

**COLLIER COMMUNITY FOUNDATION, INC.  
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

June 30, 2025 and 2024



CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT .....	1-2
FINANCIAL STATEMENTS:	
Consolidated Statements of Financial Position.....	3
Consolidated Statements of Activities and Changes in Net Assets .....	4
Consolidated Statements of Program and Supporting Services .....	5-6
Consolidated Statements of Cash Flows .....	7-8
Notes to Consolidated Financial Statements.....	9-21
SUPPLEMENTARY INFORMATION:	
Schedule of State Financial Assistance.....	22
Notes to Schedule of State Financial Assistance .....	23
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Consolidated Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	24-25
Independent Auditor's Report on Compliance for Each Major State Program and on Internal Control Over Compliance Required by Chapter 10.650, <i>Rules of the Florida     Auditor General</i> .....	26-28
Schedule of Findings and Questioned Costs.....	29-30

January 15, 2026

Board of Directors and Members of  
Collier Community Foundation, Inc. and Subsidiaries  
Naples, Florida

## **Independent Auditor's Report**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of Collier Community Foundation, Inc. and Subsidiaries (the Foundation) which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, program and supporting services, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Collier Community Foundation, Inc. and Subsidiaries as of June 30, 2025 and 2024, 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Responsibilities of Management for the Consolidated Financial Statements**

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

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

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

#### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of state financial assistance, in accordance with the requirements of Section 215.97, Florida Statutes, and Chapter 10.650, *Rules of the Florida Auditor General*, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of state financial assistance is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2026, on our consideration of Collier Community Foundation, Inc. and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Collier Community Foundation, Inc. and Subsidiaries' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Collier Community Foundation, Inc. and Subsidiaries' internal control over financial reporting and compliance.

*Hill, Barth & King LLC*

Certified Public Accountants

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 32,492,903	\$ 49,974,446
Accrued interest receivable	255,857	459,695
Investments	316,512,669	241,456,403
Program related investments	2,404,137	-
Other receivables	2,249,189	1,020,416
Pledges receivable, net	4,666	61,083
Split-interest agreements	264,970	290,031
Beneficial interest agreement	22,303	25,894
Property and equipment, net	1,651,817	1,742,786
Other assets	1,496,575	164,344
TOTAL ASSETS	<u>\$ 357,355,086</u>	<u>\$ 295,195,098</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<u>LIABILITIES</u>		
Grants and scholarships payable	\$ 7,887,739	\$ 11,436,834
Payables and accrued expenses	246,829	555,356
Funds held for agencies	66,828,471	55,678,749
TOTAL LIABILITIES	<u>74,963,039</u>	<u>67,670,939</u>
<u>NET ASSETS</u>		
Without donor restrictions:		
Undesignated	64,453,825	55,957,647
Field of interest	23,535,858	20,916,250
Scholarships	10,099,383	8,115,352
Donor-designated	42,788,022	28,654,611
Donor-advised	133,050,812	105,869,567
Supporting organizations	8,176,874	7,694,807
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>282,104,774</u>	<u>227,208,234</u>
NET ASSETS WITH DONOR RESTRICTIONS	<u>287,273</u>	<u>315,925</u>
TOTAL NET ASSETS	<u>282,392,047</u>	<u>227,524,159</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 357,355,086</u>	<u>\$ 295,195,098</u>

See accompanying notes to consolidated financial statements

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years ended June 30, 2025 and 2024

	2025			2024		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
<u>SUPPORT AND REVENUES</u>						
Contributions	\$ 59,556,879	\$ -	\$ 59,556,879	\$ 43,610,448	\$ -	\$ 43,610,448
Interest and dividend income, net	6,495,799	-	6,495,799	5,157,727	-	5,157,727
Realized net gains on investments	22,027,279	-	22,027,279	2,730,453	-	2,730,453
Unrealized net (losses) gains on investments	(746,021)	-	(746,021)	14,702,623	-	14,702,623
Administrative fees - agency funds	219,291	-	219,291	191,814	-	191,814
Miscellaneous income	2,881	-	2,881	1,284	-	1,284
TOTAL SUPPORT AND REVENUES	<u>87,556,108</u>	<u>-</u>	<u>87,556,108</u>	<u>66,394,349</u>	<u>-</u>	<u>66,394,349</u>
<u>EXPENSES</u>						
Program services:						
Grants and program expenses	28,915,743	-	28,915,743	22,928,877	-	22,928,877
Women's Foundation of Collier County	408,234	-	408,234	359,713	-	359,713
Donor services program	512,925	-	512,925	444,459	-	444,459
Unrestricted grants program	899,791	-	899,791	814,542	-	814,542
TOTAL PROGRAM SERVICES	<u>30,736,693</u>	<u>-</u>	<u>30,736,693</u>	<u>24,547,591</u>	<u>-</u>	<u>24,547,591</u>
Supporting services:						
Development	1,027,868	-	1,027,868	954,394	-	954,394
Management and general	895,007	-	895,007	905,019	-	905,019
TOTAL SUPPORTING SERVICES	<u>1,922,875</u>	<u>-</u>	<u>1,922,875</u>	<u>1,859,413</u>	<u>-</u>	<u>1,859,413</u>
TOTAL EXPENSES	<u>32,659,568</u>	<u>-</u>	<u>32,659,568</u>	<u>26,407,004</u>	<u>-</u>	<u>26,407,004</u>
Change in value of beneficial interest agreement	-	(3,591)	(3,591)	-	(2,072)	(2,072)
Change in value of split - interest agreements and annuity obligations	-	(25,061)	(25,061)	-	92,276	92,276
CHANGES IN NET ASSETS	<u>54,896,540</u>	<u>(28,652)</u>	<u>54,867,888</u>	<u>39,987,345</u>	<u>90,204</u>	<u>40,077,549</u>
<u>NET ASSETS</u>						
Beginning of year	227,208,234	315,925	227,524,159	187,220,889	225,721	187,446,610
End of year	<u>\$ 282,104,774</u>	<u>\$ 287,273</u>	<u>\$ 282,392,047</u>	<u>\$227,208,234</u>	<u>\$ 315,925</u>	<u>\$ 227,524,159</u>

