



BRIDGE BUILDERS  
COMMUNITY FOUNDATIONS

AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
FOR THE YEARS ENDED AUGUST 31, 2018 AND 2017

**BRIDGE BUILDERS COMMUNITY FOUNDATIONS**  
**AUGUST 31, 2018 AND 2017**

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**Table of Contents**

<b>Independent Auditor's Report.....</b>	<b>1</b>
<b>Financial Statements</b>	
Statements of Assets, Liabilities and Net Assets – Modified Cash Basis.....	3
Statement of Support, Revenues, Expenses and Changes in Net Assets – Modified Cash Basis for the Year Ended August 31, 2018.....	4
Statement of Support, Revenues, Expenses and Changes in Net Assets – Modified Cash Basis for the Year Ended August 31, 2017.....	5
<b>Notes to Financial Statements.....</b>	<b>6</b>
<b>Supplementary Information</b>	
Schedule of Northwest Bank, Investment & Trust Services Investment Agency Account – 2018.....	24
Schedule of Northwest Bank, Investment & Trust Services Investment Agency Account – 2017.....	26
Schedule of PNC Bank Investment Management Account – 2018.....	28
Schedule of PNC Bank Investment Management Account – 2017.....	29
Schedule of Raymond James Agency Account – 2018.....	30
Schedule of Raymond James Agency Account – 2017.....	31



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Bridge Builders Community Foundations

We have audited the accompanying financial statements of Bridge Builders Community Foundations (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets—modified cash basis as of August 31, 2018 and 2017, and the related statements of support, revenues, expenses and changes in net assets—modified cash basis for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note A; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Bridge Builders Community Foundations as of August 31, 2018 and 2017, and its support, revenue, and expenses for the years then ended in accordance with the modified cash basis of accounting as described in Note A.

### Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules on pages 24 to 31 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*McGill, Power, Bell & Associates, LLP*

McGill, Power, Bell & Associates, LLP

Franklin, Pennsylvania

February 4, 2019

**BRIDGE BUILDERS COMMUNITY FOUNDATIONS**  
**STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS**  
**AUGUST 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 406,561	\$ 292,683
Cash and cash equivalents - Agency endowment funds	10,544	83,306
Cash value of life insurance	111,142	108,697
Investments	8,433,675	7,591,964
Investments - Agency endowment funds	1,353,765	1,145,735
Other assets	18,000	-
<b>TOTAL ASSETS</b>	<u><u>\$ 10,333,687</u></u>	<u><u>\$ 9,222,385</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accrued payroll taxes	\$ 4,922	\$ 954
Agency endowment funds	1,364,309	1,229,041
<b>TOTAL LIABILITIES</b>	<u>1,369,231</u>	<u>1,229,995</u>
<b>NET ASSETS</b>		
Unrestricted net assets	6,659,204	5,790,458
Temporarily restricted net assets	111,142	108,697
Permanently restricted net assets	2,194,110	2,093,235
<b>TOTAL NET ASSETS</b>	<u>8,964,456</u>	<u>7,992,390</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 10,333,687</u></u>	<u><u>\$ 9,222,385</u></u>

See accompanying notes to the financial statements.

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## STATEMENT OF SUPPORT, REVENUES, EXPENSES AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS FOR THE YEAR ENDED AUGUST 31, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT AND REVENUES</b>				
Gifts and grants	\$ 1,352,383	\$ -	\$ -	\$ 1,352,383
Less gifts and grants held for others	(142,572)	-	-	(142,572)
Dividends and interest	181,968	2,445	35,285	219,698
Less dividends and interest held for others	(27,224)	-	-	(27,224)
Net realized gain on security sales	485,141	-	6,695	491,836
Less realized gain held for others	(127,498)	-	-	(127,498)
Net unrealized gain (loss) on security sales	(33,702)	-	183,584	149,882
Add unrealized loss held for others	30,166	-	-	30,166
Week of giving income	247,509	-	-	247,509
Management fee income	97,301	-	31,967	129,268
Miscellaneous income	8,030	-	68,254	76,284
Net assets released from restriction	224,910	-	(224,910)	-
<b>TOTAL SUPPORT AND REVENUES</b>	<b>2,296,412</b>	<b>2,445</b>	<b>100,875</b>	<b>2,399,732</b>
<b>EXPENSES</b>				
Wages	81,727	-	-	81,727
Payroll taxes and benefits	22,292	-	-	22,292
Scholarship grants	252,965	-	-	252,965
Other grants	617,193	-	-	617,193
Less grants held for others	(113,728)	-	-	(113,728)
Week of giving grants	216,326	-	-	216,326
Investment management fees	219,236	-	-	219,236
Less management fees held for others	(18,232)	-	-	(18,232)
Other investment expenses	69,269	-	-	69,269
Scholarship expenses	12,338	-	-	12,338
Auditing and accounting	9,594	-	-	9,594
Insurance	1,833	-	-	1,833
Travel, conference, and meetings	3,366	-	-	3,366
Equipment	1,146	-	-	1,146
Office expenses	6,891	-	-	6,891
Advertising	5,741	-	-	5,741
Dues and subscriptions	2,172	-	-	2,172
Contract labor	920	-	-	920
Occupancy	3,240	-	-	3,240
Repairs & maintenance	5,000	-	-	5,000
Fundraising expenses	21,212	-	-	21,212
Registration fees	250	-	-	250
Miscellaneous	6,915	-	-	6,915
<b>TOTAL EXPENSES</b>	<b>1,427,666</b>	<b>-</b>	<b>-</b>	<b>1,427,666</b>
<b>CHANGE IN NET ASSETS</b>	<b>868,746</b>	<b>2,445</b>	<b>100,875</b>	<b>972,066</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>5,790,458</b>	<b>108,697</b>	<b>2,093,235</b>	<b>7,992,390</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 6,659,204</b>	<b>\$ 111,142</b>	<b>\$ 2,194,110</b>	<b>\$ 8,964,456</b>

See accompanying notes to the financial statements.

