

**PIKES PEAK COMMUNITY FOUNDATION  
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2023 AND 2022**



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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Pikes Peak Community Foundation and Subsidiary  
Colorado Springs, Colorado

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

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Pikes Peak Community Foundation and Subsidiary, a nonprofit organization, (collectively, the Foundation), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Pikes Peak Community Foundation and Subsidiary as of December 31, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Emphasis-of-Matter Regarding Deconsolidation***

As described in Note 17 to the consolidated financial statements, the Foundation and its Subsidiary deconsolidated as of and for the year ended December 31, 2023. Our opinion is not modified with respect to this matter.

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

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

In preparing the consolidated 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 the consolidated financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 consolidated 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 consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, 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.

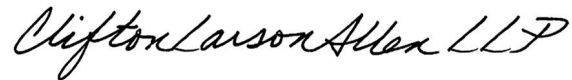
***Other Information Included in the Annual Report***

Management is responsible for the other information included in the annual report. The other information comprises total gift and bequest revenue, total grant expense, and total net assets amounts from the audited consolidated financial statements but does not include the consolidated financial statements and our auditors' report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2023 and 2022 consolidating statements of financial position and consolidating statements of activities as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, this information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



**CliftonLarsonAllen LLP**

Denver, Colorado  
May 22, 2024

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2023 AND 2022**

	2023	2022
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 8,246,247	\$ 10,481,468
Investments	68,560,010	59,542,850
Investments in Private Business Entities	585,425	1,255,681
Notes Receivable, Net	449,439	810,838
Property and Equipment, Net	6,076	9,604,388
Land Held for Investment	-	1,700,000
Water Rights	-	6,003,554
Other Assets	267,917	262,143
	<b>\$ 78,115,114</b>	<b>\$ 89,660,922</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 495,327	\$ 402,334
Funds Held as Agency Endowments	2,362,616	2,602,740
Funds Held in Trust for Others	3,922,000	3,574,119
Total Liabilities	6,779,943	6,579,193
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Designated for Endowment	25,599,868	18,863,615
Undesignated	45,401,734	62,787,401
Total Net Assets Without Donor Restrictions	71,001,602	81,651,016
With Donor Restrictions	333,569	1,430,713
Total Net Assets	71,335,171	83,081,729
Total Liabilities and Net Assets	<b>\$ 78,115,114</b>	<b>\$ 89,660,922</b>

See accompanying Notes to Consolidated Financial Statements.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE</b>						
Contributions	\$ 10,407,944	\$ 71,930	\$ 10,479,874	\$ 15,924,367	\$ 728,997	\$ 16,653,364
Investment Income (Loss), Net	8,061,734	16,222	8,077,956	(8,445,648)	2,270	(8,443,378)
Program Income	92,783	-	92,783	80,035	-	80,035
Contributed Nonfinancial Assets	3,634	-	3,634	25,500	-	25,500
Management Fee, Charged to Others	31,523	-	31,523	36,496	-	36,496
Other Revenue	8,643	-	8,643	49,148	-	49,148
Income from Lease of Water Rights	323,960	-	323,960	127,503	-	127,503
Income from Royalties	107,302	-	107,302	166,804	-	166,804
Gain on Disposal of Fixed Asset	326,879	7,300	334,179	-	-	-
Net Assets Released from Restriction	118,805	(118,805)	-	264,716	(264,716)	-
Total Revenue	<u>19,483,207</u>	<u>(23,353)</u>	<u>19,459,854</u>	<u>8,228,921</u>	<u>466,551</u>	<u>8,695,472</u>
<b>EXPENSES AND LOSSES</b>						
Program Services						
Philanthropic Services	8,999,092	-	8,999,092	10,375,378	-	10,375,378
Community Impact	671,180	-	671,180	1,664,706	-	1,664,706
Community Programs	186,601	-	186,601	208,495	-	208,495
Management and General	1,023,089	-	1,023,089	837,510	-	837,510
Total Expenses	<u>10,879,962</u>	<u>-</u>	<u>10,879,962</u>	<u>13,086,089</u>	<u>-</u>	<u>13,086,089</u>
<b>CHANGE IN NET ASSETS - BEFORE NONOPERATING LOSS</b>	8,603,245	(23,353)	8,579,892	(4,857,168)	466,551	(4,390,617)
<b>NONOPERATING LOSS</b>						
Loss on Deconsolidation of Subsidiary (Note 17)	(19,252,659)	(1,073,791)	(20,326,450)	-	-	-
<b>CHANGE IN NET ASSETS</b>	(10,649,414)	(1,097,144)	(11,746,558)	(4,857,168)	466,551	(4,390,617)
Net Assets - Beginning of Year	<u>81,651,016</u>	<u>1,430,713</u>	<u>83,081,729</u>	<u>86,508,184</u>	<u>964,162</u>	<u>87,472,346</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 71,001,602</u>	<u>\$ 333,569</u>	<u>\$ 71,335,171</u>	<u>\$ 81,651,016</u>	<u>\$ 1,430,713</u>	<u>\$ 83,081,729</u>

See accompanying Notes to Consolidated Financial Statements.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2023**

