**GREATER TACOMA COMMUNITY FOUNDATION**

Consolidated Financial Statements

For the Years Ended December 31, 2025 and 2024

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Clark Nuber PS

**Independent Auditor's Report**

**To the Board of Directors**
**Greater Tacoma Community Foundation**
**Tacoma, Washington**

**Opinion**

We have audited the financial statements of Greater Tacoma Community Foundation (the Community Foundation), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Community Foundation as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Community 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 Financial Statements**

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

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

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

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

In performing an audit in accordance with GAAS, we:

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

Clark Nuber PS

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules on pages 25 through 28 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Clark Nuber P.S.

Certified Public Accountants
July 16, 2026

**GREATER TACOMA COMMUNITY FOUNDATION**

**Consolidated Statements of Financial Position**
**December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ 20,199,217 | $ 16,363,396 |
| Contributions and grants receivable (Note 3) | 1,292,540 | 1,217,956 |
| Trusts receivable (Note 4) | 6,715,123 | 8,398,305 |
| Bequest receivable (Note 3) | 562,500 | 562,500 |
| Other assets | 134,415 | 132,781 |
| Investments (Note 5) | 177,198,536 | 157,202,315 |
| Mission-related investments (Note 5) | 500,000 | 729,209 |
| Property and equipment, net (Note 6) | 335,331 | 192,729 |
| Land use (Note 7) | 490,946 | 604,481 |
| Right-of-use asset, operating (Note 11) | 1,065,173 | 1,279,435 |
| Collections (Note 1) | 593,025 | 565,025 |
| **Total Assets** | **$ 209,086,806** | **$ 187,248,132** |
| **Liabilities and Net Assets** | | |
| **Liabilities:** | | |
| Accounts payable and other liabilities | $ 427,258 | $ 291,210 |
| Grants payable | 45,260 | 11,000 |
| Lease liability, operating (Note 11) | 1,206,476 | 1,338,350 |
| Split-interest agreements payable (Note 14) | 643,518 | 647,241 |
| Funds held for the benefit of other organizations (Note 1) | 24,821,954 | 21,842,942 |
| **Total Liabilities** | **27,144,466** | **24,130,743** |
| **Net Assets:** | | |
| Without donor restrictions (Note 11) | 169,838,581 | 150,070,100 |
| With donor restrictions (Note 12) | 12,103,759 | 13,047,289 |
| **Total Net Assets** | **181,942,340** | **163,117,389** |
| **Total Liabilities and Net Assets** | **$ 209,086,806** | **$ 187,248,132** |

See accompanying notes.

**GREATER TACOMA COMMUNITY FOUNDATION**

**Consolidated Statements of Activities and Changes in Net Assets**
**For the Years Ended December 31, 2025 and 2024**

| | Without Donor Restrictions | With Donor Restrictions | 2025 Total | Without Donor Restrictions | With Donor Restrictions | 2024 Total |
|---|---|---|---|---|---|---|
| **Revenue and Support:** | | | | | | |
| Contributions and agency funds- | | | | | | |
| Advised | $ 9,030,912 | $ - | $ 9,030,912 | $ 4,508,890 | $ 1,941,370 | $ 6,450,260 |
| Designated | 1,267,475 | 522,000 | 1,789,475 | 2,304,446 | 143,419 | 2,447,865 |
| Field of interest | 20,000 | | 20,000 | 1,872,237 | | 1,872,237 |
| Scholarships | 1,480 | | 1,480 | 161,748 | | 161,748 |
| Community grantmaking | 151,417 | | 151,417 | 179,560 | | 179,560 |
| Administrative fund | | | | 50,000 | | 50,000 |
| Supporting organizations | 1,085,160 | 21,614 | 1,106,774 | 609,122 | 10,515 | 619,637 |
| Agency funds | 2,058,613 | | 2,058,613 | 2,380,518 | | 2,380,518 |
| | 13,615,057 | 543,614 | 14,158,671 | 12,066,521 | 2,095,304 | 14,161,825 |
| Less agency funds | (2,058,613) | | (2,058,613) | (2,380,518) | | (2,380,518) |
| Total contributions | 11,556,444 | 543,614 | 12,100,058 | 9,686,003 | 2,095,304 | 11,781,307 |
| Net investment return | 19,127,702 | 338,779 | 19,466,481 | 11,898,842 | 304,392 | 12,203,234 |
| Grant revenue | 5,935,115 | 800,000 | 6,735,115 | 1,086,619 | 750,000 | 1,836,619 |
| Other income | 345,242 | | 345,242 | 200,327 | | 200,327 |
| Change in value of split-interest agreements | | 443,686 | 443,686 | 44,529 | 1,557,650 | 1,602,179 |
| Net assets released from restrictions | 3,069,609 | (3,069,609) | | 860,181 | (860,181) | |
| **Total Revenue and Support** | **40,034,112** | **(943,530)** | **39,090,582** | **23,776,501** | **3,847,165** | **27,623,666** |
| **Expenses:** | | | | | | |
| Program services- | | | | | | |
| Grants: | | | | | | |
| Advised | 6,523,448 | | 6,523,448 | 8,328,423 | | 8,328,423 |
| Designated | 5,044,304 | | 5,044,304 | 3,557,677 | | 3,557,677 |
| Field of interest | 518,735 | | 518,735 | 140,560 | | 140,560 |
| Scholarships | 157,891 | | 157,891 | 709,279 | | 709,279 |
| Community grantmaking | 2,749,159 | | 2,749,159 | 322,500 | | 322,500 |
| Agency funds | 1,800,849 | | 1,800,849 | 5,504,833 | | 5,504,833 |
| | 16,794,386 | | 16,794,386 | 18,563,272 | | 18,563,272 |
| Less agency funds | (1,800,849) | | (1,800,849) | (5,504,833) | | (5,504,833) |
| Total grants | 14,993,537 | | 14,993,537 | 13,058,439 | | 13,058,439 |
| Other program service expenses | 2,607,918 | | 2,607,918 | 2,464,757 | | 2,464,757 |
| Total program services | 17,601,455 | | 17,601,455 | 15,523,196 | | 15,523,196 |
| Management and general | 1,806,066 | | 1,806,066 | 1,743,854 | | 1,743,854 |
| Fundraising | 858,110 | | 858,110 | 771,941 | | 771,941 |
| Total supporting services | 2,664,176 | | 2,664,176 | 2,515,795 | | 2,515,795 |
| **Total Expenses** | **20,265,631** | | **20,265,631** | **18,038,991** | | **18,038,991** |
| **Change in Net Assets Before Loss on Deconsolidation of Subsidiary** | **19,768,481** | **(943,530)** | **18,824,951** | **5,737,510** | **3,847,165** | **9,584,675** |
| Loss on deconsolidation of subsidiary (Note 1) | | | | (2,188,584) | (2,298,886) | (4,487,470) |
| **Total Change in Net Assets** | **19,768,481** | **(943,530)** | **18,824,951** | **3,548,926** | **1,548,279** | **5,097,205** |
| Net assets, beginning of year | 150,070,100 | 13,047,289 | 163,117,389 | 146,521,174 | 11,499,010 | 158,020,184 |
| **Net Assets, End of Year** | **$ 169,838,581** | **$ 12,103,759** | **$ 181,942,340** | **$ 150,070,100** | **$ 13,047,289** | **$ 163,117,389** |

See accompanying notes.

