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INDIAN RIVER COMMUNITY FOUNDATION, INC.

Financial Statements

June 30, 2026

(With Independent Auditors' Report Thereon)

INDIAN RIVER COMMUNITY FOUNDATION, INC.

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JACOBY AND HANDLEY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

The Board of Directors
Indian River Community Foundation, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Indian River Community Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of June 30, 2026, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Indian River Community Foundation, Inc. as of June 30, 2026, 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 (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 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.

Other Matters

The Foundation's financial statements for the year ended June 30, 2025 were audited by another auditor whose report dated November 14, 2025, expressed an unmodified opinion on those statements.

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 Foundation's ability to continue as a going concern for one year after the date that the financial statements are 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 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 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

The Foundation's June 30, 2025 financial statements were audited by other auditors, as described in the Other Matters section of our report. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Jacoby and Handley, PLLC

November 13, 2026

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Statement of Financial Position

June 30, 2026
(with comparative totals as of June 30, 2025)

Assets		**2026**	**2025**
Assets:			
Cash and cash equivalents	$	6,548,415	6,121,578
Investments (note 4)		130,214,956	106,878,216
Pledge receivable		7,484,135	–
Notes receivable		2,495,687	1,497,938
Prepaid expenses		83,944	75,709
Net property and equipment		20,602	37,898
Other assets		5,622	5,535
Total assets	$	146,853,361	114,616,874
Liabilities and Net Assets			
Liabilities:			
Grants payable		2,441,500	219,167
Accounts payable and accrued expenses		64,337	43,295
Obligation for charitable remainder unitrust		97,246	83,899
Assets held for others		7,241,723	4,829,210
Total liabilities		9,844,806	5,175,571
Net assets (notes 11, 12, and 13):			
Without donor restrictions		133,195,736	106,021,559
With donor restrictions		3,812,819	3,419,744
Total net assets		137,008,555	109,441,303
Total liabilities and net assets	$	146,853,361	114,616,874

See accompanying notes to financial statements.

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Statement of Activities

Year ended June 30, 2026
(with comparative totals for the year ended June 30, 2025)

	Without Donor Restrictions	With Donor Restrictions	All Funds Combined **2026**	**2025**
Public support, revenue and gains:				
Contributions	$ 37,161,194	200	37,161,394	24,559,148
Net investment return	16,565,816	567,111	17,132,927	12,949,505
Administrative fee income	951,202	–	951,202	791,193
Other income	83,750	–	83,750	16,403
Net assets released from restrictions	174,236	(174,236)	–	–
Total public support, revenue and gains	54,936,198	393,075	55,329,273	38,316,249
Expenses:				
Program services	26,974,900	–	26,974,900	18,038,558
Supporting services:				
Management and general	480,214	–	480,214	433,343
Fundraising	306,907	–	306,907	297,389
Total supporting services	787,121	–	787,121	730,732
Total expenses	27,762,021	–	27,762,021	18,769,290
Change in net assets	27,174,177	393,075	27,567,252	19,546,959
Net assets at beginning of year:				
As previously reported	106,390,543	3,419,744	109,810,287	90,225,922
Prior period adjustment – reclassification of funds to assets held for others (note 10)	(368,984)	–	(368,984)	(331,578)
As restated	106,021,559	3,419,744	109,441,303	89,894,344
Net assets at end of year	$ 133,195,736	3,812,819	137,008,555	109,441,303

See accompanying notes to financial statements.

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Statement of Functional Expenses

Year ended June 30, 2026
(with comparative totals for the year ended June 30, 2025)

	Program Services	Supporting Services: Management And General	Supporting Services: Fundraising	Totals: 2026	Totals: 2025
Grants	$ 25,324,212	–	–	25,324,212	16,668,053
Administrative fees charged to funds	1,040,330	–	–	1,040,330	837,393
Salaries and benefits	381,338	321,997	269,466	972,801	847,614
Professional fees	70,619	33,193	–	103,812	88,587
Subscriptions and memberships	67,527	22,509	–	90,036	87,583
Office	10,737	63,982	197	74,916	73,469
Marketing	33,175	–	33,175	66,350	55,836
Program/initiative expenses	29,686	–	–	29,686	32,186
Meetings	9,895	4,357	3,741	17,993	24,359
Depreciation and amortization	–	17,296	–	17,296	25,474
Travel and seminars	5,597	5,596	–	11,193	11,614
Telephone	474	4,270	–	4,744	4,992
Insurance	–	3,751	–	3,751	3,684
Bank fees	–	3,263	–	3,263	3,446
Promotional	910	–	228	1,138	5,000
Software and website maintenance	400	–	100	500	–
Total expenses	$ 26,974,900	480,214	306,907	27,762,021	18,769,290

See accompanying notes to financial statements.

