

Los Altos Mountain View Community Foundation

(formerly known as Los Altos Community Foundation)

**Financial Statements with Report of Independent Auditors
June 30, 2022 and 2021**

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Report of Independent Auditors

To the Board of Directors of
Los Altos Mountain View Community Foundation:

Opinion

We have audited the accompanying financial statements of Los Altos Mountain View Community Foundation (formerly known as Los Altos Community Foundation), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Los Altos Mountain View Community Foundation as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Los Altos Mountain View Community Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Summarized Comparative Information

We have previously audited Los Altos Mountain View Community Foundation's financial statements for the year ended June 30, 2021, and our report dated November 18, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein for the year ended June 30 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Novogradac & Company LLP

Petaluma, California
November 2, 2022

LOS ALTOS MOUNTAIN VIEW COMMUNITY FOUNDATION

(formerly known as Los Altos Community Foundation)

STATEMENT OF FINANCIAL POSITION

June 30, 2022

with comparative totals as of June 30, 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 428,034	\$ 579,584
Contributions receivable	167,767	30,000
Prepaid expenses	659	2,331
Total current assets	<u>596,460</u>	<u>611,915</u>
Investments	23,002,428	25,444,400
Land, property and equipment, net	<u>1,222,994</u>	<u>1,273,706</u>
Total assets	<u>\$ 24,821,882</u>	<u>\$ 27,330,021</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 61,026	\$ 79,692
Scholarships payable	190,966	252,270
Total current liabilities	<u>251,992</u>	<u>331,962</u>
Deposits held for others	<u>77,180</u>	<u>51,966</u>
Total liabilities	329,172	383,928
Net assets		
Without donor restriction	2,078,372	2,049,789
Donor advised funds	15,486,707	17,887,426
Board restricted funds	2,275,887	2,533,808
With donor restriction	4,651,744	4,475,070
Total net assets	<u>24,492,710</u>	<u>26,946,093</u>
Total liabilities and net assets	<u>\$ 24,821,882</u>	<u>\$ 27,330,021</u>

see accompanying notes

LOS ALTOS MOUNTAIN VIEW COMMUNITY FOUNDATION

(formerly known as Los Altos Community Foundation)

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended June 30, 2022

with comparative totals for the year ended June 30, 2021

	Without donor restriction	With donor restriction	2022 Total	2021 Total
REVENUE AND OTHER SUPPORT				
Contributions	\$ 2,461,550	\$ 2,950,620	\$ 5,412,170	\$ 5,054,967
In-kind donations	7,277	-	7,277	22,969
Administrative income	227,358	-	227,358	202,577
Event income	1,995	16,623	18,618	5,915
Program income	10,000	395,631	405,631	176,838
Debt forgiveness income	-	-	-	82,200
Investment income	(2,020,638)	(424,440)	(2,445,078)	5,124,988
Net assets released from restrictions:				
Satisfaction of program restrictions	<u>2,761,760</u>	<u>(2,761,760)</u>	<u>-</u>	<u>-</u>
 Total revenue and other support	 3,449,302	 176,674	 3,625,976	 10,670,454
EXPENSES				
Program expense	5,713,053	-	5,713,053	4,184,861
Management and general	83,216	-	83,216	102,218
Fundraising and development	<u>283,090</u>	<u>-</u>	<u>283,090</u>	<u>269,424</u>
Total expenses	<u>6,079,359</u>	<u>-</u>	<u>6,079,359</u>	<u>4,556,503</u>
 CHANGE IN NET ASSETS	 (2,630,057)	 176,674	 (2,453,383)	 6,113,951
 NET ASSETS AT BEGINNING OF YEAR	 <u>22,471,023</u>	 <u>4,475,070</u>	 <u>26,946,093</u>	 <u>20,832,142</u>
 NET ASSETS AT END OF YEAR	 <u>\$ 19,840,966</u>	 <u>\$ 4,651,744</u>	 <u>\$ 24,492,710</u>	 <u>\$ 26,946,093</u>

see accompanying notes

LOS ALTOS MOUNTAIN VIEW COMMUNITY FOUNDATION

(formerly known as Los Altos Community Foundation)

