matter of policy, the Foundations, Corporation and Partnership only maintain cash balances with national financial institutions. The cash and investment balances may at times exceed insurance limits. Management does not believe it is exposed to any significant credit risk on cash and cash equivalents. Concentration of credit risk for investments is mitigated by both the distribution of investment funds among asset managers and the overall diversification of managed investment portfolios. Concentration of credit risk for contributions and notes/loans receivable is generally limited due to the dispersion of these balances over a wide contribution base.

N. Use of Estimates

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

O. Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses are allocated on the basis of estimates of time and effort.

P. Subsequent Events

Management has evaluated subsequent events through July 23, 2021, which is the date the financial statements were available to be issued.

The promissory note due from Historic Hercules, LLC for \$3,000,000 is outstanding as of the date of this report and is currently being renegotiated.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

Q. Reclassification

Certain information previously presented has been reclassified to conform to the current presentation.

Note 1. Liquidity and Availability

The Foundation continuously manages and monitors cash to ensure resources are available for general expenditures, liabilities and other obligations as they come due. While maintaining liquidity for operations is paramount, Stark Community Foundation also tries to maximize earnings. Stark Community Foundation does invest operating cash, in excess of daily requirements, in money market funds and other short-term investments.

Financial assets to meet cash needs for general expenditures, including management and general expenses, fundraising expenses and some program expenses, comprise the following at December 31:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 116,103	\$ 48,377

The Foundation's Board of Directors has opted to charge an administrative fee to all funds to cover the general expenditures necessary to operate the Foundation. These fees are assessed by the Foundation quarterly based on the fund's most recent market value. The Administrative Fee Schedule is based upon the specific type of fund and the balance in the fund. The administrative fee amounted to \$2,276,881 and \$2,262,882 for the years ended December 31, 2020 and 2019, respectively. Estimated administrative fees available for general expenditures in 2021 are \$2,597,495.

Funds that are endowed or that operate according to the Foundation's spending or charitable payout policy are typically invested in the Foundation's investment pool based upon a detailed Investment Policy Statement, which contains a specific asset allocation strategy. The spending rate is reviewed annually and can be retained, lowered or raised by no more than .25%. The current spending policy stands at 4.75% of the average ending market value of assets for the preceding twenty quarters. Based upon the current spending rate for 2021, an estimated \$1,930,300 will be allocated and available for granting at the Board's discretion.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 2. Notes and Loans Receivable

The detail of notes and loans receivable as of December 31 is as follows:

	<u>2020</u>	<u>2019</u>
Newmarket Project, Inc. – Subordinated mortgage note due from HOF Village Hotel II, LLC for funding improvements and renovations to the McKinley Grand Hotel, interest at 4% per annum, due in full on December 30, 2024.	\$ 2,999,988	\$ -
Newmarket Project, Inc. – Promissory note due from Historic Hercules, LLC for funding improvements and capital expenditures for the development of the former Hercules Motor Company facility, secured by personal and corporate guarantors, interest at 4% per annum, due in full on April 30, 2021.	3,000,000	3,000,000
Stark Community Foundation – Unsecured promissory note due from GPAQ Acquisition Holdings, Inc., interest at 8% per annum, due in quarterly payments with the option to accrue interest over the term of the loan at which interest will be calculated at 10%. Principal and interest will be due in full on March 31, 2025. This note may be converted into a private investment in public equity note at the option of the lender.	1,051,507	-
Stark Community Foundation – Mortgage note due from Historic Onesto, LLC, interest at 1% per annum, principal and interest were due in 2019.	100,000	100,000
Stark Community Foundation – Mortgage note due from Arts In Stark, interest at 3.75% per annum, principal and interest due monthly with a balloon payment due in March 2022.	241,439	246,181

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 2. Notes and Loans Receivable (Continued)

	<u>2020</u>	<u>2019</u>
Stark Community Foundation – Unsecured student loans at various interest rates, due in various terms.	\$ <u>41,663</u>	\$ <u>162,500</u>
	7,434,597	3,508,681
Allowance for uncollectible loans	<u>(468,288)</u>	<u>(146,559)</u>
	<u>\$ 6,966,309</u>	<u>\$ 3,362,122</u>