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Statement of Cash Flows

Year ended June 30, 2026
(with comparative totals for the year ended June 30, 2025)

		2026	2025
Cash flows from operating activities:			
Change in net assets	$	27,567,252	19,546,959
Adjustments to reconcile change in net assets to net cash used in operating activities:			
Depreciation and amortization		17,296	25,474
Donated marketable securities		(17,496,292)	(16,442,274)
Unrealized and realized gains on investments		(15,725,669)	(11,489,870)
Interest income added to note receivable		(5,313)	–
Changes in operating assets and liabilities which provided (used) cash:			
Prepaid expenses		(8,235)	(1,338)
Pledge receivable		(7,484,135)	–
Other assets		(87)	26,479
Grants payable		2,222,333	(56,566)
Accounts payable and accrued expenses		21,042	31,462
Assets held for others		2,412,513	1,099,714
Net cash used in operating activities		(8,479,295)	(7,259,960)
Cash flows from investing activities:			
Proceeds from sale of investments		29,769,675	114,985,020
Purchases of investments		(19,871,107)	(105,793,691)
Issuance of notes receivable		(1,000,000)	(1,500,000)
Proceeds from payments on note receivable		7,564	2,062
Purchases of fixed assets		–	(3,272)
Net cash provided by investing activities		8,906,132	7,690,119
Net change in cash and cash equivalents		426,837	430,159
Cash and cash equivalents at beginning of year		6,121,578	5,691,419
Cash and cash equivalents at end of year	$	6,548,415	6,121,578

See accompanying notes to financial statements.

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2026

(1) Organization

Indian River Community Foundation, Inc. (the "Foundation") is a tax-exempt organization under Internal Revenue Code Section 501(c)(3). The mission of the Foundation is to build a better community through donor-driven philanthropy. The Foundation receives the majority of its revenue from contributions and investment returns. The Foundation is governed by a volunteer Board of Directors comprised of residents of Indian River County, and operated by a staff committed to service excellence in all aspects of the organization's business. The Foundation carries out its mission in the following ways:

- By helping generous people to simplify donations and give to the causes they care about through charitable giving accounts.
- By helping generous people to create and leave a charitable legacy to support causes they care about through permanent endowments.
- By using the philanthropic capital it is entrusted with to find, fund, and follow charitable organizations, programs, and projects that make the Indian River County community better.

Since it began operations in 2008, the Foundation and its donors have awarded approximately $173 million in grants mostly to nonprofit charitable organization located in Indian River County, Florida. The Foundation has received accreditation for meeting National Standards for U.S. Community Foundations®, the nation's highest standard for philanthropic excellence.

(2) Summary of Significant Accounting Policies

This summary of significant accounting policies of the Foundation is presented to assist in understanding the Foundation's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been applied consistently in the preparation of these financial statements.

(a) Basis of Presentation

The Foundation presents its financial statements in accordance with ASU 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. Topic 958 addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return.

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INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and reporting into funds established according to their nature and purpose and in accordance with activities or objectives specified by donors. Fund balances and transactions have been classified into two classes of net assets – without donor restrictions or with donor restrictions as follows:

Net assets without donor restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) imposed restrictions. As reflected in note 11, the following funds are net assets without donor restrictions:

- Donor-advised funds are available for grant disbursement generally based on donor recommendation.

- Undesignated funds are carried in the name of the donor, if applicable, and are available for disbursement at the discretion of the Foundation's Board of Directors.

- Board-designated funds have been established by the governing board, from net assets without donor restrictions, as net assets for a board-designated endowment (see note 13).

- Field-of-interest funds are available for grant disbursement within a charitable field-of-interest as recommended by the fund's advisory committee.

- Designated funds are generally used for a specific charitable organization as recommended by the donor. Resources that are reported in this net asset category include contributions without donor restrictions and the investment earnings thereon, and related expenses associated with the operations of the Foundation.

Net assets with donor restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor-imposed restrictions are temporary in nature; those restrictions 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time as elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, and are reported as net assets released from restrictions (see note 12).

