

**THE COMMUNITY FOUNDATION
OF ST. CLAIR COUNTY AND
SUPPORTING ORGANIZATION**

**CONSOLIDATED FINANCIAL STATEMENTS
With Supplementary Information**

**FOR THE YEAR ENDED
DECEMBER 31, 2006**

Stewart,
Beauvais
& Whipple P.C.

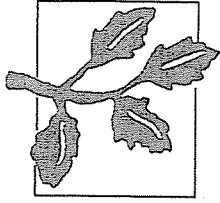


CERTIFIED PUBLIC ACCOUNTANTS

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

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DECEMBER 31, 2006**

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community foundation
of St. Clair County

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May 21, 2007

To our Board of Trustees, Volunteers, Donors and Partners:

The Community Foundation of St. Clair County experienced a tremendous year in 2006. Financially, the Foundation experienced several significant achievements. Among these is setting an all-time high in both the number of Foundation donors and gifts received in any one year. The Foundation believes these increases are a result of more people becoming aware of the Foundation and its involvement in charitable projects throughout the County, along with understanding the importance of giving back to their community. As you can see by the consolidated financial statements, we received total gifts exceeding \$3 million.

The Foundation takes seriously its fiduciary responsibility of ensuring the perpetuity of our endowed funds. Given this, the Foundation has a comprehensive investment policy which can be found on our website. Our investment portfolio is structured to provide long-term growth while minimizing risk through diversification of asset classes, funds and managers. The portfolio has historically done well, yet by design will not capture all of the market highs but conversely will also not experience all of the market lows. The Foundation was very pleased with its net return of 14% in 2006.

Since by structure a community foundation's charitable giving is generally limited to the earnings from its endowed funds, our continued growth through donor giving and market appreciation puts the Foundation in better position to fulfill its mission, which is to improve the quality of life by helping donors achieve their charitable and philanthropic visions. We accomplish this through the creation, management and administration of permanently endowed funds.

The Foundation experienced another all-time high in 2006 through its charitable distributions to nonprofit organizations throughout the County. These nonprofit organizations received \$2.4 million from the Foundation between the \$1.01 million of formal grants reported in our financial statements and the \$1.3 million in pass-through fund distributions.

The Foundation views accountability and credibility as vital factors to its current and future success. We continue to strive for excellence and maintain transparency in all of our activities. The Foundation takes pride that it has received an unqualified audit opinion annually since its inception in 1944. Our audited financial statements and IRS Form 990 are available on our website or upon request. Furthermore, the Foundation was among the first 150 community foundations to receive national certification for compliance with the new National Standards from the Council on Foundations in Washington D.C. Also, our Foundation has maintained its annual certification with the State of Michigan for the special community foundation tax credit since the credit's inception.

With regard to these audited financial statements, Foundation management has acknowledged and stood behind their responsibility for the financial statements, sound accounting policies, system of internal controls, and for the prevention and detection of fraud. Throughout the independent audit, management has made available all financial records, minutes, fund agreements, policies and procedures, and other documentation, and has provided the required, signed management representations regarding our operations and financial records.

Through the strength of our financial resources, and with the continued support and involvement of hundreds of donors, volunteers and partners, the Trustees of the Community Foundation made a deliberate decision in 2004 to expand the Foundation's role as an active leader in the community.

Since that time the Foundation, like others throughout the country, has evolved into an organization that stresses partnerships and collaboration for the benefit of the community which goes well beyond just grant making. Since 2004, and as you will see reflected in these financial statements, the Foundation has;

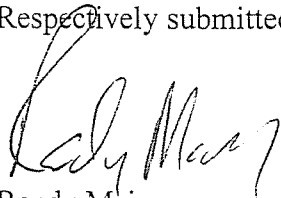
- Purchased a home for homeless teenagers, which is owned by our Community Renaissance Fund Company and leased for \$1 annually to another nonprofit.
- Collaborated with the James C. Acheson Foundation and the Port Huron Downtown Development Authority to purchase and renovate a building in Port Huron to serve as a regional art incubator, and is more commonly known as Studio 1219.
- Opened the Community Resource Center, a capacity building center which provides management, governance and operational support to nonprofit organizations.
- Coordinated the administration and funding of the Community Renaissance Program. This multi-million dollar initiative which includes Oak Crest Homes is the largest initiative targeting neighborhood revitalization ever undertaken in St. Clair County. Through this initiative the Community Renaissance Fund

Company has purchased multiple properties, some for redevelopment and some for demolition. Two of these homes are still owned by the Community Renaissance Fund Company.

- Launched a Women's Initiative along with new "community & education funds" in Algonac / Clay Township, Cottrellville Township and the East China School District.
- Organized volunteers and partners in four communities for the annual Back to School events which in 2007 will provide 2,900 backpacks filled with school supplies to low-income children.

The Community Foundation of St. Clair County is a large and complex corporation. With eight full or part-time staff members and a volunteer workforce of well over 100 people, and its new Strategic Priorities of Economic Development, Education, and Arts & Culture, the Foundation remains poised to continue to improve the quality of life in St. Clair County for years to come.

Respectively submitted,



Randy Maiers
President & CEO



Karen A. Lee
Controller



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Community Foundation of St. Clair County
Port Huron, Michigan

We have audited the accompanying consolidated statements of financial position of The Community Foundation of St. Clair County (a not-for-profit organization) and its supporting organization, Community Renaissance Fund, as of December 31, 2006, and the related Statement of Activities, Functional Expenses and Cash Flows for the year then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Community Foundation of St. Clair County as of December 31, 2006, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The introductory section and the supplementary information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements, and accordingly we express no opinion on it.

