

**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, 2021 and 2020

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

Opinion

We have audited the 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, 2021 and 2020, 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.

In our opinion, the accompanying combined financial statements 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, 2021 and 2020, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent 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. and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management 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 and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audits of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 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.'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 combined financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about 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.'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

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 24 to 26 is presented for purposes of additional analysis of the combined 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 19, 2022

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,	
	2021	2020
Assets		
Cash and cash equivalents	\$ 412,097	\$ 678,703
Interest, dividends, and other receivables	609,948	406,690
Notes and loans receivable, less allowances of \$760,530 in 2021 and \$468,288 in 2020	6,844,770	6,966,309
Contributions receivable, net	421,805	411,111
Prepaid expenses	43,526	38,609
Investments	380,534,627	308,746,493
 Property and equipment:		
Land, building and improvements	2,058,442	2,039,998
Furniture and office equipment	93,320	60,228
	2,151,762	2,100,226
Less allowance for depreciation	581,685	532,143
	1,570,077	1,568,083
 Other assets	6,636,607	5,942,833
 Total assets	\$ 397,073,457	\$ 324,758,831

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 Financial Position

	December 31,	
	2021	2020
Liabilities, net assets, and member's (deficit)		
Liabilities:		
Accounts payable and accrued expenses	\$ 176,160	\$ 163,653
Liability to annuitants	2,437,477	2,539,206
Grants payable	1,307,086	2,326,217
Interest rate swap	64,842	144,404
Note payable	1,776,211	1,883,423
Funds held as agency endowments	102,151,246	89,180,145
	107,913,022	96,237,048
 Net assets without donor restrictions (See Note B):		
General purpose	43,340,272	37,007,742
Field of interest	59,835,973	52,920,230
Donor advised	79,794,530	61,999,167
Designated	86,649,144	59,711,558
Supporting and affiliated organizations	23,357,043	20,741,861
	292,976,962	232,380,558
Member's (deficit)	(3,816,527)	(3,858,775)
Total net assets and member's (deficit)	289,160,435	228,521,783
 Total liabilities, net assets, and member's (deficit)	\$ 397,073,457	\$ 324,758,831

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,	
	2021	2020
	<u>2021</u>	<u>2020</u>
Revenues and investment activity		
Total contributions	\$ 34,996,194	\$ 15,407,953
Less: amounts received for agency transactions	2,188,893	3,303,866
Net contributions	32,807,301	12,104,087
Investment income, net	1,743,539	1,821,857
Less: investment (loss) for agency transactions, net	(248,046)	(339,141)
Net investment income	1,991,585	2,160,998
Rental income	128,040	145,397
Interest on notes and loans receivable	469,136	265,703
Other income	162,282	119,610
Less: other income for agency transactions	-	130
Net other income	162,282	119,480
Total net realized and unrealized investment gains	51,076,843	27,375,288
Less: investment gains on agency transactions	14,823,078	7,956,814
Net realized and unrealized investment gains	36,253,765	19,418,474
Total revenues and investment activity	71,812,109	34,214,139
Expenses		
Total grants	12,342,742	13,620,779
Less: grants made from agency transactions	3,780,324	3,879,336
Net grants expense	8,562,418	9,741,443
Depreciation	49,542	47,185
Provision for uncollectible contributions and loans	293,981	399,848
Other expenses	2,280,016	2,327,464
Less: other expenses from agency transactions	12,500	-
Net other expenses	2,267,516	2,327,464
Total expenses	11,173,457	12,515,940
Change in net assets and member's (deficit)	60,638,652	21,698,199
Net assets and member's (deficit) at beginning of year	228,521,783	206,823,584
Net assets and member's (deficit) at end of year	\$ <u>289,160,435</u>	\$ <u>228,521,783</u>

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

STARK COMMUNITY FOUNDATION,
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Combined Statement of Functional Expenses