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2022

with comparative totals for the year ended June 30, 2021

	2022				2021
	Program expense	Management and general	Fundraising and development	Total	Total
Salaries	\$ 390,960	\$ 25,858	\$ 213,757	\$ 630,575	\$ 509,412
Payroll taxes	33,132	2,106	17,411	52,649	41,523
Payroll processing fees	2,154	307	2,536	4,997	4,135
Total Personnel	<u>426,246</u>	<u>28,271</u>	<u>233,704</u>	<u>688,221</u>	<u>555,070</u>
Grant expense	4,168,579	-	-	4,168,579	2,846,094
Scholarship expense	502,305	-	-	502,305	543,749
Designated fund expenses	7,342	-	-	7,342	9,588
Managed programs	9,575	-	-	9,575	3,606
Sponsored programs	218,438	-	-	218,438	101,263
Event expenses	7,835	-	3,165	11,000	7,108
Administration fees	226,630	-	-	226,630	196,317
Office expenses	60,649	4,088	18,155	82,892	114,551
Insurance expense	8,867	4,116	1,276	14,259	13,076
Property taxes	-	1,977	-	1,977	1,505
Cleaning and maintenance	1,515	5,435	-	6,950	6,350
Utilities expense	2,419	5,038	-	7,457	6,207
Improvement	-	-	-	-	2,100
Marketing and advertising	2,496	-	7,490	9,986	12,399
Professional fees	25,500	20,959	19,300	65,759	63,839
Depreciation	44,657	6,055	-	50,712	50,712
In-kind donation expense	-	7,277	-	7,277	22,969
Total expenses	<u>\$ 5,713,053</u>	<u>\$ 83,216</u>	<u>\$ 283,090</u>	<u>\$ 6,079,359</u>	<u>\$ 4,556,503</u>

see accompanying notes

LOS ALTOS MOUNTAIN VIEW COMMUNITY FOUNDATION

(formerly known as Los Altos Community Foundation)

STATEMENT OF CASH FLOWS

For the year ended June 30, 2022

with comparative totals for the year ended June 30, 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (2,453,383)	\$ 6,113,951
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Contributions of stock	(615,737)	(400,801)
Depreciation	50,712	50,712
Debt forgiveness income	-	(82,200)
Realized gain on sale of investments	(2,972,422)	(178,340)
Unrealized loss (gain) on investments	6,077,602	(4,663,211)
(Increase) decrease in assets:		
Contributions receivable	(137,767)	(6,000)
Prepaid expenses	1,672	(2,331)
(Decrease) increase in liabilities:		
Accounts payable	(18,666)	32,496
Scholarships payable	(61,304)	17,268
Net cash (used in) provided by operating activities	<u>(129,293)</u>	<u>881,544</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of securities, net	(22,257)	(792,418)
Net change in cash and cash equivalents	(151,550)	89,126
Cash and cash equivalents at beginning of year	<u>579,584</u>	<u>490,458</u>
Cash and cash equivalents at end of year	<u>\$ 428,034</u>	<u>\$ 579,584</u>

see accompanying notes

LOS ALTOS MOUNTIAN VIEW COMMUNITY FOUNDATION

(formerly known as Los Altos Community Foundation)

Notes to Financial Statements

June 30, 2022

with comparative totals as of and for the year ended June 30, 2021

1. Organization

Los Altos Mountain View Community Foundation (the “Foundation”) (formerly known as Los Altos Community Foundation), a California nonprofit corporation, was organized in 1991 as a public benefit 501(c)(3) nonprofit corporation and has been determined not to be a private foundation under Section 509(a)(1) of the Internal Revenue Code. The Foundation engages primarily in the administration of funds, which are established by donors who prescribe either the general or specific purposes for which grants are to be made. On November 10, 2021, the Foundation’s name was changed from Los Altos Community Foundation to Los Altos Mountain View Community Foundation.