Stewart, Beauvais & Whipple
Certified Public Accountants

May 21, 2007

BASIC FINANCIAL STATEMENTS

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2006**

ASSETS

Current Assets:	
Cash and cash equivalents	\$ 1,573,455
Receivables -	
Contributions	33,809
Other	1,026
Mortgage	<u>17,610</u>
Total Current Assets	<u>1,625,900</u>
Non-Current Asset:	
Contributions (net of pledge discount \$5,721)	32,278
Note receivable	68,585
Mortgage receivables	<u>86,047</u>
Total Non-Current Assets	<u>186,910</u>
Land, Building and Equipment:	
Property and equipment (net of accumulated depreciation of \$149,102)	<u>327,846</u>
Other Assets:	
Cash surrender value of contributed life insurance	123,126
Investments - endowments	29,658,929
Investments - pass-through funds	121,809
Investments - charitable gift annuity	239,616
Assets held for redevelopment	<u>264,728</u>
Total Other Assets	<u>30,408,208</u>
Total Assets	<u><u>\$ 32,548,864</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts payable	\$ 6,270
Grants payable	60,965
Accrued payroll and withholdings	25,087
Accrued vacation payable	13,384
Escrow deposits	460,230
Funds held as agency endowments	635,283
Charitable gift annuity payable	158,719
Pass-through funds	<u>121,809</u>
Total Current Liabilities	1,481,747
Noncurrent Liabilities:	
Note payable	<u>68,585</u>
	<u>1,550,332</u>
Net Assets:	
Unrestricted	30,828,788
Temporarily restricted	<u>169,744</u>
Total Net Assets	<u>30,998,532</u>
Total Liabilities and Net Assets	<u><u>\$ 32,548,864</u></u>

The accompanying notes are an integral part of the financial statements.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue, gains and other support:			
Public Support -			
Contributions	\$ 3,057,054	\$ 104,407	\$ 3,161,461
Revenue and Gains -			
Investment income net of expense	3,450,098	-	3,450,098
Increase in cash surrender value of life insurance	8,840	-	8,840
Administrative fee income	16,827	-	16,827
Other	6,700	-	6,700
	<u>3,482,465</u>	<u>-</u>	<u>3,482,465</u>
Net Assets Released from Restrictions:			
Expiration of restrictions	318,943	(318,943)	-
Total Public Support Revenues and Gains	<u>6,858,462</u>	<u>(214,536)</u>	<u>6,643,926</u>
Expenses:			
Program expenses:			
Grants	1,008,131	-	1,008,131
Property redevelopment	1,007,261	-	1,007,261
Youth Advisory Council Fund	3,459	-	3,459
Other program expenses	490,305	-	490,305
Management and general	204,395	-	204,395
Fundraising expenses	72,127	-	72,127
	<u>2,785,678</u>	<u>-</u>	<u>2,785,678</u>
Total Expenses	<u>2,785,678</u>	<u>-</u>	<u>2,785,678</u>
Change in Net Assets	4,072,784	(214,536)	3,858,248
Net Assets at beginning of year	<u>26,756,004</u>	<u>384,280</u>	<u>27,140,284</u>
Net Assets at end of year	<u>\$ 30,828,788</u>	<u>\$ 169,744</u>	<u>\$ 30,998,532</u>

The accompanying notes are an integral part of the financial statements.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Program Services			Supporting Services		Total Program and Supporting Services
	Community Foundation	Community Renaissance	Total	Management and General	Fundraising	
Salaries	\$ 176,657	\$ 46,313	\$ 222,970	\$ 112,761	\$ 39,489	\$ 375,220
Employee Benefits/Payroll Taxes	33,552	5,833	39,385	31,475	7,494	78,354
Professional Services	5,884	3,725	9,609	15,000	-	24,609
Legal Services	20,915	318	21,233	3,555	-	24,788
Occupancy	9,263	18,552	27,815	5,912	2,071	35,798
Utilities	1,535	10,025	11,560	980	343	12,883
Equipment Rental and Maintenance	2,336	2,320	4,656	1,491	522	6,669
Telephone	1,880	538	2,418	1,200	420	4,038
Postage	1,829	144	1,973	1,167	408	3,548
Awareness (net)	5,003	1,952	6,955	7,372	2,973	17,300
Donor Cultivation	9,915	264	10,179	-	-	10,179
Fundraising	-	-	-	-	5,390	5,390
Foundation Committee	-	165	165	2,133	-	2,298
Dues, Memberships, and Subscriptions	3,994	235	4,229	2,549	893	7,671
Workshops/Initiatives	-	19,232	19,232	-	-	19,232
Insurance	-	5,435	5,435	5,552	-	10,987
Office Supplies	2,323	844	3,167	1,483	520	5,170
Stationary/Printing	1,673	606	2,279	1,068	374	3,721
Computer Maintenance	2,471	3,033	5,504	1,577	552	7,633
Conferences and Travel	4,817	1,737	6,554	1,198	-	7,752
Other	12,606	50,035	62,641	1,113	8,293	72,047
Depreciation	10,668	11,678	22,346	6,809	2,385	31,540
	<u>307,321</u>	<u>182,984</u>	<u>490,305</u>	<u>204,395</u>	<u>72,127</u>	<u>766,827</u>
Youth Area Council	3,459	-	3,459	-	-	3,459
Grants Voted from Income	1,008,131	-	1,008,131	-	-	1,008,131
Program Investment Costs	-	1,007,261	1,007,261	-	-	1,007,261
Total Expenses	<u>\$ 1,318,911</u>	<u>\$ 1,190,245</u>	<u>\$ 2,018,851</u>	<u>\$ 204,395</u>	<u>\$ 72,127</u>	<u>\$ 2,785,678</u>