	Program Services			Total Program Services	Management and General	Total
	Philanthropic Services	Community Impact	Community Programs			
Grants	\$ 8,510,951	\$ 233,078	\$ -	\$ 8,744,029	\$ 19,900	\$ 8,763,929
Payroll and Related	392,833	247,339	72,747	712,919	673,749	1,386,668
General and Administrative	53,947	34,024	38,429	126,400	216,448	342,848
Rent and Utilities	29,247	18,415	10,291	57,953	50,868	108,821
Nongrant Program Expenses	-	117,432	26,106	143,538	18,437	161,975
Legal and Professional	12,114	20,892	7,186	40,192	41,817	82,009
Depreciation	-	-	31,842	31,842	1,870	33,712
Total	<u>\$ 8,999,092</u>	<u>\$ 671,180</u>	<u>\$ 186,601</u>	<u>\$ 9,856,873</u>	<u>\$ 1,023,089</u>	<u>\$ 10,879,962</u>

See accompanying Notes to Consolidated Financial Statements.



**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2022**

	Program Services					
	Philanthropic Services	Community Impact	Community Programs	Total Program Services	Management and General	Total
Grants	\$ 9,800,168	\$ 807,234	\$ -	\$ 10,607,402	\$ 6,010	\$ 10,613,412
Payroll and Related	439,316	351,427	87,760	878,503	651,643	1,530,146
General and Administrative	76,249	91,300	47,858	215,407	115,989	331,396
Rent and Utilities	28,011	22,407	16,492	66,910	37,414	104,324
Nongrant Program Expenses	2,083	375,512	15,323	392,918	125	393,043
Legal and Professional	11,394	16,826	9,663	37,883	16,836	54,719
Depreciation	-	-	31,399	31,399	1,870	33,269
Loss on Disposal of Fixed Asset	18,157	-	-	18,157	7,623	25,780
Total	<u>\$ 10,375,378</u>	<u>\$ 1,664,706</u>	<u>\$ 208,495</u>	<u>\$ 12,248,579</u>	<u>\$ 837,510</u>	<u>\$ 13,086,089</u>

See accompanying Notes to Consolidated Financial Statements.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (11,746,558)	\$ (4,390,617)
Adjustments to Reconcile Net Loss to Net Cash Used by Operating Activities:		
Depreciation Expense	33,712	33,269
Realized and Unrealized Investment (Gain) Loss	(6,355,904)	9,723,553
(Gain) Loss on Disposal of Fixed Asset	(334,179)	25,780
Deconsolidation of Previously Controlled Subsidiary Net of the Impact on Cash Balances	17,938,103	-
Changes in Operating Assets and Liabilities:		
Notes Receivable, Net	323,918	871,060
Other Assets	(58,533)	263,378
Accounts Payable and Accrued Expenses	600,496	(98,285)
Net Cash Provided by Operating Activities	401,055	6,428,138
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(77,827,823)	(29,300,154)
Proceeds from Sales of Investments	73,569,962	13,909,792
Purchases of Property and Equipment	(60,198)	(850,647)
Proceeds from Sale of Fixed Asset	1,690,879	44,343
Purchases of Investments in Private Business Entities	(9,096)	(355,681)
Net Cash Used in Investing Activities	(2,636,276)	(16,552,347)
 <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(2,235,221)	(10,124,209)
 Cash and Cash Equivalents - Beginning of Year	10,481,468	20,605,677
 <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 8,246,247	\$ 10,481,468
 <b>SIGNIFICANT NONCASH TRANSACTIONS</b>		
Deconsolidation of Previously Controlled Subsidiary, Resulting in Decreases to Various Assets and Liabilities	\$ 18,090,785	\$ -

See accompanying Notes to Consolidated Financial Statements.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Pikes Peak Community Foundation (PPCF) is a Colorado nonprofit corporation. The mission of PPCF is to inspire a passionate community to forge an enduring legacy now and for future generations. Guided by its vision of a thriving, resilient, sustainable Pikes Peak Region with a vibrant quality of life for all, PPCF intends to become the community's shared endowment and the premiere hub for philanthropy.

**Principles of Consolidation**

The consolidated financial statements include the accounts of PPCF and Pikes Peak Real Estate Foundation (PPREF) (collectively, the Foundation). PPREF was organized to support PPCF and is consolidated since PPCF has had both an economic interest in and control over the entity. All significant intercompany accounts and transactions have been eliminated in consolidation.

**Deconsolidation of Subsidiary**

During 2023, the PPCF Board of Trustees voted to permit PPREF to change the organization from a Type I Direct Support Organization to a separate stand-alone public charity. PPREF amended its bylaws and supporting organization status with PPCF effective as of December 31, 2023. As of that date, PPCF no longer had authority to appoint members of the board of directors of PPREF, therefore it is no longer eligible for consolidation into these financial statements as of December 31, 2023. The deconsolidation of PPREF's assets, liabilities, and net assets as of that date has been included in the change in net assets for the year ended December 31, 2023. See Note 17 for additional details related to the deconsolidation.

**Basis of Presentation**

The consolidated financial statements of the Foundation have been prepared on the basis of accounting principles generally accepted in the United States of America (U.S. GAAP). The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements. Actual results could differ from those estimates.