See accompanying notes to consolidated financial statements

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF PROGRAM AND SUPPORTING SERVICES

Year ended June 30, 2025

	<b>PROGRAM SERVICES</b>				<b>SUPPORTING SERVICES</b>		<b>TOTAL</b>
	<b>GRANTS AND PROGRAM EXPENSES</b>	<b>WOMEN'S FOUNDATION OF COLLIER COUNTY</b>	<b>DONOR SERVICES PROGRAM</b>	<b>UNRESTRICTED GRANTS PROGRAM</b>	<b>DEVELOPMENT</b>	<b>MANAGEMENT AND GENERAL</b>	<b>2025</b>
Grants and scholarships	\$ 28,530,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ <b>28,530,300</b>
Salaries and benefits	51,445	167,900	426,844	622,870	548,113	575,872	<b>2,393,044</b>
Rent and CAM	-	-	6,791	11,437	10,916	9,650	<b>38,794</b>
Professional services	245,156	40,370	4,823	93,364	24,565	95,202	<b>503,480</b>
Information technology	66,516	3,320	21,175	81,957	29,889	114,117	<b>316,974</b>
Office expense	972	3,088	21,161	39,985	44,252	31,797	<b>141,255</b>
Printing and publications	-	14,164	-	2,374	81,561	-	<b>98,099</b>
Special events	-	174,998	-	-	50,835	-	<b>225,833</b>
Advertising	-	199	-	-	157,202	-	<b>157,401</b>
Dues and subscriptions	-	500	1,704	11,772	7,514	10,046	<b>31,536</b>
Program expenses	9,586	-	-	-	-	-	<b>9,586</b>
Conferences and meetings	11,768	3,695	13,143	6,922	53,008	33,761	<b>122,297</b>
Depreciation	-	-	17,284	29,110	20,013	24,562	<b>90,969</b>
<b>TOTAL</b>	<b>\$ 28,915,743</b>	<b>\$ 408,234</b>	<b>\$ 512,925</b>	<b>\$ 899,791</b>	<b>\$ 1,027,868</b>	<b>\$ 895,007</b>	<b>\$ 32,659,568</b>

See accompanying notes to consolidated financial statements

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF PROGRAM AND SUPPORTING SERVICES (CONTINUED)**

Year ended June 30, 2024

	<b>PROGRAM SERVICES</b>				<b>SUPPORTING SERVICES</b>		<b>TOTAL</b>
	<b>GRANTS AND PROGRAM EXPENSES</b>	<b>WOMEN'S FOUNDATION OF COLLIER COUNTY</b>	<b>DONOR SERVICES PROGRAM</b>	<b>UNRESTRICTED GRANTS PROGRAM</b>	<b>DEVELOPMENT</b>	<b>MANAGEMENT AND GENERAL</b>	<b>2024</b>
Grants and scholarships	\$ 22,585,758	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,585,758
Salaries and benefits	57,845	137,251	376,875	554,918	491,539	543,220	2,161,648
Rent and CAM	-	-	6,791	11,437	7,863	9,650	35,741
Professional services	136,020	50,314	4,223	39,571	5,104	128,624	363,856
Information technology	12,848	6,993	16,722	98,845	26,733	91,369	253,510
Office expense	100	5,307	19,874	36,184	27,790	73,489	162,744
Printing and publications	-	11,728	-	17,429	87,439	-	116,596
Special events	-	144,226	-	-	36,358	-	180,584
Advertising	-	-	-	6,470	184,268	-	190,738
Dues and subscriptions	-	1,170	2,111	11,683	6,766	12,625	34,355
Program expenses	134,985	-	-	-	-	-	134,985
Conferences and meetings	1,321	2,724	529	8,812	60,464	21,410	95,260
Depreciation	-	-	17,334	29,193	20,070	24,632	91,229
<b>TOTAL</b>	<b>\$ 22,928,877</b>	<b>\$ 359,713</b>	<b>\$ 444,459</b>	<b>\$ 814,542</b>	<b>\$ 954,394</b>	<b>\$ 905,019</b>	<b>\$ 26,407,004</b>