The accompanying notes are an integral part of the financial statements.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Cash Flows from Operating Activities:

Change in net assets	\$ 3,858,248
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	31,540
Increase in cash surrender value of contributed life insurance	(8,840)
Properties received as contributions	376,832
Non-cash contributions	(26,576)
Non-cash increase in investment	100,772
Unrealized gain on investments securities	(2,075,233)
Increase (decrease) in operating assets and liabilities -	
Contributions receivable	366,537
Accrued interest receivable	4,671
Other receivables	(946)
Mortgage receivables	(2,101)
Accounts payable	2,482
Accrued expenses	15,736
Deferred revenues	7,500
Grants payable	(243,671)
Funds held as agency endowments	139,517
Charitable gift annuity payable	(17,129)
Assets held for investments	(213,379)
Pass-through funds	(1,068,192)
Net Cash Provided by Operating activities	<u>1,247,768</u>

Cash Flows from Investing Activities:

Proceeds from sale of investments	7,326,475
Purchase of investments	(8,251,475)
Proceeds from maturities of certificates of deposit	509,552
Proceeds from contributed life insurance	65,336
Purchase of/loss on disposal of office furniture, equipment and leasehold improvements	(3,200)
Net Cash Used by Investing Activities	<u>(353,312)</u>

Net increase (decrease) in cash and cash equivalents	894,456
Cash and cash equivalents at beginning of year	<u>678,999</u>
Cash and cash equivalents at end of year	<u>\$ 1,573,455</u>

Non-Cash Investing and Financing Activities:

Amortized discount on contributions receivable	<u>\$ 5,721</u>
Dividends reinvested in investments held on behalf of others	<u>\$ 92,605</u>

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES:

DESCRIPTION OF ORGANIZATION:

The Community Foundation of St. Clair County (known as the Port Huron District Foundation prior to November 1985) was established on November 8, 1944 to receive and accept moneys and other properties to be administered exclusively for charitable purposes, primarily in and for the benefit of the communities of St. Clair County.

The Community Renaissance Fund was organized in 2004 as a 501(c)(3) to serve as a supporting organization of The Community Foundation of St. Clair County. The Board of Directors of the Community Renaissance Fund is determined by the Board of Directors of the Community Foundation. Since The Community Foundation of St. Clair County has a controlling interest, generally accepted accounting standards require that it be consolidated with The Community Foundation of St. Clair County.

SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of The Community Foundation of St. Clair County (the Foundation) conform to accounting principles generally accepted in the United States of America as applicable to non-profit organizations. The following is a summary of the more significant accounting policies:

BASIS OF ACCOUNTING/PRESENTATION - The consolidated financial statements include the accounts of The Community Foundation of St. Clair County and the Community Renaissance Fund, which are reported on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Inter-organizational transactions have been eliminated in the consolidated statements. The statements are presented in accordance with the accounting principles outlined in the American Institute of Certified Public Accountants Audit and Accounting Guide for Not-for-Profit Organizations and the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made* and (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. In accordance with (SFAS) No. 116, contributions received are reported as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

The bylaws of the Foundation include a variance provision that allows the Board of Trustees of the Foundation to vary the use of substantially all contributions. The Board of Trustees strives to honor a donor's charitable intent, unless in their sole judgment that intent becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community, or area served by the Foundation. Based on the variance provisions, all assets of the Foundation have been classified as unrestricted, with the exception of unconditional pledges receivable and home improvement mortgages, which are classified as temporarily restricted. The Foundation further classifies its unrestricted net assets as follows:

General Charitable Funds	\$ 10,353,540
Scholarship Funds	3,218,724
Donor Designated Funds	2,166,520
Donor Advised Funds	8,381,068
Organization Designated Funds	1,679,741
Field of Interest	4,420,444
Charitable Gift Annuity Fund	80,897
Community Renaissance Fund	<u>527,854</u>
	<u>\$ 30,828,788</u>

As of January 1, 2007, several funds have been reclassified either to or from a donor-advised fund type in accordance with the definition of a donor-advised fund type under new Internal Revenue Service.

CASH AND CASH EQUIVALENTS - The Foundation considers all highly liquid investments with a maturity of three months or less from the date of purchase to be cash equivalents.

INVESTMENTS - Investments in equity securities with readily determinable market values and all debt securities are carried at "fair" value. Realized and unrealized gains and losses are reflected in the Statement of Activities. Donated investments are recorded at the "fair" value on the date received and thereafter carried in accordance with the above provisions.

PLEDGES RECEIVABLE - Unconditional promises to give are recognized as contributions in the period the promise is received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional contributions receivable that are expected to be collected within one year are recorded at the net realizable value. Unconditional contributions receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the pledges are received. Amortization of the discounts is included in contribution revenue.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

MORTGAGE RECEIVABLE - Home improvement loans administered through Economic Opportunity Committee are interest-free and forgivable loans up to \$30,000 to renters, potential buyers and current landlords who are willing to convert a home from renter occupied to owner occupied in a ten block residential area. One-half of the loan is forgiven if they live in the home for three years. The other half is not repayable until they sell the home. The Foundation is listed on the Promissory note and as Mortgagor on the mortgage. The loans are recorded net of the 50% forgivable portion, with the remaining 50% recorded at the estimated present value.

GRANTS - Grants are recorded as expenses when they are approved by the Board of Directors for payment.

PROPERTY AND EQUIPMENT - Office furniture, equipment, and leasehold improvements are recorded at cost. Major additions are charged to the property accounts while maintenance and repairs, which do not improve or extend the life of the respective assets, are expensed currently. When property is retired or disposed of, the recorded value is removed from the accounts. Gains or losses from disposals are included in earnings. Depreciation is computed on the straight-line method over the estimated useful lives of the assets.