The Foundation’s goals include providing grants and assistance to develop and strengthen community organizations, to operate and fiscally sponsor programs that meet community needs and encourage civic engagement, to host Donor Advised and other charitable funds for increased philanthropy, and to build a permanent community endowment for the long-term benefit of Los Altos, Los Altos Hills, and Mountain View.

2. Summary of significant accounting policies

Basis of accounting

The Foundation prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America. The Foundation’s year end for tax and financial reporting purposes is June 30.

Basis of presentation

The Foundation is required to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions:

Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, an endowment pool with the intention of using earnings for the Foundation’s operations, granting or programs. Donor advised funds are considered without donor restrictions since the board has variance power and the funds are available for distribution upon recommendation by the donor.

Net assets with donor restrictions:

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, which will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Estimates

The preparation of financial statements in accordance 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.

Cash and cash equivalents

Cash and cash equivalents include all cash balances on deposit with financial institutions and highly liquid investments with a maturity of three months or less at the date of acquisition.

LOS ALTOS MOUNTIAN VIEW COMMUNITY FOUNDATION

(formerly known as Los Altos Community Foundation)

Notes to Financial Statements

June 30, 2022

with comparative totals as of and for the year ended June 30, 2021

2. Summary of significant accounting policies (continued)

Concentration of credit risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of temporary cash investments. The Foundation places its temporary cash investments with high credit quality financial institutions and, by policy, limits the amount of credit exposed to any one financial institution. The Board of Directors monitors the investments and changes are made to the investment policy as conditions change. The Foundation has not experienced any losses in such accounts.

Contributions and grants

Contributions and grants are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions and grants that are restricted by the donor are reported as increases in net assets without donor restriction if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions and grants are reported as increases in net assets with donor restriction. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction.

In-kind donations

In-kind donations, which require a specialized skill and which the Foundation would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered. The Foundation has an objective measurable method to determine fair value. A number of unpaid professionals providing consulting services have made significant contributions of their time to the Foundation. In addition, associated meeting supplies and materials have been received at no cost to the Foundation. For the years ended June 30, 2022 and 2021, the fair value of the contributed time and materials was \$7,277 and \$22,969, respectively, and has been reflected as a donated services contribution in these financial statements.

The Foundation also receives donated services that do not require specific expertise, but which are nonetheless essential to the Foundation's operations. These donated services are not reflected in the financial statements.

Revenue recognition

Revenue resulting from special events, fees charged by the Foundation, refunded grants and other income is recognized when performance obligations are met.

Investments

Investments include those held in individual funds established by donors, supporting organizations, and a variety of investment pools made available to donor funds for investment of gifted assets. Separate asset allocations are maintained for each investment pool, the endowment and supporting organizations. The asset allocation of any individual donor fund is dependent on the donor's choice of approved investment pools.

Realized gains or losses on the sale of marketable securities are calculated using the average cost method. Unrealized gains and losses represent the change in the fair market value of the individual investments for the year or since the acquisition date if acquired during the year.

Accounts receivable

Management considers receivables to be fully collectible. If amounts become uncollectible, they are charged to operations in the period in which that determination is made. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

LOS ALTOS MOUNTIAN VIEW COMMUNITY FOUNDATION
 (formerly known as Los Altos Community Foundation)
 Notes to Financial Statements
 June 30, 2022
 with comparative totals as of and for the year ended June 30, 2021

2. Summary of significant accounting policies (continued)

Fair value measurements

The Foundation applies the accounting provisions related to fair value measurements. These provisions define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, establish a hierarchy that prioritizes the information used in developing fair value estimates and require disclosure of fair value measurements by level within the fair value hierarchy. The hierarchy gives the highest priority to quoted prices in active markets (Level 1 measurements) and the lowest priority to unobservable data (Level 3 measurements), such as the reporting entity's own data. These provisions also provide valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flows) and the cost approach (cost to replace the service capacity of an asset or replacement cost).

