
Pontiac Community Foundation

Financial Statements and Report

December 31, 2024

Table of Contents

Independent Auditor's Report	2
Statement of Financial Position	5
Statement of Activities	6
Statement of Functional Expenses	7
Statement of Cash Flows	8
Notes to the Financial Statements	9



To the Board of Directors
Pontiac Community Foundation
Pontiac, Michigan, United States of America

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the results of its changes in 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 Organization'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 Organization'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.

A handwritten signature in black ink, appearing to be 'RJB' with a flourish.

Richard J Boyse, CPA, PC

Rochester, Michigan

July 23, 2025

Pontiac Community Foundation
Statement of Financial Position
As of December 31, 2024

	Note	2024
Assets		
Current Assets		
Petty Cash	\$	100
Undeposited Funds		9,641
Chase Checking		259,853
Chase Savings		214,715
Fiscal Sponsorship Savings		35,092
Accounts Receivable		33,745
Contributions/Grants Receivable		4,200
Total Current Assets		557,346
Noncurrent Assets		
Property and equipment		26,361
Right-of-use assets, operating leases	5	4,544
Contributions receivable, long-term	1.c	44,866
Total Noncurrent Assets		75,771
Total Assets		633,117
Liabilities and Net Assets		
Liabilities		
Current Liabilities		
Trade accounts payable		6,950
Accrued payroll and related benefits		1,094
SBA Accrued Interest Payable		818
Credit Cards Payable		4,093
Debt, current		51,942
Total Current Liabilities		64,897
Noncurrent Liabilities		
SBA Loan, noncurrent	3	86,056
Operating lease liabilities, noncurrent	5	4,634
Total Noncurrent Liabilities		90,690
Total Liabilities		155,587
Net Assets		
Net assets with donor restrictions		669,445
Net assets without donor restrictions		(191,915)
Total Net Assets		477,530
Total Liabilities and Net Assets	\$	633,117

See accompanying notes to the financial statements

Pontiac Community Foundation
Statement of Activities
For the year ended December 31, 2024

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support:			
Donations - General	\$ 123,681	\$ -	\$ 123,681
Grants Revenue	926,305	-	926,305
Gifts in Kind	6,632	-	6,632
Program Revenue	24,476	-	24,476
Interest Income	10,260	-	10,260
Net assets released from restrictions	159,090	(159,090)	-
Total Revenue and Other Support:	1,250,444	(159,090)	1,091,354
Expenses			
Program	979,099	-	979,099
General and Administrative	216,785	-	216,785
Fundraising	185,232	-	185,232
Total Expenses	1,381,116	-	1,381,116
(Decrease) Increase in Net Assets	(130,672)	(159,090)	(289,762)
Net Assets, Beginning of Year	(61,243)	828,535	767,292
Net Assets, End of Year	\$ (191,915)	\$ 669,445	\$ 477,530

See accompanying notes to the financial statements

Pontiac Community Foundation
Statement of Functional Expenses
For the year ended December 31, 2024

	Program services 2024	General and administrative 2024	Fundraising 2024	Total 2024
Salaries and wages	\$ 174,014	\$ 141,701	\$ 82,550	\$ 398,265
Employee benefits	17,142	13,946	8,130	39,218
Payroll taxes	13,824	11,247	6,556	31,627
Telecommunications & Website	2,580	2,099	1,223	5,902
Facility Rental	26,370	22,222	12,954	61,546
Legal and other professional fees and services	1,076	6,366	510	7,952
Insurance	3,693	3,022	1,679	8,394
Supplies	42,094	3,425	1,902	47,421
Team Meetings	986	807	448	2,241
Depreciation	6,590	-	-	6,590
Team Perks & Appreciation	984	805	447	2,236
Dues and Subscriptions	-	369	-	369
Auto Expenses	58,042	-	-	58,042
Grant expense	222,915	-	-	222,915
Community Development	8,095	-	-	8,095
Loss (gain) on disposal of assets	-	-	-	-
Community Outreach	16,576	-	-	16,576
Grants & Scholarships - Fulfilling Restriction	259,586	-	-	259,586
Strategic Planning	2,930	440	245	3,615
Aid & Support	-	-	-	-
Program Development	21,970	-	-	21,970
Employee and Student Development	-	-	-	-
Event Expenses	-	-	17,994	17,994
Contract Labor	99,632	4,827	4,827	109,286
Bank Charges	-	755	3,141	3,896
Fund Raising Expenses	-	-	42,357	42,357
Hospitality - Fundraising	-	-	269	269
Interest Expenses	-	4,754	-	4,754
Total	\$ 979,099	\$ 216,785	\$ 185,232	\$ 1,381,116