Year Ended December 31, 2021

	<u>Program Services</u>	<u>Management & General</u>	<u>Fund- raising</u>	<u>Total</u>
Functional Expenses				
Grant expenditures	\$ 8,562,418	\$ -	\$ -	\$ 8,562,418
Salaries and wages	570,966	486,009	291,551	1,348,526
401(k) contributions and fees	24,557	20,903	12,539	57,999
Employee benefits	69,919	59,515	35,703	165,137
Payroll taxes	37,459	31,886	19,128	88,473
Professional fees	41,743	35,531	21,315	98,589
Trustee bank and investment management fees	-	1,236,489	-	1,236,489
Payroll fees	1,101	938	562	2,601
Advertising and promotion	-	-	77,790	77,790
Office expenses	16,364	13,928	8,356	38,648
Information technology	41,293	35,148	21,085	97,526
Occupancy	40,225	34,240	20,540	95,005
Travel	1,741	1,482	889	4,112
Conferences and meetings	1,412	1,203	721	3,336
Interest	-	(6,435)	-	(6,435)
Depreciation	20,976	17,855	10,711	49,542
Insurance	8,192	6,973	4,183	19,348
Life insurance premiums	-	30,314	-	30,314
Dues and subscriptions	9,375	7,981	4,787	22,143
Fund expenses	37,741	32,125	19,272	89,138
Initiatives	16,562	-	-	16,562
Other	7,919	6,741	4,044	18,704
Provision for uncollectible loans and contributions	-	293,981	-	293,981
Total expenses	<u>9,509,963</u>	<u>2,346,807</u>	<u>553,176</u>	<u>12,409,946</u>
Less expenses included with revenues on the combined statements of activities	<u>-</u>	<u>(1,236,489)</u>	<u>-</u>	<u>(1,236,489)</u>
Total expenses included in the expense section on the combined statements of activities	<u>\$ 9,509,963</u>	<u>\$ 1,110,318</u>	<u>\$ 553,176</u>	<u>\$ 11,173,457</u>

STARK COMMUNITY FOUNDATION,
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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	552,487	528,269	287,463	1,368,219
401(k) contributions and fees	21,652	20,703	11,266	53,621
Employee benefits	71,542	68,407	37,224	177,173
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>10,591,166</u>	<u>2,435,538</u>	<u>519,118</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>\$ 10,591,166</u>	<u>\$ 1,405,656</u>	<u>\$ 519,118</u>	<u>\$ 12,515,940</u>

STARK COMMUNITY 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,	
	2021	2020
Operating activities		
Change in net assets and member's (deficit)	\$ 60,638,652	\$ 21,698,199
Adjustments to reconcile change in net assets and member's (deficit) to net cash provided by operating activities:		
Depreciation	49,542	47,185
Provision for uncollectible contributions and loans	293,981	399,848
Interest rate swap mark-to-market	(79,562)	87,542
Loss on disposal of property and equipment	-	90
Net realized and unrealized investment (gains)	(36,253,765)	(20,525,611)
Changes in operating assets and liabilities:		
Interest, dividends, and other receivables	(203,258)	(68,604)
Contributions receivable	(14,268)	(18,698)
Prepaid expenses	(4,917)	(7,743)
Other assets	(693,774)	(217,549)
Accounts payable and accrued expenses	12,507	11,598
Grants payable	(1,019,131)	(657,643)
Funds held as agency endowments	12,971,101	7,042,333
Net cash provided by operating activities	35,697,108	7,790,947
Investing activities		
Purchases of property and equipment	(51,536)	(118,275)
(Increase) in notes and loans receivable	(168,868)	(3,999,741)
Proceeds from sale of investments	102,828,253	54,762,479
Purchases of investments	(138,362,622)	(59,543,926)
Net cash (used) by investing activities	(35,754,773)	(8,899,463)
Financing activities		
Change in liability to annuitants and others	(101,729)	(7,216)
Payments on note payable	(107,212)	(95,256)
Net cash (used) by financing activities	(208,941)	(102,472)
Net (decrease) in cash and cash equivalents	(266,606)	(1,210,988)
Cash and cash equivalents at beginning of year	678,703	1,889,691
Cash and cash equivalents at end of year	\$ 412,097	\$ 678,703

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

STARK COMMUNITY FOUNDATION,
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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:

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:

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

Organization and Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

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, 2021 and 2020.