See accompanying notes to consolidated financial statements

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from contributions	\$ 24,400,006	\$ 34,712,264
Cash received from contributed securities	28,952,987	7,399,803
Cash received from interest and dividends	8,627,659	6,755,478
Cash received (paid) for agency transactions	3,965,388	(9,219,579)
Cash paid for grants and program expenses	(31,943,024)	(24,841,533)
Cash paid for other expenses	(4,745,551)	(4,393,840)
Other cash receipts	217,672	194,770
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>29,475,137</u>	<u>10,607,363</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from sale of investments	143,863,804	50,189,939
Purchase of investments	(189,295,051)	(44,747,482)
Proceeds received on issued loans	819,633	101,296
Issued loans	(2,525,066)	-
Proceeds from sale of property and equipment	180,000	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(46,956,680)</u>	<u>5,543,753</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<b>(17,481,543)</b>	16,151,116
<u>CASH AND CASH EQUIVALENTS</u>		
Beginning of year	<u>49,974,446</u>	33,823,330
End of year	<u>\$ 32,492,903</u>	<u>\$ 49,974,446</u>

See accompanying notes to the consolidated financial statements

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

Years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<u>RECONCILIATION OF CHANGES IN NET ASSETS TO</u>		
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
Changes in net assets	\$ 54,867,888	\$ 40,077,549
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Gain on sale of investments	(28,799,339)	(3,483,710)
Net (appreciation) depreciation in fair value of investments	1,056,334	(19,264,251)
Change in present value discount of pledges receivable	-	(4,702)
Depreciation	90,969	91,229
Change in value of split-interest agreements and annuity obligations	25,061	(92,276)
Change in value of beneficial interest agreement	3,591	2,072
Contributed securities	(1,787,020)	(5,381,886)
Contributed property	(2,275,000)	-
Impairment loss on contributed property	650,000	-
(Increase) decrease in assets:		
Accrued interest receivable	203,838	8,459
Other receivables	(1,927,477)	(320,040)
Pledges receivable	56,417	110,083
Other assets	17,775	(44,409)
Increase (decrease) in liabilities:		
Grants and scholarships payable	(3,549,095)	(3,498,503)
Payables and accrued expenses	(308,527)	311,231
Funds held for agencies	11,149,722	2,096,517
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 29,475,137</u>	<u>\$ 10,607,363</u>

See accompanying notes to the consolidated financial statements

# COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2025 and 2024

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Nature of Activities:**

Collier Community Foundation, Inc. and Subsidiaries (Foundation) was incorporated in 1983 and began its operations in 1985 as a Florida nonprofit corporation. The express purpose of the Foundation is to support and fund charitable, educational, and cultural endeavors and social services primarily in Collier County, Florida by providing a permanent source of capital and endowment funds to meet the changing needs of Collier County in perpetuity. Grants awarded are in accordance with the terms of the Foundation's guidelines and are subject to the approval of the Board of Directors (the Board).

#### **Principles of Consolidation:**

The accompanying consolidated financial statements include the accounts of Collier Community Foundation, Inc., two supporting organizations: The Kapnick Fund, Inc., and The Lawrence and Ellen Macks Family Foundation of Florida, Inc. and a single member limited liability company: CFCC Real Estate, LLC (collectively, the "Foundation"), after elimination of intercompany accounts and transactions.

#### **Basis of Accounting:**

The accounts of the Foundation are maintained, and the accompanying consolidated financial statements have been prepared, on the accrual basis of accounting. Accordingly, assets are recorded when the Foundation obtains the rights of ownership or is entitled to claims for receipt and liabilities are recorded when the obligation is incurred.

#### **Financial Statement Presentation:**

Net assets and revenue, expenses, gains, and losses are classified on the existence or absence of donor-imposed restrictions. Although most contributions to the Foundation include donor-imposed restrictions, the variance power established in the amended Declaration of Trust and the Corporate By-Laws for Collier Community Foundation, Inc. gives the Foundation unilateral variance power to alter the restriction on any donation without the donor's approval. The provisions regarding variance power have been included in the Foundation's governing instruments since it was established in 1983. This variance power applies to all of the funds created within the Foundation. In addition, the total return spending policy adopted by the Foundation allows the Foundation to supplement income with distributions from the original corpus of gifts, if necessary, to maintain distribution levels authorized by the Foundation's Board.

Accordingly, net assets of the Foundation and changes therein are classified as net assets without donor restrictions for financial reporting purposes except for those assets that have time restrictions, which will delay receipt of funds into the Foundation. Assets with time restrictions are recorded as net assets with donor restrictions. Expirations of donor-imposed restrictions on net assets are reported as reclassifications between the applicable classes of net assets. Net assets are released from donor restrictions by the occurrence of the passage of time or other events specified by the donors.

## COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

#### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### **Financial Statement Presentation (Continued):**

Notwithstanding the classification of net assets without donor restrictions, the Foundation generally considers donor grantmaking preferences, as stated in wills or fund agreements, when making distributions. However, consistent with the variance power granted to the Foundation under its governing documents, the Board of Directors retains ultimate authority and discretion over all grantmaking decisions.

The Foundation's component Funds, which have been combined for presentation purposes, are of various types reflecting the intent of the donors who have contributed to them and are described as follows:

*Undesignated Funds* – Represents funds without donor restrictions where the donor has given the board full discretion to make distributions for charitable purposes to meet the needs of Collier County.

*Field of Interest Funds* – Represents funds without donor restrictions used at the board's discretion to benefit a particular charitable need (or field of interest) specified by the donor.

*Scholarship Funds* – Represents funds without donor restrictions that are used to provide nondiscriminatory scholarships to eligible applicants in order to further their education.