**GREATER TACOMA COMMUNITY FOUNDATION**

**Consolidated Statements of Functional Expenses**
**For the Years Ended December 31, 2025 and 2024**

| | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Program Services | Management and General | Fundraising | Total | Program Services | Management and General | Fundraising | Total |
| Salaries | $ 1,229,599 | $ 950,484 | $ 503,324 | $ 2,683,407 | $ 1,085,607 | $ 990,176 | $ 479,500 | $ 2,555,283 |
| Employee benefits | 280,406 | 210,766 | 118,283 | 609,455 | 225,724 | 190,668 | 82,355 | 498,747 |
| Payroll taxes | 110,056 | 81,590 | 43,527 | 235,173 | 90,910 | 79,254 | 39,135 | 209,299 |
| Total salary expense | 1,620,061 | 1,242,840 | 665,134 | 3,528,035 | 1,402,241 | 1,260,098 | 600,990 | 3,263,329 |
| Grants | 14,993,537 | | | 14,993,537 | 13,058,439 | | | 13,058,439 |
| Professional fees | 200,825 | 250,344 | 13,328 | 464,497 | 232,833 | 207,777 | 17,235 | 457,845 |
| Publicity and promotion | 66,165 | 2,058 | 27,988 | 96,211 | 79,544 | | 1,061 | 80,605 |
| Occupancy | 92,679 | 64,446 | 27,974 | 185,099 | 92,784 | 85,743 | 33,578 | 212,105 |
| Conferences and conventions | 132,658 | 79,763 | 45,886 | 258,307 | 126,515 | 64,958 | 53,206 | 244,679 |
| Miscellaneous | 30,828 | 69,503 | 18,599 | 118,930 | 43,365 | 33,474 | 15,516 | 92,355 |
| Equipment and maintenance | 32,930 | 4,677 | 1,989 | 39,596 | 36,928 | 5,716 | 2,179 | 44,823 |
| Supplies | 35,023 | 18,526 | 27,619 | 81,168 | 62,554 | 19,989 | 23,671 | 106,214 |
| Computer and website | 44,203 | 56,455 | 24,009 | 124,667 | 43,084 | 54,176 | 21,386 | 118,646 |
| Total expenses before depreciation, amortization, and land lease | 17,248,909 | 1,788,612 | 852,526 | 19,890,047 | 15,178,287 | 1,731,931 | 768,822 | 17,679,040 |
| Depreciation and amortization | 40,750 | 10,745 | 4,626 | 56,121 | 33,069 | 5,339 | 2,080 | 40,488 |
| Land lease | 311,796 | 6,709 | 958 | 319,463 | 311,840 | 6,584 | 1,039 | 319,463 |
| **Total Expenses** | **$ 17,601,455** | **$ 1,806,066** | **$ 858,110** | **$ 20,265,631** | **$ 15,523,196** | **$ 1,743,854** | **$ 771,941** | **$ 18,038,991** |

See accompanying notes.

**GREATER TACOMA COMMUNITY FOUNDATION**

**Consolidated Statements of Cash Flows**
**For the Years Ended December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Cash received from revenue and support | $ 14,848,464 | $ 7,132,871 |
| Cash paid to grantees, employees, and suppliers | (19,721,373) | (17,810,059) |
| Cash related to deconsolidated subsidiary | | (395,657) |
| Interest and dividends received, net of fees | 3,952,434 | 5,890,797 |
| Proceeds from sales of donated investments | 6,257,723 | 3,512,392 |
| Net receipts (disbursements) of agency funds | 2,979,012 | (1,267,479) |
| **Net Cash Provided by (Used in) Operating Activities** | **8,316,260** | **(2,937,135)** |
| **Cash Flows From Investing Activities:** | | |
| Purchase of investments | (11,287,611) | (12,488,508) |
| Proceeds from sale of investments | 7,033,895 | 15,558,964 |
| Purchases of property and equipment | (198,723) | (26,893) |
| Net additions to collections | (28,000) | |
| **Net Cash (Used in) Provided by Investing Activities** | **(4,480,439)** | **3,043,563** |
| **Net Change in Cash and Cash Equivalents** | **3,835,821** | **106,428** |
| Cash and cash equivalents, beginning of year | 16,363,396 | 16,256,968 |
| **Cash and Cash Equivalents, End of Year** | **$ 20,199,217** | **$ 16,363,396** |

See accompanying notes.

## Note 1 - Nature of Business and Summary of Significant Accounting Policies

**Nature of Activities -** Greater Tacoma Community Foundation (GTCF) connects people, knowledge, and funding to build a racially equitable, accessible, inclusive Pierce County, now and for generations to come. GTCF aligns funding and action through strategic philanthropic investments as well as stewardship of more than 600 individual, family, and agency funds.

As a nationally accredited nonprofit community foundation with more than $200 million in assets, GTCF has catalyzed a thriving Pierce County since 1981. Learn more at http://www.gtcf.org.

**Principles of Consolidation -** GTCF has an economic interest in and control over two supporting organizations. The consolidated financial statements include the accounts of GTCF and supporting organizations (collectively referred to as the Community Foundation). All of the financial activities and balances of these organizations are included in the consolidated financial statements. All significant interorganizational accounts and transactions have been eliminated. As of December 31, 2025, the supporting organizations consist of the following not-for-profit corporations:

- Asset Stewardship Foundation, established by GTCF in 2008 to receive certain types of noncash gifts.
- George Weyerhaeuser Pacific Rim Bonsai Collection, established in December 2013 to support the owning and operating of the George Weyerhaeuser Pacific Rim Bonsai Collection (d/b/a Pacific Bonsai Museum) (the Museum).

Through December 31, 2023, the following entity was also a supporting organization of GTCF:

- The Friends of Lakewold, established in December 1986 to support the owning, managing, maintaining, and developing of the real property known as the Lakewold Gardens.

Effective January 1, 2024, the Board of Directors of the Friends of Lakewold voted, via an amendment to the bylaws, to remove GTCF as the sole corporate voting member. As such, the accounts of the Friends of Lakewold were deconsolidated from these consolidated financial statements as of January 1, 2024, resulting in a loss on deconsolidation of $4,487,470 reported in the consolidated statement of activities and changes in net assets for the year ended December 31, 2024.

**Financial Statement Presentation -** The consolidated financial statements of the Community Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which requires that resources be classified for reporting purposes based on the existence or absence of donor-imposed restrictions. This is accomplished by classification of fund balances into two classes of net assets: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories and the types of transactions affecting each category follow:

> <u>Without Donor Restrictions</u> - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a reserve, and a board-designated endowment.

**Note 1 - Continued**

With Donor Restrictions - Net assets subject to donor or grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. For these gifts, the donor generally permits the Community Foundation to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board-approved spending policy.

Funds established by unrelated not-for-profit organizations using their own funds for their own benefit are included in investments and reported as a liability, funds held for the benefit of other organizations, on the consolidated statements of financial position, rather than as a net asset.

The Community Foundation has presented unclassified consolidated statements of financial position which sequences assets according to their nearness of conversion to cash and sequences liabilities according to the nearness of their maturity and resulting use of cash.

**Basis of Accounting -** The Community Foundation’s consolidated financial statements have been prepared in accordance with U.S. GAAP on the accrual basis of accounting, where revenues are recognized when earned, and expenses are recognized when the obligation is incurred, regardless of the timing of the related cash flows.

**Estimates -** The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents -** The Community Foundation considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. Cash equivalents consist primarily of money market funds that are not subject to withdrawal restrictions or penalties and are not pledged as collateral.

**Investments -** Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the consolidated statements of financial position. Investments in nonmarketable securities are reported at net asset value (NAV). Fair value is 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. NAV is a practical expedient alternative to fair value for those investments held by an investment company that do not have a readily determinable fair value, such as private equity funds. Unrealized and realized gains and losses are included in the change in net assets. Unless specific prohibitive clauses are contained in the gift instruments, funds for investment have been combined into investment pools. Revenues arising from the ownership or disposition of pooled investments are allocated to the various funds based on each fund’s percentage of ownership in the investment pool.