The estimated useful lives of the assets are as follows:

Building and improvements	40 years
Leasehold improvements	7-15 years
Furniture and equipment	2-15 years

HOMES HELD FOR REDEVELOPMENT - The Foundation's supporting organization, Community Renaissance Fund, has the specific mission of collaborating with other nonprofit, community partners to improve the quality of low-income housing, alleviate blight, and revitalize economically disadvantaged areas. In the fulfillment of this mission, the Community Renaissance Fund acquires properties for redevelopment within the established boundaries. Some of the properties are demolished (to make more green space or otherwise improve the surrounding properties), while others are sold or gifted to other non-profit organizations.

It is the intent to hold acquired properties on a short-term basis to allow for continuing redevelopment. Such properties are valued at the cost of acquisition plus any improvements, and the properties are not depreciated. When losses upon the disposition or sale of these properties are anticipated, they are recognized as program initiative expenses and grants.

At December 31, 2006, the Community Renaissance Fund held two properties under its program initiatives.

NOTES RECEIVABLE/PAYABLE - This asset and liability relate to a property acquired by the Economic Opportunity of St. Clair County, funded by the Community Renaissance Fund through a gift from the James C. Acheson 85 Trust. As stipulated in the supporting letters of agreement, when the current renters no longer reside in the property, such property will be sold. At that time, the greater of the sales proceeds or the original loan amount of \$68,585 shall be repaid to the Community Renaissance Fund, who in turn agrees to repay the James C. Acheson '85 Trust' this amount, less the cost of any major repairs that were needed during the rental period.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES - (cont'd):

PROPERTY REDEVELOPMENT - In 2006, the Community Foundation entered the final year of its Community Renaissance Program, an unprecedented collaborative effort to improve the quality of low-income housing, alleviate blight, and revitalize economically disadvantaged areas. A final component of this program was redeveloping the densely populated two-block area bordered by Oak, Griswold, 7th and 8th Streets into a new mini-planned community that will feature affordable, single-family homes.

From the onset, the Foundation and its partners recognized that there would be significant differences between the acquisition and redevelopment costs and the end sale proceeds of the redeveloped properties. They viewed and accepted these differences as a business expense of investing in the community through the redevelopment of these properties.

The Community Renaissance Fund received financial support from the James C. Acheson Foundation to fund the acquisition of 14 properties and in August 2006, sold the related properties to the Economic Opportunity Committee of St. Clair County, who in turn developed the planned community with funding support from James C. Acheson Foundation and Michigan State Housing Development Authority.

Actual differences between the acquisition costs and the sale of the related properties for the Oak Crest Homes project aggregated \$1,007,261. This amount is reflected in the consolidated financial statements as both Property Redevelopment Expense, and Contribution Revenue, since the Community Foundation's direct involvement in this project ended with the August 2006 sale of the related properties and will not be receiving funds at end sale nor is obligated to pay additional funds to The James C. Acheson Foundation or any other partner.

INCOME TAXES - The Foundation is a not-for-profit organization classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) and as a nonprivate foundation under Section 509(a)(1) of the Internal Revenue Code of 1986. The Community Renaissance Fund is also classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) and a Type 1 supporting organization under Section 509(a)(3). Accordingly, no provision for income taxes is required.

INVESTMENT POOLS AND ALLOCATION OF INVESTMENT INCOME - The funds are combined into one or more investment pools with various fund managers, whereby each participating fund shares a percentage interest of the total investments. Realized and unrealized gains and losses, interest and dividend income from securities in the investment pool, bank interest, and investment management and custodial fees are allocated monthly to the individual funds based on the relationship of the investment of each fund to the total investment of all funds in the pools.

ESTIMATES - In preparing the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 2 - CASH AND INVESTMENTS:

CONCENTRATION OF CREDIT RISK -

Cash and cash equivalents of \$1,573,455 at December 31, 2006 are made up of demand deposit accounts, money market funds held at various banks and investment fund managers, and \$250 of petty cash funds. The balances reflected in the accounts (without recognition of checks written but not yet cleared or of deposits in transit) at December 31, 2006 totaled \$1,900,190 of which \$300,000 was insured by the Federal Deposit Insurance Corporation and \$1,600,190 was uninsured and uncollateralized.

The Foundation believes that due to the dollar amounts of cash deposits and the limits of FDIC Insurance, it is impractical to insure all bank deposits. As a result the Foundation evaluates each financial institution and assesses the level of risk. The Foundation uses only those financial institutions with an acceptable estimated risk level as depositories.

INVESTMENTS -

At December 31, 2006, investments of the Foundation consist of the following:

Equity securities – Common stocks	\$ 441,818
Common commingled trust fund- Rothschild Small-Cap Trust	3,293,552
Exchange traded and mutual funds	24,898,053
U.S. debt securities - Mortgage-backed securities	2,153
Corporate debt securities	182
Alternative investments (Hedge Funds)	<u>1,384,596</u>
Total	<u>\$ 30,020,354</u>

The Foundation had the following return on investment for the year ended December 31, 2006:

Interest and Dividends	\$ 686,782
Gain on Sale of Investments	750,365
Unrealized Gain (Loss) on Investments	2,075,233
Investment Management Fees	<u>(62,282)</u>
Total	<u>\$ 3,450,098</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 3 - PROPERTY AND EQUIPMENT:

The following is a summary of the changes in Property and Equipment for the year ended December 31, 2006:

	Balance January 1, <u>2006</u>	<u>Additions</u>	<u>Disposals</u>	Balance December 31, <u>2006</u>
Buildings and improvements	\$ 170,210	\$ -	\$ -	\$ 170,210
Leasehold improvements	202,481	3,860	-	206,341
Equipment	<u>116,818</u>	<u>5,047</u>	<u>21,468</u>	<u>100,397</u>
	489,509	8,907	21,468	476,948
Less – accumulated depreciation	(<u>133,323</u>)	(<u>31,540</u>)	(<u>15,761</u>)	(<u>149,102</u>)
	<u>\$ 356,186</u>	<u>\$ (22,633)</u>	<u>\$ 5,707</u>	<u>\$ 327,846</u>

NOTE 4 - PLEDGES RECEIVABLE:

The Foundation pledges receivable at December 31, 2006 totaled \$71,808 with \$33,809 due in less than one (1) year with the remainder due within five (5) years. There was an amount of \$5,721, which was considered the discounted value of contributions receivable in excess of one year at December 31, 2006.

The Foundation uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. There was no allowance for uncollectible contributions receivable at December 31, 2006.

NOTE 5 - GRANTS PAYABLE:

At December 31, 2006, the Foundation grants payable was \$60,965, which are all payable in less than one year.

The difference between the carrying amount and the fair value of grants payable is not considered material to the accompanying financial statement. Accordingly, grants payable have not been discounted.

NOTE 6 - LIFE INSURANCE CONTRACTS:

The Foundation is the owner and beneficiary of five separate life insurance policies with an aggregate face value of \$541,062. The annual premiums are paid with contributions received from the individuals insured by the policies or by the policies' equity. The cash surrender value of these policies has been recorded as revenue and an asset when donated. Annual increases or decreases in the cash surrender value of the policies are recorded as revenue (or reduction of revenue) in the year incurred.

The Foundation is the beneficiary of an additional life insurance policy with a face value of \$100,000. The policy is not considered an asset because the Foundation is not the owner and, therefore, is not reflected in these financial statements.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 7 - DEFERRED COMPENSATION:

Effective January 1, 2005, the Foundation's Board approved the creation of a 403(b) Retirement Savings Plan, for the purpose of providing employees the opportunity to accumulate a source of retirement income in addition to Social Security and personal savings. All Foundation employees may make voluntary, tax-deferred contributions to the Plan, up to IRS limits, through salary reduction agreements. The Plan also provides for discretionary non-elective employer contributions (presently at 3%) for all employees who work 1,000 hours annually and have one year of service, with 100% immediate vesting. Fidelity Investments is the service provider of this Plan and contributions made under this Plan are electronically transferred on the same day as payroll.

Additionally, effective October 1, 2004, the Foundation has a Deferred Compensation Benefit Agreement with its CEO/President. This agreement outlines a prorated, annual deferred compensation amount and a rolling 5-year vesting period as calculated from the effective date of the agreement. As of December 31, 2006, the CEO/President has "unvested" deferred compensation rights of \$13,750.

NOTE 8 - ADMINISTRATIVE FEES:

The Foundation assesses a monthly management fee on the individual funds maintained by the foundation.

The Foundation has adopted an administrative fee schedule whereby the fees, which vary according to the type of fund, range from 1.0% to 2.0%, per annum, of the market value of the fund's investments. The total fees assessed for the year ended December 31, 2006 was \$341,011.

NOTE 9 - PASS-THROUGH FUNDS:

On December 31, 2006, the Foundation held funds on behalf of four private foundations as follows:

The Arts Incubator Building Funds	\$ 1,249
Mary Moore Foundation	13,432
St. Clair Foundation	52,868
Henry & Harriet Whiting Foundation	<u>54,260</u>
Total	<u>\$ 121,809</u>

The funds were invested in a money market account at a bank and securities at a brokerage firm. The Foundation will disburse the funds to grantees on behalf of the private foundations in accordance with their directions. The Foundation charges management fees equivalent to 1.0% of the investment balance or the earned interest income.

As of January 1, 2007, a new law mandated that the pass-through funds be converted into non-endowed donor-advised funds.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 10 - LEASE COMMITMENT:

The Foundation has entered into a lease agreement for their office facilities, expiring May 31, 2015. Three five-year renewal options are available to the Foundation, which, if exercised, would extend the lease through May 31, 2030. The annual lease expense is \$12,000. The lease provides that the Foundation shall pay its own insurance and utilities and also provides that the rent will increase every five years based upon increases in the Consumer Price Index.

The Foundation has entered into a lease agreement for additional space adjacent to their office facilities, expiring April 30, 2007. Five-year renewal options are available to the Foundation, which, if exercised, would extend the lease through April 30, 2032. The monthly lease payment of \$1,416 is being paid through an offsetting contribution from the James C. Acheson Foundation. The lease provides that the Foundation shall pay its own insurance and utilities and also provides that the rent will increase every five years based upon increases in the Consumer Price Index.

The future minimum annual rental commitments under the lease agreement in effect at December 31, 2006, and for each year ending December 31, and thereafter; exclusive of property taxes, insurance and utilities and without regard to any future adjustment resulting from changes in the Consumer Price Index are summarized below:

2007	\$	17,665
2008		12,000
2009		12,000
2010		12,000
2011		12,000
2012 and thereafter		<u>41,000</u>
Total	\$	<u>106,666</u>

NOTE 11 - CHARITABLE GIFT ANNUITY:

On December 18, 2002, donors transferred assets having a fair value of \$302,930 to The Community Foundation of St. Clair County whereby the Foundation agreed to pay annual distributions of \$23,931 in quarterly installments of \$5,983 beginning March 31, 2003 to the donors for the remainder of their lives.