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.

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.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

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.

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 \$1,236,489 and \$1,029,882 for the years ended December 31, 2021 and 2020, respectively.

I. Property and Equipment

Property and equipment is recorded at the lower of cost or fair value as determined by 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.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

I. Property and Equipment (Continued)

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, 2021 and 2020.

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 the cash surrender value of life insurance policies.

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, 2021 and 2020 was \$0.

An income tax overpayment of \$15,000 has been carried forward from 2020. The liability for 2021 is not expected to exceed that amount.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Organization and Summary of Significant Accounting Policies (Continued)

L. Income Taxes (Continued)

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.

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 19, 2022, which is the date the financial statements were available to be issued.

The promissory note due from Historic Hercules, LLC for \$3,000,000 remains outstanding and is currently being renegotiated.

Furthermore, on June 16, 2022 the Foundation executed a promissory note with the Hall of Fame Resort & Entertainment Company for \$5,000,000, due in full on May 31, 2029. Interest accrues at 6.00% per annum and will be paid annually by December 31st each year. The proceeds of the loan are to be used for infrastructure development.

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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>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 108,341	\$ 116,103

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 \$2,857,200 and \$2,276,881 for the years ended December 31, 2021 and 2020, respectively. Estimated administrative fees available for general expenditures in 2022 are \$2,900,000.

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 2022, an estimated \$1,964,594 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>2021</u>	<u>2020</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	\$ 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, under renegotiation.	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.	1,160,667	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, forgiven in 2021.	-	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.	236,515	241,439
Stark Community Foundation – Open-end mortgage note due from J.R. Coleman Senior Outreach Services, Inc., interest at 3.75% per annum, accrued interest due on December 31, 2021 and 2022, final payment of principal and interest due in full on June 30, 2023.	175,000	\$ -

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 2. Notes and Loans Receivable (Continued)

	<u>2021</u>	<u>2020</u>
Stark Community Foundation – Unsecured student loans at various interest rates, due in various terms.	\$ <u>33,130</u>	\$ <u>41,663</u>
	7,605,300	7,434,597
Allowance for uncollectible loans	<u>(760,530)</u>	<u>(468,288)</u>
	<u>\$ 6,844,770</u>	<u>\$ 6,966,309</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>2021</u>	<u>2020</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 10,200	\$ 5,693
One to five years	20,177	31,884
Over five years	621,165	602,651
Discounting for time value and allowance for uncollectible accounts	<u>(229,737)</u>	<u>(229,117)</u>
	<u>\$ 421,805</u>	<u>\$ 411,111</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>2021</u>	<u>2020</u>
Cash equivalent funds	\$ 16,854,765	\$ 12,048,860
U.S. Government and agency obligations	2,177,313	3,873,373
Corporate bonds	6,071,428	7,231,261
Fixed income	56,951,009	51,065,841
Common and preferred stocks	206,001,777	172,650,920
Common trust funds	619,442	8,497,618
Alternative investments	<u>91,858,893</u>	<u>53,378,620</u>
	<u>\$ 380,534,627</u>	<u>\$ 308,746,493</u>

The Foundation was obligated at December 31, 2021 to invest additional funds in limited partnership investments in the amount of \$18,394,296 at the direction of the general partners. These commitments may be satisfied through redistribution of invested assets.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 5. Grants Payable

Grants payable consisted of the following at December 31:

	<u>2021</u>	<u>2020</u>
Grants to be paid in:		
Less than one year	\$ 919,155	\$ 1,515,413
One to five years	405,000	862,110
Discounting for time value	<u>(17,069)</u>	<u>(51,306)</u>
	<u>\$ 1,307,086</u>	<u>\$ 2,326,217</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 \$1,776,211 and \$1,883,423 at December 31, 2021 and 2020, respectively. Monthly payments include interest at a variable rate (2.74% at December 31, 2021) and a scheduled amount of principal (\$8,377 per month at December 31, 2021). 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 \$64,842 and \$144,404 at December 31, 2021 and 2020, respectively, which are recorded on the accompanying combined statements of financial position. The effect of the change in the swap liability of \$79,562 is included as a decrease in interest expense on the accompanying combined statement of functional expenses for the year ended December 31, 2021.
- C. The mortgage payable includes a financial covenant as defined in the Business Loan Agreement. At December 31, 2021, management believes that the Partnership was in compliance with the covenant.
- D. Scheduled principal payments on the mortgage payable for each of the next four years are:

2022	\$ 103,260
2023	107,356
2024	111,728
2025	<u>1,453,867</u>
	<u>\$ 1,776,211</u>

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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, 2021 and 2020 was \$57,999 and \$53,621, 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, 2021 and 2020. The note bears interest at 4.0% and was due April 30, 2021. The note is under renegotiation as of December 31, 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, 2021 and 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.

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 858 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.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 9. Endowment Funds (Continued)

	<u>Without donor restrictions</u>	
For the years ended December 31:	<u>2021</u>	<u>2020</u>
Endowment net assets, beginning of year	\$ 232,380,558	\$ 210,601,422
Investment return:		
Investment income, net	1,991,585	2,160,998
Interest on notes and loans receivable, before eliminations	814,552	469,446
Net realized and unrealized gain (loss)	<u>36,253,765</u>	<u>19,418,474</u>
Total investment return	39,059,902	22,048,918
Other income	162,332	119,530
Contributions	32,807,301	12,104,087
Appropriation of endowment assets for expenditure	<u>(11,433,131)</u>	<u>(12,493,399)</u>
Endowment net assets, end of year	<u>\$ 292,976,962</u>	<u>\$ 232,380,558</u>

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.

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 10. Fair Value Measurements (Continued)

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. Furthermore, a portion of the Foundation's investments are measured at net asset value as a practical expedient. The fair values of these investments have been estimated using the net asset value of the Foundation's ownership in the capital. The redemption terms vary based on the investment funds.

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 2020 to 2021. 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:

	As of December 31, 2021			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Cash equivalent funds	\$ 16,854,765	\$ -	\$ -	\$ 16,854,765
U.S. Government and agency obligations	2,177,313	-	-	2,177,313
Corporate bonds	6,071,428	-	-	6,071,428
Fixed income	40,120,143	16,830,866	-	56,951,009
Common and preferred stocks:				
Large cap	91,851,194	-	-	91,851,194
All cap	21,862,094	-	-	21,862,094
Small cap	19,367,772	-	-	19,367,772
International	60,887,328	12,033,389	-	72,920,717
Common trust funds	-	619,442	-	619,442
Alternative investments:				
Real estate and infrastructure	7,610,241	-	3,216,970	10,827,211
Long/short hedged equity	950,140	-	-	950,140
Defense equity	3,367,111	-	-	3,367,111
Multi-strategy hedge	867,012	-	-	867,012
Private debt	-	-	7,196,818	7,196,818
Private equity	1,192,150	-	18,415,060	19,607,210
Commodities funds	<u>2,219,741</u>	<u>-</u>	<u>612,364</u>	<u>2,832,105</u>
Total investments in the fair value hierarchy	\$ <u>275,398,432</u>	\$ <u>29,483,697</u>	\$ <u>29,441,212</u>	\$ 334,323,341

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NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

Note 10. Fair Value Measurements (Continued)

	As of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Real estate at NAV	\$ -	\$ -	\$ -	\$ 16,876,209
Multi-strategy hedge at NAV	-	-	-	5,004,309
Defense equity at NAV	-	-	-	11,081,562
Private equity at NAV	-	-	-	<u>13,249,206</u>
Total investments				\$ <u>380,534,627</u>
Interest rate swap	\$ <u>-</u>	\$ <u>64,842</u>	\$ <u>-</u>	\$ <u>64,842</u>
Liability to annuitants	\$ <u>-</u>	\$ <u>2,437,477</u>	\$ <u>-</u>	\$ <u>2,437,477</u>
	As of December 31, 2020			
	Level 1	Level 2	Level 3	Total
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)