*Donor-Designated Funds* – Represents funds where the donor has designated a charity or charities for which support will be provided and are classified as without donor restrictions by virtue of the variance power of the Foundation board.

*Donor-Advised Funds* – Represents funds without donor restrictions for which the donor wishes to be actively involved in choosing the organizations that receive grants from the fund. However, ultimate responsibility and discretion for making such distributions remains with the Board and donor recommendations are advisory in nature.

*Supporting Organizations* – Represents separate Florida nonprofit corporations established exclusively for charitable, educational, and scientific purposes and specifically within those purposes to support the work of the Foundation.

*Net Assets with Donor Restrictions* – Represents Foundation assets which will not be available for Foundation use until a specific time restriction expires or an event occurs, such as the maturation of remainder trusts or satisfaction of beneficial interest agreements.

##### **Liquidity:**

Assets are presented in the accompanying consolidated statements of financial position according to their nearness of conversion to cash, and liabilities according to the nearness of their maturity and resulting use of cash.

##### **Cash and Cash Equivalents:**

For purposes of these consolidated financial statements, the Foundation considers all unrestricted bank accounts, money market funds, and short-term investments with a maturity of three months or less when purchased to be cash equivalents. The Foundation maintains bank accounts with balances which, at times, may exceed federally insured limits. The exposure to the Foundation for uninsured cash at June 30, 2025 is \$8,042,599.

## COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

#### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### **Investments:**

Investments in securities, mutual funds, corporate bonds, and government bonds are carried at fair value determined by quoted prices for the same or similar assets on the last business day of the year. Investments in alternative investment funds that are not readily tradable are carried at an estimated fair value at the end of the period, as determined by management based upon consolidated financial statements, third-party pricing services, and other financial information reported by the administrator of the underlying investment funds.

##### **Split-Interest Agreements:**

The Foundation's split-interest agreements consist primarily of charitable remainder trusts for which the Foundation is an irrevocable beneficiary but does not serve as trustee. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as increases or decreases in the value of split-interest agreements in the consolidated statements of activities and changes in net assets.

##### **Beneficial Interest Agreement:**

The Foundation's beneficial interest agreement consists of a charitable gift annuity where the annuity is the obligation of a different charity. Upon the charity's satisfaction of its obligation, the entire residuum will be distributed to the Foundation. This designation is irrevocable. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as increases or decreases in the value of beneficial interest agreement in the consolidated statements of activities and changes in net assets.

##### **Property and Equipment:**

Property and equipment are capitalized at cost, if purchased or at fair value at the time of contribution, on items valued at more than \$2,500 with a life greater than one year. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the respective assets ranging from 5-35 years.

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

##### **Funds Held for Agencies:**

The Foundation has adopted accounting standards for transactions in which a community foundation accepts a contribution from a nonprofit Foundation and agrees to transfer those assets, the return on investment of those assets, or both, back to the nonprofit Foundation. The standards specifically require that if a nonprofit Foundation establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability rather than as a contribution. The Foundation refers to such funds as agency funds. The Foundation maintains variance power and legal ownership of agency endowment funds and as such continues to report the funds as assets of the Foundation. However, a liability has been established for the fair value of the funds.

##### **Contributions:**

Contributions are recorded at fair value when received or when the Foundation is notified of an irrevocable gift. Gifts of real estate and property are recorded at fair value at the date of the gift. The Foundation received gifts from two donors that represent 31% of contribution revenue for the year ended June 30, 2025, and one donor that represents 34% of contribution revenue for the year ended June 30, 2024.

## COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

#### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### **Functional Allocation of Expenses:**

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of program and supporting services. Accordingly, grants and other pass-through funds have been allocated directly to program services. Certain costs, including salaries and benefits, occupancy, information technology, and other shared administrative expenses, have been allocated to program and supporting services based on estimates of time and effort expended, as determined through time studies and other reasonable allocation methodologies applied consistently by management.

##### **Fair Value Measurements:**

The Foundation categorizes its assets and liabilities, measured at fair value, into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

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

*Level 2* – Financial assets and liabilities are valued using inputs which are quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data. Level 2 includes private collateralized mortgage obligations, municipal bonds, and corporate debt securities.

*Level 3* – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset or inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes privately held domestic equities.

The Foundation measures assets without readily determinable fair values using net asset value per share (or equivalent) as an expedient. These assets and liabilities fall within the hierarchy level known as NAV which includes private equity funds, venture capital funds, hedge funds, commingled funds, and real estate investment funds.

Subsequent to initial recognition, the Foundation may remeasure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

##### **Donated Services:**

Many individuals volunteer their time and perform a variety of tasks that assist the Foundation in educational services, committee assignments, and fund-raising. During the years ended June 30, 2025 and 2024, the Foundation did not recognize donated services in the consolidated statements of activities and changes in net assets.

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Income Taxes:**

The Internal Revenue Service (IRS) has determined the Collier Community Foundation, Inc. and its supporting organizations to be exempt from income taxes under the provisions of Internal Revenue Code (IRC) Section 501(c)(3). In addition, the Foundation has been determined by the IRS to be other than a private foundation within the meaning of Section 509(a) of the IRC. Accordingly, no provision for income taxes has been made in these consolidated financial statements.