**Net Assets**

The Foundation reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Assets (Continued)**

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

**Revenue Recognition**

The Foundation records unconditional contributions in accordance with the requirements of accounting principles generally accepted in the United States of America (U.S. GAAP) for nonprofit entities. The Organization recognizes revenue for contributions (and grants considered to be contributions) based upon the presence or absence of donor-imposed conditions. For those contributions absent of donor-imposed conditions, revenues are recognized at the time the Foundation is notified of the contribution and that promise is verified, regardless of timing of cash receipt. For contributions with donor-imposed conditions – that is, those with a measurable performance or other barrier and a right of return or release – revenues are recognized at the time the conditions are substantially met, regardless of the timing of cash receipt.

**Contributed Nonfinancial Assets – In-Kind Contributions**

A substantial number of board members have made significant contributions of their time to develop the Foundation's programs. The value of this contributed time is not reflected in the accompanying financial statements because the services do not require specialized skills.

Contributed nonfinancial assets consist of items and services donated for use by the Foundation. Contributed goods are recorded at fair value at the date of the donation. At December 31, 2023 and 2022, the Foundation has recorded \$3,634 and \$25,500 of contributed nonfinancial assets, respectively.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

For purposes of the consolidated statement of cash flows, the Foundation considers cash, amounts due from banks, and highly liquid investments purchased with original maturities of three months or less to be cash and cash equivalents.

**Investments**

Investments are carried at fair value. Fair values for money market accounts, mutual funds, exchange traded funds, real estate investment trusts and common stock are determined principally through quoted market prices. Fair values for government obligations and corporate bonds are determined principally through pricing services. The Foundation also holds shares or units of alternative investment funds involving private equity. For financial statement presentation purposes, an investment may be considered alternative if the investment does not meet the following four criteria: (1) it is registered with the Securities Exchange Commission (SEC), (2) it makes semiannual filings with the SEC, (3) it calculates a net asset value daily, and (4) purchase and redemption of shares may be done daily. Such alternative investment funds may hold securities or other financial instruments for which a ready market exists and are priced accordingly. In addition, funds may hold assets that require the estimate of fair values in the absence of readily determinable market values. The Foundation's investments in private equity funds are recorded at net asset value (NAV).

Realized and unrealized gains and losses are reflected in the consolidated statement of activities. Earnings on restricted investments are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the earnings are recognized. All other earnings on donor-restricted investments are recognized as an increase in net assets with donor restrictions according to the nature of the restrictions on the original gift. When a donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Investments in privately held companies are reported at historical cost, less any impairment, and plus or minus changes resulting from observable price changes. Realized and unrealized gains and losses are reported in change in net assets.

**Investments in Private Business Entities**

The Foundation's investments in private business entities is accounted for under the equity method. Under the equity method of accounting investments are recorded at cost and are adjusted for the proportionate share of the undistributed earnings and losses.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Notes Receivable**

The Foundation has made loans to nonprofit organizations at below-market interest rates. The repayment schedules and interest rates on the loans are varied. An allowance for credit losses related to notes receivable from nonprofit organization borrowers is established based upon historical collection rates by age of receivable and adjusted for reasonable expectations of future collection performance, net of estimated recoveries. The Foundation periodically assesses its methodologies for estimating credit losses in consideration of actual experience, trends, and changes in the overall economic environment.

**Property and Equipment**

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets in excess of \$50,000 are capitalized. Property and equipment, which consist of land, buildings and furniture and fixtures, are recorded at cost or, if donated, at the fair value at the date of donation. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets of three to five years for furnishings and equipment and 40 years for buildings.

**Land Held for Investment**

Land held for investment is recorded at appraised value and is expected to be sold or donated to another nonprofit organization.

**Water Rights**

Water rights are recorded at fair value on the date of donation and are assessed for impairment annually. No impairment loss was recognized during the years December 31, 2023 and 2022. See Note 7 for further information.

**Funds Held as Agency Endowments**

The Foundation has adopted accounting standards for transactions in which a community foundation accepts a contribution from a nonprofit organization and agrees to transfer those assets, the return on investment of those assets, or both, back to the nonprofit organization. The standards specifically require that if a nonprofit organization establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as agency funds. As of December 31, 2023 and 2022, the Foundation held 17 and 16 agency funds with the balance of those funds totaling \$2,362,616 and \$2,602,740 respectively. The Foundation maintains variance power and legal ownership of the agency endowment funds and they appear in the accompanying consolidated statements of financial position as funds held as agency endowments.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Funds Held in Trust for Others**

The Foundation receives certain transfers of assets that are revocable or are not assets held for the benefit of the Foundation. These transfers are accounted for as a liability by the Foundation and appear in the accompanying consolidated statements of financial position as funds held in trust for others. At December 31, 2023 and 2022, the balance of those funds totaled \$3,922,000 and \$3,574,119, respectively.

**Concentrations of Credit Risk**

Certain financial instruments potentially subject the Foundation to concentrations of credit risk. These financial instruments consist primarily of cash and investments.

**Use of Estimates**

Preparation of the Foundation's consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

**Tax Status**

The Foundation is a nonprofit corporation which is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Foundation qualifies as a public charity for purposes of Charitable Contribution deduction. The Foundation believes that it does not have any uncertain tax positions that are material to the consolidated financial statements.