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of valuation hierarchy are defined as follows:

Level 1: Observable inputs such as quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs other than quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Unobservable inputs that reflect the Foundation's own assumptions.

The following tables present the Foundation's assets and liabilities that are measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of June 30, 2022 and 2021:

	June 30, 2022			Fair Value Measurements
	Level 1	Level 2	Level 3	
Assets				
Certificates of deposit	\$ 3,898,583	\$ -	\$ -	\$ 3,898,583
Fixed income mutual funds	6,016,128	-	-	6,016,128
Domestic equity mutual funds and ETFs	8,612,662	-	-	8,612,662
Foreign equity mutual funds	4,240,513	-	-	4,240,513
Domestic common stocks	234,542	-	-	234,542
Total assets	<u>\$ 23,002,428</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,002,428</u>
Liabilities				
Deposits held for others	\$ 77,180	\$ -	\$ -	\$ 77,180
Total liabilities	<u>\$ 77,180</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,180</u>

LOS ALTOS MOUNTIAN VIEW COMMUNITY FOUNDATION
 (formerly known as Los Altos Community Foundation)
 Notes to Financial Statements
 June 30, 2022
 with comparative totals as of and for the year ended June 30, 2021

2. Summary of significant accounting policies (continued)

Fair value measurements(continued)

	June 30, 2021			Fair Value Measurements
	Level 1	Level 2	Level 3	
Assets				
Certificates of deposit	\$ 3,054,490	\$ -	\$ -	\$ 3,054,490
Fixed income mutual funds	7,367,685	-	-	7,367,685
Domestic equity mutual funds and ETFs	10,581,270	-	-	10,581,270
Foreign equity mutual funds	4,171,124	-	-	4,171,124
Domestic common stocks	269,831	-	-	269,831
Total assets	\$ 25,444,400	\$ -	\$ -	\$ 25,444,400
Liabilities				
Deposits held for others	\$ 51,966	\$ -	\$ -	\$ 51,966
Total liabilities	\$ 51,966	\$ -	\$ -	\$ 51,966

Property and equipment and depreciation

Property and equipment is recorded at cost or fair market value at the date of acquisition. Depreciation on property and equipment is provided over the estimated useful lives of the respective assets ranging from 5 to 39 years on a straight-line basis.

Income taxes

The Foundation is a not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code and therefore, is generally exempt from both federal and state income taxes, except on net income derived from unrelated business activities.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Foundation to report information regarding its exposure to various tax positions taken. Management has determined whether any tax positions have met the recognition threshold and has measured its exposure to those tax positions. Management believes that the Foundation has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal tax authorities generally have the right to examine and audit the previous three years of tax returns filed. California tax authorities generally have the right to examine and audit the previous four years of tax returns filed. Any interest or penalties assessed to the Foundation are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

Endowment funds

In August 2008, the Financial Accounting Standards Board provided guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (“UPMIFA”). This guidance also improves disclosures about an organization’s endowed funds (both donor restricted endowment funds and board designated endowment funds) whether or not the organization is subject to UPMIFA.

LOS ALTOS MOUNTIAN VIEW COMMUNITY FOUNDATION

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Notes to Financial Statements

June 30, 2022

with comparative totals as of and for the year ended June 30, 2021

2. Summary of significant accounting policies (continued)

Endowment funds (continued)

The Foundation is subject to the required disclosures in that the Foundation classifies its unrealized gains and losses on donor-restricted endowed funds as net assets with donor restriction. To the extent unrealized losses exceed previous unrealized gains, the unrealized losses are recorded to net assets with donor restriction. As of June 30, 2022 and 2021, the Foundation had no endowment funds with deficiencies of this nature.

Endowment investing and spending policies

The spending policy for endowment funds strives to provide a predictable stream of funding for programs supported by their endowment while seeking to maintain the purchasing power of the endowed assets. The policy allows for granting 4% of the average of the fund balances as of December 31 of the prior year combined with the eleven prior trailing quarter end balances. The original value of the gifts donated to the permanent endowments are to be classified as net assets with donor restriction and any earnings are classified as net assets with donor restriction until appropriated for expenditure.