Functional expenses allocation %	Program services 2024	General and administrative 2024	Fundraising 2024	Total 2024
Total amount	\$979,099	\$216,785	\$185,232	\$1,381,116
Total %	71%	16%	13%	100%

See accompanying notes to the financial statements

Pontiac Community Foundation
Statement of Cash Flows
For the year ended December 31, 2024

	2024
Cash Flows From Operating Activities	
Increase (Decrease) in Net Assets	\$ (289,762)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash	
Depreciation and amortization	6,590
(Gain) loss on sale of property, plant, and equipment	-
Non-cash inbound Donations of Fixed Assets	-
Change in OCS Receivable	8,036
(Increase) decrease in operating assets:	
Accounts receivable	100
Contributions receivable	510,883
Right of Use Lease Asset	54,394
Increase (decrease) in operating liabilities:	
Accounts payable	(102,043)
Notes payable	49,898
Interest payable	(2,509)
Payroll taxes payable	1,094
Operating lease obligations	(55,339)
Net Cash Provided by (Used in) Operating Activities	181,342
Cash Flows from Investing Activities	
Proceeds from sale of property and equipment	-
Net Increase (Decrease) in Cash and Cash Equivalents	181,342
Cash and cash equivalents at beginning of year	338,059
Cash and Cash Equivalents at End of Year	519,401
Reconciliation of Cash and Cash Equivalents	519,401
Supplemental Cash Flow Information	
Cash Paid During the Year for	
Interest	4,754
Noncash Investing and Financing Activities	
Right-of-use assets acquired in exchange for new operating lease liabilities	\$ 55,485

See accompanying notes to the financial statements

Notes to the Financial Statements

Pontiac Community Foundation
Notes to the Financial Statements
For the year ended December 31, 2024

1. Summary of Significant Accounting Policies

a. Nature of Activities

Pontiac Community Foundation ("the Organization") is an independent 501(c)3 organization, dedicated to building a brighter future for Pontiac, MI by engaging philanthropy, leadership, and collaboration to tackle Pontiac's most pressing issues.

The Organization's most effective work accomplishes community and economic development, quality of life, and civic leadership initiatives, that help make the city of Pontiac a more desirable place to live, work, and play.

b. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

c. Unconditional Contributions

Unconditional contributions, including pledges receivable, are recognized as revenue in the period received and are reported as increases in the appropriate categories of net assets in accordance with donor restrictions. All receivables were determined to be fully collectible at December 31, 2024.

Long-term contributions receivable consists entirely of the estimated marginal costs for Oakland Christian School to continue to provide education to the students enrolled in the joint program from the end of the fiscal year until their graduation. The age of the students included in the program varies and the auditor has relied upon the estimates made by the School.

Pontiac Community Foundation
Notes to the Financial Statements
For the year ended December 31, 2024

d. Classification of Net Assets

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions.

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Organization.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Board Designated Net Assets: The Organization's Board of Directors has the ability to designate identified amounts of net assets without donor restrictions to be used by management for specific future projects or activities. These designations can be modified or removed by the Board of Directors at any time. There were no board designations at December 31, 2024.

Earnings, gains and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor.

Contribution revenue with donor-imposed restrictions that are met in the same year as received or earned is reported as an increase to net assets without donor restrictions.

Contribution revenue with donor-imposed restrictions that are not met in the same year is reported as an increase to net assets with donor restrictions and is reclassified to net assets without donor restrictions when an expense is incurred that satisfies the donor-imposed restriction.

e. Tax-Exempt Status

The Organization is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the United States Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Although the Organization is granted income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income" (UBTI). For the year ended December 31, 2024, management has determined that the Organization did not have UBTI, accordingly, no income tax provision is reflected in these financial statements.