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INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

Variance Power

Variance power is the unilateral power to redirect the use of contributions to an entity or individual other than the specified beneficiary, if the Foundation's Board determines that circumstances have changed as to render the express desires of the donor unnecessary, impractical, incapable of fulfillment or inconsistent with the charitable needs of the community. The Foundation may, at any time, redirect the application of all or part of a gift, grant, devise or bequest to such other charitable uses or purposes which, in the Foundation's judgment, will most effectively accomplish the general mission of the Foundation.

(b) Basis of Accounting

Basis of accounting is used to describe when revenues and expenses are recognized in the accounts and reported in the financial statements.

The Foundation prepares its financial statements on the accrual basis in accordance with accounting principles generally accepted in the United States of America. Assets and related revenue are recorded when earned and related liabilities and expenses are recognized as incurred.

(c) Revenue Recognition

Contributions

Contributions, including unconditional promises to give, are recognized as support in the period received. All contributions are without donor restriction unless specifically restricted by the donor. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When donor restrictions expire in the same reporting period the donations are received, the donations are reported as net assets without donor restriction. Conditional promises to give, which have a measurable performance or other barriers and right to return, are not recognized until the conditions on which they depend have been met. Donations promised in the future are recorded at the present value of estimated future cash flows. Contributions of assets other than cash are recorded at their estimated fair value.

Administrative Fee Income

The Foundation assesses administrative fees on charitable giving accounts to cover fund management, compliance, and grant processing. Fees are calculated annually based on the fund's average daily balance and deducted directly from the fund. Investment management fees are assessed separately and vary by portfolio. These fees are recorded as administrative fee income in the statements of activities.

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(d) Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits in banks and money market accounts. The Foundation has not experienced any credit losses and does not believe it is exposed to any significant credit loss on these funds. The Foundation maintains its deposits in amounts, which, at times, may exceed federally insured limits. For purposes of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents. Cash equivalents at June 30, 2026 consisted of money market accounts totaling $6,192,039.

(e) Third-Party Pooled Cash and Investments

Prior to July 1, 2023, the Foundation's investments were held in brokerage accounts under the control and in the name of Greater Horizons as part of a financial management and investment services agreement (the "Agreement"). The Agreement granted all rights, title, and interest in the Foundation's cash and investments to Greater Horizons and granted variance power to Greater Horizons, subject to the Foundation's direction and donor intent.

The Agreement was terminated effective July 1, 2023, whereupon Greater Horizons no longer had variance power and returned legal control and possession of the Foundation's cash and investments to the Foundation. However, the Foundation elected to continue using Greater Horizons for investment services. The Foundation's interest (beneficial interest prior to July 1, 2023) in the pooled cash and investments held by Greater Horizons is reported at the fair value of the underlying assets as reported by Greater Horizons.

Investment transactions for the Foundation's pooled cash and investment accounts were recorded by Greater Horizons on a trade date basis. Pooled investment income represented the Foundation's share of investment income on investments held by Greater Horizons, net of related direct investment expenses, such as investment manager fees, custody fees, and administrative fees. Pooled investment income was allocated to the Foundation based on the Foundation's average monthly balance invested in the total cash and investment pool managed by Greater Horizons. Pooled investment income was included in the change in net assets without donor restrictions, unless investment income is restricted by donor stipulation.

During the year ended June 30, 2025, the Foundation completed its transition of funds from Greater Horizons to its own pooled accounts. As of June 30, 2026, all pooled cash and investment funds are held in the name of the Foundation.

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

(f) Investments

Purchased investments are initially recorded at cost; investments received by gift are recorded at fair value at date of donation. The carrying value of investments is adjusted to fair value, as determined using published exchange market quotations, where applicable, or estimated fair values provided by external investment managers or other sources. The net unrealized appreciation or depreciation in fair market value of investments is reflected in the statements of activities as part of investment return. Investment return also consists of interest, dividends, and unrealized gains and losses on marketable securities, net of external investments fees. Investment return, net, is classified as without donor restrictions unless stipulated by donor restriction or law.

(g) Interest in Charitable Remainder Unitrust

The Foundation is the trustee of a charitable remainder unitrust ("CRUT") agreement with a donor for which the Foundation is a beneficiary. Contribution revenue was recognized at the date the trust was established based on the expected present value of the Foundation's interest in the trust assets, less the present value of annuity payable to the donor. Changes in the value of the underlying assets, net of the obligation to the donor, are recognized in the statements of activities.