Deposits held for others

The Foundation accepts funds from unrelated nonprofit organizations who desire to have the Foundation provide efficient investment management, programmatic expertise, and technical assistance. A liability is recorded at the readily determinable estimated fair values of assets deposited with the Foundation by nonprofit organizations.

Grant expense

Grants are recognized when all significant conditions are met, all due diligence has been completed and they are approved by staff or board committee. Grant refunds are recorded as a reduction of grant expense at the time the Foundation receives or is notified of the refund.

Fees charged by the Foundation

The Foundation charges fees to the individual funds for administration costs. For donor advised funds, a fee is charged monthly based on an average daily balance. Annual fees are 1% up to \$3 million, 0.75% over \$3 million, and 0.50% over \$10 million. For fiscally sponsored programs and designated funds, generally an annual 3% - 5% fee is charged based on monthly income. For the years ended June 30, 2022 and 2021, the Foundation recorded fees charged to deposits held for others by the operating fund to the multiple funds administration fee on a net basis, amounting to \$728 and \$6,260 respectively. For the years ended June 30, 2022 and 2021, the total fees charged by the operating fund were \$227,358 and \$202,577, respectively.

Functional allocation of expenses

The Statement of Functional Expenses reports expenses by both natural and functional classification. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs are directly applied to the related program or supporting service category when identifiable and possible. General operating costs across nearly all natural categories are allocated on the basis of estimates of time and effort.

Subsequent events

Subsequent events have been evaluated through November 2, 2022, which is the date the financial statements were available to be issued. There are no subsequent events requiring disclosure.

LOS ALTOS MOUNTIAN VIEW COMMUNITY FOUNDATION
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Notes to Financial Statements
June 30, 2022
with comparative totals as of and for the year ended June 30, 2021

3. Liquidity and availability of financial assets

The following represents the Foundation's financial assets available for general expenditures as of June 30:

Financial assets at year end:	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 428,034	\$ 579,584
Contributions receivable	167,767	30,000
Investments	<u>23,002,428</u>	<u>25,444,400</u>
Total financial assets	<u>23,598,229</u>	<u>26,053,984</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	4,651,744	4,475,070
Donor advised funds	15,486,707	17,887,426
Net assets with Board-directed purpose	2,275,887	2,533,808
Funds held for others	77,180	51,966
Scholarships payable	<u>190,966</u>	<u>252,270</u>
	<u>22,682,484</u>	<u>25,200,540</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 915,745</u>	<u>\$ 853,444</u>

The Foundation's goal is to maintain financial assets to meet its ongoing operating expenses. Investments are structured to provide sufficient liquidity as operating needs are determined.

4. Investments

Investments are stated at current market value and consist of the following:

	<u>2022</u>	<u>2021</u>
Certificates of deposit	\$ 3,898,583	\$ 3,054,490
Fixed income mutual funds	6,016,128	7,367,685
Domestic equity mutual funds and ETFs	8,612,662	10,581,270
Foreign equity mutual funds	4,240,513	4,171,124
Domestic common stocks	<u>234,542</u>	<u>269,831</u>
Total investments	<u>\$ 23,002,428</u>	<u>\$ 25,444,400</u>

5. Property and equipment

Property and equipment, net as of June 30, 2022 and 2021, consist of the following:

	<u>2022</u>	<u>2021</u>
Land	\$ 1,065,659	\$ 1,065,659
Buildings	915,093	915,093
Equipment	10,765	10,765
Less: accumulated depreciation	<u>(768,523)</u>	<u>(717,811)</u>
Property and equipment, net	<u>\$ 1,222,994</u>	<u>\$ 1,273,706</u>

For each of the years ended June 30, 2022 and 2021, depreciation expense was \$50,712.