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## STATEMENT OF SUPPORT, REVENUES, EXPENSES AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS FOR THE YEAR ENDED AUGUST 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT AND REVENUES</b>				
Gifts and grants	\$ 1,348,507	\$ -	\$ -	\$ 1,348,507
Less gifts and grants held for others	(119,995)	-	-	(119,995)
Dividends and interest	150,262	2,612	32,019	184,893
Less dividends and interest held for others	(23,265)	-	-	(23,265)
Net realized gain on security sales	41,974	-	1,504	43,478
Less realized gain held for others	(8,005)	-	-	(8,005)
Net unrealized gain on security sales	406,448	-	140,774	547,222
Less unrealized gain held for others	(85,315)	-	-	(85,315)
Week of giving income	104,950	-	-	104,950
Management fee income	86,583	-	30,341	116,924
Miscellaneous income	18,668	-	22,624	41,292
Net assets released from restriction	153,397	-	(153,397)	-
<b>TOTAL SUPPORT AND REVENUES</b>	<b>2,074,209</b>	<b>2,612</b>	<b>73,865</b>	<b>2,150,686</b>
<b>EXPENSES</b>				
Wages	72,741	-	-	72,741
Payroll taxes and benefits	18,561	-	-	18,561
Scholarship grants	217,149	-	-	217,149
Other grants	542,014	-	-	542,014
Less scholarship grants held for others	(13,944)	-	-	(13,944)
Week of giving grants	81,420	-	-	81,420
Investment management fees	196,769	-	-	196,769
Less management fees held for others	(15,798)	-	-	(15,798)
Other investment expenses	17,228	-	-	17,228
Scholarship expenses	8,473	-	-	8,473
Auditing and accounting	7,500	-	-	7,500
Insurance	1,778	-	-	1,778
Travel, conference, and meetings	2,956	-	-	2,956
Equipment	743	-	-	743
Office expenses	6,436	-	-	6,436
Advertising	5,122	-	-	5,122
Dues and subscriptions	2,250	-	-	2,250
Contract labor	857	-	-	857
Occupancy	3,120	-	-	3,120
Fundraising expenses	11,377	-	-	11,377
Registration fees	250	-	-	250
Miscellaneous	19,053	-	-	19,053
<b>TOTAL EXPENSES</b>	<b>1,186,055</b>	<b>-</b>	<b>-</b>	<b>1,186,055</b>
<b>CHANGE IN NET ASSETS</b>	<b>888,154</b>	<b>2,612</b>	<b>73,865</b>	<b>964,631</b>
<b>NET ASSETS, BEGINNING OF YEAR, AS RESTATED</b>	<b>4,902,304</b>	<b>106,085</b>	<b>2,019,370</b>	<b>7,027,759</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 5,790,458</b>	<b>\$ 108,697</b>	<b>\$ 2,093,235</b>	<b>\$ 7,992,390</b>

See accompanying notes to the financial statements.

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Business Activity

Bridge Builders Community Foundations (the Foundation) was established in 1975 as a non-profit agency designed to serve Clarion, Forest, and Venango Counties and the Punxsutawney area. The Foundation administers over 160 endowments, scholarships, memorials, and community funds. The main purpose of the Foundation is to develop, manage, and distribute funding to meet the present and future needs of the communities it serves.

Individuals, families, businesses, and organizations build permanent funds to help our communities meet the challenges of changing times. The Foundation invests these funds using the earnings to fund grants to support educational, health, humanitarian, and cultural needs of the people and organizations in the local areas described above.

#### Basis of Accounting

The Foundation prepares its financial statements on the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United State of America. This basis differs from generally accepted accounting principles primarily because the Foundation does not recognize receivables, prepaid expenses, or accounts payable. Under the modified cash basis (except for investments being recorded at fair market value) financial transactions are recorded when the actual cash transaction occurs, regardless of when the revenue is earned or the expense obligation is incurred.

#### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board ("FASB"). Under those principles, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Accordingly, the net assets of the Foundation and change therein are classified and reported as follows:

Unrestricted Net Assets – Net assets over which the Foundation's trustees have full discretion in making distributions for charitable purposes to meet community needs and operational needs. Unrestricted net assets may also include certain amounts designated by the trustees for grants, contingencies, and other purposes.

Temporarily Restricted Net Assets – Net assets subject to restrictions which will expire by the passage of time or when the specified purpose is met.



## BRIDGE BUILDERS COMMUNITY FOUNDATIONS

### NOTES TO FINANCIAL STATEMENTS, CONTINUED

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Permanently Restricted Net Assets – Net assets that are restricted in perpetuity by the donor. The Foundation maintains these types of funds and charges a minimal fee which is released from restriction when paid. The investment accounts are also charged a fee by the investment broker, which is released as well.

The Foundation offers a variety of flexible fund types in order to meet the donor's charitable objectives. The net asset classification of each fund is determined by the Foundation based on the donor's intent and the fund agreement established between the Foundation and the donor. As a restriction expires, the funds will be reclassified as unrestricted net assets. The types of funds offered to donors are as follows:

Restricted Funds – These funds offer the broadest range of giving options by allowing grants to be made to meet the greatest needs of the community.

Administrative Funds – These funds provide support for the operation of the Foundation and offer donors the maximum opportunity to respond to changing community needs.

Donor Advised Funds – These funds allow donors to remain actively involved in charitable grant making, recommending awards from these funds, and working closely with the Foundation.

Field of Interest Funds – These funds generate grants to meet needs in particular areas of board donor interest (e.g. youth, recreation, health, etc.).

Donor-Designated Funds – These funds are target gifts to particular charitable organizations, institutions or causes.

Agency Endowment Funds – These funds benefit a specific nonprofit in perpetuity, creating additional resources for operations or support for capital or extraordinary needs.

Scholarship Funds – These provide educational support to deserving students. Funds can be specific (naming particular school or selection criteria) or very broad (open to all students in the region).

#### Cash and Cash Equivalents

The Foundation maintains cash balances at two financial institutions located in Punxsutawney and Venango Counties, Pennsylvania. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. Deposits exceeded the FDIC limit by \$213,007 and \$152,602 at August 31, 2018 and 2017, respectively. No loss resulted from exceeding the FDIC limit.