Note 3. Contributions Receivable

Stark Community Foundation has received unconditional contributions in the form of irrevocable charitable remainder trusts, bequests, and pledges receivable. Contributions receivable consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 5,693	\$ 5,270
One to five years	31,884	37,850
Over five years	602,651	580,676
Discounting for time value and allowance for uncollectible accounts	<u>(229,117)</u>	<u>(227,089)</u>
	<u>\$ 411,111</u>	<u>\$ 396,707</u>

Note 4. Investments

The composition at fair value, based on quoted market prices when available, of investments is as follows at December 31:

	<u>2020</u>	<u>2019</u>
Cash equivalent funds	\$ 12,048,860	\$ 27,948,328
U.S. Government and agency obligations	3,873,373	4,701,502
Corporate bonds	7,231,261	23,852,048
Fixed income	51,065,841	10,398,333
Common and preferred stocks	172,650,920	155,593,182
Common trust funds	8,497,618	9,541,293
Alternative investments	<u>53,378,620</u>	<u>51,404,749</u>
	<u>\$ 308,746,493</u>	<u>\$ 283,439,435</u>

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 4. Investments (Continued)

The Foundation was obligated at December 31, 2020 to invest additional funds in limited partnership investments in the amount of \$28,461,387 at the direction of the general partners. These commitments may be satisfied through redistribution of invested assets.

Note 5. Grants Payable

Grants payable consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Grants to be paid in:		
Less than one year	\$ 1,515,413	\$ 1,867,762
One to five years	862,110	1,208,837
Discounting for time value	<u>(51,306)</u>	<u>(92,739)</u>
	<u>\$ 2,326,217</u>	<u>\$ 2,983,860</u>

Note 6. Note Payable

- A. Note payable consists of a mortgage payable from SCF Development, Ltd. to Huntington National Bank in the amount of \$1,883,423 and \$1,978,679 at December 31, 2020 and 2019, respectively. Monthly payments include interest at a variable rate (1.86% at December 31, 2020) and a scheduled amount of principal (\$8,049 per month at December 31, 2020). A balloon payment is due in April 2025. The mortgage is guaranteed by Stark Community Foundation, Inc.

- B. During 2015, SCF Development, Ltd. entered into an interest rate swap agreement on the outstanding balance of the mortgage payable to fix the note's interest rate at 3.94% through April 2025. The fair value of this agreement is a liability of \$144,404 and \$56,862 at December 31, 2020 and 2019, respectively, which are recorded on the accompanying combined statements of financial position. The effect of the change in the swap liability of \$87,542 is included as an increase in interest expense on the accompanying combined statement of functional expenses for the year ended December 31, 2020.

- C. The mortgage payable includes a financial covenant as defined in the Business Loan Agreement. At December 31, 2020, management believes that the Partnership was in compliance with the covenant.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 6. Note Payable (Continued)

- D. Scheduled principal payments on the mortgage payable for each of the next five years and thereafter are:

2021	\$ 99,212
2022	103,260
2023	107,356
2024	111,728
2025	<u>1,461,867</u>
	\$ <u>1,883,423</u>

Note 7. Retirement Benefits

Effective January 1, 2010, the Stark Community Foundation 401(k) Plan ("Plan") was adopted. Eligible employees of Stark Community Foundation receive an employer matching contribution plus a safe harbor employer contribution equal to 3% of eligible compensation. Additional employer contributions may be made at the discretion of the Board of Directors in accordance with the terms of the plan document. The amount of employer contributions to the Plan for the years ended December 31, 2020 and 2019 was \$53,621 and \$42,767, respectively.

Note 8. Intercompany Transactions

- A. Stark Community Foundation leases office space from SCF Development, Ltd. The terms of the lease provide for monthly payments of \$5,556 for a five-year term ending October 31, 2022. The rental income and expense eliminate in combination.
- B. Stark Community Foundation has a promissory note due from Newmarket Project, Inc. for \$3,000,000 at December 31, 2020 and 2019. The note bears interest at 4.0% and is due April 30, 2021. The note payable/receivable and the related interest expense/income are eliminated in the accompanying combined financial statements.
- C. Stark Community Foundation has a promissory note due from Newmarket Project, Inc. for \$2,999,988 at December 31, 2020. The note bears interest at 4.0% and is due December 30, 2024. The note payable/receivable and the related interest expense/income are eliminated in the accompanying combined financial statements.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 9. Endowment Funds

The Board of Directors has approved an investment policy detailing the long term goals, asset allocation, guidelines for security selection, measurable objectives and on-going communication. Objectives of the Foundations are, first and foremost, to preserve the safety of the principal and second, to maximize investment income. Endowment funds are subject to the investment policy approved by the Board of Directors.