**Note 1 - Continued**

**Mission-Related Investments -** In support of its goal of advancing positive social change in Pierce County, the Community Foundation has made loan and equity investments for program purposes. Interest of 3% is recognized over the term of the loan through June 30, 2027, and is paid quarterly. The Community Foundation's investments are used to create community investment pools to make small business loans and to develop business and affordable housing in Pierce County. Management has reviewed the collectability of the note receivable and equity investments and has determined an allowance for current expected credit losses is not needed as of December 31, 2025 and 2024. Mission-related investments are reported at fair value (Note 5).

**Fixed Assets -** The Community Foundation capitalizes assets with an individual cost of $1,000 or more and an estimated useful life of more than one year. Purchased fixed assets are recorded at cost. Contributed fixed assets are recorded at fair value on the date received.

For GTCF, depreciation is recorded on a straight-line basis over the estimated useful lives as follows:

| | |
|---|---|
| Furniture and equipment | 3 - 10 years |
| Leasehold improvements | Shorter of useful life or the term of the lease |

For the Museum, depreciation is recorded on a straight-line basis over the estimated useful lives as follows:

| | |
|---|---|
| Furniture and equipment | 5 - 7 years |
| Buildings | 20 years |

Depreciation expense for the years ended December 31, 2025 and 2024 was $56,121 and $40,488, respectively.

**Right-of-Use (ROU) Asset and Lease Liability -** The Community Foundation determines if an arrangement contains a lease at inception. Operating and financing leases are included in ROU assets and lease liabilities on the consolidated statements of financial position. ROU assets represent a right to use an underlying asset for the lease term and operating lease liabilities represent the Community Foundation's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. If the Community Foundation's leases do not provide an implicit rate of return, the Community Foundation uses the risk-free discount rate, determined using a period comparable with that of the lease term from the lease commencement date. For operating leases, ROU assets are reduced over the lease term by the recognized straight-line lease expense less the amount of accretion of the lease liability determined using the effective interest method. For finance leases, ROU assets are amortized on a straight-line basis over the shorter of the useful life of the leased asset or the lease term. Interest expense on each finance lease liability is recognized utilizing the effective interest method. ROU assets are tested for impairment in the same manner as long-lived assets. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Community Foundation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. A ROU asset and operating lease liability is not recognized for leases with total lease payments are less than $5,000, or when the total term is less than 12 months.

**Collections -** The Museum maintains a collection of about 150 bonsai, with trees from Canada, China, Japan, Korea, Taiwan, and the United States. The Museum does not typically deaccession items from its permanent collection. No depreciation is provided for the bonsai collections.

**Note 1 - Continued**

**Funds Held for the Benefit of Other Organizations -** In accordance with U.S. GAAP, when a not-for-profit organization such as a community foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets, or both, to another entity that is specified by the donor, the community foundation must account for the transfer of such assets as if it were holding the funds as an agent of the donor. These funds, identified as agency funds, are included in the Community Foundation's assets with an offsetting liability on the consolidated statements of financial position. Activities related to the agency funds do not affect the change in net assets of the Community Foundation.

**Contributions -** Contributions are recorded as revenue when an unconditional promise to give is received. Bequests are accrued as revenue when the respective will has been declared valid. Other deferred contributions are recorded as revenue when the conditions limiting the transfer of assets have been satisfied, typically when the promise becomes irrevocable. Contributions are recorded at fair value on the date received.

The Community Foundation uses the allowance method to determine uncollectible unconditional contributions receivable. The allowance is based on management's analysis for specific promises made, and it has not been significant to the Community Foundation.

Contributions that are restricted by the donor are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the consolidated statements of activities and changes in net assets as net assets released from restrictions. Restricted contributions received, whose restrictions are met in the same reporting period, are recorded as unrestricted support.

GTCF's corporate bylaws and contribution documents grant variance power that allows GTCF to modify any recommendation or condition on distribution from a fund if such recommendation or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. Whenever possible, GTCF confers with the donor or the donor's representative before the distribution is modified in order to stay as close as possible to the original intent of the donor.

Because of the variance power granted to GTCF, contributions are classified as without donor restrictions if they are available to GTCF without a stipulated time restriction.

**Grant Revenue -** Grant revenue consists of both reciprocal and nonreciprocal transactions. Revenue from nonreciprocal transactions, contribution-type grant agreements, is recognized in accordance with the Community Foundation's contribution revenue policies described above. Revenue from reciprocal transactions from contracts with customers, exchange-type grant agreements, is recognized over time as the Community Foundation's obligation are met, typically by providing professional services.

**Note 1 - Continued**

For the years ended December 31, 2025 and 2024, total revenue from contracts with customers was $3,642,972 and $867,020, respectively, and included revenue from exchange-type grants, administrative fees on agency funds, admissions and rental revenue, reported in grant revenue and other income on the consolidated statements of activities and changes in net assets. Deferred revenue associated with contracts with customers was $0, $0, and $5,875 at December 31, 2025, 2024, and 2023, respectively. Related receivables were $0, $563,477, and $0 at December 31, 2025, 2024, and 2023, respectively.

**Donated Goods and Services -** Many dedicated and talented individuals serve our community by collectively donating thousands of hours to GTCF and its supporting organizations. These volunteers provide services ranging from Board and Committee membership to landscaping maintenance. These donated services were not recognized in the consolidated financial statements because they did not meet the recognition criteria as defined by U.S. GAAP.

The value of donated goods and services such as professional services, advertising, and other services are recorded at fair value as the goods and services are rendered. Fair values of goods and services received are based on management's estimates of the amount the Community Foundation would pay for those goods and services if they had not been donated. Goods and services of $33,635 and $2,800 were recorded as contribution revenue and appropriate expense for the years ended December 31, 2025 and 2024, respectively. This support is utilized to conduct the programs and supporting services of the Community Foundation. The Community Foundation did not monetize any donated support during the years ended December 31, 2025 and 2024.

The Community Foundation also receives the use of donated property (Note 7).

**Functional Allocation of Expenses -** Salaries and related costs are allocated to supporting and program service functions based on time incurred by Community Foundation staff. All other program costs not specifically identified, including certain costs reported in professional fees, occupancy, telephone and postage, computer and website, and depreciation, are allocated based on full-time equivalents (FTEs) in each functional area.

**Federal Income Taxes -** The Internal Revenue Service has determined that GTCF and supporting organizations are not-for-profit organizations and have been recognized as exempt from federal income taxes, except for unrelated business income, under the provisions of Internal Revenue Code Section 501(c)(3). Taxes related to unrelated business activities were not significant for the years ended December 31, 2025 and 2024. The Community Foundation believes it has no uncertain tax positions. Accordingly, the consolidated financial statements do not include a provision for federal income taxes.

**Reclassifications -** Certain reclassifications have been made to prior year accounts to conform to the presentation in the current year financial statements. The reclassifications have no effect on the previously reported change in net assets or net asset balances.

**Subsequent Events -** The Community Foundation has evaluated subsequent events through July 16, 2026, the date on which the consolidated financial statements were available to be issued, and determined that no adjustments are necessary to the amounts reported in the accompanying consolidated financial statements, nor have any events occurred, the nature of which would require disclosure except as included in the notes herein.