## BRIDGE BUILDERS COMMUNITY FOUNDATIONS

### NOTES TO FINANCIAL STATEMENTS, CONTINUED

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#### Investments

Investments consist of money market funds associated with the different investment accounts held by the Foundation that have been restricted by the donors. These funds are not FDIC insured.

#### Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor and the fund agreement. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of support, revenues, expenses and changes in net assets – modified cash basis as net assets released from restrictions. Contributions with restrictions satisfied prior to the end of the reporting period are reported as unrestricted support.

Donated securities are recorded at fair market value as of the date of donation. Contributions received from a not-for-profit organization for the purpose of establishing an endowment for the benefit of that organization are not considered contributions for financial statement purposes. Such amounts are reflected in the financial statements as a liability. (See Note C)

#### Donated Goods and Services

The Foundation records the value of donated goods when there is an objective basis available to measure their value. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. However, no amounts have been reflected in the statements for donated services as they do not meet the criteria as determined by the revenue recognition – contributed services topic of the FASB Accounting Standards Codification ("ASC"). Nonetheless, a substantial number of volunteers donate significant amounts of their time in the Foundation's program services.

#### Advertising Costs

The Foundation follows the policy of charging the cost of advertising to expense as incurred. Advertising expenses for the years ended August 31, 2018 and 2017 were \$5,741 and \$5,122, respectively.

#### Income Tax Status

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and has no provision for federal or state income taxes. Accordingly, income tax expense is limited to activities that are deemed by the Internal Revenue Service to be unrelated to their exempt purpose.

## BRIDGE BUILDERS COMMUNITY FOUNDATIONS

### NOTES TO FINANCIAL STATEMENTS, CONTINUED

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Interest and penalties related to income tax reporting are recognized when incurred and are included on the statement of support, revenues, expenses and changes in net assets – modified cash basis. Management has determined the Foundation had no activities subject to unrelated business income tax (UBIT) during the years ended August 31, 2018 and 2017. The Foundation has not been subject to any income tax penalties or interest for all open tax years. The open tax periods for the Foundation are the years ended August 31, 2015, 2016, 2017 and 2018.

#### Use of Estimates

The preparation of financial statements in conformity with modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Risks and Uncertainties

The Foundation invests or holds a variety of investment vehicles, including common stock, corporate and government obligations, and mutual funds. These investments are exposed to interest rate, market, credit and other risks depending upon the nature of the investment. Accordingly, it is reasonably possible that these factors will result in changes in the value of the Foundation's investments, which could materially affect amounts reported in the financial statements.

#### Fair Value of Financial Instruments

The carrying amounts of financial instruments, including cash and cash equivalents, cash value of life insurance, other assets and accrued payroll taxes approximate their fair market value due to the short-term maturities of those instruments.

#### Recently Issued Accounting Pronouncements

The Financial Accounting Standards Board (FASB) has issued ASU 2016-14, *"Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities,"* effective for the Foundation's financial statements for the year ending August 31, 2018. This amendment aims to improve how a not-for-profit organization classifies its net assets and provides information in its financial statements and notes about its financial performance, cash flow, and liquidity. The ASU changes the net asset classification, requires presentation of expenses both by nature and function, requires investment return reported net of investment expenses, requires placed-in-service approach for gifts of/for long-lived assets, and provides enhanced disclosures for: governing body restrictions; composition of net assets with donor restrictions; qualitative and quantitative information on liquidity; methods to allocate costs among program and support functions; and underwater donor-restricted endowments.

## BRIDGE BUILDERS COMMUNITY FOUNDATIONS

### NOTES TO FINANCIAL STATEMENTS, CONTINUED

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#### Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through February 4, 2019, the date the financial statements were available to be issued.

#### NOTE B - INVESTMENTS

Investments are stated at fair market value with the resulting realized and unrealized gains and losses included in the statement of support, revenues, expenses and changes in net assets – modified cash basis. As of August 31, 2018 and 2017, the Foundation's investments consisted primarily of mutual funds, money market funds and common stock. Market value is determined by the quoted market price at the date of the statement of assets, liabilities and net assets – modified cash basis.

#### Investment Policies

The investment objective of the funds is to maximize total return by investing in diversified portfolios of stock and bond investments. As the primary goal of these funds is to be used at the discretion of the Bridge Builders Community Foundations, or that of the donor in some cases, to provide perpetual funding for Venango County's charitable, religious, scientific, literary and educational needs, the Foundation realizes that principal growth is a primary goal. However, given donor trust and generosity, prudent standards are to be followed to minimize long-term risks and fluctuations in principal, and to produce a reasonable and prudent return of income.

#### Investments

Most of the funds of the Foundation are held in accounts maintained at BNY Mellon, NA, Northwest Bank Investment & Trust Services, PNC Bank, Raymond James and Janney Montgomery Scott LLC.

#### 1. BNY Mellon, NA:

The William H. Locke Memorial Scholarship Fund and the Chester A. and Beulah A. Baum Memorial Scholarship Fund are held in separate trust accounts with BNY Mellon.

Donor imposed restrictions for both funds require that principal be invested and that only income is available for the purposes of those funds.