The Foundations' endowment consists of approximately 834 individual funds established for a variety of purposes. The Foundations classify these funds as net assets without donor restrictions; however, the Foundations manage funds established by donors as endowed funds in accordance with terms set forth in the individual fund agreements. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor imposed restrictions.

Endowment funds are appropriated based on an approval process through the Board of Directors. Specific committees and donors recommend amounts to be disbursed from the accumulated earnings of the endowment funds, which are then approved for appropriation by the Board of Directors.

	<u>Without donor restrictions</u>	
For the years ended December 31:	<u>2020</u>	<u>2019</u>
Endowment net assets, beginning of year	\$ 210,601,422	\$ 177,979,732
Investment return:		
Investment income, before eliminations	1,523,307	2,778,744
Net realized and unrealized gain (loss)	<u>20,525,611</u>	<u>31,377,585</u>
Total investment return	22,048,918	34,156,329
Other income	119,530	81,414
Contributions	12,104,087	10,007,281
Appropriation of endowment assets for expenditure	<u>(12,493,399)</u>	<u>(11,623,334)</u>
Endowment net assets, end of year	<u>\$ 232,380,558</u>	<u>\$ 210,601,422</u>

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 10. Fair Value Measurements

The carrying values of cash and cash equivalents, interest and dividends receivable, notes and loans receivable, accounts payable and accrued expenses and grants payable are reasonable estimates of fair value due to the short-term nature of these financial instruments. Investments, liability to annuitants and the interest rate swap (a cash flow hedge) are reported at fair value. The recorded amounts of contributions receivable and other assets approximate fair value. The recorded value of notes payable approximates fair value because the interest rates fluctuate with market interest rates.

The Foundations and Partnership estimate the fair value of financial instruments using available market information and other generally accepted valuation methodologies. Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs used to measure fair value are classified into three levels:

- Level 1 – Quoted market prices in active markets for identical assets and liabilities
- Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data
- Level 3 – Unobservable inputs in which little or no market data exists

The asset's or liability's fair value measurement level is based on the lowest level of any input that is significant to the fair value measurement.

The Foundations value the liability to annuitants based upon interest rates, yield curves and life expectancy tables using the income technique for the duration of the annuities. The resulting values are generally considered Level 2 valuations.

The Foundations value substantially all of their alternative investments (including Level 2 and Level 3 investments) at amounts reported by the investment managers and as validated through consideration of the audited financial statements of such investments. Accordingly, the Foundations do not use separate quantitative information to value such investments.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 10. Fair Value Measurements (Continued)

The valuation methods used for financial instruments may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. There have been no changes in the methodologies used from 2019 to 2020. Furthermore, while the Foundations and Partnership believe their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level within the fair value hierarchy the Foundations' and Partnership's financial assets and liabilities that were accounted for at a fair value on a recurring basis:

	<u>As of December 31, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Cash equivalent funds	\$ 12,048,860	\$ -	\$ -	\$ 12,048,860
U.S. Government and agency obligations	3,873,373	-	-	3,873,373
Corporate bonds	7,231,261	-	-	7,231,261
Fixed income	34,925,823	16,140,018	-	51,065,841
Common and preferred stocks:				
Large cap	85,659,426	-	-	85,659,426
All cap	16,138,387	-	-	16,138,387
Small cap	16,354,694	-	-	16,354,694
International	38,233,191	16,265,222	-	54,498,413
Common trust funds	-	8,497,618	-	8,497,618
Alternative investments:				
Real estate	1,260,149	-	2,413,295	3,673,444
Long/short hedged equity	931,995	-	-	931,995
Multi-strategy hedge	797,572	-	-	797,572
Defense equity	308,090	-	-	308,090
Private debt	-	-	3,740,742	3,740,742
Private equity	-	-	11,355,608	11,355,608
Commodities funds	<u>5,823,416</u>	<u>-</u>	<u>586,126</u>	<u>6,409,542</u>
Total investments in the fair value hierarchy	\$ <u>223,586,237</u>	\$ <u>40,902,858</u>	\$ <u>18,095,771</u>	\$ 282,584,866