(h) Fair Value Measurements

Financial Accounting Standards Board Topic 820, *Fair Value Measurements and Disclosures,* establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the asset or liability.

(i) Property and Equipment

Property and equipment are stated at cost, or where applicable, donated property and equipment are recorded at fair value at the date of donation. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Management reviews these assets for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 5 years.

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INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

(j) Assets Held for Others

Assets held for others represent the unexpended portion of funds received from various not-for-profit organizations which have designated themselves the beneficiary of grants made from the distributable portion of the funds transferred to the Foundation. The unexpended portion of such funds is reported as a liability instead of as a net asset of the Foundation. Accordingly, grant payments and investment returns relating to these funds are reported as changes to the liability.

(k) Grant Expenses

Grant expenses are recorded when grants are approved by the Board.

(l) Functional Expenses

The costs of providing program and supporting services activities have been summarized in the statements of functional expenses, which present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among program services and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than the program or one supporting function. Therefore, expenses required allocation on a reasonable basis that is consistently applied. The expenses are allocated based on the role of the staff's time and effort and actual cost incurred. Although the methods of allocation are considered reasonable, other methods could be used that would produce a different amount.

(m) Income Taxes

The Foundation is a not-for-profit organization generally exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Although the Foundation was granted income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income." Such income, pursuant to the Internal Revenue Code and related regulations, includes investment income such as interest received from certain sources. The Foundation has been classified as not a private foundation.

The Foundation's income tax filings are subject to audit by various taxing authorities. The Foundation's open audit periods are 2023-2026.

(n) Use of Estimates

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

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INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

(o) Prior Period Information

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 conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2025, from which the summarized information was derived.

(3) Liquidity and Availability

The following represents the Foundation's financial assets as of June 30, 2026 and 2025.

		2026	2025
Financial assets:			
Cash and cash equivalents without restrictions	$	6,548,415	6,121,578
Investments		130,214,956	106,878,216
Pledge receivable		7,484,135	–
Total financial assets		144,247,506	112,999,794
Less amounts unavailable for general expenditures within one year due to:			
Donor advised funds		115,650,157	89,440,901
Field of interest funds		6,631,343	5,982,376
Designated funds		7,060,282	6,976,980
Board-designated endowment funds		1,637,147	1,531,466
Donor-restricted endowment funds		3,812,819	3,419,744
Assets held for others		7,241,723	4,829,210
Total amounts designated		142,033,471	112,180,677
Financial assets available to meet general expenditures during the next twelve months	$	2,214,035	819,117

Endowment funds consist of donor-restricted endowments and funds designated by the Board as an endowment. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated endowments of $1,637,147 in 2026 and $1,531,466 in 2025 are subject to the Foundation spending policies as described in note 13. Although the Foundation does not intend to spend from these board-designated endowments (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

As part of the Foundation's liquidity plan, certain contributions and other revenues are available for general expenditures, without donor or other restrictions limiting their use, within one year of the statement of financial position date.

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INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

(4) Fair Value Measurement and Investments

The Foundation utilizes fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Investments are recorded at fair value on a recurring basis.

Following is a description of the valuation methodologies and key inputs used to measure financial assets recorded at fair value. The description includes an indication of the level of the fair value hierarchy in which the assets are classified.

Certificates of Deposit

Certificates of deposit are valued using observable market-based inputs, including interest rate curves and market prices for similar instruments with comparable terms and credit risk. These instruments are classified within Level 2 of the fair value hierarchy as they are not traded in active markets but are valued using inputs that are observable either directly or indirectly.

Marketable Securities

Marketable securities are recorded at fair value on a recurring basis. Fair value measurement is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as the present value of future cash flows, adjusted for the security's credit rating, prepayment assumptions and other factors such as credit loss and liquidity assumptions. Level 1 securities include mutual funds and equity securities traded on an active exchange, such as the New York Stock Exchange, that are traded by dealers or brokers in active over-the-counter markets and money market funds. Level 2 securities include corporate and governmental bonds.

Charitable Remainder Unitrust

Fair value measurement is based upon the fair value of the underlying investments in the trusts, an estimated rate of return, anticipated future payments to be made to the Foundation and an assumed discount rate as discussed further in note 5. The CRUT is determined to be a Level 3 investment.