**Adoption of New Accounting Standards**

At the beginning of 2023, the Foundation adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. There was no cumulative net asset adjustment as the implementation of Topic 326 did not have a material impact on the financial statements.

**Subsequent Events**

The Foundation has evaluated the impact of all subsequent events through May 22, 2024, which is the date that the consolidated financial statements were available to be issued.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 2 LIQUIDITY AND AVAILABILITY**

The following table reflects the Foundation's financial assets as of December 31, 2023 and 2022, reduced by amounts that are not available to meet general expenditures within one year of the consolidated statements of financial position date because of contractual restrictions, internal board designations, or donor restrictions.

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 8,246,247	\$ 10,481,468
Notes Receivable, Net	449,439	810,838
Investments	<u>68,560,010</u>	<u>59,542,850</u>
Total Financial Assets	77,255,696	70,835,156
Less: Amounts Unavailable for General Expenditures		
Within One Year, Due to:		
Funds Designated by Board as Endowment	25,599,868	18,863,615
Funds Held as Agency Endowments	2,362,616	2,602,740
Funds Held in Trust for Others	3,922,000	3,574,119
Illiquid Investments	638,061	546,636
Donor Restrictions	<u>333,569</u>	<u>1,430,713</u>
Total	<u>32,856,114</u>	<u>27,017,823</u>
Total Financial Assets Available to Management to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 44,399,582</u>	<u>\$ 43,817,333</u>

Contributions received by the Foundation are separated as Donor Advised Funds, Donor Restricted Funds, Designated Funds, Field of Interest Funds or Undesignated Funds at the request of the donor.

Donor Advised Funds are available for grant disbursement generally based on donor recommendation. Designated Funds are generally used for a specific charitable organization as designated by the donor. Field of Interest Funds are available for grant disbursement within a charitable field of interest as approved by the Foundation's Board of Trustees. Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. Donor Restrictions are funds subject to donor-imposed restrictions that are either temporary or perpetual in nature.

The Foundation's liquidity management policy is to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Foundation's typical operating procedures to manage an emergency cash flow need is to liquidate investments. The Foundation manages its cash flow through regular (monthly) analysis of cash flows and budgeted expenses.



**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 3 NOTES RECEIVABLE**

The foundation invests in projects that advance philanthropic purposes. These program-related investments are loans to nonprofit entities outstanding for up to six years bearing interest from 0% to 2%. These loans are treated as qualifying distributions for tax reporting purposes. Loans are recorded based on estimated value that is discounted utilizing an interest rate commensurate with the risk of individual loans. Discount rates range from 5.5% to 15.5%. As of December 31, 2023 and 2022, the loans have a principal balance of \$1,150,000 and \$1,371,230 and an unamortized discount of \$200,561 and \$160,392, respectively.

Program related investments notes receivable are expected to be collected as follows:

<u>Amounts Due in:</u>	<u>2023</u>	<u>2022</u>
2023	\$ -	\$ 371,230
2024	150,000	-
2025	-	-
2026	-	-
2027	1,000,000	1,000,000
Gross Notes Receivable	1,150,000	1,371,230
Less: Discount (13.5% and 5.5%, Respectively) on Receivable	(200,561)	(160,392)
Less: Allowance for Credit Loss	(500,000)	(400,000)
Net Notes Receivable	\$ 449,439	\$ 810,838

The nature of program related investments notes receivables consist of the following at December 31:

2023			
Programmatic Purpose	Number of Loans Outstanding	Weighted Average Loan Face Value	Weighted Average Loan Carrying Value
Philanthropic Services	1	\$ 500,000	\$ 301,291
Community Impact	1	150,000	148,148
2022			
Programmatic Purpose	Number of Loans Outstanding	Weighted Average Loan Face Value	Weighted Average Loan Carrying Value
Philanthropic Services	2	\$ 315,000	\$ 243,625
Community Impact	1	338,392	320,751

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS**

The Foundation is required to use a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

*Level 1* – Unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access.

*Level 2* – Prices determined using significant other observable inputs. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* – Prices determined using significant unobservable inputs.

The investment's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Foundation uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of private equity funds which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

Land held for investment is valued using a third-party's appraisal that is based on recent sales of comparable properties to estimate the fair value of the land. This is classified within Level 2.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

The following tables set forth by level, within the fair value hierarchy, the Foundation's financial instruments at fair value as of December 31:

	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<u>December, 31, 2023</u>				
Assets Measured at Fair Value on a Recurring Basis:				
Investments:				
Common Stock:				
Domestic	\$ 5,980,842	\$ 5,980,842	\$ -	\$ -
International	2,813,165	2,813,165	-	-
Exchange-Traded Funds:				
Real Estate and Alternative	99,597	99,597	-	-
Domestic Equity	15,048,760	15,048,760	-	-
Domestic Fixed Income	4,829,687	4,829,687	-	-
Government Obligations	247,513	247,513	-	-
International Equity	2,921,706	2,921,706	-	-
International Fixed Income	395,519	395,519	-	-
Mutual Funds:				
Domestic Fixed Income	10,264,122	10,264,122	-	-
Domestic Equity	8,542,452	8,542,452	-	-
International Equity	6,806,477	6,806,477	-	-
Real Estate and Alternatives	2,085,509	2,085,509	-	-
International Fixed Income	840,123	840,123	-	-
Other	188,482	188,482	-	-
Real Estate Investment Trusts	668,414	668,414	-	-
Fixed Income:				
Coporate Bonds	3,153,452	-	3,153,452	-
Government Obligations	3,036,129	-	3,036,129	-
Total Investments Measured Using the Fair Value Hierarchy	67,921,949	<u>\$ 61,732,368</u>	<u>\$ 6,189,581</u>	<u>\$ -</u>
Private Equity Fund Measured at Net Asset Value Per Share (A)	638,061			
Total Investments	<u>\$ 68,560,010</u>			
Asset Measured at Fair Value on a Nonrecurring Basis:				
Land Held for Investment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<u>December 31, 2022</u>				
Assets Measured at Fair Value on a Recurring Basis:				
Investments:				
Common Stock:				
Domestic	\$ 11,398,671	\$ 11,398,671	\$ -	\$ -
International	7,730,317	7,730,317	-	-
Money Market Accounts	1,402,462	1,402,462	-	-
International Preferred Stock	23,092	23,092	-	-
Exchange-Traded Funds:				
Real Estate and Alternative	2,948,711	2,948,711	-	-
Domestic Equity	9,352,602	9,352,602	-	-
Domestic Fixed Income	3,574,180	3,574,180	-	-
International Equity	561,190	561,190	-	-
International Fixed Income	131,343	131,343	-	-
Mutual Funds:				
Domestic Fixed Income	5,939,875	5,939,875	-	-
Domestic Equity	2,514,468	2,514,468	-	-
International Equity	2,130,619	2,130,619	-	-
Real Estate and Alternatives	1,538,407	1,538,407	-	-
International Fixed Income	683,992	683,992	-	-
Other	1,175,311	1,175,311	-	-
Real Estate Investment Trusts	2,055,136	2,055,136	-	-
Fixed Income:				
Corporate Bonds	2,701,181	-	2,701,181	-
Government Obligations	3,134,657	-	3,134,657	-
	<u>58,996,214</u>	<u>\$ 53,160,376</u>	<u>\$ 5,835,838</u>	<u>\$ -</u>
Total Investments Measured Using the Fair Value Hierarchy				
Private Equity Fund Measured at Net Asset Value Per Share (A)	292,078			
Investments in Private Business Entities (B)				
	<u>254,558</u>			
Total Investments	<u>\$ 59,542,850</u>			
Asset Measured at Fair Value on a Nonrecurring Basis:				
Land Held for Investment	<u>\$ 1,700,000</u>	<u>\$ -</u>	<u>\$ 1,700,000</u>	<u>\$ -</u>

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

**(A) Investment in Private Equity Fund Limited Partnership**

At December 31, 2023 and 2022, the Foundation has invested \$200,000 in PV Ventures II, L.P. (the Partnership) and has no further commitments for additional investments. The Partnership has a term of 10 years which commenced on December 31, 2014, with provisions for two additional one-year period extensions at the sole discretion of the General Partner, and additional one-year period extensions at the consent of the majority in interest of the Limited Partners. The partnership does not have a redemption feature but may be dissolved prior to the termination date subject to certain conditions. The Partnership's primary investment focus is to pursue a venture capital strategy, generally through investments in seed and early-stage technology companies.

**(B) Investments in Private Business Entities**

Investment in a nonmarketable equity security consists of an investment in the stock of a private company for which there is no readily determinable market value and generally no observable equity transactions. During 2023 and 2022, no upward or downward adjustments have been applied to the cost of the investment related to impairment or observable price changes. See Note 1 for deconsolidation of a subsidiary related to change in account balance.

**NOTE 5 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at December 31:

	2023	2022
Land	\$ -	\$ 8,659,989
Buildings	-	1,218,727
Furniture and Equipment	18,695	18,695
Construction in Progress	-	50,000
Art and Sculptures	-	39,500
Total	18,695	9,986,911
Less: Accumulated Depreciation	12,619	382,523
Property and Equipment, Net	\$ 6,076	\$ 9,604,388

See Note 1 for deconsolidation of a subsidiary related to change in account balance.

**NOTE 6 LAND HELD FOR INVESTMENT**

During the year ended December 31, 2014, the Foundation received a donation of 131 acres of land which had an appraised value of \$4,323,000 at the time of the donation. The land is expected to be developed, sold or donated. At December 31, 2022, the land had an appraised value of \$1,700,000. No impairment was recorded during 2022 or 2023. The land is recorded at estimated fair market value in the accompanying consolidated statements of financial position. See Note 1 for deconsolidation of a subsidiary related to change in account balance.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 7 WATER RIGHTS AND LEASES OF WATER RIGHTS**

Management has been notified that the water available under its water rights has been contaminated by Perfluorinated Compounds. These water rights are leased to the Security Water District, the City of Fountain and the Widefield Water and Sanitation District (the Water Districts). The water lease contains provisions for a reduction of the lease payments if the water does not meet drinking water standards. On January 1, 2018, the Foundation entered into an abeyance agreement with the Water Districts which suspends the lease payments. Currently, the Foundation and the Water Districts are pursuing a claim against the United States Air Force for damages sustained as a result of the water contamination.