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 10. Fair Value Measurements (Continued)

Real estate at NAV	\$ -	\$ -	\$ -	\$ 7,151,568
Multi-strategy hedge at NAV	-	-	-	4,761,431
Defense equity at NAV	-	-	-	9,415,082
Private equity at NAV	-	-	-	<u>4,833,546</u>
Total investments				\$ <u>308,746,493</u>
Interest Rate Swap	\$ <u>-</u>	\$ <u>144,404</u>	\$ <u>-</u>	\$ <u>144,404</u>
Liability to Annuitants	\$ <u>-</u>	\$ <u>2,638,069</u>	\$ <u>-</u>	\$ <u>2,638,069</u>

	As of December 31, 2019			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Cash equivalent funds	\$ 27,948,328	\$ -	\$ -	\$ 27,948,328
U.S. Government and agency obligations	4,701,502	-	-	4,701,502
Corporate bonds	8,292,578	15,559,470	-	23,852,048
Fixed income	10,398,333	-	-	10,398,333
Common and preferred stocks:				
Large cap	77,940,753	-	-	77,940,753
All cap	13,232,724	-	-	13,232,724
Small cap	13,764,514	-	-	13,764,514
International	28,459,093	22,196,098	-	50,655,191
Common trust funds	-	9,541,293	-	9,541,293
Alternative investments:				
Real estate	1,104,080	-	2,201,956	3,306,036
Long/short hedged equity	8,627,170	1,708,434	-	10,335,604
Multi-strategy hedge	1,006,591	-	-	1,006,591
Private debt	-	-	726,561	726,561
Private equity	-	-	7,129,383	7,129,383
Commodities funds	<u>6,353,479</u>	<u>-</u>	<u>743,063</u>	<u>7,096,542</u>
Total investments in the fair value hierarchy	\$ <u>201,829,145</u>	\$ <u>49,005,295</u>	\$ <u>10,800,963</u>	\$ 261,635,403

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 10. Fair Value Measurements (Continued)

Real estate at NAV	\$	-	\$	-	\$	-	\$	1,782,817
Multi-strategy hedge at NAV		-		-		-		6,831,372
Defense equity at NAV		-		-		-		9,000,000
Private equity at NAV		-		-		-		<u>4,189,843</u>
Total investments								<u>\$ 283,439,435</u>
Interest Rate Swap	\$	<u>-</u>	\$	<u>56,862</u>	\$	<u>-</u>	\$	<u>56,862</u>
Liability to Annuitants	\$	<u>-</u>	\$	<u>2,645,285</u>	\$	<u>-</u>	\$	<u>2,645,285</u>

Additional information on the changes in Level 3 assets is summarized as follows:

	<u>Real Estate</u>	<u>Private Equity</u>	<u>Commodities Funds</u>	<u>Private Debt</u>	<u>Total</u>
Balance at January 1, 2019	\$ 1,405,753	\$ 3,924,541	\$ 971,108	\$ -	\$ 6,301,402
Investment (loss), net of fees	(60,131)	(125,918)	(13,233)	-	(199,282)
Net realized/unrealized gains (losses) on investments	257,073	1,581,479	(70,472)	10,779	1,778,859
Purchases	689,415	2,042,626	-	715,782	3,447,823
Withdrawals	<u>(90,154)</u>	<u>(293,345)</u>	<u>(144,340)</u>	<u>-</u>	<u>(527,839)</u>
Balance at December 31, 2019	2,201,956	7,129,383	743,063	726,561	10,800,963
Investment gain (loss), net of fees	(79,693)	(272,405)	(12,076)	129,102	(235,072)
Net realized/unrealized gains on investments	31,158	3,071,918	(127,262)	41,935	3,017,749
Purchases	438,555	1,890,872	-	2,843,144	5,172,571
Withdrawals	<u>(178,681)</u>	<u>(464,160)</u>	<u>(17,599)</u>	<u>-</u>	<u>(660,440)</u>
Balance at December 31, 2020	<u>\$ 2,413,295</u>	<u>\$ 11,355,608</u>	<u>\$ 586,126</u>	<u>\$ 3,740,742</u>	<u>\$ 18,095,771</u>