## Note 2 - Liquidity and Availability

The Community Foundation's financial assets available for general expenditures include the following as of December 31:

| | 2025 | 2024 |
|---|---|---|
| Cash and cash equivalents | $ 20,199,217 | $ 16,363,396 |
| Contributions and grants receivable | 1,292,540 | 1,217,956 |
| Trusts receivable | 6,715,123 | 8,398,305 |
| Bequest receivable | 562,500 | 562,500 |
| Accounts receivable included in other assets | 20,740 | 13,529 |
| Investments | 177,198,536 | 157,202,315 |
| Mission-related investments | 500,000 | 729,209 |
| Total financial assets | 206,488,656 | 184,487,210 |
| Less financial assets unavailable for general expenditures due to designations and restrictions- | | |
| Donor-restricted endowment funds | (2,586,732) | (2,367,852) |
| Board-designated reserve funds | (801,463) | (770,852) |
| Mission-related investments | (500,000) | (729,209) |
| Investments valued at Net Asset Value (NAV) | (4,557,150) | (8,722,651) |
| Funds held for benefit of other organizations | (24,821,954) | (21,842,942) |
| Contributions and grants receivable due in more than one year | (692,000) | (280,200) |
| Trusts receivable due in more than one year | (6,615,123) | (6,358,896) |
| Charitable Remainder Unitrust assets | (761,469) | (702,952) |
| Annuity reserve assets | (1,151,643) | (998,393) |
| **Total Available Financial Assets, Net** | **$ 164,001,122** | **$ 141,713,263** |

For purposes of this disclosure, general expenditures include amounts available for general operating expenditures, administrative expenses, grantmaking approved for payment from resources available for current use, and other obligations due within one year in the ordinary course of operations. General expenditures do not include amounts subject to donor restrictions, assets held for others as agency funds, board-designated endowment amounts not appropriated for expenditure, or illiquid investments not expected to be converted to cash within one year.

Financial assets are considered unavailable for general expenditures within one year if they are subject to donor or other contractual restrictions, are held for the benefit of others, are invested in nonmarketable or alternative investments not expected to be liquidated within one year, or are subject to board designation for long-term investment.

**Note 2 - Continued**

As part of its liquidity management, the Foundation maintains cash and short-term investment balances sufficient to meet current operating needs and expected grant distributions. In addition, the Foundation's spending policy for endowment and similar funds is designed to provide predictable annual cash flows to support operations and grantmaking. Although the Foundation does not intend to spend from board-designated endowment funds other than amounts appropriated under its spending policy, amounts from such funds could be made available, if necessary, through board action.

The Foundation also monitors the liquidity of its investment portfolio, including redemption restrictions and capital commitment requirements related to alternative investments, in managing cash available for near-term needs.

**Note 3 - Contributions, Grants, and Bequests Receivable**

The Community Foundation has contributions receivable totaling $442,540 and $154,479 as of December 31, 2025 and 2024, respectively. The Community Foundation has grants receivable totaling $850,000 and $1,063,477 as of December 31, 2025 and 2024, respectively. Bequests receivable consists of proceeds from an estate after the will is settled. Bequests receivable as of both December 31, 2025 and 2024 were $562,500.

| | 2025 | 2024 |
|---|---|---|
| Receivable in less than one year | $ 1,163,040 | $ 1,500,256 |
| Receivable in one to five years | 692,000 | 280,200 |
| **Total Contributions, Grants, and Bequests Receivable** | **$ 1,855,040** | **$ 1,780,456** |

**Note 4 - Trusts Receivable**

Trusts receivable consist of a charitable lead annuity trust receivable over 20 years from the date of gift, and beneficial interests in several charitable remainder trusts. The charitable lead annuity trust has been discounted to present value. The charitable remainder trusts held outside the Community Foundation are recorded at net present value of the estimated future amount to be received. Trusts receivable as of December 31, 2025 and 2024 were $6,715,123 and $8,398,305, respectively, and no allowance for collectability was recorded.

**Note 5 - Fair Value Measurements**

Financial assets and liabilities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using Level 3 inputs are primarily valued using management's suppositions about the assumptions market participants would utilize in pricing the asset or liability.

**Note 5 - Continued**

Following is a description of the valuation techniques used for assets and liabilities measured at fair value on a recurring basis. There have been no changes in the techniques used at December 31, 2025 and 2024.

Mutual Funds - Mutual funds are recorded at fair value based on current quoted market prices from actively traded markets.

Trusts Receivable - Trusts receivable are recorded at fair value based on current quoted market prices of the related investments or assessed property value for donated property, reduced by management's estimate of the present value of future payments to other beneficiaries.

Mission-Related Note Receivable - Stated at the lower of cost or impaired cost, plus or minus changes in value as a result of observable price changes that occur in orderly transactions for identical or similar investments of the same issuer.

Bonds - Valued using matrix pricing or market-corroborated pricing inputs such as yield curves or indices.

The following tables set forth by level, within the fair value hierarchy, the Community Foundation's assets and liabilities at fair value as of December 31, 2025 and 2024:

| | Fair Value as of December 31, 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Domestic equity | $ 79,915,052 | $ - | $ - | $ 79,915,052 |
| International equity | 46,032,841 | | | 46,032,841 |
| Domestic fixed income | 25,559,752 | 12,295,594 | | 37,855,346 |
| International fixed income | 8,072,737 | | | 8,072,737 |
| Real assets | 765,410 | | | 765,410 |
| Total investments at fair value | 160,345,792 | 12,295,594 | | 172,641,386 |
| Trusts receivable | | | 6,715,123 | 6,715,123 |
| **Total Assets at Fair Value** | **$ 160,345,792** | **$ 12,295,594** | **$ 6,715,123** | 179,356,509 |
| Nonmarketable securities at net asset value (NAV)- | | | | |
| Private equity | | | | 4,557,150 |
| Mission-related note receivable | | | | 500,000 |
| **Total Investments, Mission-Related Investments, and Trusts Receivable** | | | | **$ 184,413,659** |

**Note 5 - Continued**

| | Fair Value as of December 31, 2024 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Domestic equity | $ 68,583,468 | $ - | $ - | $ 68,583,468 |
| International equity | 36,679,884 | | | 36,679,884 |
| Domestic fixed income | 23,190,117 | 13,376,032 | | 36,566,149 |
| International fixed income | 5,868,488 | | | 5,868,488 |
| Real assets | 781,675 | | | 781,675 |
| Total investments at fair value | 135,103,632 | 13,376,032 | | 148,479,664 |
| Trusts receivable | | | 8,398,305 | 8,398,305 |
| Mission-related investments | | | 229,209 | 229,209 |
| **Total Assets at Fair Value** | **$ 135,103,632** | **$ 13,376,032** | **$ 8,627,514** | 157,107,178 |
| Nonmarketable securities at net asset value (NAV)- Private equity | | | | 8,722,651 |
| Mission-related note receivable | | | | 500,000 |
| **Total Investments, Mission-Related Investments, and Trusts Receivable** | | | | **$ 166,329,829** |

In accordance with U.S. GAAP, certain investments that were measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statements of financial position.

Investments, mission-related investments, and trusts receivable are presented in the consolidated statements of financial position as of December 31 as follows:

| | 2025 | 2024 |
|---|---|---|
| Investments | $ 177,198,536 | $ 157,202,315 |
| Mission-related investments | 500,000 | 729,209 |
| Trusts receivable | 6,715,123 | 8,398,305 |
| | **$ 184,413,659** | **$ 166,329,829** |

**Note 5 - Continued**

For the years ended December 31, 2025 and 2024, the changes in assets and liabilities classified as Level 3 were as follows:

| | Trusts Receivable | Mission-Related Investments |
|---|---|---|
| Balance, January 1, 2024 | $ 5,081,845 | $ 285,565 |
| Investment return, net | 1,475,090 | (56,356) |
| Additions | 1,941,370 | |
| Sales and distributions | (100,000) | |
| **Balance, December 31, 2024** | **8,398,305** | **229,209** |
| Investment return, net | 416,818 | (47,014) |
| Sales and distributions | (2,100,000) | (182,195) |
| **Balance, December 31, 2025** | **$ 6,715,123** | **$ -** |

The following sets forth additional disclosures for the alternative investments valued at NAV as of December 31, 2025 and 2024:

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Fair Value | Unfunded Commitment | Fair Value | Unfunded Commitment |
| Private Equity - Fund of Funds | $ 4,557,150 | $ 565,844 | $ 8,722,651 | $ 565,844 |

**Private Equity Fund of Funds -** Includes investments in partnerships that make indirect investments in three key segments: global private equity, special situations, and real assets. The objective is to invest in a diversified pool of underlying investment funds among the key segments from established investment organizations to exploit the opportunities available from investing in their requisite market segments. No withdrawals may be made prior to the dissolution and winding up of the partnerships.