As of December 31, 2022, the timeline and prospect of treatment is undetermined; however during 2021 a water filtration system was installed and tested. During 2023 and 2022, the Foundation received payments in the amounts of \$323,960 and \$127,503, respectively, from the limited capacity of water produced as a result of the water filtration system. At the end of 2022, the water filtration system was at full capacity and as a result, the Foundation received full payments for 2024 during 2023 and 2023 during 2022. As of December 31, 2022, no impairment of the water rights is recorded because management has determined impairment is not probable. See Note 1 for deconsolidation of a subsidiary related to change in account balance.

**NOTE 8 INVESTMENT IN PRIVATE BUSINESS ENTITIES**

During 2020, the Foundation purchased a 14% interest in 315 Collective, LLC which was formed to purchase a building in Colorado Springs, Colorado. This entity will lease office space to the Foundation and other organizations. During 2021, the Foundation contributed an additional \$200,000 in capital in the form of an investment. As of December 31, 2023 and 2022, the investment is recorded at \$585,425 and \$1,255,681, respectively.

315 F&B, LLC was a single-member LLC wholly owned by 315 Collective, LLC. During 2022, 315 F&B, LLC was reorganized as a stand-alone LLC, owned by the same ownership group of 315 Collective, LLC with the same respective ownership percentages.

See Note 1 for deconsolidation of a subsidiary related to change in account balance.

**NOTE 9 CHARITABLE TRUST SPLIT-INTEREST AGREEMENTS**

The Foundation serves as trustee for a revocable charitable remainder trust for which the Foundation is currently listed as the beneficiary. The trust assets, which total \$1,033,193 and \$956,114 at December 31, 2023 and 2022, respectively, are included within investments and funds held in trust for others in the accompanying consolidated statements of financial position.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 10 ENDOWMENT FUNDS**

The Foundation has no donor-restricted endowments due to its variance power. The Foundation's endowment consists of 39 individual funds established for a variety of purposes. These funds include funds established by donors for specified charitable purposes or nonprofit organizations. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The state of Colorado has adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Foundation has interpreted 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. The Foundation classifies as board-designated net assets (a) the original value of gifts designated by the board as endowment, (b) the original value of subsequent gifts to the board-designated endowment and (c) accumulations of investment earnings and/or losses to the board-designated endowment in accordance with board designations. The Foundation considers all earnings and/or losses on board-designated endowments to accumulate in the board-designated endowment fund. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund
- 2) The purposes of the Foundation and the endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the Foundation
- 7) The investment policies of the Foundation

Changes in endowment net assets without donor restrictions for the years ended December 31, 2023 and 2022 are as follows:

Endowment Net Assets, January 1, 2022	\$ 18,282,808
Investment Return, Net	(3,237,206)
Contributions	4,934,805
Distributions	<u>(1,116,792)</u>
Endowment Net Assets, December 31, 2022	18,863,615
Investment Return, Net	3,207,292
Contributions	4,469,281
Distributions	<u>(940,320)</u>
Endowment Net Assets, December 31, 2023	<u><u>\$ 25,599,868</u></u>

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 10 ENDOWMENT FUNDS (CONTINUED)**

**Investment and Spending Policies**

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The Foundation's spending policy considers market returns for the previous twelve quarters along with inflation and investment fees and typically spends within 3% to 6% of the balance of the endowed funds. Under this policy the endowment assets are invested in a manner that is intended to produce maximum results while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time, to provide a rate of return sufficient to keep pace with the rate of inflation. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the 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 Foundation targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

**NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31:

	<u>2023</u>	<u>2022</u>
Subject to Expenditure for Specified Purpose:		
Workforce Housing Fund	\$ -	\$ 1,070,860
RISE Power and Resiliency Fund	219,141	224,578
RISE Youth Advisory Council Fund	46,928	55,275
Catchafire Co-Funding Initiative	67,500	80,000
Total Net Assets with Donor Restrictions	<u>\$ 333,569</u>	<u>\$ 1,430,713</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Satisfaction of Purpose Restrictions:		
Workforce Housing Fund	\$ 8,294	\$ 15,826
RISE Power and Resiliency Fund	16,853	49,068
RISE Youth Advisory Council Fund	10,658	44,725
Boettcher 315 Operating Fund	-	40,097
Catchafire Co-Funding Initiative	83,000	115,000
Total Net Assets Released from Donor Restrictions	<u>\$ 118,805</u>	<u>\$ 264,716</u>



**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 12 COMMITMENTS**

The Foundation entered into an operating lease through 2024 with an LLC in which the Foundation has an ownership interest. As of December 31, 2023 and 2022, the future minimum lease payments under this lease are \$50,777 and \$112,354, respectively.

**NOTE 13 RELATED PARTIES**

Certain board members are fund advisors of donor advised funds that are held with the Foundation. As of December 31, 2023 and 2022, the value of these donor advised funds was \$7,331,498 and \$7,300,057, respectively.

During the years ended December 31, 2023 and 2022, the Foundation received contributions from organizations for which Foundation board members serve on the organizations' board of directors or are part of the executive staff totaling \$343,463 and \$232,537, respectively.

**NOTE 14 CONCENTRATIONS**

For the years ended December 31, 2023 and 2022, approximately 33% and 56% of the Foundation's contribution revenue was received from one donor and two donors, respectively.