Note 11. COVID-19 Pandemic

Physical and economic conditions worldwide have been impacted by the ongoing COVID-19 pandemic. There are uncertainties surrounding COVID-19's impact on the economy as a whole and on organizations. There is also uncertainty regarding the positive impact of any federal government relief. Accordingly, the impact of the global pandemic on the operations and financial plans or future results of Stark Community Foundation is unknown.

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Combining Statement of Financial Position

December 31, 2020

	Stark Community Foundation	The Henry and Louise Timken Foundation	The William & Minnette Goldsmith Foundation	Health Foundation of Greater Massillon	Newmarket Project, Inc.	SCF Development, Ltd.	Eliminations	Combined
Assets								
Cash and cash equivalents	\$ 623,839	\$ 12,359	\$ 1,338	\$ 30,837	\$ 115	\$ 10,215	\$ -	\$ 678,703
Interest and dividends receivable	376,252	5,702	597	14,370	122,000	-	(122,000)	396,921
Notes and loans receivable, less allowance of \$468,288	6,966,309	-	-	-	5,999,988	-	(5,999,988)	6,966,309
Contributions receivable, net	411,111	-	-	-	-	-	-	411,111
Prepaid expenses	43,150	-	-	1,079	-	4,149	-	48,378
Due from affiliated organization	5,531	-	-	-	-	-	(5,531)	-
Investments:								
Cash equivalent funds	11,411,370	186,291	19,500	431,699	-	-	-	12,048,860
U.S. Government and agency obligations	3,822,114	-	-	51,259	-	-	-	3,873,373
Corporate bonds	5,729,902	-	-	1,501,359	-	-	-	7,231,261
Fixed income	48,261,166	1,745,945	182,753	875,977	-	-	-	51,065,841
Common and preferred stocks	159,758,142	5,148,556	538,913	7,205,309	-	-	-	172,650,920
Common trust funds	8,497,618	-	-	-	-	-	-	8,497,618
Alternative investments	50,847,705	2,291,099	239,816	-	-	-	-	53,378,620
	288,328,017	9,371,891	980,982	10,065,603	-	-	-	308,746,493
Property and equipment:								
Land, building and improvements	14,247	-	-	-	320,000	1,705,751	-	2,039,998
Furniture and office equipment	60,228	-	-	-	-	-	-	60,228
	74,475	-	-	-	320,000	1,705,751	-	2,100,226
Less allowance for depreciation	61,038	-	-	-	-	471,105	-	532,143
	13,437	-	-	-	320,000	1,234,646	-	1,568,083
Investment in subsidiary	3,047,798	-	-	-	-	-	(3,047,798)	-
Other assets	5,942,833	-	-	-	-	-	-	5,942,833
Total assets	\$ 305,758,277	\$ 9,389,952	\$ 982,917	\$ 10,111,889	\$ 6,442,103	\$ 1,249,010	\$ (9,175,317)	\$ 324,758,831

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Combining Statement of Financial Position