The fair value of the transferred assets as of December 31, 2006, was \$239,616 and the present value of the estimated future payments was \$158,717 at December 31, 2006, calculated using a discount rate of 4% and applicable mortality tables. The difference between the assets and estimated future payments of \$80,897 represents the net assets as listed in Note 1.

NOTE 12 – RELATED SUPPORTING ORGANIZATIONS:

James C. Acheson Charitable Foundation –

The James C. Acheson Charitable Foundation was organized in 2002 as a 509(a) to serve as a supporting organization of The Community Foundation of St. Clair County. The Board of Trustees consists of five members, three of whom were initially appointed by the incorporator, and two trustees appointed by The Community Foundation of St. Clair County. Since The Community Foundation of St. Clair County does not have control of the entity, its activities have not been included with the Foundation financial statement.

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

NOTE 12 – RELATED SUPPORTING ORGANIZATIONS – (cont’d):

P.H. Arts Incubator, Inc. -

The P.H. Arts Incubator, Inc. was organized in 2004 as a 509(a)(3) for the purpose of performing the functions of, or carrying out the charitable or other exempt purposes of (a) The Community Renaissance Fund and/or the City of Port Huron Downtown Development Authority. The six member Board of Directors are appointed, three each, by the Community Renaissance Fund and the Port Huron Downtown Development Authority. Since The Community Foundation of St. Clair County does not have control of the entity, its activities have not been included with the Foundations financial statements.

The P.H. Arts Incubator, Inc. is located at 1219 Military Street, in a building referred to as ‘Studio 1219’. This building was deeded to the P.H. Arts Incubator, Inc. through a joint purchase by the Community Renaissance Fund (through a grant from the Community Foundation of St. Clair County), and the City of Port Huron’s Downtown Development Authority, at a cost of \$87,500 each. The James C. Acheson Foundation funded substantial renovations to the Studio 1219 building and as a result, has a purchase option in the amount of \$175,000, should the P.H. Arts Incubator, Inc. plan to sell the building. At that time, the Community Renaissance Fund would be reimbursed its initial cost (as would the City of Port Huron), and the Community Renaissance Fund would in turn, return its \$87,500 to the Community Foundation of St. Clair County.

NOTE 13 - FUNDS HELD AS AGENCY ENDOWMENTS:

At December 31, 2006, the Foundation was the owner of 14 Agency Endowment Funds with a combined value of \$635,283. These funds are reported in accordance with Statement of Financial Accounting Standards No. 136, “Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions For Others.” These funds include donations from an agency for a Fund that benefits the same agency, or a hybrid of both donations from the agency and from unrelated third parties. Although all donations received are legally owned by the Community Foundation and remain its assets, the portion of the Fund that comes from the beneficiary agency is considered a reciprocal transfer and as such, The Community Foundation is required to report an offsetting liability. This liability must be equal to the donations from the agency plus the proportionate share of the Fund’s realized and unrealized market gains and losses, investment income, fees and grant awards. Despite the offsetting liability, the Foundation generally considers these FAS 136 Funds to be permanently endowed and expected them to grow over time.

The following table summarizes activity in such funds during the year then ended:

Agency Endowment Fund Balances at January 1, 2006	\$ 495,766
Agency gifts	87,728
Interest and dividends	13,186
Realized gain on investments	15,329
Unrealized gains on investments	40,639
Grants	(9,380)
Trust management and administrative fees	(7,985)
Agency Endowment Fund Balances at December 31, 2006	<u>\$ 635,283</u>

SUPPLEMENTARY FINANCIAL INFORMATION

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2006**

ASSETS	<u>Community Foundation</u>	<u>Community Renaissance</u>	<u>Consolidated Adjustments</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 1,529,889	\$ 43,566	\$ -	\$ 1,573,455
Investments	30,020,354	-	-	30,020,354
Pledge receivable (net of pledge discount \$5,721)	66,087	-	-	66,087
Mortgage receivable	103,657	-	-	103,657
Note receivable	-	68,585	-	68,585
Other receivables	926	100	-	1,026
Property and equipment (net of accumulated depreciation of \$126,781 and \$22,321)	106,474	221,372	-	327,846
Cash surrender value of contributed life insurance	123,126	-	-	123,126
Homes held for redevelopment	-	264,728	-	264,728
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 31,950,513</u>	<u>\$ 598,351</u>	<u>\$ -</u>	<u>\$ 32,548,864</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 4,476	\$ 1,794	\$ -	\$ 6,270
Accrued payroll and withholdings	24,969	118	-	25,087
Accrued vacation payable	13,384	-	-	13,384
Grants payable	60,965	-	-	60,965
Note payable	-	68,585	-	68,585
Escrow deposits	460,230	-	-	460,230
Funds held as agency endowments	635,283	-	-	635,283
Charitable gift annuity payable	158,719	-	-	158,719
Pass-through funds	121,809	-	-	121,809
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>1,479,835</u>	<u>70,497</u>	<u>-</u>	<u>1,550,332</u>
Net Assets:				
Unrestricted	30,300,934	527,854	-	30,828,788
Temporarily restricted	169,744	-	-	169,744
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Net Assets	<u>30,470,678</u>	<u>527,854</u>	<u>-</u>	<u>30,998,532</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Net Assets	<u>\$ 31,950,513</u>	<u>\$ 598,351</u>	<u>\$ -</u>	<u>\$ 32,548,864</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Community Foundation</u>	<u>Community Renaissance</u>	<u>Consolidated Adjustments</u>	<u>Total</u>
Revenue, gains and other support:				
Public Support -				
Contributions	\$ 1,902,246	\$ 1,278,876	\$(19,661)	\$ 3,161,461
Revenue and Gains -				
Investment income net of expense	3,448,944	1,154	-	3,450,098
Increase in cash surrender value of life insurance	8,840	-	-	8,840
Administrative fee income	16,827	-	-	16,827
Other	-	6,700	-	6,700
	<u>3,474,611</u>	<u>7,854</u>	<u>-</u>	<u>3,482,465</u>
Total Public Support Revenues and Gains	<u>5,376,857</u>	<u>1,286,730</u>	<u>(19,661)</u>	<u>6,643,926</u>
Expenses:				
Program expenses:				
Grants	1,027,792	-	(19,661)	1,008,131
Property redevelopment	-	1,007,261	-	1,007,261
Youth Advisory Council Fund	3,459	-	-	3,459
Other program expenses	307,321	182,984	-	490,305
Management and general:				
Other management expenses	204,395	-	-	204,395
Fundraising expenses	72,127	-	-	72,127
	<u>1,615,094</u>	<u>1,190,245</u>	<u>(19,661)</u>	<u>2,785,678</u>
Total Expenses	<u>1,615,094</u>	<u>1,190,245</u>	<u>(19,661)</u>	<u>2,785,678</u>
Change in Net Assets	3,761,763	96,485	-	3,858,248
Net Assets at beginning of year	26,770,545	369,739	-	27,140,284
Net Assets Transfer	(61,630)	61,630	-	-
Net Assets at end of year	<u>\$ 30,470,678</u>	<u>\$ 527,854</u>	<u>\$ -</u>	<u>\$ 30,998,532</u>