**NOTE 15 FUNCTIONAL EXPENSES ALLOCATION METHODS**

The consolidated financial statements report certain categories of expenses that are attributable to one or more program or supporting services of the Foundation. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated fully to the related programs include grants, nongrant program expenses and depreciation. The expenses that are allocated on the basis of estimates of time and effort spent by personnel in the various program and supporting services include payroll and related taxes, rent and utilities, general and administrative, legal and professional.

**NOTE 16 CONTRIBUTIONS OF NONFINANCIAL ASSETS**

Contributed nonfinancial assets recognized within the statements of activities are as follows for the years ended December 31:

Nonfinancial Asset	Revenue Recognized		Monetized or Utilized	Utilization in Function	Donor Restrictions	Valuation Technique
	2023	2022				
Donated Goods	\$ 3,634	\$ -	Utilized	Program Service	None	Fair value based on comparable goods received
Donated Artwork	-	25,500	Utilized	Program Service	None	Fair value based on artwork appraisal
Total	<u>\$ 3,634</u>	<u>\$ 25,500</u>				

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 17 DECONSOLIDATION OF SUBSIDIARY**

During 2023, the PPCF Board of Trustees voted to permit PPREF to change the organization from a Type I Direct Support Organization to a separate stand-alone public charity. PPREF amended its bylaws and supporting organization status with PPCF effective as of December 31, 2023. As of that date, PPCF no longer had authority to appoint members of the board of directors of PPREF, therefore it is no longer eligible for consolidation into these financial statements as of December 31, 2023. The deconsolidation of PPREF's assets, liabilities, and net assets as of that date has been included in the change in net assets for the year ended December 31, 2023. The loss on deconsolidation was determined by the difference between the carrying amount of PPREF's assets and liabilities at December 31, 2023 (the date of deconsolidation) as follows:

Assets	
Cash and Cash Equivalents	\$ 2,388,347
Investments	1,918,580
Investments in Private Business Entities	465,134
Notes Receivable, Net	37,481
Property and Equipment, Net	8,268,098
Land Held for Investment	1,700,000
Water Rights	6,003,554
Other Assets	<u>52,759</u>
Total Assets	20,833,953
Liabilities	
Accounts Payable and Accrued Expenses	<u>507,503</u>
Loss on Deconsolidation	<u>\$ 20,326,450</u>

After the date of deconsolidation, PPREF contracted PPCF to provide administrative functions for the entity including finance, accounting and management services. After the date of consolidation five of the nine board members of PPREF were also board members of PPCF.

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2023**

<b>ASSETS</b>	<u>PPCF</u>	<u>PPREF</u>	<u>Eliminations</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 8,246,247	\$ -	\$ -	\$ 8,246,247
Investments	68,560,010	-	-	68,560,010
Investments in Private Business Entities	585,425	-	-	585,425
Notes Receivable, Net	449,439	-	-	449,439
Property and Equipment, Net	6,076	-	-	6,076
Other Assets	267,917	-	-	267,917
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 78,115,114</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,115,114</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
Accounts Payable and Accrued Expenses	\$ 495,327	\$ -	\$ -	\$ 495,327
Funds Held as Agency Endowments	2,362,616	-	-	2,362,616
Funds Held in Trust for Others	3,922,000	-	-	3,922,000
Total Liabilities	<u>6,779,943</u>	<u>-</u>	<u>-</u>	<u>6,779,943</u>
<b>NET ASSETS</b>				
Without Donor Restrictions:				
Designated for Endowment	25,599,868	-	-	25,599,868
Undesignated	45,401,734	-	-	45,401,734
Total Net Assets Without Donor Restrictions	<u>71,001,602</u>	<u>-</u>	<u>-</u>	<u>71,001,602</u>
With Donor Restrictions	333,569	-	-	333,569
Total Net Assets	<u>71,335,171</u>	<u>-</u>	<u>-</u>	<u>71,335,171</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities and Net Assets	<u>\$ 78,115,114</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,115,114</u>

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2022**

<b>ASSETS</b>	<u>PPCF</u>	<u>PPREF</u>	<u>Eliminations</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 9,978,559	\$ 502,909	\$ -	\$ 10,481,468
Investments	57,189,364	2,353,486	-	59,542,850
Investments in Private Business Entities	659,747	595,934	-	1,255,681
Notes Receivable, Net	1,069,723	96,115	(355,000)	810,838
Property and Equipment, Net	4,201,938	5,402,450	-	9,604,388
Land Held for Investment	-	1,700,000	-	1,700,000
Water Rights	5,957,000	46,554	-	6,003,554
Other Assets	14,724	247,419	-	262,143
	<u>\$ 79,071,055</u>	<u>\$ 10,944,867</u>	<u>\$ (355,000)</u>	<u>\$ 89,660,922</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
Accounts Payable and Accrued Expenses	\$ 634,312	\$ 123,022	\$ (355,000)	\$ 402,334
Funds Held as Agency Endowments	2,602,740	-	-	2,602,740
Funds Held in Trust for Others	3,574,119	-	-	3,574,119
Total Liabilities	<u>6,811,171</u>	<u>123,022</u>	<u>(355,000)</u>	<u>6,579,193</u>
<b>NET ASSETS</b>				
Without Donor Restrictions:				
Designated for Endowment	9,112,630	9,750,985	-	18,863,615
Undesignated	62,787,401	-	-	62,787,401
Total Net Assets Without Donor Restrictions	<u>71,900,031</u>	<u>9,750,985</u>	<u>-</u>	<u>81,651,016</u>
With Donor Restrictions	359,853	1,070,860	-	1,430,713
Total Net Assets	<u>72,259,884</u>	<u>10,821,845</u>	<u>-</u>	<u>83,081,729</u>
Total Liabilities and Net Assets	<u>\$ 79,071,055</u>	<u>\$ 10,944,867</u>	<u>\$ (355,000)</u>	<u>\$ 89,660,922</u>