December 31, 2020

	Stark Community Foundation	The Henry and Louise Timken Foundation	The William & Minnette Goldsmith Foundation	Health Foundation of Greater Massillon	Newmarket Project, Inc.	SCF Development, Ltd.	Eliminations	Combined
Liabilities, net assets, and member's (deficit)								
Liabilities:								
Accounts payable and accrued expenses	\$ 24,096	\$ 1,750	\$ 1,750	\$ 2,000	\$ 125,034	\$ 32,160	\$ (122,000)	\$ 64,790
Liability to annuitants and others	2,638,069	-	-	-	-	-	-	2,638,069
Grants payable	2,277,271	48,946	-	-	-	-	-	2,326,217
Due to affiliated organization	-	-	-	-	5,531	-	(5,531)	-
Interest rate swap liability	-	-	-	-	-	144,404	-	144,404
Note payable	-	-	-	-	-	1,883,423	-	1,883,423
Note payable to Stark Community Foundation	-	-	-	-	5,999,988	-	(5,999,988)	-
Funds held as agency endowments	89,180,145	-	-	-	-	-	-	89,180,145
	<u>94,119,581</u>	<u>50,696</u>	<u>1,750</u>	<u>2,000</u>	<u>6,130,553</u>	<u>2,059,987</u>	<u>(6,127,519)</u>	<u>96,237,048</u>
Net assets without donor restrictions	211,638,696	9,339,256	981,167	10,109,889	311,550	-	-	232,380,558
Member's (deficit)	-	-	-	-	-	(810,977)	(3,047,798)	(3,858,775)
Total net assets and member's (deficit)	<u>211,638,696</u>	<u>9,339,256</u>	<u>981,167</u>	<u>10,109,889</u>	<u>311,550</u>	<u>(810,977)</u>	<u>(3,047,798)</u>	<u>228,521,783</u>
Total liabilities, net assets, and member's (deficit)	<u>\$ 305,758,277</u>	<u>\$ 9,389,952</u>	<u>\$ 982,917</u>	<u>\$ 10,111,889</u>	<u>\$ 6,442,103</u>	<u>\$ 1,249,010</u>	<u>\$ (9,175,317)</u>	<u>\$ 324,758,831</u>

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Combining Statement of Activities

Year Ended December 31, 2020

	Stark Community Foundation	The Henry and Louise Timken Foundation	The William & Minnette Goldsmith Foundation	Health Foundation of Greater Massillon	Newmarket Project, Inc.	SCF Development, Ltd.	Eliminations	Combined
Revenues and investment activity								
Total contributions	\$ 15,407,953	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,407,953
Less: amounts received for agency transactions	3,303,866	-	-	-	-	-	-	3,303,866
Net contributions	12,104,087	-	-	-	-	-	-	12,104,087
Investment income, net	2,052,845	(38,248)	(6,607)	79,570	203,743	-	(203,743)	2,087,560
Less: investment income for agency transactions	767,996	-	-	-	-	-	-	767,996
Net investment income	1,284,849	(38,248)	(6,607)	79,570	203,743	-	(203,743)	1,319,564
Rental income	-	-	-	-	50	212,016	(66,669)	145,397
Other income	119,610	-	-	-	-	-	-	119,610
Less: other income for agency transactions	130	-	-	-	-	-	-	130
Net other income	119,480	-	-	-	-	-	-	119,480
Total net realized and unrealized investment gains	25,836,216	644,685	69,861	824,526	-	-	-	27,375,288
Less: investment gains on agency transactions	6,849,677	-	-	-	-	-	-	6,849,677
Net realized and unrealized investment gains	18,986,539	644,685	69,861	824,526	-	-	-	20,525,611
Total revenues and investment activity	32,494,955	606,437	63,254	904,096	203,793	212,016	(270,412)	34,214,139
Expenses								
Total grants	12,782,230	343,946	45,500	449,103	-	-	-	13,620,779
Less: grants made from agency transactions	3,879,336	-	-	-	-	-	-	3,879,336
Net grants expense	8,902,894	343,946	45,500	449,103	-	-	-	9,741,443
Depreciation	2,433	-	-	-	-	44,752	-	47,185
Provision for uncollectible contributions and loans	399,848	-	-	-	-	-	-	399,848
Other expenses	2,137,186	1,950	1,950	3,096	205,493	248,201	(270,412)	2,327,464
Total expenses	11,442,361	345,896	47,450	452,199	205,493	292,953	(270,412)	12,515,940
Change in net assets and member's (deficit)	21,052,594	260,541	15,804	451,897	(1,700)	(80,937)	-	21,698,199
Net assets and member's (deficit) at beginning of year	190,586,102	9,078,715	965,363	9,657,992	313,250	(905,040)	(2,872,798)	206,823,584
Contribution of member's equity	-	-	-	-	-	175,000	(175,000)	-
Net assets and member's (deficit) at end of year	\$ 211,638,696	\$ 9,339,256	\$ 981,167	\$ 10,109,889	\$ 311,550	\$ (810,977)	\$ (3,047,798)	\$ 228,521,783