CFCC Real Estate, LLC, a for-profit Florida limited liability company, is a disregarded entity for tax purposes, with its income reported by the Foundation. Transactions within the entity are not expected to have a significant tax impact.

**Use of Estimates:**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B – INVESTMENTS

Investments at June 30, 2025 and 2024, are composed of the following:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Domestic equities	\$125,775,015	\$146,794,163	\$ 66,013,295	\$ 89,970,119
International equities	49,755,363	58,215,231	34,979,509	39,977,997
Fixed income	80,162,546	79,570,940	54,431,366	51,753,972
Commingled funds	6,973,313	15,439,741	30,997,287	41,400,457
Hedge funds	3,544,000	4,428,253	3,809,811	6,851,683
Private equity	14,275,663	11,836,084	13,432,614	10,215,213
Real estate investment funds	115,822	180,499	825,000	1,248,773
Commodity funds	44,477	47,758	44,712	38,189
<b>TOTAL INVESTMENTS</b>	<b>\$280,646,199</b>	<b>\$316,512,669</b>	<b>\$ 204,533,594</b>	<b>\$ 241,456,403</b>

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

NOTE B – INVESTMENTS (CONTINUED)

Several of the alternative investment funds may engage in the speculative trading of commodity interests, including commodity and financial futures, forward contracts, options on futures, and other financial instruments. Risks to these investment companies arise from the possible adverse changes in the market value of such interests and the potential inability of counterparties to perform under the terms of the contracts. In addition, the funds from time-to-time may utilize leveraging in the underlying investments. However, the risk to the Foundation is limited to the amount of the Foundation's investments in each of these funds. There are no alternative investment funds that represent more than 5% of its net assets as of June 30, 2025 and 2024.

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

The following is a detailed summary of investment return for the years ended June 30:

	<b>2025</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Dividend and interest income	\$ 8,423,823	\$ -	\$ 8,423,823
Gain on sale of investments	28,799,339	-	28,799,339
Investment fees	(712,818)	-	(712,818)
Net change in fair value of investments	(1,706,325)	-	(1,706,325)
Less: investment gain allocated to agency funds	(7,026,962)	-	(7,026,962)
NET INVESTMENT RETURN	<u>\$ 27,777,057</u>	<u>\$ -</u>	<u>\$ 27,777,057</u>

	<b>2024</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Dividend and interest income	\$ 6,747,019	\$ -	\$ 6,747,019
Gain on sale of investments	3,483,710	-	3,483,710
Investment fees	(691,774)	-	(691,774)
Net change in fair value of investments	19,264,251	-	19,264,251
Less: investment gain allocated to agency funds	(6,212,403)	-	(6,212,403)
NET INVESTMENT RETURN	<u>\$ 22,590,803</u>	<u>\$ -</u>	<u>\$ 22,590,803</u>

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

NOTE C – AGENCY FUNDS

Agency funds are assets received from nonprofit organizations that designated themselves as beneficiaries. Accordingly, agency funds are reported as liabilities rather than as net assets without donor restrictions to the Foundation. The liability balance and activities related to agency funds are summarized as follows:

	<u>2025</u>	<u>2024</u>
Liability for agency funds, beginning of year	\$ 55,678,749	\$ 53,582,232
Receipts	5,487,397	6,186,070
Interest and dividend income, net	1,215,214	897,518
Realized and unrealized net gains (losses) on investment	5,811,748	5,314,884
Distributions	(1,145,346)	(10,110,141)
Administrative expense allocation	(219,291)	(191,814)
Liability for agency funds, end of year	<u>\$ 66,828,471</u>	<u>\$ 55,678,749</u>

NOTE D – PLEDGES RECEIVABLE

Pledges receivable as of June 30, 2025 and 2024 consist of and are expected to be collected as follows:

	<u>2025</u>	<u>2024</u>
Pledges	\$ 4,666	\$ 61,083
Less: discount to net present value	-	-
<b>TOTAL PLEDGES RECEIVABLE</b>	<u>\$ 4,666</u>	<u>\$ 61,083</u>
Less than one year	\$ 4,666	\$ 58,083
One to five years	-	3,000
<b>TOTAL PLEDGES RECEIVABLE</b>	<u>\$ 4,666</u>	<u>\$ 61,083</u>

NOTE E – SPLIT-INTEREST AGREEMENTS

The Foundation is known to be an irrevocable beneficiary of one charitable remainder trust. The Foundation is not the trustee for the trust and does not exercise control over any of the assets. The beneficial interest in these assets of \$264,970 and \$290,031 has been recorded, as of June 30, 2025 and 2024, respectively, at the present value of the estimated future benefits to be received once the assets are distributed, using a discount rate of 5% and 5.6%, respectively, and a remainder factor based on the life expectancy of the donor.

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

NOTE F – PROPERTY AND EQUIPMENT

Property and equipment, net, at June 30, 2025 and 2024, consists of the following:

	<u>2025</u>	<u>2024</u>
Building	\$ 2,208,386	\$ 2,208,386
Office equipment	<u>301,524</u>	<u>301,524</u>
	2,509,910	2,509,910
Less accumulated depreciation	<u>858,093</u>	<u>767,124</u>
NET PROPERTY AND EQUIPMENT	<u>\$ 1,651,817</u>	<u>\$ 1,742,786</u>

Depreciation expense was \$90,969 and \$91,229 for the years ended June 30, 2025 and 2024, respectively.