LOS ALTOS MOUNTIAN VIEW COMMUNITY FOUNDATION
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 Notes to Financial Statements
 June 30, 2022
 with comparative totals as of and for the year ended June 30, 2021

6. Deposits held for others

As of both June 30, 2022 and 2021, the Foundation held assets for two nonprofit organizations. The assets are held in funds that are managed by the Foundation on an agency relationship basis. The activity in such funds is summarized as follows:

	<u>2022</u>	<u>2021</u>
Nonprofit fund balances, beginning of year	\$ 51,966	\$ 773,820
Investment income (loss)	(7,571)	187,727
Expenses	(870)	(909,581)
Transfers in	<u>33,655</u>	<u>-</u>
Nonprofit fund balances, end of year	<u>\$ 77,180</u>	<u>\$ 51,966</u>

7. Net assets with donor restriction

Net assets with donor restriction consist of the following as of June 30:

	<u>2022</u>	<u>2021</u>
Education and community	\$ 1,590,304	\$ 1,397,861
Community building projects	506,171	452,667
Scholarships	231,937	255,057
Community facilities	927,202	1,059,540
Vulnerable populations	110,595	169,973
Other	<u>1,285,535</u>	<u>1,139,972</u>
Total net assets with donor restriction	<u>\$ 4,651,744</u>	<u>\$ 4,475,070</u>

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or by the expiration of time as follows:

	<u>2022</u>	<u>2021</u>
Education and community	\$ 614,182	\$ 688,830
Community building projects	317,710	200,414
Scholarships	203,305	213,642
Community facilities	27,495	17,677
Vulnerable populations	1,435,347	355,655
Other	<u>163,721</u>	<u>218,583</u>
Net assets released from restriction	<u>\$ 2,761,760</u>	<u>\$ 1,694,801</u>

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8. Endowment disclosures

The Foundation is required to provide information about net assets which are defined as endowment, which includes endowment which is restricted by donors and endowment which has been board designated. As of June 30, 2022 and 2021, endowment net assets consisted of the following:

June 30, 2022			
	Without donor restriction	With donor restriction	Total
Donor restricted endowments	\$ -	\$ 710,503	\$ 710,503
Board designated endowments	1,910,821	-	1,910,821
Total	\$ 1,910,821	\$ 710,503	\$ 2,621,324
June 30, 2021			
	Without donor restriction	With donor restriction	Total
Donor restricted endowments	\$ -	\$ 844,382	\$ 844,382
Board designated endowments	2,245,581	-	2,245,581
Total	\$ 2,245,581	\$ 844,382	\$ 3,089,963

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8. Endowment disclosures (continued)

For the years ended June 30, 2022 and 2021, the changes in endowment net assets are as follows:

	Without donor restriction	With donor restriction	Total
Endowment net assets July 1, 2020	\$ 1,781,883	\$ 677,093	\$ 2,458,976
Investment return:			
Investment income	35,278	13,337	48,615
Net appreciation (realized and unrealized)	<u>510,616</u>	<u>193,223</u>	<u>703,839</u>
Total investment gain	545,894	206,560	752,454
Contributions	250	-	250
Appropriation for spending	<u>(82,446)</u>	<u>(39,271)</u>	<u>(121,717)</u>
June 30, 2021	2,245,581	844,382	3,089,963
Investment return:			
Investment income	79,637	29,796	109,433
Net appreciation (realized and unrealized)	<u>(330,103)</u>	<u>(123,149)</u>	<u>(453,252)</u>
Total investment gain	(250,466)	(93,353)	(343,819)
Contributions	600	-	600
Appropriation for spending	<u>(84,894)</u>	<u>(40,526)</u>	<u>(125,420)</u>
Endowment net assets June 30, 2022	<u>\$ 1,910,821</u>	<u>\$ 710,503</u>	<u>\$ 2,621,324</u>

9. Prior year comparison

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

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10. Vulnerability – Impact of COVID-19

The severity of the impact of COVID-19 on the Foundation's operations will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Foundation's donors and the market, all of which are uncertain and cannot be predicted. The Foundation's future results could be adversely impacted by delays in contributions and grants. Management is unable to predict with absolute certainty the impact of COVID-19 on its financial condition, results of operations or cash flows.