**BRIDGE BUILDERS COMMUNITY FOUNDATIONS**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

Details of the cost and fair values of the cash and investments as of August 31, 2018 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
William M. Locke Fund:			
Money market fund	\$ 4,338	\$ 4,338	\$ 4,338
Fixed income	203,932	200,804	200,804
Equities	589,686	754,505	754,505
Other	<u>220,730</u>	<u>223,131</u>	<u>223,131</u>
Total	<u>\$1,018,686</u>	<u>\$1,182,778</u>	<u>\$1,182,778</u>
Baum Memorial Fund:			
Money market fund	\$ 2,758	\$ 2,758	\$ 2,758
Fixed income	122,900	121,003	121,003
Equities	354,054	454,647	454,647
Other	<u>133,100</u>	<u>134,456</u>	<u>134,456</u>
Total	<u>\$ 612,812</u>	<u>\$ 712,864</u>	<u>\$ 712,864</u>

Details of the cost and fair values of the cash and investments as of August 31, 2017 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
William M. Locke Fund:			
Money market fund	\$ 21,843	\$ 21,843	\$ 21,843
Fixed income	206,351	208,710	208,710
Equities	571,951	670,711	670,711
Other	<u>223,473</u>	<u>220,596</u>	<u>220,596</u>
Total	<u>\$1,023,618</u>	<u>\$1,121,860</u>	<u>\$1,121,860</u>
Baum Memorial Fund:			
Money market fund	\$ 13,010	\$ 13,010	\$ 13,010
Fixed income	124,695	126,119	126,119
Equities	344,389	405,260	405,260
Other	<u>135,117</u>	<u>133,296</u>	<u>133,296</u>
Total	<u>\$ 617,211</u>	<u>\$ 677,685</u>	<u>\$ 677,685</u>

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## NOTES TO FINANCIAL STATEMENTS, CONTINUED

### 2. Northwest Bank Investment & Trust Services:

The Foundation maintains an account with Northwest Bank Investment & Trust Service: The Investment Agency Account (which currently includes eighty-six funds with the majority having various donor imposed restrictions).

The cost and fair values of the cash and investments of the account with Northwest Bank Investments & Trust Services as of August 31, 2018 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Investment Agency Account:			
Money market fund	\$ 219,957	\$ 219,957	\$ 219,957
Fixed income	732,320	718,732	718,732
Equities	2,647,006	3,148,931	3,148,931
Other	<u>339,176</u>	<u>338,002</u>	<u>338,002</u>
Total	<u>\$3,938,459</u>	<u>\$4,425,622</u>	<u>\$4,425,622</u>

The cost and fair values of the cash and investments of the account with Northwest Bank Investments & Trust Services as of August 31, 2017 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Investment Agency Account:			
Money market fund	\$ 168,689	\$ 168,689	\$ 168,689
Fixed income	553,676	554,662	554,662
Equities	2,029,307	2,631,095	2,631,095
Other	<u>580,932</u>	<u>592,113</u>	<u>592,113</u>
Total	<u>\$3,332,604</u>	<u>\$3,946,559</u>	<u>\$3,946,559</u>

### 3. PNC Bank:

The Foundation maintains three accounts with PNC Bank: The Investment Management Account (which currently includes nine funds, which have various donor imposed restriction), and the Vera A. Lamey Scholarship Fund. During the year ended August 31, 2017 the Foundation closed the Walter H. Flinchbaugh Memorial Fund and transferred proceeds into the Investment Management Account. For the Vera A. Lamey Scholarship Fund donor imposed restrictions require the principal be invested and that only income is available for the purpose of the fund.

**BRIDGE BUILDERS COMMUNITY FOUNDATIONS**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

The cost and fair values of the cash and investments of the two accounts with PNC Bank as of August 31, 2018 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Investment Management Account:			
Money market fund	\$ 61,626	\$ 61,626	\$ 61,626
Fixed income	407,852	402,666	402,666
Equities	<u>655,898</u>	<u>935,230</u>	<u>935,230</u>
Total	<u>\$1,125,376</u>	<u>\$1,399,522</u>	<u>\$1,399,522</u>
Vera A. Lamey Scholarship Fund:			
Money market fund	\$ 11,913	\$ 11,913	\$ 11,913
Fixed income	87,682	86,646	86,646
Equities	<u>132,585</u>	<u>199,910</u>	<u>199,910</u>
Total	<u>\$ 232,180</u>	<u>\$ 298,469</u>	<u>\$ 298,469</u>

The cost and fair values of the cash and investments of the three accounts with PNC Bank as of August 31, 2017 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Investment Management Account:			
Money market fund	\$ 34,661	\$ 34,661	\$ 34,661
Fixed income	409,176	415,576	415,576
Equities	<u>666,616</u>	<u>879,103</u>	<u>879,103</u>
Total	<u>\$1,110,453</u>	<u>\$1,329,340</u>	<u>\$1,329,340</u>
Vera A. Lamey Scholarship Fund:			
Money market fund	\$ 7,324	\$ 7,324	\$ 7,324
Fixed income	89,658	91,092	91,092
Equities	<u>140,061</u>	<u>195,274</u>	<u>195,274</u>
Total	<u>\$ 237,043</u>	<u>\$ 293,690</u>	<u>\$ 293,690</u>

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## NOTES TO FINANCIAL STATEMENTS, CONTINUED

### 4. Raymond James:

The Foundation maintains three accounts with Raymond James: The Agency Account (which currently includes five funds which have various donor imposed restrictions), the Himes Scholarship Fund and the Himes Scholarship Fund – Fixed Income.

The cost and fair values of the cash and investments of the three accounts with Raymond James as of August 31, 2018 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Agency Account:			
Money market fund	\$ 7,477	\$ 7,477	\$ 7,477
Fixed income	185,549	180,692	180,692
Equities	<u>235,148</u>	<u>275,622</u>	<u>275,622</u>
Total	<u>\$428,174</u>	<u>\$463,791</u>	<u>\$463,791</u>
The Himes Scholarship Fund:			
Money market fund	\$ 15,779	\$ 15,779	\$ 15,779
Equities	<u>533,160</u>	<u>573,151</u>	<u>573,151</u>
Total	<u>\$548,939</u>	<u>\$588,930</u>	<u>\$588,930</u>
The Himes Scholarship Fund – Fixed Income:			
Money market fund	\$ 2,767	\$ 2,767	\$ 2,767
Fixed income	<u>317,875</u>	<u>309,716</u>	<u>309,716</u>
Total	<u>\$320,642</u>	<u>\$312,483</u>	<u>\$312,483</u>

The cost and fair values of the cash and investments of the three accounts with Raymond James as of August 31, 2017 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Agency Account:			
Money market fund	\$ 7,410	\$ 7,410	\$ 7,410
Fixed income	237,846	261,534	261,534
Equities	<u>180,154</u>	<u>181,445</u>	<u>181,445</u>
Total	<u>\$425,410</u>	<u>\$450,389</u>	<u>\$450,389</u>



# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## NOTES TO FINANCIAL STATEMENTS, CONTINUED

Raymond James (2018 continued)

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
The Himes Scholarship Fund:			
Money market fund	\$ 14,456	\$ 14,456	\$ 14,456
Equities	<u>533,455</u>	<u>573,405</u>	<u>573,405</u>
Total	<u>\$547,911</u>	<u>\$587,861</u>	<u>\$587,861</u>
The Himes Scholarship Fund – Fixed Income:			
Money market fund	\$ 4,427	\$ 4,427	\$ 4,427
Fixed income	<u>324,189</u>	<u>325,888</u>	<u>325,888</u>
Total	<u>\$328,616</u>	<u>\$330,315</u>	<u>\$330,315</u>

### 5. Janney Montgomery Scott LLC

During the year ended August 31, 2018, the Foundation opened an account with Janney Montgomery Scott LLC per the terms of the Carl L. Trauterman, Jr. Charitable Fund agreement.

The fund has various donor imposed restrictions.

The cost and fair values of the cash and investments as of August 31, 2018 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Carl L. Trauterman, Jr. Fund:			
Money market fund	\$226,608	\$226,608	\$226,608
Fixed income	34,388	34,418	34,418
Equities	<u>132,026</u>	<u>141,955</u>	<u>141,955</u>
Total	<u>\$393,022</u>	<u>\$402,981</u>	<u>\$402,981</u>

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## NOTES TO FINANCIAL STATEMENTS, CONTINUED

The summary of the Foundation's funds as of August 31, 2018 held at BNY Mellon, NA, Savings Bank Investment & Trust Services, PNC Bank, Raymond James and Janney Montgomery Scott LLC is as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
BNY Mellon, NA	\$1,631,498	\$1,895,642	\$1,895,642
Northwest Bank Investment	3,938,459	4,425,622	4,425,622
PNC Bank	1,357,556	1,697,991	1,697,991
Raymond James	1,297,755	1,365,204	1,365,204
Janney Montgomery Scott LLC	<u>393,022</u>	<u>402,981</u>	<u>402,981</u>
Total Investments	<u>\$8,618,290</u>	<u>\$9,787,440</u>	<u>\$9,787,440</u>

The summary of the Foundation's funds as of August 31, 2017 held at BNY Mellon, NA, Northwest Bank Investment & Trust Services, PNC Bank, and Raymond James is as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
BNY Mellon, NA	\$1,640,829	\$1,799,545	\$1,799,545
Northwest Bank Investment	3,332,604	3,946,559	3,946,559
PNC Bank	1,347,496	1,623,030	1,623,030
Raymond James	<u>1,301,937</u>	<u>1,368,565</u>	<u>1,368,565</u>
Total Investments	<u>\$7,622,866</u>	<u>\$8,737,699</u>	<u>\$8,737,699</u>

The following schedule summarize the investment income, net of amounts held for others, and its classification in the statement of support, revenues, expenses and changes in net assets – modified cash basis for the year ended August 31, 2018:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Dividends and interest, net	\$154,744	\$2,445	\$ 35,285	\$192,474
Realized gain on sale of investments, net	357,643	-	6,695	364,338
Unrealized gain (loss) on value of investments, net	<u>( 3,536)</u>	<u>-</u>	<u>183,584</u>	<u>180,048</u>
Total investment income	<u>\$508,851</u>	<u>\$2,445</u>	<u>\$225,564</u>	<u>\$736,860</u>

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## NOTES TO FINANCIAL STATEMENTS, CONTINUED

The following schedule summarize the investment income, net of amounts held for others, and its classification in the statement of support, revenues, expenses and changes in net assets – modified cash basis for the year ended August 31, 2017:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Dividends and interest, net	\$126,997	\$2,612	\$ 32,019	\$161,628
Realized gain on sale of investments, net	33,969	-	1,504	35,473
Unrealized gain on value of investments, net	<u>321,133</u>	<u>-</u>	<u>140,774</u>	<u>461,907</u>
Total investment income	<u>\$482,099</u>	<u>\$2,612</u>	<u>\$174,297</u>	<u>\$659,008</u>

### NOTE C – AGENCY ENDOWMENT FUNDS

The Foundation enters into agreements with unrelated nonprofit agencies whereby the nonprofit agencies set up an endowment fund with the Foundation. Under the terms of the agreements, the Foundation agrees to make distributions back to the nonprofit agencies. The assets held in these funds totaled \$1,364,309 and \$1,229,041 at August 31, 2018 and 2017, respectively, and are reported at fair market value in the statement of assets, liabilities and net assets – modified cash basis as assets and a corresponding liability.

	<u>2018</u>	<u>2017</u>
Additions:		
Contributions	\$ 142,572	\$ 119,995
Investment income	27,224	23,265
Net realized gains	127,498	8,005
Net unrealized gains (losses)	( 30,166)	85,315
Other income	<u>100</u>	<u>12,414</u>
	<u>267,228</u>	<u>248,994</u>
Deductions:		
Administrative fees	11,789	10,162
Investment fees	6,443	5,636
Distributions – grants	<u>113,728</u>	<u>13,944</u>
	<u>131,960</u>	<u>29,742</u>
Increase in agency endowment funds	135,268	219,252
Balance, beginning of year	<u>1,229,041</u>	<u>1,009,789</u>
Balance, end of year	<u>\$1,364,309</u>	<u>\$1,229,041</u>

**BRIDGE BUILDERS COMMUNITY FOUNDATIONS**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**NOTE D – NET ASSETS**

Net asset composition by type of fund as of August 31, 2018 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
Discretionary Funds	\$ 456,902	\$ -	\$ -
Donor Advised Funds	436,622	-	-
Field of Interest Funds	1,159,925	-	-
Scholarship/Grants/Projects	4,539,143	-	2,194,110
Other	<u>66,612</u>	<u>111,142</u>	<u>-</u>
Total	<u>\$6,659,204</u>	<u>\$111,142</u>	<u>\$2,194,110</u>

Net asset composition by type of fund as of August 31, 2017, as restated is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
Discretionary Funds	\$ 430,604	\$ -	\$ -
Donor Advised Funds	387,989	-	-
Field of Interest Funds	973,786	-	-
Scholarship/Grants/Projects	3,934,023	-	2,093,235
Other	<u>64,056</u>	<u>108,697</u>	<u>-</u>
Total	<u>\$5,790,458</u>	<u>\$108,697</u>	<u>\$2,093,235</u>

**NOTE E - FAIR VALUE OF FINANCIAL INSTRUMENTS**

The following methods and assumptions were used by the Foundation in estimating its fair value disclosures for financial instruments:

Investments: The fair value of these investments are based on quoted market prices for those or similar investments.