## Note 6 - Property and Equipment, Net

Property and equipment consisted of the following at December 31:

| | 2025 | 2024 |
|---|---|---|
| Buildings and improvements | $ 279,677 | $ 263,577 |
| Furniture and fixtures | 579,715 | 397,092 |
| | 859,392 | 660,669 |
| Less accumulated depreciation | (524,061) | (467,940) |
| **Total Property and Equipment, Net** | **$ 335,331** | **$ 192,729** |

## Note 7 - Land Use

The Museum entered into a lease agreement for the use of land where the Museum is located. The lease agreement provides for below-market rent at $1 per year for the first 20 years. The lease carries one optional renewal extension term of ten years after the initial 20 year lease has expired.

In 2014, the Museum recorded a contribution at the fair value of the contributed use of the land for 20 years, which was estimated at $2,430,440. The Museum amortizes the value of the contribution over its remaining term. Amortization of the discount was $205,929 and 196,322 for the years ended December 31, 2025 and 2024, respectively. The balance of the land use asset was $490,946 and $604,481 at December 31, 2025 and 2024, respectively.

Subsequent to year end, the Museum entered into an amendment to the lease agreement, extending the use of the land by an additional 10 years, through January 2043.

## Note 8 - Concentration of Credit Risk

The Community Foundation maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. The Community Foundation has not experienced any losses in such accounts.

At December 31, 2025 and 2024, the Community Foundation maintained accounts containing cash and securities with a brokerage firm and the trust departments of various banks. These accounts are insured up to the Securities Investor Protection Corporation insured maximum. The Community Foundation monitors these investments regularly.

For the year ended December 31, 2024, one donor contributed 16% of the Community Foundation’s contribution revenue. There were no such concentrations in contribution revenue for the year ended December 31, 2025.

For the year ended December 31, 2025, one grant constituted 52% of the Community Foundation’s grant revenue. There were no such concentrations in grant revenue for the year ended December 31, 2024.

### Note 9 - Employee Benefits

GTCF sponsors a 401(k) profit sharing plan covering all eligible employees. GTCF, at the discretion of the Board of Directors, may contribute matching, profit sharing and/or qualified nonelective contributions. For the years ended December 31, 2025 and 2024, contributions by GTCF totaled $189,010 and $165,070, respectively.

The Museum sponsors a Savings Incentive Match Plan for Employees (Simple IRA) covering all eligible employees. The Museum, at the discretion of the Board of Directors, may match employee contributions up to 3 percent of compensation. For the years ended December 31, 2025 and 2024, contributions by the Museum totaled $14,178 and $14,703, respectively.

### Note 10 - Leases

The Community Foundation leases office space under a long-term, noncancelable operating lease agreement which expires in 2033. Additional information regarding the Community Foundation's operating lease was as follows:

| | 2025 | 2024 |
|---|---|---|
| Weighted-average remaining lease term - operating lease | 7 years | 8 years |
| Weighted-average discount rate - operating lease | 1.6% | 1.6% |

Leasing costs under the agreements for the years ended December 31 were as follows:

| | 2025 | 2024 |
|---|---|---|
| Operating lease costs | $ 153,905 | $ 163,527 |
| Short term lease cost | (15,644) | 13,225 |
| **Total Leasing Costs** | **$ 138,261** | **$ 176,752** |

Future minimum lease payments under noncancellable agreements are as follows:

| For the Years Ending December 31, | |
|---|---|
| 2026 | $ 157,084 |
| 2027 | 161,796 |
| 2028 | 166,650 |
| 2029 | 171,650 |
| 2030 | 176,799 |
| Thereafter | 448,783 |
| Total undiscounted cash flows | 1,282,762 |
| Less present value discount | (76,286) |
| **Total Lease Liability** | **$ 1,206,476** |

## Note 11 - Net Assets Without and With Donor Restrictions

Net assets without donor restrictions were available for the following purposes at December 31:

| | 2025 | 2024 |
|---|---|---|
| Community grantmaking | $ 14,748,288 | $ 13,669,482 |
| Designated | 50,266,349 | 43,474,063 |
| Advised | 17,706,493 | 15,715,021 |
| Field of interest | 21,151,756 | 19,824,274 |
| Scholarships | | 2,510,332 |
| Total endowment funds | 103,872,886 | 95,193,172 |
| Operating funds - nonendowed | 65,164,232 | 54,106,076 |
| Board-designated reserve funds | 801,463 | 770,852 |
| **Total Net Assets Without Donor Restrictions** | **$ 169,838,581** | **$ 150,070,100** |

Net assets with donor restrictions were available for the following purposes at December 31:

| | 2025 | 2024 |
|---|---|---|
| Net assets with time restrictions- | | |
| Contributions and grants receivable | $ 1,292,540 | $ 653,979 |
| Land use receivable | 490,946 | 604,481 |
| Trusts receivable and charitable remainder trusts | 7,154,941 | 8,858,477 |
| Bequest receivable | 562,500 | 562,500 |
| Other | 16,100 | |
| Accumulated earnings on funds held in perpetuity | 543,044 | 324,164 |
| Net assets maintained in perpetuity- | | |
| Funds held in perpetuity | 2,043,688 | 2,043,688 |
| **Total Net Assets With Donor Restrictions** | **$ 12,103,759** | **$ 13,047,289** |

Donor-restricted net assets held in perpetuity were established with donor-restricted contributions and are held at the Community Foundation. Its corpus totaled $2,043,688 at both December 31, 2025 and 2024.

### Note 12 - Release of Net Assets

Net assets were released from donor restrictions for the years ended December 31 as follows:

| | 2025 | 2024 |
|---|---|---|
| Purpose or time restrictions accomplished- | | |
| Expiration of time restriction | $ 3,069,609 | $ 860,181 |
| **Net Assets Released From Restrictions** | **$ 3,069,609** | **$ 860,181** |

### Note 13 - Endowments

The Community Foundation's endowments consist of approximately 350 individual funds established by donors for a variety of purposes. When donations are received with restrictions to use the funds for a long-term nature, the Community Foundation invests these funds as endowments, with annual distributions to beneficiaries in keeping with donor intent. The net endowment assets are without donor restrictions and are subject to the Community Foundation's variance power as discussed below:

<u>Interpretation of Relevant Law</u> - The Board of Directors has interpreted the Washington Prudent Management of Institutional Funds Act (PMIFA) as requiring/prescribing the preservation of the fair value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary. The Board's interpretation of PMIFA also considers the Foundation's explicit variance power, where applicable, in determining whether certain funds are subject to donor-imposed restrictions for financial reporting purposes.

As a result of the Foundation's variance power, certain funds that might otherwise be described as donor-advised or donor-established endowment funds are classified as net assets without donor restrictions because the donor's recommendation does not constitute a binding donor-imposed restriction under U.S. GAAP. Funds that are subject to explicit perpetual or time restrictions, or other binding donor stipulations, are classified within net assets with donor restrictions.