Pooled Accounts

Pooled accounts are recorded at fair value on a recurring basis, which is determined using the net asset value ("NAV") per share as a practical expedient at June 30, 2025, as the Foundation held units within the pooled accounts. At June 30, 2026, the underlying assets within the pooled accounts are Level 1 investments, as the Foundation owns the accounts directly.

(Continued)

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the recorded amount of assets measured at fair value on a recurring basis as of June 30:

		2026			
		Level 1	Level 2	Level 3	Total
Certificates of deposit	$	–	–	–	–
Marketable securities:					
Equity securities		81,296,250	–	–	81,296,250
Mutual funds		33,102,323	–	–	33,102,323
Debt securities		–	12,082,768	–	12,082,768
Charitable remainder unitrust		–	–	465,497	465,497
Total investments in the fair value hierarchy	$	114,398,573	12,082,768	465,497	126,946,838
Cash and cash equivalents					3,268,118
Total investments				$	130,214,956

		2025			
		Level 1	Level 2	Level 3	Total
Certificates of deposit	$	–	402,086	–	402,086
Marketable securities:					
Equity securities		70,523,944	–	–	70,523,944
Mutual funds		28,341,435	–	–	28,341,435
Debt securities		–	4,050,702	–	4,050,702
Charitable remainder unitrust		–	–	377,319	377,319
Total investments in the fair value hierarchy	$	98,865,379	4,452,788	377,319	103,695,486
Cash and cash equivalents					3,182,730
Total investments				$	106,878,216

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INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

The following table sets forth a summary of changes in the fair value of the Foundation's Level 3 investments measured at fair value on a recurring basis for the years ended June 30:

		2026	2025
Charitable Remainder Trust:			
Balance, beginning of year	$	377,319	358,979
Net realized and unrealized appreciation		111,514	38,765
Withdrawals, gross		(23,336)	(20,425)
Total investments at fair value	$	465,497	377,319

(5) Interest in Charitable Remainder Unitrust

In May 2019, a donor established a CRUT which named the Foundation as trustee and sole remainder beneficiary. The trust agreement provides for the donor to receive annually 6% of the fair value of the trust, paid quarterly, until the donor's death. The fair value of the assets in the CRUT was $465,497 and $377,319 at June 30, 2026 and 2025, respectively, which is included in investments in the statements of financial position. The present value of the future obligation to the donor was $97,246 and $83,899 at June 30, 2026 and 2025, respectively.

(6) Pledges Receivable

During 2026, the Foundation became aware of a bequest from a donor which became irrevocable in October 2023. Accordingly, the Foundation has included a bequest pledge receivable for the estimated value of $7,484,135 at June 30, 2026.

(7) Notes Receivable

The Foundation's notes receivable as of June 30, 2026 and 2025 were as follows:

		2026	2025
Childcare Resources of Indian River Inc.	$	1,495,687	1,497,938
Indian River County Habitat for Humanity, Inc.		1,000,000	–
Total financial assets	$	2,495,687	1,497,938

On March 20, 2025, the Foundation entered into a loan agreement with Childcare Resources of Indian River Inc. ("Childcare Resources") with a principal amount of $1,500,000. The note bears interest at a fixed rate of 4.25% per annum, with interest-only payments due monthly beginning April 20, 2025. The note matures on March 20, 2028, at which time all outstanding principal, accrued interest, and any other amounts due under the agreement are payable in full. Childcare Resources elected to prepay a portion of the principal balance during 2026 and 2025 in addition to the scheduled interest payments.

(Continued)

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

On December 18, 2025, the Foundation entered into a loan agreement with Indian River County Habitat for Humanity, Inc. with a principal amount of $1,000.000. The note bears interest at a fixed rate of 4% per annum, with interest-only payments due monthly beginning January 18, 2026. The note matures on December 18, 2028, at which time all outstanding principal, accrued interest, and any other amounts due under the agreement are payable in full.

(8) Property and Equipment

A summary of property and equipment and accumulated depreciation is as follows at June 30, 2026 and 2025:

		2026	2025
Computer equipment and software	$	48,895	51,487
Leasehold improvements		43,711	43,711
Furniture and equipment		40,135	40,135
		132,741	135,333
Less accumulated depreciation		112,139	97,435
Net property and equipment	$	20,602	37,898

Depreciation and amortization expense amounted to $17,296 and $25,474 for the years ended June 30, 2026 and 2025, respectively.