NOTE G – GRANTS AND SCHOLARSHIPS PAYABLE

Grants and scholarships are recorded as expenses when authorized and committed to a specified recipient and all material conditions have been satisfied by the recipient. As of June 30, 2025, grants and scholarships payable for the next five years and thereafter are as follows:

2026	\$ 5,132,081
2027	1,277,608
2028	523,300
2029	351,750
2030	193,000
Thereafter	<u>410,000</u>
	<u>\$ 7,887,739</u>

NOTE H – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30:

	<u>2025</u>	<u>2024</u>
Time restricted - split interest agreements	\$ 264,970	\$ 290,031
Time restricted - beneficial interest agreement	<u>22,303</u>	<u>25,894</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 287,273</u>	<u>\$ 315,925</u>

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

NOTE I – FAIR VALUE MEASUREMENTS

The Foundation uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. For additional information on how the Foundation measures fair value, refer to NOTE A. The following table presents the fair value hierarchy for the balances of the assets of the Foundation measured at fair value on a recurring basis as of June 30, 2025 and 2024:

	<b>Balance at June 30, 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>NAV</b>
Assets:					
Investments:					
Domestic equities	\$146,794,163	\$146,691,172	\$ 102,991	\$ -	\$ -
International equities	58,215,231	58,215,231	-	-	-
Fixed income	79,570,940	73,135,405	6,435,535	-	-
Commingled funds	15,439,741	-	-	471,499	14,968,242
Hedge funds	4,428,253	-	-	-	4,428,253
Private equity	11,836,084	-	-	-	11,836,084
Real estate investment funds	180,499	-	-	-	180,499
Commodity funds	47,758	47,758	-	-	-
Total investments	<u>\$316,512,669</u>	<u>\$278,089,566</u>	<u>\$ 6,538,526</u>	<u>\$ 471,499</u>	<u>\$ 31,413,078</u>
Split-interest agreements	<u>\$ 264,970</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 264,970</u>	<u>\$ -</u>
Beneficial interest agreement	<u>\$ 22,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,303</u>	<u>\$ -</u>
	<b>Balance at June 30, 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>NAV</b>
Assets:					
Investments:					
Domestic equities	\$ 89,970,119	\$ 89,850,119	\$ -	\$ 120,000	\$ -
International equities	39,977,997	39,977,997	-	-	-
Fixed income	51,753,972	40,176,402	11,577,570	-	-
Commingled funds	41,400,457	-	-	728,282	40,672,175
Hedge funds	6,851,683	-	-	-	6,851,683
Private equity	10,215,213	-	-	-	10,215,213
Real estate investment funds	1,248,773	-	-	-	1,248,773
Commodity funds	38,189	38,189	-	-	-
Total investments	<u>\$ 241,456,403</u>	<u>\$ 170,042,707</u>	<u>\$ 11,577,570</u>	<u>\$ 848,282</u>	<u>\$ 58,987,844</u>
Split-interest agreements	<u>\$ 290,031</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 290,031</u>	<u>\$ -</u>
Beneficial interest agreement	<u>\$ 25,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,894</u>	<u>\$ -</u>

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

NOTE I – FAIR VALUE MEASUREMENTS (CONTINUED)

	<u>2025</u>	<u>2024</u>
Level 3 Split-Interest Agreements:		
Balance at beginning of year	\$ 290,031	\$ 197,755
Change in fair value of split-interest agreements	<u>(25,061)</u>	<u>92,276</u>
Balance at end of year	<u>\$ 264,970</u>	<u>\$ 290,031</u>
 Level 3 Beneficial Interest Agreement:		
Balance at beginning of year	\$ 25,894	\$ 27,966
Change in fair value of beneficial interest agreement	<u>(3,591)</u>	<u>(2,072)</u>
Balance at end of year	<u>\$ 22,303</u>	<u>\$ 25,894</u>
 Level 3 Commingled Funds:		
Balance at beginning of year	\$ 728,282	\$ 783,175
Change in fair value of commingled funds	<u>(256,783)</u>	<u>67,607</u>
Sale of commingled funds	<u>-</u>	<u>(122,500)</u>
Balance at end of year	<u>\$ 471,499</u>	<u>\$ 728,282</u>
 Level 3 Domestic Equities:		
Balance at beginning of year	\$ 120,000	\$ 120,000
Sale of domestic equities	<u>(120,000)</u>	<u>-</u>
Balance at end of year	<u>\$ -</u>	<u>\$ 120,000</u>

Level 1 quoted prices (unadjusted) that are observable in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurable rate.

Level 2 fixed income and structured investments are measured at fair value with a valuation technique utilizing market prices at the close of the last business day for the statement period, provided by the investment advisors. In addition, Level 2 assets consist of domestic equities, and fixed income and are measured at fair value with a valuation technique utilizing market prices at the close of the last business day for the statement period, provided by the investment advisors.

Level 3 privately held domestic equities and commingled funds are measured at cost. Split-interest agreements, beneficial interest agreements are measured at fair value with a valuation technique utilizing estimated payout percentages, life expectancies, and IRS remainder factors.