	As of December 31, 2020			
	Level 1	Level 2	Level 3	Total
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>2,539,206</u>	\$ <u>-</u>	\$ <u>2,539,206</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, 2020	\$ 2,201,956	\$ 7,129,383	\$ 743,063	\$ 726,561	\$ 10,800,963
Investment income (loss), net of fees	(79,693)	(272,405)	(12,076)	129,102	(235,072)
Net realized/unrealized gains (losses) 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	2,413,295	11,355,608	586,126	3,740,742	18,095,771
Investment income (loss), net of fees	(20,961)	(689,200)	(11,194)	409,367	(311,988)
Net realized/unrealized gains on investments	850,005	6,113,166	43,877	82,621	7,089,669
Purchases	195,857	3,070,320	-	2,964,088	6,230,265
Withdrawals	<u>(221,226)</u>	<u>(1,434,834)</u>	<u>(6,445)</u>	<u>-</u>	<u>(1,662,505)</u>
Balance at December 31, 2021	<u>\$ 3,216,970</u>	<u>\$ 18,415,060</u>	<u>\$ 612,364</u>	<u>\$ 7,196,818</u>	<u>\$ 29,441,212</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, 2021

	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	\$ 384,187	\$ -	\$ -	\$ -	\$ -	\$ 27,910	\$ -	\$ 412,097
Interest, dividends, and other receivables	587,075	5,154	528	17,191	305,416	-	(305,416)	609,948
Notes and loans receivable, less allowance of \$760,530	6,844,770	-	-	-	5,999,988	-	(5,999,988)	6,844,770
Contributions receivable, net	421,805	-	-	-	-	-	-	421,805
Prepaid expenses	38,138	-	-	1,079	-	4,309	-	43,526
Due from affiliated organization	23,289	-	-	-	-	-	(23,289)	-
Investments:								
Cash equivalent funds	16,177,534	391,544	40,070	245,617	-	-	-	16,854,765
U.S. Government and agency obligations	2,092,567	-	-	84,746	-	-	-	2,177,313
Corporate bonds	4,028,591	-	-	2,042,837	-	-	-	6,071,428
Fixed income	54,390,964	1,568,031	160,751	831,263	-	-	-	56,951,009
Common and preferred stocks	191,791,372	5,621,470	576,302	8,012,633	-	-	-	206,001,777
Common trust funds	619,442	-	-	-	-	-	-	619,442
Alternative investments	88,371,492	3,163,123	324,278	-	-	-	-	91,858,893
	<u>357,471,962</u>	<u>10,744,168</u>	<u>1,101,401</u>	<u>11,217,096</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>380,534,627</u>
Property and equipment:								
Land, building and improvements	14,247	-	-	-	320,000	1,724,195	-	2,058,442
Furniture and office equipment	93,320	-	-	-	-	-	-	93,320
	<u>107,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>320,000</u>	<u>1,724,195</u>	<u>-</u>	<u>2,151,762</u>
Less allowance for depreciation	63,228	-	-	-	-	518,457	-	581,685
	<u>44,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>320,000</u>	<u>1,205,738</u>	<u>-</u>	<u>1,570,077</u>
Investment in subsidiary	3,177,798	-	-	-	-	-	(3,177,798)	-
Other assets	6,636,607	-	-	-	-	-	-	6,636,607
Total assets	<u>\$ 375,629,970</u>	<u>\$ 10,749,322</u>	<u>\$ 1,101,929</u>	<u>\$ 11,235,366</u>	<u>\$ 6,625,404</u>	<u>\$ 1,237,957</u>	<u>\$ (9,506,491)</u>	<u>\$ 397,073,457</u>