(9) Grants Payable

The Foundation's grants payable includes multi-year pledges as summarized in the following as of June 30, 2026 and 2025:

		2026	2025
Grants payable during years ended June 30:			
2026	$	–	181,667
2027		541,500	37,500
2028		500,000	–
2029		500,000	–
2030		500,000	–
2031		400,000	–
Total grants payable	$	2,441,500	219,167

(Continued)

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

(10) Assets Held For Others

Assets held for others, including agency endowments, consists of the following at June 30:

		2026	2025
Childcare Resources of Indian River	$	1,086,323	981,430
Vero Beach Opera		1,043,345	616,709
Youth Sailing Foundation		962,560	337,274
Mental Health Association		677,665	592,879
Alzheimer and Parkinson Association		609,314	509,881
Senior Resources Association, Inc.		591,181	130,432
Vero Beach Rowing, Inc.		468,757	368,533
Indian River Habitat for Humanity		446,654	384,698
IRC Healthy Start Coalition		355,729	187,811
United Against Poverty		168,788	108,512
Hope for Families Center		157,266	135,963
Big Brothers Big Sisters		140,284	128,951
Indian River Golf Foundation		113,364	46,273
Ballet Vero Beach, Inc.		91,604	58,058
Thrive		81,049	25,313
Literacy Services of Indian River County		74,841	68,564
The ARC of Indian River County, Inc.		46,222	31,276
Ocean Research and Conservation Association, Inc.		40,531	35,629
Laura Riding Jackson Foundation		31,445	27,819
Youth Guidance Mentoring Academy		29,516	27,658
Homeless Children's Foundation of IRC		25,285	25,547
Total assets held for others	$	7,241,723	4,829,210

During 2026, the Foundation determined two agencies were excluded from the assets held for others liability and included in the Foundation's net assets. Accordingly, the Foundation recorded a prior period adjustment to properly present such agency obligations as liabilities. The impact of the correction was to increase assets held for others and reduce net assets by $368,984 and $331,578 as of June 30, 2025 and 2024.

Total funds raised by the Foundation during the years ended June 30, 2026 and 2025 consisted of the following:

		2026	2025
Contribution revenues in the statement of activities	$	37,161,394	24,559,148
Amounts received as assets held for others		1,819,251	651,954
Total funds raised	$	38,980,645	25,211,102

Agency endowments disbursements are excluded from the Foundation grant expenses in the accompanying statement of activities.

(Continued)

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

(11) Net Assets Without Donor Restrictions

As discussed in note 2, the Foundation separates contributions into six distinct types. Net assets without donor restrictions consist of these funds, net of expenditures from the related funds at June 30:

		2026	2025
Donor advised funds	$	115,650,157	89,440,901
Undesignated funds		2,216,807	2,089,836
Board-designated – operating endowment		876,915	820,441
Board-designated – grantmaking endowment		760,232	711,025
Field-of-interest funds		6,631,343	5,982,376
Designated funds		7,060,282	6,976,980
Total net assets without donor restrictions	$	133,195,736	106,021,559

(12) Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30:

		2026	2025
Endowments			
Endowment returns subject to appropriation			
Operating	$	429,123	308,115
Grantmaking		310,012	234,592
Proven Programs		342,037	145,590
		1,081,172	688,297
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation			
Operating endowment		711,937	711,837
Grantmaking endowment		518,710	518,610
Proven Programs endowment		1,501,000	1,501,000
		2,731,647	2,731,447
Total net assets with donor restrictions	$	3,812,819	3,419,744

The net assets released from donor restrictions in 2026 and 2025 amounted to $174,236 and $170,940, respectively. Such amounts represent appropriated endowment expenditures.

(Continued)

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

(13) Endowments

IRCF Operating Endowment, Grantmaking Endowment, and Proven Programs Endowment

Contributions to the Foundation's endowment funds are invested in accordance with the Foundation's endowment investment guidelines. The stated objective of the policy is to generate prudent but competitive investment returns from its endowments. The policy states that the funds are to be managed conservatively but will take reasonable risks in growing the funds in order to meet donor objectives while also paying out earnings up to a maximum 4% of the fund's average market value of the invested assets over the preceding twelve quarters, ending with the most recent December 31st valuation. Assets of the fund are to be diversified to protect against large investment losses and minimize volatility. Investment diversity is to be achieved by limiting the amount invested in domestic equity securities, international equity securities, fixed income securities and cash equivalents. The policy states an acceptable range for each asset class.