The Foundation holds investments in certain entities that calculate net asset value per share (or its equivalent). Additionally, the Foundation invests in certain illiquid assets as part of its overall investment strategy. The liquidity needs of the investment pools are reviewed periodically to ensure that the Foundation maintains adequate liquid investments in order to meet its grantmaking obligations.

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

NOTE I – FAIR VALUE MEASUREMENTS (CONTINUED)

The components of these funds are as follows for hedge fund, private equity, real estate and commingled fund investments as of June 30, 2025:

<u>Investments</u>	<u>NAV</u>	<u>Investment Objective</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
<b>Hedge Fund Investments:</b>				
Hedge Fund	\$ 1,010,207	Private Credit	Lockup Period Ends December 2027	N/A
Hedge Fund	1,011,227	Private Credit	Quarterly	30 days
Hedge Fund	1,560,311	Relative Value	Quarterly	97 days
Hedge Fund	846,508	Long/Short Equity	Quarterly to Annually	50 to 60 days
	<u>NAV</u>	<u>Unfunded Commitments</u>	<u>Investment Objective</u>	<u>Term Remaining</u>
<b>Private Equity Investments:</b>				
<b>Limited Partnerships:</b>				
Private Equity Funds	\$ 4,373,185	\$ 2,878,533	Private Credit	1-6 years
Private Equity Funds of Funds	2,135,907	643,072	Buyout / Venture Capital	1-9 years
Private Equity Funds	1,754,326	1,493,328	Venture Capital	1-12 years
Private Equity Funds	1,927,504	796,825	Growth Equity	3-12 years
Private Equity Funds	573,449	1,343,006	Direct Real Estate	1-12 years
Private Equity Funds	531,041	925,069	Leveraged Buyout	1-4 years
Private Equity Funds	264,028	584,501	Venture Capital / Growth Equity	9-12 years
Private Equity Funds	122,461	2,865,000	Buyout / Venture Capital / Growth Equity	11-14 years
Private Equity Fund	51,905	-	Renewable Energy	1 year
Private Equity Fund	102,278	4,000,000	Private Equity Secondaries	10-12 years
	<u>NAV</u>	<u>Investment Objective</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
<b>Real Estate Investments:</b>				
Real Estate Investment Funds	\$ 180,499	Direct Real Estate	Quarterly	110 days
	<u>NAV</u>	<u>Investment Objective</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
<b>Commingled Fund Investments:</b>				
Commingled Funds	\$ 7,627,560	Domestic Equity	Quarterly	45 to 90 days
Commingled Funds	7,340,682	International Equity	Semi-Annually to Every Three Years	90 to 180 days

## COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025 and 2024

#### NOTE I – FAIR VALUE MEASUREMENTS (CONTINUED)

There are no unfunded commitments for the hedge fund investments, real estate investments. Commingled funds lockup amount is \$3,239,690.

#### NOTE J – DEFINED CONTRIBUTION PENSION PLANS

The Foundation sponsored two defined contribution plans for its employees: a Safe Harbor 401(k) plan and a profit-sharing plan, both of which cover substantially all employees.

Employees who have completed one year of service are eligible to participate in the Safe Harbor 401(k) plan. Under this plan, the Foundation made a non-elective contribution equal to 10% and 3% of each eligible employee's annual salary for the year ended June 30, 2025 and 2024, respectively. In addition, effective January 1, 2024, the Foundation committed to contribute an additional 7% of eligible 2024 salaries in lieu of profit sharing contributions. Total contributions to the 401(k) plan for the years ended June 30, 2025 and 2024 were \$181,873 and \$104,716, respectively.

Employees who have completed 12 months of service are eligible to receive contributions under the profit-sharing plan. The Foundation retains full discretion over the timing and amount of contributions, which are determined annually based on the Foundation's budget. The profit-sharing plan includes a 5-year graded vesting schedule. Contributions to the profit-sharing plan for the years ended June 30, 2025 and 2024 were \$0 and \$101,488, respectively.

#### NOTE K – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Foundation's financial assets available for general use expenditures within one year as of June 30, 2025 and 2024, consist of the following:

Financial assets, as of June 30:	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 32,492,903	\$ 49,974,446
Investments	301,436,903	226,639,653
Accounts and interest receivable	<u>2,509,712</u>	<u>1,538,194</u>
FINANCIAL ASSETS AVAILABLE WITHIN ONE YEAR		
TO MEET CASH NEEDS FOR GENERAL EXPENDITURES	<u>\$ 336,439,518</u>	<u>\$ 278,152,293</u>

Liquid investments are total investments less private equity investments as detailed in Note I, totaling \$15,075,774 and \$14,816,750 as of June 30, 2025 and 2024, respectively.

The Foundation's core operations are funded primarily through an asset-based administrative fees on charitable funds under management, calculated as a percentage of fair value. The Board has established reserves designed to support operations during periods of market volatility, when administrative fees collected may fall short of budgeted expectations. Reserves were \$3,885,335 and \$3,165,729 as of June 30, 2025 and 2024, respectively. These reserves are included in the amounts available and are invested in money market accounts, short-term investments and the Foundation's diversified investment pools.