Pontiac Community Foundation
Notes to the Financial Statements
For the year ended December 31, 2024

f. Revenue from Contracts with Customers

The Organization's revenue from contracts with customers includes that revenue reported as program revenue, contract revenue, and interest income. The rest of its revenue comes from non-exchange contributions.

The revenue from contracts with customers was all earned over periods of time, with payment received for services required to be performed over those periods.

g. Contributed Materials and Services

During the year, the Organization received donated services for professional landscape design services and media promotion that have been recorded as In-Kind contributions and expenses on these financial statements. There also was a recorded in-kind contribution of a vehicle that was recorded as an asset. Additionally, many individuals volunteer their time providing services to assist the Organization, but due to a lack of an objective basis to value these services, they have not been recorded and their value is not disclosed.

h. Functional Allocation Expenses

The costs of providing program, general and administrative, and fundraising services have been reported on a functional basis in the statements of activities. Costs have been allocated between program, general and administrative, and fundraising using estimates determined by management. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different results.

i. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

j. Subsequent Events

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2024, the most recent statement of financial position presented herein, through July 23, 2025, the date these financial statements were available to be issued.

Pontiac Community Foundation
Notes to the Financial Statements
For the year ended December 31, 2024

Liquidity and availability of resources

The following reflects the organization's financial assets as of December 31, 2024, reduced by amounts not available for general use within one year of December 31, 2024 due to contractual or donor-imposed restrictions:

	2024
Financial assets at end of year:	
Cash and cash equivalents	\$ 519,401
Current accounts and pledges receivable	37,945
Total financial assets at end of year:	557,346
Less amounts not available to be used within one year:	
Net assets with donor restrictions	(669,445)
Financial assets available to meet general expenditures over the next twelve months	\$ (112,099)

3. Loan Payable

Current portion of debt consists of the following at December 31:

	2024
Line-of-credit, current	\$ 49,898
SBA loan, current	2,044
Total	\$ 51,942

Pontiac Community Foundation
Notes to the Financial Statements
For the year ended December 31, 2024

Long-term debt consists of the following at December 31:

	2024
Unsecured loan payable to the SBA, repayment of principal and interest was deferred for the first 30 months. Monthly minimum payments of \$377 are due starting in 2023 through 2050, including interest rate of ~2.75%	\$ 86,056
Long-term portion	\$ 86,056

Total interest expense of the above debts was \$4,596 in 2024.

Future maturities of principal on long-term debt is as follows:

Year ending December 31,	
2025	\$ 2,044
2026	2,524
2027	2,594
2028	2,660
2029	2,740
Thereafter	75,538
Total	\$ 88,100

Pontiac Community Foundation
Notes to the Financial Statements
For the year ended December 31, 2024

4. Net assets

a. Net assets with donor restrictions

Net assets with donor restrictions as of December 31, 2024 consist of the following:

	2024
Subject to expenditure for specified purpose:	
Oakland Christian School	\$ 44,866
Center for Pontiac Entrepreneurship	-
Mattie McKinney Hatchett Park	214,708
M1 Mobility Transportation	100,000
Racial Equity Initiatives	139,789
Fiscal Sponsorship	35,082
Advisory Services / Fund Development	135,000
Total purpose restrictions	669,445
Total net assets with donor restrictions	\$ 669,445

b. Net assets without donor restrictions

	2024
Undesignated	\$ (191,915)

5. Leases

On February 1, 2022, the Organization entered into a modification of its lease for office space in Pontiac. The lease features the ability for the Tenant to opt out of the lease during the final two years, and it is reasonably possible that the Organization will opt out, so this period is not included in the minimum lease payments.

The table below summarizes the Organization's schedule future minimum lease payments for years ending after December 31, 2024:

Year	Minimum Payment	Discounted Amount
2025	\$ 4,635	\$ 4,595

Pontiac Community Foundation
Notes to the Financial Statements
For the year ended December 31, 2024

Operating lease expense for the year end December 31, 2024 was \$54,540.

6. Related Party Transactions

The Organization rents office space from Triple-W Properties for its main offices at 79 Oakland Ave., which is owned by a board member. The total rent payments to Triple W Properties in 2024 were \$55,691.