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

	PPCF		PPREF		Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		
<b>REVENUE</b>						
Contributions	\$ 10,398,371	\$ 71,930	\$ 9,573	\$ -	\$ -	\$ 10,479,874
Investment Income, Net	7,861,358	12,297	200,376	3,925	-	8,077,956
Program Income	89,203	-	3,580	-	-	92,783
Contributed Nonfinancial Assets	3,634	-	-	-	-	3,634
Management Fee, Charged to Others	109,775	-	(64,615)	-	(13,637)	31,523
Other Revenue	7,743	-	900	-	-	8,643
Income from Lease of Water Rights	323,960	-	-	-	-	323,960
Income from Royalties	107,302	-	-	-	-	107,302
Gain on Disposal of Fixed Asset	-	-	326,879	7,300	-	334,179
Net Assets Released from Restriction	110,511	(110,511)	8,294	(8,294)	-	-
<b>Total Revenue</b>	<b>19,011,857</b>	<b>(26,284)</b>	<b>484,987</b>	<b>2,931</b>	<b>(13,637)</b>	<b>19,459,854</b>
<b>EXPENSES AND LOSSES</b>						
Program Services						
Philanthropic Services	8,999,092	-	-	-	-	8,999,092
Community Impact	671,180	-	-	-	-	671,180
Community Programs	(10,485)	-	197,086	-	-	186,601
Management and General	749,574	-	287,152	-	(13,637)	1,023,089
<b>Total Expenses</b>	<b>10,409,361</b>	<b>-</b>	<b>484,238</b>	<b>-</b>	<b>(13,637)</b>	<b>10,879,962</b>
<b>CHANGE IN NET ASSETS - BEFORE NONOPERATING LOSS</b>	<b>8,602,496</b>	<b>(26,284)</b>	<b>749</b>	<b>2,931</b>	<b>-</b>	<b>8,579,892</b>
<b>NONOPERATING LOSS</b>						
Loss on Deconsolidation of Subsidiary (Note 17)	(9,500,925)	-	(9,751,734)	(1,073,791)	-	(20,326,450)
<b>CHANGE IN NET ASSETS</b>	<b>(898,429)</b>	<b>(26,284)</b>	<b>(9,750,985)</b>	<b>(1,070,860)</b>	<b>-</b>	<b>(11,746,558)</b>
Net Assets - Beginning of Year	71,900,031	359,853	9,750,985	1,070,860	-	83,081,729
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 71,001,602</b>	<b>\$ 333,569</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 71,335,171</b>

**PIKES PEAK COMMUNITY FOUNDATION AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

	PPCF		PPREF		Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		
<b>REVENUE</b>						
Contributions	\$ 15,601,268	\$ 330,999	\$ 623,099	\$ 397,998	\$ (300,000)	\$ 16,653,364
Investment Income, Net	(8,047,260)	1,538	(398,388)	732	-	(8,443,378)
Program Income	75,405	-	4,630	-	-	80,035
Contributed Nonfinancial Assets	25,500	-	-	-	-	25,500
Management Fee, Charged to Others	58,352	-	(9,724)	-	(12,132)	36,496
Other Revenue	45,248	-	3,900	-	-	49,148
Income from Lease of Water Rights	127,503	-	-	-	-	127,503
Income from Royalties	166,804	-	-	-	-	166,804
Gain on Disposal of Fixed Asset	-	-	-	-	-	-
Net Assets Released from Restriction	248,890	(248,890)	15,826	(15,826)	-	-
Total Revenue	8,301,710	83,647	239,343	382,904	(312,132)	8,695,472
<b>EXPENSES AND LOSSES</b>						
Program Services						
Philanthropic Services	10,630,946	-	44,432	-	(300,000)	10,375,378
Community Impact	1,662,881	-	1,825	-	-	1,664,706
Community Programs	19,479	-	189,016	-	-	208,495
Management and General	542,248	-	307,394	-	(12,132)	837,510
Total Expenses	12,855,554	-	542,667	-	(312,132)	13,086,089
<b>CHANGE IN NET ASSETS</b>	(4,553,844)	83,647	(303,324)	382,904	-	(4,390,617)
Net Assets - Beginning of Year	76,453,875	276,206	10,054,309	687,956	-	87,472,346
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 71,900,031</u>	<u>\$ 359,853</u>	<u>\$ 9,750,985</u>	<u>\$ 1,070,860</u>	<u>\$ -</u>	<u>\$ 83,081,729</u>



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