As of December 31, 2025, endowment net assets consisted of the following:

| | Without Donor Restrictions | With Donor Restrictions | Total Endowment Net Assets |
|---|---|---|---|
| Community grantmaking | $ 14,748,288 | $ - | $ 14,748,288 |
| Designated | 50,266,349 | 2,586,732 | 52,853,081 |
| Advised | 17,706,493 | | 17,706,493 |
| Field of interest | 21,151,756 | | 21,151,756 |
| **Total Endowment Funds** | **$ 103,872,886** | **$ 2,586,732** | **$ 106,459,618** |

**Note 13 - Continued**

As of December 31, 2024, endowment net assets consisted of the following:

| | Without Donor Restrictions | With Donor Restrictions | Total Endowment Net Assets |
|---|---|---|---|
| Community grant making | $ 13,669,482 | $ - | $ 13,669,482 |
| Designated | 43,474,063 | 2,367,852 | 45,841,915 |
| Advised | 15,715,021 | | 15,715,021 |
| Field of interest | 19,824,274 | | 19,824,274 |
| Scholarships | 2,510,332 | | 2,510,332 |
| **Total Endowment Funds** | **$ 95,193,172** | **$ 2,367,852** | **$ 97,561,024** |

Changes in endowment net assets for the years ended December 31, 2025 and 2024 were as follows:

| | Without Donor Restrictions | With Donor Restrictions | Total Endowment Net Assets |
|---|---|---|---|
| Endowment net assets, January 1, 2024 | $ 89,229,490 | $ 4,304,442 | $ 93,533,932 |
| Net investment earnings | 8,279,430 | 218,248 | 8,497,678 |
| Contributions | 3,076,886 | | 3,076,886 |
| Amounts appropriated for expenditure | (5,028,988) | (115,342) | (5,144,330) |
| Net transfers | (11,600) | | (11,600) |
| Deconsolidation of subsidiary organization | (352,046) | (2,039,496) | (2,391,542) |
| Change in endowment net assets | 5,963,682 | (1,936,590) | 4,027,092 |
| **Endowment Net Assets, December 31, 2024** | **95,193,172** | **2,367,852** | **97,561,024** |
| Net investment earnings | 13,418,292 | 338,779 | 13,757,071 |
| Contributions | 576,225 | | 576,225 |
| Amounts appropriated for expenditure | (5,363,747) | (119,899) | (5,483,646) |
| Net transfers | 48,944 | | 48,944 |
| Change in endowment net assets | 8,679,714 | 218,880 | 8,898,594 |
| **Endowment Net Assets, December 31, 2025** | **$ 103,872,886** | **$ 2,586,732** | **$ 106,459,618** |

**Funds With Deficiencies -** From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Community Foundation to retain as a fund of perpetual duration. There were no such deficiencies at December 31, 2025 and 2024.

**Note 13 - Continued**

**Return Objectives and Risk Parameters -** Endowed assets of the Community Foundation are prudently managed by an Investment Consultant under the direction of the Investment Committee. A thorough investment policy defines the objectives and acceptable risk-return parameters for these funds. To provide support for programs and agencies benefitting from this endowment, a specific spending policy is adhered to and reviewed at least annually. Over time, it is the goal of the endowment's investment policy to provide a return that keeps pace with the combined total of inflation, administrative expenses, and the spending requirements. The endowment investment pool is globally diversified but not immune to declines in value. However, over time, it is the expectation that investment principal can be maintained in perpetuity.

**Strategies Employed for Achieving Objectives -** To satisfy its long-term return objectives, the Community Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Community Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

**Spending Policy and How Investment Objectives Relate to Spending Policy -** The spending policy calculates the amount of money distributed annually for grant making from the Community Foundation's various endowed funds. The current spending policy is to distribute an amount equal to 4.3% of the 16-quarter rolling average market value. If the market value of an endowment fund on the date on which a distribution is being determined is less than the fund's historic dollar value (the amount of the original gift plus each additional donation to the fund), the allowable spending from the endowment fund is limited to 3% of the 16-quarter rolling average market value. Accordingly, over the long term, the Community Foundation expects the current spending policy to allow its endowment assets to grow at an average rate of 2% annually. This is consistent with the Community Foundation's objective of maintaining the purchasing power of endowment assets as well as providing additional real growth through new gifts and investment returns.

**Note 14 - Split-Interest Agreements**

Some donors enter into trusts or other arrangements under which the Community Foundation receives benefits that are shared with other beneficiaries. The Community Foundation either receives distributions during the agreement's term, or it receives all or a portion of the assets remaining at the end of the term. Assets received under these split-interest agreements are recorded at fair value in the investments and trust receivable accounts and totaled $8,628,235 and $10,099,650 at December 31, 2025 and 2024, respectively. The related receivable or liability is calculated based on the life expectancy of the beneficiary or the term of the agreement, discounted at the applicable federal rate per the IRS tables. Included in split-interest agreements payable are charitable gift annuities with an actuarial present value of $388,585 and $404,516 at December 31, 2025 and 2024, respectively. The Community Foundation maintains a reserve fund adequate to meet the future payments under its charitable gift annuity contracts and in accordance with State law. Split-interest estimated liabilities at December 31, 2025 and 2024 totaled $643,518 and $647,241, respectively.

## Note 15 - Risk and Uncertainties

**Market and Credit Risk -** The Community Foundation is exposed to market and credit risk due to the various foreign and domestic investment securities held for long-term investment purposes. Investment securities are exposed to various risks such as foreign currency exchange rate, interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated statements of financial position.

**SUPPLEMENTARY INFORMATION**

**GREATER TACOMA COMMUNITY FOUNDATION**

**Consolidating Statement of Financial Position**
**December 31, 2025**

| | Greater Tacoma Community Foundation | The Asset Stewardship Foundation | Pacific Bonsai Museum | Total | Eliminating Entries | Consolidated Total |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash and cash equivalents | $ 19,666,211 | $ 399 | $ 532,607 | $ 20,199,217 | $ - | $ 20,199,217 |
| Contributions and grants receivable | 1,287,026 | | 5,514 | 1,292,540 | | 1,292,540 |
| Trusts receivable | 6,715,123 | | | 6,715,123 | | 6,715,123 |
| Bequest receivable | 562,500 | | | 562,500 | | 562,500 |
| Other assets | 106,216 | | 28,199 | 134,415 | | 134,415 |
| Investments | 177,198,536 | | | 177,198,536 | | 177,198,536 |
| Mission-related investments | 500,000 | | | 500,000 | | 500,000 |
| Property and equipment, net | 175,895 | | 159,436 | 335,331 | | 335,331 |
| Land use | | | 490,946 | 490,946 | | 490,946 |
| Right-of-use asset, operating | 1,065,173 | | | 1,065,173 | | 1,065,173 |
| Collections | | | 593,025 | 593,025 | | 593,025 |
| **Total Assets** | **$ 207,276,680** | **$ 399** | **$ 1,809,727** | **$ 209,086,806** | **$ -** | **$ 209,086,806** |
| **Liabilities and Net Assets** | | | | | | |
| **Liabilities:** | | | | | | |
| Accounts payable and other liabilities | $ 332,633 | $ - | $ 94,625 | $ 427,258 | $ - | $ 427,258 |
| Grants payable | 45,260 | | | 45,260 | | 45,260 |
| Lease liability, operating | 1,206,476 | | | 1,206,476 | | 1,206,476 |
| Split-interest agreements payable | 643,518 | | | 643,518 | | 643,518 |
| Funds held for the benefit of other organizations | 24,821,954 | | | 24,821,954 | | 24,821,954 |
| **Total Liabilities** | **27,049,841** | | **94,625** | **27,144,466** | | **27,144,466** |
| **Net Assets:** | | | | | | |
| Without donor restrictions | 168,635,639 | 399 | 1,202,543 | 169,838,581 | | 169,838,581 |
| With donor restrictions | 11,591,200 | | 512,559 | 12,103,759 | | 12,103,759 |
| **Total Net Assets** | **180,226,839** | **399** | **1,715,102** | **181,942,340** | | **181,942,340** |
| **Total Liabilities and Net Assets** | **$ 207,276,680** | **$ 399** | **$ 1,809,727** | **$ 209,086,806** | **$ -** | **$ 209,086,806** |

See independent auditor’s report.