## **COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

June 30, 2025 and 2024

#### **NOTE K – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)**

Assets above include component funds subject to donor recommendations, which are available for grants and general expenditures by virtue of the variance power of the Foundation's Board. As described in Note A, certain component funds, including undesignated, field of interest, scholarship, and donor-designated funds are subject to the board-approved spending policy. The spending policy was 4% for donor-designated and scholarships funds and 3.5% for undesignated and field of interest funds for fiscal year 2025 and 2024. The spendable amount of \$2,618,776 and \$2,425,395, respectively, was made available for grantmaking from these component funds during the year.

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

#### **NOTE L – RELATED PARTIES**

The Foundation maintains a portion of its investments through Northern Trust and entered into a line of credit agreement with the institution in 2025. A member of the Foundation's Board of Directors, who joined Northern Trust in 1999, currently serves as President of the West Florida Region. In addition, another member of the Foundation's Board of Directors, became Senior Vice President | Relationship Advisor at Northern Trust in October 2025. As of the reporting date, the Foundation's investments managed or held in custody by Northern Trust totaled approximately \$25,798,000. The line of credit established with Northern Trust is \$14,000,000.

#### **NOTE M – SUBSEQUENT EVENTS**

Management evaluated all activity of the Foundation through January 15, 2026, the date the consolidated financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition or disclosure in the consolidated financial statements or notes, except as discussed below.

Subsequent to year end, the Foundation entered into an uncommitted revolving line of credit with Northern Trust to finance the acquisition of a building from VPC Naples, LLC, which closed on November 14, 2025, for a purchase price of \$12.5 million. The line of credit provides for a maximum borrowing capacity of \$14 million and matures on October 25, 2026. Borrowings bear interest at a variable rate equal to SOFR plus 0.9% and are secured by a pledge of the Foundation's unrestricted investments held at Florida Trust Wealth Management Company.

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

SCHEDULE OF STATE FINANCIAL ASSISTANCE

Year ended June 30, 2025

<u>State Agency/Program Title</u>	<u>CSFA Number</u>	<u>Grant Number</u>	<u>State Expenditures</u>
<u>STATE AWARDS</u>			
Department of Commerce			
Division of Housing and Community Development	40.038	HL177	\$ 2,106,267
	<b>TOTAL STATE AWARDS</b>		<u>\$ 2,106,267</u>

See accompanying notes to schedule of state financial assistance

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

NOTES TO SCHEDULE OF STATE FINANCIAL ASSISTANCE

Year ended June 30, 2025

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of state financial assistance (the “Schedule”) includes the state award activity of Collier Community Foundation, Inc. and Subsidiaries (the “Foundation”) under programs of the state government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Section 215.97, Florida Statutes, and Chapter 10.650, *Rules of the Florida Auditor General (The State Guidance)*. Because the Schedule presents only a selected portion of the operations of the Foundation, it is not intended to and does not present the consolidated financial position, changes in net assets, or cash flows of the Foundation.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Section 215.97, Florida Statutes, and Chapter 10.650, *Rules of the Florida Auditor*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

January 15, 2026

Board of Directors and Members of  
Collier Community Foundation, Inc. and Subsidiaries  
Naples, Florida

**Independent Auditor’s Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Consolidated Financial Statements  
Performed in Accordance with *Government Auditing Standards***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Collier Community Foundation, Inc. and Subsidiaries (the “Foundation”), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities and changes in net assets, programs and supporting services and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 15, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Foundation’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Foundation’s consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foundation's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Hill, Barth & King LLC*

Certified Public Accountants

January 15, 2026

Board of Directors and Members of  
Collier Community Foundation, Inc. and Subsidiaries  
Naples, Florida

**Independent Auditor’s Report on Compliance for each State Major Program  
and on Internal Control over Compliance Required by Chapter 10.650, Rules of the Florida Auditor  
General**

**Report on Compliance for Each Major State Program**

***Opinion on Each Major State Program***

We have audited Collier Community Foundation, Inc. and Subsidiaries’ (the “Foundation”) compliance with the types of compliance requirements identified as subject to audit in the *Florida Department of Financial Services’ State Project Compliance Supplement* that could have a direct and material effect on the Foundation’s major state program for the year ended June 30, 2025. The Foundation’s major state program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Foundation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended June 30, 2025.

***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.650, *Rules of the Florida Auditor General* (State Guidance). Our responsibilities under those standards and the State Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for its major state program. Our audit does not provide a legal determination of the Foundation’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Foundation’s state program.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Foundation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards* and Chapter 10.650 *Rules of the Florida Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Foundation's compliance with the requirements of its major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the State Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Foundation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Foundation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control over Compliance***

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Guidance. Accordingly, this report is not suitable for any other purpose.

*Hill, Barth & King LLC*

Certified Public Accountants

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

**Consolidated Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? No

**State Awards**

Internal control over major state programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? None reported

Type of auditor's report issued on compliance with major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 215.97, Florida Statutes? No

Any items related to state financial assistance disclosed in the management letter that are required to be reported in accordance with Chapter 10.650, Rules of the Auditor General? No

Identification of major state program(s):

CSFA Number	Name of State Program or Cluster
40.038	Division of Housing and Community Development

Dollar threshold used to distinguish between type A and type B programs: \$631,880

Auditee qualified as a low-risk auditee? No

**COLLIER COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

Year ended June 30, 2025

**SECTION II - FINDINGS RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**None reported**

**SECTION III - FINDINGS AND QUESTIONED COSTS FOR MAJOR STATE AWARD PROGRAM**

**None reported**

**SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**None reported**