The Foundation measures fair value in accordance with Financial Accounting Standards Board (FASB), *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*. The codification provides a three level hierarchy that prioritizes the inputs of the valuation techniques used to measure fair value. Inputs are defined as assumptions used by market participants while pricing the asset or liability, including assumptions about risks. The following is a summary of the three levels, with level one having the highest priority and level three having the lowest priority:

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## NOTES TO FINANCIAL STATEMENTS, CONTINUED

Level 1 – Inputs to the valuation technique generally are quoted prices in active markets for identical assets or liabilities. The Foundation has the ability to access these assets or liabilities at the measurement date.

Level 2 – Inputs to the valuation technique generally are available indirect information, such as quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3 – Inputs are unobservable and generally allow for situations in which there is little, if any, market activity. The inputs are based on the Foundation's own assumptions about the factors that market participants would use in pricing the asset or liability.

The following table presents the Foundation's fair value hierarchy for the financial assets measured at fair value on a recurring basis:

### Fair Value Measurements at August 31, 2018

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market fund	\$ 553,223	\$ 553,223	\$ -	\$ -
Fixed income	2,054,677	2,054,677	-	-
Equities	6,483,950	6,483,950	-	-
Other	<u>695,590</u>	<u>695,590</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$9,787,440</u>	<u>\$9,787,440</u>	<u>\$ -</u>	<u>\$ -</u>

### Fair Value Measurements at August 31, 2017

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market fund	\$ 237,159	\$ 237,159	\$ -	\$ -
Fixed income	1,602,667	1,602,667	-	-
Equities	5,072,765	5,072,765	-	-
Other	<u>1,825,108</u>	<u>1,825,108</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$8,737,699</u>	<u>\$8,737,699</u>	<u>\$ -</u>	<u>\$ -</u>

### NOTE F – ENDOWMENT ASSETS

As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions, considering the laws of the state for endowment management. In Pennsylvania, those laws are found in 15 Pa C.S 5548.

## BRIDGE BUILDERS COMMUNITY FOUNDATIONS

### NOTES TO FINANCIAL STATEMENTS, CONTINUED

#### Interpretation of Relevant Law

ASC 958-205 provides guidance on the net asset classifications of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). The ASC 958-205 also improves disclosure about an organization's endowment funds (both donor restricted endowment funds and board designated endowment funds) whether or not the organization is subject to UPMIFA.

The Commonwealth of Pennsylvania has not adopted UPMIFA. The Commonwealth of Pennsylvania has enacted Act 141 (the "Act"). The Act allows the Foundation to elect a "total return investment policy." Income is defined by the Act to mean a fixed percentage of the "value of the assets" held by the Foundation, not less than 2% or more than 7%. The "value of the assets" for the purposes of the Act, is the average fair market value of the assets over a three year period (or the average value of the assets over any shorter period in the cases of assets held less than three years). The Foundation has a total return investment policy with a spending policy of 3.75% of the three-year average of the funds. This spending policy determines the funds available for grant making and administrative expenses.

#### Investment Return Objectives, Risk Parameters and Strategies

The Foundation has adopted investment spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while seeking to maintain the purchasing power of the endowment assets over the long-term and achieve investment returns sufficient to sustain the level of spending necessary to support ongoing operations. Under this policy, as approved by the Board of Trustees, 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). Endowment assets are invested in a diverse mix of asset classes which produces the highest expected investment return within a prudent risk framework. The Foundation expects its endowment funds, over time, to provide an average real rate of return of approximately 5% annually. Actual returns in any given year may vary from this amount.

At August 31, 2018, the composition of the endowment fund was:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
Donor-restricted endowment	\$ -	\$ -	\$2,194,110
Quasi-endowment	<u>6,239,565</u>	<u>-</u>	<u>-</u>
Total endowment	<u>\$6,239,565</u>	<u>\$ -</u>	<u>\$2,194,110</u>

**BRIDGE BUILDERS COMMUNITY FOUNDATIONS**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

At August 31, 2017, the composition of the endowment fund was:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
Donor-restricted endowment	\$ -	\$ -	\$2,093,235
Quasi-endowment	<u>5,498,729</u>	<u>-</u>	<u>-</u>
Total endowment	<u>\$5,498,729</u>	<u>\$ -</u>	<u>\$2,093,235</u>

Changes in endowment net assets for the year ended August 31, 2018 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, August 31, 2017	<u>\$5,498,729</u>	<u>\$ -</u>	<u>\$2,093,235</u>	<u>\$7,591,964</u>
Invest return:				
Investment income	154,744	-	35,285	190,029
Net appreciation (realized and unrealized)	<u>354,107</u>	<u>-</u>	<u>190,279</u>	<u>544,386</u>
	<u>508,851</u>	<u>-</u>	<u>225,564</u>	<u>734,415</u>
Contributions	606,995	-	-	606,995
Designation by Board of Trustees	105,331	-	100,221	205,552
Appropriation of endowment assets for expenditure	<u>( 480,341)</u>	<u>-</u>	<u>( 224,910)</u>	<u>( 705,251)</u>
Endowment net assets, August 31, 2018	<u>\$6,239,565</u>	<u>\$ -</u>	<u>\$2,194,110</u>	<u>\$8,433,675</u>