**GREATER TACOMA COMMUNITY FOUNDATION**

**Consolidating Statement of Financial Position**
**December 31, 2024**

| | Greater Tacoma Community Foundation | The Asset Stewardship Foundation | Pacific Bonsai Museum | Total | Eliminating Entries | Consolidated Total |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash and cash equivalents | $ 16,186,563 | $ 399 | $ 176,434 | $ 16,363,396 | $ - | $ 16,363,396 |
| Contributions and grants receivable | 1,201,577 | | 16,379 | 1,217,956 | | 1,217,956 |
| Trusts receivable | 8,398,305 | | | 8,398,305 | | 8,398,305 |
| Bequests receivable | 562,500 | | | 562,500 | | 562,500 |
| Other assets | 119,040 | | 13,741 | 132,781 | | 132,781 |
| Investments | 157,202,315 | | | 157,202,315 | | 157,202,315 |
| Mission-related investments | 729,209 | | | 729,209 | | 729,209 |
| Property and equipment, net | 16,684 | | 176,045 | 192,729 | | 192,729 |
| Land use | | | 604,481 | 604,481 | | 604,481 |
| Right-of-use asset, operating | 1,279,435 | | | 1,279,435 | | 1,279,435 |
| Collections | | | 565,025 | 565,025 | | 565,025 |
| **Total Assets** | **$ 185,695,628** | **$ 399** | **$ 1,552,105** | **$ 187,248,132** | **$ -** | **$ 187,248,132** |
| **Liabilities and Net Assets** | | | | | | |
| **Liabilities:** | | | | | | |
| Accounts payable and other liabilities | $ 219,920 | $ - | $ 71,290 | $ 291,210 | $ - | $ 291,210 |
| Grants payable | 11,000 | | | 11,000 | | 11,000 |
| Deferred revenue | | | | | | |
| Lease liability, operating | 1,338,350 | | | 1,338,350 | | 1,338,350 |
| Split-interest agreements payable | 647,241 | | | 647,241 | | 647,241 |
| Funds held for the benefit of other organizations | 21,842,942 | | | 21,842,942 | | 21,842,942 |
| **Total Liabilities** | **24,059,453** | | **71,290** | **24,130,743** | | **24,130,743** |
| **Net Assets:** | | | | | | |
| Without donor restrictions | 149,209,245 | 399 | 860,456 | 150,070,100 | | 150,070,100 |
| With donor restrictions | 12,426,930 | | 620,359 | 13,047,289 | | 13,047,289 |
| **Total Net Assets** | **161,636,175** | **399** | **1,480,815** | 163,117,389 | | 163,117,389 |
| **Total Liabilities and Net Assets** | **$ 185,695,628** | **$ 399** | **$ 1,552,105** | **$ 187,248,132** | **$ -** | **$ 187,248,132** |

See independent auditor's report.

## GREATER TACOMA COMMUNITY FOUNDATION

## Consolidating Statement of Activities and Changes in Net Assets
## For the Year Ended December 31, 2025

| | Greater Tacoma Community Foundation | | | The Asset Stewardship Foundation | | | Pacific Bonsai Museum | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total | Total | Eliminating Entries | Consolidated Total |
| **Revenues and Support:** | | | | | | | | | | | | |
| Contributions and agency funds- | | | | | | | | | | | | |
| Advised | $ 9,030,912 | $ - | $ 9,030,912 | $ - | $ - | $ - | $ - | $ - | $ - | $ 9,030,912 | $ - | $ 9,030,912 |
| Designated | 1,267,475 | 522,000 | 1,789,475 | | | | | | | 1,789,475 | | 1,789,475 |
| Field of interest | 20,000 | | 20,000 | | | | | | | 20,000 | | 20,000 |
| Scholarships | 1,480 | | 1,480 | | | | | | | 1,480 | | 1,480 |
| Community grantmaking | 151,417 | | 151,417 | | | | | | | 151,417 | | 151,417 |
| Administrative fund | | | | | | | | | | | | |
| Supporting organizations | | | | | | | 1,490,331 | 21,614 | 1,511,945 | 1,511,945 | (405,171) | 1,106,774 |
| Agency funds | 2,058,613 | | 2,058,613 | | | | | | | 2,058,613 | | 2,058,613 |
| | 12,529,897 | 522,000 | 13,051,897 | | | | 1,490,331 | 21,614 | 1,511,945 | 14,563,842 | (405,171) | 14,158,671 |
| Less agency funds | (2,058,613) | | (2,058,613) | | | | | | | (2,058,613) | | (2,058,613) |
| Total contributions and agency funds | 10,471,284 | 522,000 | 10,993,284 | | | | 1,490,331 | 21,614 | 1,511,945 | 12,505,229 | (405,171) | 12,100,058 |
| Net investment return | 19,113,639 | 338,779 | 19,452,418 | | | | 14,063 | | 14,063 | 19,466,481 | | 19,466,481 |
| Grant revenue | 5,935,115 | 800,000 | 6,735,115 | | | | | | | 6,735,115 | | 6,735,115 |
| Other income | 317,552 | | 317,552 | | | | 27,690 | | 27,690 | 345,242 | | 345,242 |
| Change in value of split-interest agreements | | 443,686 | 443,686 | | | | | | | 443,686 | | 443,686 |
| Net assets released from restrictions | 2,940,195 | (2,940,195) | | | | | 129,414 | (129,414) | | | | |
| **Total Revenues and Support** | **38,777,785** | **(835,730)** | **37,942,055** | | | | **1,661,498** | **(107,800)** | **1,553,698** | **39,495,753** | **(405,171)** | **39,090,582** |
| **Expenses:** | | | | | | | | | | | | |
| Program services- | | | | | | | | | | | | |
| Grants: | | | | | | | | | | | | |
| Advised | 6,525,448 | | 6,525,448 | | | | | | | 6,525,448 | (2,000) | 6,523,448 |
| Designated | 5,322,475 | | 5,322,475 | | | | | | | 5,322,475 | (278,171) | 5,044,304 |
| Field of interest | 643,735 | | 643,735 | | | | | | | 643,735 | (125,000) | 518,735 |
| Scholarships | 157,891 | | 157,891 | | | | | | | 157,891 | | 157,891 |
| Community grantmaking | 2,749,159 | | 2,749,159 | | | | | | | 2,749,159 | | 2,749,159 |
| Agency funds | 1,800,849 | | 1,800,849 | | | | | | | 1,800,849 | | 1,800,849 |
| | 17,199,557 | | 17,199,557 | | | | | | | 17,199,557 | (405,171) | 16,794,386 |
| Less agency funds | (1,800,849) | | (1,800,849) | | | | | | | (1,800,849) | | (1,800,849) |
| Total grants | 15,398,708 | | 15,398,708 | | | | | | | 15,398,708 | (405,171) | 14,993,537 |
| Other program service expenses | 1,581,301 | | 1,581,301 | | | | 1,026,617 | | 1,026,617 | 2,607,918 | | 2,607,918 |
| Total program services | 16,980,009 | | 16,980,009 | | | | 1,026,617 | | 1,026,617 | 18,006,626 | (405,171) | 17,601,455 |
| Management and general | 1,655,067 | | 1,655,067 | | | | 150,999 | | 150,999 | 1,806,066 | | 1,806,066 |
| Fundraising | 716,315 | | 716,315 | | | | 141,795 | | 141,795 | 858,110 | | 858,110 |
| **Total Expenses** | **19,351,391** | | **19,351,391** | | | | **1,319,411** | | **1,319,411** | **20,670,802** | **(405,171)** | **20,265,631** |
| **Change in Net Assets** | **19,426,394** | **(835,730)** | **18,590,664** | | | | **342,087** | **(107,800)** | **234,287** | **18,824,951** | | **18,824,951** |
| Net assets, beginning of year | 149,209,245 | 12,426,930 | 161,636,175 | 399 | | 399 | 860,456 | 620,359 | 1,480,815 | 163,117,389 | | 163,117,389 |
| **Net Assets, End of Year** | **$ 168,635,639** | **$ 11,591,200** | **$ 180,226,839** | **$ 399** | **$ -** | **$ 399** | **$ 1,202,543** | **$ 512,559** | **$ 1,715,102** | **$ 181,942,340** | **$ -** | **$ 181,942,340** |