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December 31, 2021

	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	\$ 139,243	\$ -	\$ -	\$ -	\$ 306,700	\$ 35,633	\$ (305,416)	\$ 176,160
Liability to annuitants	2,437,477	-	-	-	-	-	-	2,437,477
Grants payable	1,282,086	25,000	-	-	-	-	-	1,307,086
Due to affiliated organization	-	-	-	14,373	8,916	-	(23,289)	-
Interest rate swap	-	-	-	-	-	64,842	-	64,842
Note payable	-	-	-	-	-	1,776,211	-	1,776,211
Note payable to Stark Community Foundation	-	-	-	-	5,999,988	-	(5,999,988)	-
Funds held as agency endowments	102,151,246	-	-	-	-	-	-	102,151,246
	<u>106,010,052</u>	<u>25,000</u>	<u>-</u>	<u>14,373</u>	<u>6,315,604</u>	<u>1,876,686</u>	<u>(6,328,693)</u>	<u>107,913,022</u>
Net assets without donor restrictions	269,619,918	10,724,322	1,101,929	11,220,993	309,800	-	-	292,976,962
Member's (deficit)	-	-	-	-	-	(638,729)	(3,177,798)	(3,816,527)
Total net assets and member's (deficit)	<u>269,619,918</u>	<u>10,724,322</u>	<u>1,101,929</u>	<u>11,220,993</u>	<u>309,800</u>	<u>(638,729)</u>	<u>(3,177,798)</u>	<u>289,160,435</u>
<hr/>								
Total liabilities, net assets, and member's (deficit)	<u>\$ 375,629,970</u>	<u>\$ 10,749,322</u>	<u>\$ 1,101,929</u>	<u>\$ 11,235,366</u>	<u>\$ 6,625,404</u>	<u>\$ 1,237,957</u>	<u>\$ (9,506,491)</u>	<u>\$ 397,073,457</u>

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.

Combining Statement of Activities

Year Ended December 31, 2021

	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	\$ 34,996,194	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,996,194
Less: amounts received for agency transactions	2,188,893	-	-	-	-	-	-	2,188,893
Net contributions	32,807,301	-	-	-	-	-	-	32,807,301
Investment income, net	1,761,320	(64,105)	(9,502)	55,826	-	-	-	1,743,539
Less: investment (loss) for agency transactions, net	(248,046)	-	-	-	-	-	-	(248,046)
Net investment income	2,009,366	(64,105)	(9,502)	55,826	-	-	-	1,991,585
Rental income	-	-	-	-	50	194,659	(66,669)	128,040
Interest on notes and loans receivable	469,136	-	-	-	345,416	-	(345,416)	469,136
Other income	162,282	-	-	-	-	-	-	162,282
Total net realized and unrealized investment gains	47,805,209	1,689,227	177,263	1,405,144	-	-	-	51,076,843
Less: investment gains on agency transactions	14,823,078	-	-	-	-	-	-	14,823,078
Net realized and unrealized investment gains	32,982,131	1,689,227	177,263	1,405,144	-	-	-	36,253,765
Total revenues and investment activity	68,430,216	1,625,122	167,761	1,460,970	345,466	194,659	(412,085)	71,812,109
Expenses								
Total grants	11,712,366	238,054	45,000	347,322	-	-	-	12,342,742
Less: grants made from agency transactions	3,780,324	-	-	-	-	-	-	3,780,324
Net grants expense	7,932,042	238,054	45,000	347,322	-	-	-	8,562,418
Depreciation	2,190	-	-	-	-	47,352	-	49,542
Provision for uncollectible contributions and loans	293,981	-	-	-	-	-	-	293,981
Other expenses	2,233,281	2,002	1,999	2,544	347,216	105,059	(412,085)	2,280,016
Less: other expenses from agency transactions	12,500	-	-	-	-	-	-	12,500
Net other expenses	2,220,781	2,002	1,999	2,544	347,216	105,059	(412,085)	2,267,516
Total expenses	10,448,994	240,056	46,999	349,866	347,216	152,411	(412,085)	11,173,457
Change in net assets and member's (deficit)	57,981,222	1,385,066	120,762	1,111,104	(1,750)	42,248	-	60,638,652
Net assets and member's (deficit) at beginning of year	211,638,696	9,339,256	981,167	10,109,889	311,550	(810,977)	(3,047,798)	228,521,783
Contribution of member's equity	-	-	-	-	-	130,000	(130,000)	-
Net assets and member's (deficit) at end of year	\$ 269,619,918	\$ 10,724,322	\$ 1,101,929	\$ 11,220,993	\$ 309,800	\$ (638,729)	\$ (3,177,798)	\$ 289,160,435