Changes in endowment net assets for the year ended August 31, 2017 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, August 31, 2016	<u>\$4,592,108</u>	<u>\$ -</u>	<u>\$2,019,370</u>	<u>\$6,611,478</u>
Invest return:				
Investment income	129,609	-	32,019	161,628
Net appreciation (realized and unrealized)	<u>355,102</u>	<u>-</u>	<u>142,278</u>	<u>497,380</u>
	<u>484,711</u>	<u>-</u>	<u>174,297</u>	<u>659,008</u>

# BRIDGE BUILDERS COMMUNITY FOUNDATIONS

## NOTES TO FINANCIAL STATEMENTS, CONTINUED

### Endowments net assets (2017 continued)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Contributions	646,703	-	-	646,703
Designation by Board of Trustees	90,300	-	52,965	143,265
Appropriation of endowment assets for expenditure	( 315,093)	-	( 153,397)	( 468,490)
Endowment net assets, August 31, 2017	<u>\$5,498,729</u>	<u>\$ -</u>	<u>\$2,093,235</u>	<u>\$7,591,964</u>

### NOTE G – CASH SURRENDER VALUE LIFE INSURANCE

The Foundation is the beneficiary of an insurance policy on the life of a certain supporter of the Foundation with face amounts totaling \$660,000 at August 31, 2018 and 2017. The cash surrender value of this policy amounted to approximately \$111,142 and \$108,697 at August 31, 2018 and 2017, respectively.

### NOTE H – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and activities have been summarized on a functional basis in the statements of support, revenues, expenses and changes in net assets – modified cash. basis. Accordingly, certain costs have been allocated among programs and supporting services benefited for the years ended August 31, 2018 and 2017 as listed below:

	<u>2018</u>		<u>2017</u>	
Program services	\$1,063,492	74%	\$ 905,997	76%
General management	323,938	23%	251,615	21%
Fundraising	<u>40,236</u>	03%	<u>28,443</u>	03%
	<u>\$1,427,666</u>		<u>\$1,186,055</u>	

### NOTE I – RELATED PARTIES

The Foundation awards discretionary grants to other organizations in the community. Some of the recipient organizations have Bridge Builders Community Foundations' Board of Trustees as either employees or board members. The Foundation has a conflict of interest policy in place.

Trenton Moulin is the Executive Director of Bridge Builders Community Foundations and is also the Chairman of the Oil City Library and the Treasurer of the Venango Area Chamber of Commerce, both organizations that hold funds within the Foundation.



**BRIDGE BUILDERS COMMUNITY FOUNDATIONS**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

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Mr. Moulin is also the Executive Director of the Oil City Civic Center, an organization that rents office space to the Foundation. Rent expense was \$2,400 for the years ended August 31, 2018 and 2017.

**NOTE J – CONTINGENCY/SUBSEQUENT EVENT**

A lawsuit has been filed in the court of common pleas by a fund holder of the Foundation. As of the date of the audit, no determination has been made and the outcome is uncertain. As part of the lawsuit, the fund holder requests that the entire fund be relinquished to them. However, the Foundation intends to fully defend itself; and due to the uncertainty of the outcome no liability has been reported on the financial statements as a payable.

## SUPPLEMENTARY INFORMATION

BRIDGE BUILDERS COMMUNITY FOUNDATIONS  
SCHEDULE OF NORTHWEST BANK, INVESTMENT & TRUST SERVICES  
INVESTMENT AGENCY ACCOUNT  
AUGUST 31, 2018

FUND NAME	COST	FAIR VALUE
FELDMAN	\$ 14,234	\$ 15,994
ROY SANNER	46,905	52,707
NICHOLAS SANFORD	32,526	36,550
HARRINGTON REW	101,823	114,418
RUSSELL	35,973	40,422
VACF OUTREACH/OPERATIONS/UNRESTRICTED	18,058	20,292
CCCF ENDOWMENT	25,922	29,128
FCCF ENDOWMENT	98,919	111,155
FOREST COUNTY TAXPAYERS	15,579	17,506
VANORT	10,602	11,914
SHERMAN	26,582	29,870
LOEFFLER	35,327	39,696
BEN FRANKLIN	56,524	63,516
RUTH PERSONS BEAR AND ROBERT H. BEAR MEMORIAL FUND	48,698	54,722
FRANCIS GIBBONS	11,245	12,636
SUSAN L. DANIELS	138,798	155,966
VENUS TELEPHONE	1,347	1,514
MARY E. SHANER	125,374	140,882
ANNA M. EWALT	14,018	15,752
EUGENE F. HANNA	61,491	69,097
ALMA T. WEINGARD	31,637	35,550
KENNETH MESSER	18,059	20,293
KINNAR SCHOLARSHIP	155,504	174,739
COMMUNITY SERVICES	4,604	5,174
MARY L. WHITING	36,146	40,617
WILL FABRY	85,224	95,765
APPLIED TECHNOLOGY	41,486	46,618
CHARLES ROUAULT	72,469	81,433
COACH ROOD	35,180	39,531
J.L. FRANK	38,944	43,761
OIL CITY AREA SCHOOL DISTRICT - SCIENCE	8,044	9,039
OIL CITY AREA SCHOOL DISTRICT - ATHLETIC	18,498	20,786
JANET L. HENC	25,414	28,557
GRACE WOODS NELLIS	14,354	16,129
VOLLEYBALL	1,882	2,115
WICE/HART MEMORIAL	49,154	55,234
PATTERSON/RICHEY - TROOPERS	71,239	80,051
LOIS & CARL HEINZ	19,036	21,391
ALLEGHENY VALLEY TRAILS ASSOCIATION	35,587	39,989
ARTS & CULTURAL	41,644	46,795
TWO MILE RUN	8,064	9,061
OIL CITY LIBRARY ENDOWMENT	347,482	390,464
OIL REGION ASTRONOMY	1,879	2,111
KUGLER LEGACY	6,567	7,379
FRANKLIN ALUMNI SCHOLARSHIP	125,377	140,885
TOTH MEMORIAL SCHOLARSHIP	14,855	16,692