See independent auditor's report.

## GREATER TACOMA COMMUNITY FOUNDATION

## Consolidating Statement of Activities and Changes in Net Assets
## For the Year Ended December 31, 2024

| | Greater Tacoma Community Foundation | | | The Asset Stewardship Foundation | | | The Friends of Lakewold | | | Pacific Bonsai Museum | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total | Total | Eliminating Entries | Consolidated Total |
| **Revenues and Support:** | | | | | | | | | | | | | | | |
| Contributions and agency funds- | | | | | | | | | | | | | | | |
| Advised | $ 4,508,890 | $ 1,941,370 | $ 6,450,260 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 6,450,260 | $ - | $ 6,450,260 |
| Designated | 2,304,446 | 143,419 | 2,447,865 | | | | | | | | | | 2,447,865 | | 2,447,865 |
| Field of interest | 1,872,237 | | 1,872,237 | | | | | | | | | | 1,872,237 | | 1,872,237 |
| Scholarships | 161,748 | | 161,748 | | | | | | | | | | 161,748 | | 161,748 |
| Community grantmaking | 179,560 | | 179,560 | | | | | | | | | | 179,560 | | 179,560 |
| Administrative fund | 50,000 | | 50,000 | | | | | | | | | | 50,000 | | 50,000 |
| Supporting organizations | | | | | | | | | | 1,011,922 | 10,515 | 1,022,437 | 1,022,437 | (402,800) | 619,637 |
| Agency funds | 2,380,518 | | 2,380,518 | | | | | | | | | | 2,380,518 | | 2,380,518 |
| | 11,457,399 | 2,084,789 | 13,542,188 | | | | | | | 1,011,922 | 10,515 | 1,022,437 | 14,564,625 | (402,800) | 14,161,825 |
| Less agency funds | (2,380,518) | | (2,380,518) | | | | | | | | | | (2,380,518) | | (2,380,518) |
| Total contributions and agency funds | 9,076,881 | 2,084,789 | 11,161,670 | | | | | | | 1,011,922 | 10,515 | 1,022,437 | 12,184,107 | (402,800) | 11,781,307 |
| Net investment return | 11,892,990 | 304,392 | 12,197,382 | 4 | | 4 | | | | 5,848 | | 5,848 | 12,203,234 | | 12,203,234 |
| Grant revenue | 1,086,619 | 750,000 | 1,836,619 | | | | | | | | | | 1,836,619 | | 1,836,619 |
| Other income | 169,274 | | 169,274 | | | | | | | 31,053 | | 31,053 | 200,327 | | 200,327 |
| Change in value of split-interest agreements | 44,529 | 1,557,650 | 1,602,179 | | | | | | | | | | 1,602,179 | | 1,602,179 |
| Net assets released from restrictions | 728,341 | (728,341) | | | | | | | | 131,840 | (131,840) | | | | |
| **Total Revenues and Support** | **22,998,634** | **3,968,490** | **26,967,124** | **4** | | **4** | | | | **1,180,663** | **(121,325)** | **1,059,338** | **28,026,466** | **(402,800)** | **27,623,666** |
| **Expenses:** | | | | | | | | | | | | | | | |
| Program services- | | | | | | | | | | | | | | | |
| Grants: | | | | | | | | | | | | | | | |
| Advised | 8,331,623 | | 8,331,623 | | | | | | | | | | 8,331,623 | (3,200) | 8,328,423 |
| Designated | 3,832,277 | | 3,832,277 | | | | | | | | | | 3,832,277 | (274,600) | 3,557,677 |
| Field of interest | 265,560 | | 265,560 | | | | | | | | | | 265,560 | (125,000) | 140,560 |
| Scholarships | 709,279 | | 709,279 | | | | | | | | | | 709,279 | | 709,279 |
| Community grantmaking | 322,500 | | 322,500 | | | | | | | | | | 322,500 | | 322,500 |
| Agency funds | 5,504,833 | | 5,504,833 | | | | | | | | | | 5,504,833 | | 5,504,833 |
| | 18,966,072 | | 18,966,072 | | | | | | | | | | 18,966,072 | (402,800) | 18,563,272 |
| Less agency funds | (5,504,833) | | (5,504,833) | | | | | | | | | | (5,504,833) | | (5,504,833) |
| Total grants | 13,461,239 | | 13,461,239 | | | | | | | | | | 13,461,239 | (402,800) | 13,058,439 |
| Other program service expenses | 1,530,884 | | 1,530,884 | | | | | | | 933,873 | | 933,873 | 2,464,757 | | 2,464,757 |
| Total program services | 14,992,123 | | 14,992,123 | | | | | | | 933,873 | | 933,873 | 15,925,996 | (402,800) | 15,523,196 |
| Management and general | 1,579,287 | | 1,579,287 | | | | | | | 164,567 | | 164,567 | 1,743,854 | | 1,743,854 |
| Fundraising | 635,685 | | 635,685 | | | | | | | 136,256 | | 136,256 | 771,941 | | 771,941 |
| **Total Expenses** | **17,207,095** | | **17,207,095** | | | | | | | **1,234,696** | | **1,234,696** | **18,441,791** | **(402,800)** | **18,038,991** |
| Loss on deconsolidation of subsidiary | | | | | | | (2,188,584) | (2,298,886) | (4,487,470) | | | | (4,487,470) | | (4,487,470) |
| **Change in Net Assets** | **5,791,539** | **3,968,490** | **9,760,029** | **4** | | **4** | **(2,188,584)** | **(2,298,886)** | **(4,487,470)** | **(54,033)** | **(121,325)** | **(175,358)** | **5,097,205** | | **5,097,205** |
| Net assets, beginning of year | 143,417,706 | 8,458,440 | 151,876,146 | 395 | | 395 | 2,188,584 | 2,298,886 | 4,487,470 | 914,489 | 741,684 | 1,656,173 | 158,020,184 | | 158,020,184 |
| **Net Assets, End of Year** | **$ 149,209,245** | **$ 12,426,930** | **$ 161,636,175** | **$ 399** | **$ -** | **$ 399** | **$ -** | **$ -** | **$ -** | **$ 860,456** | **$ 620,359** | **$ 1,480,815** | **$ 163,117,389** | **$ -** | **$ 163,117,389** |

See independent auditor’s report.