The Foundation's endowment consists of donor-restricted endowment funds and board-designated funds. As required, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions:

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted the State of Florida version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the historical dollar value of gifts donated to the restricted endowment, (b) the historical dollar value of subsequent gifts to the restricted endowment, and (c) accumulations to the restricted endowment in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity is classified as with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The terms of the endowment agreement, which documents the wishes of the contributor.
- The purposes of the Foundation and the donor-restricted endowment fund.
- General economic conditions.
- The possible effects of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the Foundation.
- Current investment policies.

(Continued)

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

Return Objective and Risk Parameters

The Foundation has adopted a balanced growth investment approach seeking to protect the long-term principal value of each endowment fund while providing long-term real growth of the principal. The Foundation understands that actual returns in any given year may vary and that adoption of this objective does not assure achievement of any specific investment results. The 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 constraints, with the asset mix to consist of 70-80% equity instruments, 24-26% fixed income securities and 1% cash equivalents. The Foundation has preference for simple investment structures, which will have lower cost, easier oversight, and less complexity for internal financial management.

Spending Policy

Distributions from each endowment fund are approved annually for the subsequent fiscal year by the Board of Directors based on the needs of the Foundation and their determination of availability of funds for distribution, using 4% of the average market value of the endowment assets over the preceding twelve quarters, ending with the most recent December 31st valuation of endowment assets as a distribution guide.

Funds with Deficiencies

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law. The Foundation has no underwater endowment funds at June 30, 2026 and 2025.

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INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

The following is a summary of the Foundation's endowment net assets and changes therein for the years ended June 30:

	2026		
	Without Restrictions	With Restrictions	Total
Endowment net assets composition by type:			
Board-designated endowment funds	$ 1,637,147	–	1,637,147
Donor restricted endowment funds			
Original donor-restricted gift to be maintained in perpetuity	–	2,731,647	2,731,647
Accumulated investment gains	–	1,081,172	1,081,172
Total endowment net assets	$ 1,637,147	3,812,819	5,449,966
Changes in endowment net assets:			
Investment income, net of fees	275,075	567,111	842,186
Contributions and board designations	150,889	200	151,089
Appropriation for expenditure	(320,283)	(174,236)	(494,519)
Changes in endowment net assets	105,681	393,075	498,756
Endowment net assets:			
Beginning of year	1,531,466	3,419,744	4,951,210
End of year	$ 1,637,147	3,812,819	5,449,966

	2025		
	Without Restrictions	With Restrictions	Total
Endowment net assets composition by type:			
Board-designated endowment funds	$ 1,531,466	–	1,531,466
Donor restricted endowment funds			
Original donor-restricted gift to be maintained in perpetuity by donor	–	2,731,447	2,731,447
Accumulated investment gains	–	688,297	688,297
Total endowment net assets	$ 1,531,466	3,419,744	4,951,210
Changes in endowment net assets:			
Investment income, net of fees	119,787	501,087	620,874
Contributions and board designations	11,500	4,000	15,500
Appropriation for expenditure	(18,441)	(170,940)	(189,381)
Changes in endowment net assets	112,846	334,147	446,993
Endowment net assets:			
Beginning of year	1,418,620	3,085,597	4,504,217
End of year	$ 1,531,466	3,419,744	4,951,210

(Continued)

INDIAN RIVER COMMUNITY FOUNDATION, INC.

Notes to Financial Statements

(14) Retirement Plan

The Foundation established the Indian River Community Foundation, Inc. 403(b) Plan, effective January 1, 2025, for its eligible employees. Participants may elect a percentage of compensation to be deferred, not to exceed the Federal guidelines, on a pre-tax and after-tax basis. Employer matching contributions are equal to the employee's salary reduction contributions up to a limit of 4% of the employee's compensation for the calendar year and vest over a six-year period of service. During the years ended June 30, 2026 and 2025, the Foundation contributed $33,346 and $23,686, respectively, to the plan.

(15) Subsequent Events

In preparing these financial statements, management has evaluated subsequent events and transactions for potential disclosure through November 13, 2026, the date the financial statements were available to be issued, and determined there are no items to disclose.