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**SUMMARY SCHEDULE OF NET ASSETS/AGENCY ENDOWMENTS BY FUND
DECEMBER 31, 2006**

	Net Assets			Agency Endowment
	Unrestricted	Temporarily Restricted	Total	
General Charitable Funds:				
Operating Fund	\$ 756,535	\$ -	\$ 756,535	\$ -
Community Investment Fund	2,056,759	2,491	2,059,250	-
Administrative Endowment Fund	401,670	1,773	403,443	-
James C. Acheson Administrative Expense Fund	2,903,396	-	2,903,396	-
James C. Acheson Fund	1,425,879	-	1,425,879	-
Emerson G. and Lucilda A. Brown Fund	161,002	-	161,002	-
Earl H. Donaldson Endowment Fund	31,362	-	31,362	-
Donald W. and Alice I. Giese Endowment Fund	60,102	-	60,102	-
Margaret Lutz Endowment	154,841	-	154,841	-
Burman J. Misener Endowment Fund	52,461	-	52,461	-
Florence C. Stephen Fund	146,619	-	146,619	-
Virginia E. Farmer Endowment Fund	64,429	-	64,429	-
Francis P. Willson Fund	1,118,662	-	1,118,662	-
Wirtz/Ogden Fund	145,771	-	145,771	-
John and Rose Marie Wismer Fund	874,052	-	874,052	-
Scholarship Funds:				
Alice W. Moore Memorial Scholarship Fund	127,309	-	127,309	-
Joseph Caimi Scholarship Fund	32,483	-	32,483	-
Jack S. Campbell Memorial Fund	122,684	-	122,684	-
Darin Conrad Memorial Scholarship Fund	47,044	-	47,044	-
Fuller Hansen Educational Trust Fund	829,105	-	829,105	-
Catherine Gellien Scholarship Fund	29,540	-	29,540	-
Charles Myron Gossman Scholarship Fund	40,603	-	40,603	-
Pauline Groff Music Scholarship Endowment Fund	23,579	-	23,579	-
Christian B. and Agnes A. Haas Scholarship Fund	100,493	-	100,493	-
Gar and Leda Henry Sports Scholarship Fund	21,200	-	21,200	-
James T. Kreger Memorial Scholarship Fund	27,490	-	27,490	-
Little Brothers Little Sisters of St. Clair County Scholarship Endowment Fund	130,722	-	130,722	-
Marine City Scholarship Foundation Endowment Fund	4,531	-	4,531	116,132
Memphis High School Alumni Association Fund	22,530	1,103	23,633	-
Port Huron Museum Scholarship Endowment	25,673	-	25,673	-
River District Hospital Auxiliary McFern-Smeltzer Scholarship Endowment Fund	86,293	-	86,293	-
St. Clair Music Study Club Endowment Fund	52,214	-	52,214	26,765
Lillian M. Perry Scholarship Fund	49,919	-	49,919	-

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**SUMMARY SCHEDULE OF NET ASSETS/AGENCY ENDOWMENTS BY FUND
DECEMBER 31, 2006**

	Net Assets			Agency Endowment
	Unrestricted	Temporarily Restricted	Total	
Scholarship Funds (cont'd):				
Barbara Ann Kessler-Saph Scholarship Memorial Fund	\$ 49,408	-	49,408	-
Cyril Smith Memorial Scholarship fund	17,167	-	17,167	-
Trumble Memorial Scholarship Fund	27,566	-	27,566	-
Charles G. and Berneice M. Uligian Fund	163,544	-	163,544	-
James Wilhelm Memorial Scholarship Fund	189,199	-	189,199	-
Bert D. and Rose E. Wright Memorial Scholarship Fund	109,634	-	109,634	-
John F. & Rose Marie Wismer Community Foundation Scholarship Fund	888,794	-	888,794	-
Donor Designated Funds:				
Walter K. Brooks Memorial Fund	1,780,141	-	1,780,141	-
Marcia M. Haynes Endowment Fund	4,817	-	4,817	-
Helen David Fund for the Council on Aging	881	-	881	-
Helen David Memorial Plaque Fund	5,693	-	5,693	-
Helen David Fund for the People's Clinic	2,346	-	2,346	-
Marian Pollock Moore Fund	117,702	-	117,702	-
Healthy Youth, Healthy Seniors Fund	154,467	-	154,467	-
Tunnel Fund	29,133	-	29,133	-
Youth Home Fund	21,739	-	21,739	-
St. Clair County Chapter - American Red Cross Fund	20,120	-	20,120	-
Mary B. Andreae Fund	29,481	-	29,481	-
Donor Advised Funds:				
Bob Abdoe Memorial Fund	37,401	-	37,401	-
James C. Acheson Fund II	1,871,150	103,657	1,974,807	-
Howard A. Acheson Memorial Fund	1,064,336	-	1,064,336	-
James C. Acheson Foundation & Times Herald Academic Achievement Fund	633,613	-	633,613	-
Algonac Lions Club Fund	452,748	-	452,748	-
Charles and Margaret Anderson Foundation Endowment Fund	1,823,717	-	1,823,717	-
Back to School Event	15,573	-	15,573	-
Father Bartone Fund	772,911	-	772,911	-
Norman and Isabel Cosgrove Memorial Fund	28,966	-	28,966	-
Rev. Rene L. Desmarais Fund	51,208	-	51,208	-
The DeWald/Beckett Charitable Fund	659,011	-	659,011	-
The DeWald/Cook Charitable Fund	221,341	-	221,341	-
Janet E. & Lee C. Hanson Endowment Fund	76,651	-	76,651	-
Lisa Harris Pink Ribbon of Hope Memorial	14,844	-	14,844	-
John W. & M. Louise Shier Family Fund	112,221	-	112,221	-
Blue Water Shipmasters' Fund	31,669	-	31,669	-
Wyatt Walker Friendship Fund	58,774	-	58,774	-

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**SUMMARY SCHEDULE OF NET ASSETS/AGENCY ENDOWMENTS BY FUND
DECEMBER 31, 2006**

	Net Assets			Agency Endowment
	Unrestricted	Temporarily Restricted	Total	
Donor Advised Funds (cont'd):				
Women's Giving Circles Fund	\$ 2,183	\$ -	\$ 2,183	\$ -
Women's Initiative Fund	452,751	23,102	475,853	-
Organization Designated Funds:				
Algonac-Clay Township Historical Society Fund	4,539	-	4,539	7,362
Algonac Community Schools Education Enrichment Fund	51,196	-	51,196	110,704
Blue Water Council Boy Scout Endowment Fund	5,118	-	5,118	69,957
John R. Dolan Fund	703,688	-	703,688	-
Supporters of East China School District Fund	107,478	3,018	110,496	12,326
St. Clair County Library Fund (incl. the Lawrence E. Owens Endowment)	57,164	-	57,164	-
Marine City Historic District Restoration	771	-	771	36,153
Girl Scouts - Michigan Waterways Council Fund	15,259	-	15,259	1,071
Peoples' Clinic for Better Health Fund	3,794	-	3,794	14,460
Port Huron Hospital Foundation Endowment Fund	1,018	-	1,018	12,186
Safe Horizons Fund	56,700	-	56,700	51,452
Sanborn Gratiot Memorial Home Endowment Fund	106	-	106	31,233
St. John River District Endowment Fund	1,097	-	1,097	14,749
Friends of St. Mary's School (St. Clair) Fund	42,740	-	42,740	-
Thomas & Frances Treleven Fund	629,073	-	629,073	-
Field of Interest Funds:				
Algonac-Clay Community Fund	102,503	3,700	106,203	-
Arts & Culture Endowment Fund	2,428	-	2,428	-
Frank V. Carney & Bula A. Carney Memorial Fund	546,581	-	546,581	-
Citizens for St. Clair Fund	181,962	26,300	208,262	-
City of Port Huron	2,312	-	2,312	130,733
Robert H. and Paula M. Cleland Community	40,057	-	40,057	-
Cottellville Community Fund	8,218	100	8,318	-
Education Endowment Fund	602	-	602	-
Emergency Fund	6,610	-	6,610	-
Health & Human Services Fund	675	-	675	-
Housing Endowment Fund	714	-	714	-
Land & Water Endowment Fund	12	-	12	-
Claude and Alexa Lawrence Fund	-	4,500	4,500	-
Harry F. Lewis Fund	157,145	-	157,145	-
Maritime Fund	1,886	-	1,886	-
Marwood Manor Endowment Fund	259,905	-	259,905	-
Charles F. Moore Memorial Fund	137,613	-	137,613	-
Ernest T. & Barbara A. Oskin Fund	1,207,445	-	1,207,445	-
Recreation Fund	266	-	266	-

**THE COMMUNITY FOUNDATION OF ST. CLAIR COUNTY
AND SUPPORTING ORGANIZATION**

**SUMMARY SCHEDULE OF NET ASSETS/AGENCY ENDOWMENTS BY FUND
DECEMBER 31, 2006**

	Net Assets			Agency Endowment
	Unrestricted	Temporarily Restricted	Total	
Field of Interest Funds (cont'd):				
F. William & Patricia Schwarz Fund	\$ 143,554	\$ -	\$ 143,554	\$ -
Seniors Endowment Fund	1,174	-	1,174	-
Thomas K. Smith Fund	143,152	-	143,152	-
Youth Advisory Council Fund	1,475,630	-	1,475,630	-
Charitable Gift Annuity Fund:				
Raymond & Catherine Gellien Fund	80,897	-	80,897	-
Community Renaissance Fund	527,854	-	527,854	-
Total	<u>\$ 30,828,788</u>	<u>\$ 169,744</u>	<u>\$ 30,998,532</u>	<u>\$ 635,283</u>