BRIDGE BUILDERS COMMUNITY FOUNDATIONS  
SCHEDULE OF NORTHWEST BANK, INVESTMENT & TRUST SERVICES  
INVESTMENT AGENCY ACCOUNT  
AUGUST 31, 2018

(CONTINUED)	FUND NAME	COST	FAIR VALUE
	FRANKLIN PUBLIC LIBRARY	6,815	7,658
	STUBLER MEMORIAL FUND	2,088	2,346
	VENANGO COUNTY 4H	78,699	88,433
	JAMES D. SCHWAB MEMORIAL	33,703	37,872
	CLARION BOBCAT SCHOLARSHIP	3,402	3,823
	CLARION BOBCAT UNDESIGNATED	2,212	2,486
	OIL CITY ARTS PROGRAM ENDOWMENT	1,239	1,392
	ALEXANDER "BUD" MARKS SCHOLARSHIP	26,536	29,818
	PRESBYTERIAN HOMES	4,634	5,207
	PACF ENDOWMENT	37,896	42,583
	CLARION FREE LIBRARY	20,457	22,987
	PUNX AREA ARTS & HUMANITIES	3,374	3,791
	UNITED WAY	479,120	538,384
	NAZARETH IN THE WOODS	283,119	318,139
	CHILD DEVELOPMENT CENTER	10,656	11,974
	CARBAUGH SCHOLARSHIP	10,792	12,127
	MCNAMARA SCHOLARSHIP	8,729	9,809
	TAYLOR SCHOLARSHIP	27,695	31,121
	FULTON SCHOLARSHIP	4,085	4,590
	ADAM WEETER	34,517	38,787
	DENNIS & MARTHA LAMB	143,288	161,012
	PACF COAL MEMORIAL	22,563	25,354
	BROWN CHAPEL	10,268	11,538
	JEFFERSON CO. 4-H	25,705	28,885
	OIL CITY LIBRARY INCOME ACCOUNT	24,371	27,386
	OC TREE OF LIFE CEMETERY ASSOCIATION FUND	193,544	217,484
	GWENDOLYN SMITH SCHOLARSHIP	99,533	111,845
	WOOD-NOBLE GENEALOGICAL BOOK FUND	5,038	5,661
	KATHLEEN GORDON WILSON MEMORIAL	5,038	5,661
	PUNXSU AREA HISTORICAL & GENE. SOC.	24,040	27,014
	SUSIE MCCONNELL	5,808	6,527
	BARROW CIVIC	66,905	75,182
	VENANGO COUNTY BAR ASSOCIATION SCHOLARSHIP	4,316	4,850
		<u>\$ 3,938,459</u>	<u>\$ 4,425,622</u>

See independent auditor's report and accompanying notes to the financial statements.

BRIDGE BUILDERS COMMUNITY FOUNDATIONS  
SCHEDULE OF NORTHWEST BANK, INVESTMENT & TRUST SERVICES  
INVESTMENT AGENCY ACCOUNT  
AUGUST 31, 2017

FUND NAME	COST	FAIR VALUE
FELDMAN	\$ 13,741	\$ 16,273
ROY SANNER	44,589	52,803
NICHOLAS SANFORD	5,729	6,784
HARRINGTON REW	92,805	109,902
RUSSELL	32,452	38,430
VACF OUTREACH/OPERATIONS/UNRESTRICTED	15,974	18,917
CCCF ENDOWMENT	20,637	24,439
FCCF ENDOWMENT	87,421	103,526
FOREST COUNTY TAXPAYERS	14,090	16,686
VANORT	9,693	11,479
SHERMAN	24,927	29,519
LOEFFLER	31,910	37,789
BEN FRANKLIN	51,272	60,718
RUTH PERSONS BEAR AND ROBERT H. BEAR MEMORIAL FUND	41,262	48,863
FRANCIS GIBBONS	9,838	11,651
SUSAN L. DANIELS	122,857	145,490
VENUS TELEPHONE	1,180	1,397
MARY E. SHANER	113,373	134,259
ANNA M. EWALT	12,683	15,019
EUGENE F. HANNA	55,595	65,837
ALMA T. WEINGARD	27,842	32,971
KENNETH MESSER	16,461	19,494
KINNEAR SCHOLARSHIP	134,301	159,043
COMMUNITY SERVICES	4,029	4,771
MARY L. WHITING	31,626	37,452
WILL FABRY	77,003	91,189
APPLIED TECHNOLOGY	36,111	42,764
CHARLES ROUAULT	65,444	77,501
COACH ROD	31,615	37,439
J.L. FRANK	36,577	43,316
OIL CITY AREA SCHOOL DISTRICT - SCIENCE	6,691	7,924
OIL CITY AREA SCHOOL DISTRICT - ATHLETIC	16,184	19,166
JANET L. HENC	22,236	26,332
GRACE WOODS NELLIS	13,393	15,860
VOLLEYBALL	1,648	1,951
WICE/HART MEMORIAL	43,411	51,409
PATTERSON/RICHEY - TROOPERS	63,165	74,802
LOIS & CARL HEINZ	17,316	20,506
ALLEGHENY VALLEY TRAILS ASSOCIATION	30,949	36,651
ARTS & CULTURAL	37,758	44,714
TWO MILE RUN	7,055	8,355
OIL CITY LIBRARY ENDOWMENT	314,528	372,472
OIL REGION ASTRONOMY	1,645	1,948
KUGLER LEGACY	5,746	6,804
FRANKLIN ALUMNI SCHOLARSHIP	110,632	131,013

BRIDGE BUILDERS COMMUNITY FOUNDATIONS  
SCHEDULE OF NORTHWEST BANK, INVESTMENT & TRUST SERVICES  
INVESTMENT AGENCY ACCOUNT  
AUGUST 31, 2017

FUND NAME	COST	FAIR VALUE
(CONTINUED)		
TOTH MEMORIAL SCHOLARSHIP	15,500	18,356
FRANKLIN PUBLIC LIBRARY	5,915	7,005
STUBLER MEMORIAL FUND	1,813	2,147
VENANGO COUNTY 4H	53,949	63,888
JAMES D. SCHWAB MEMORIAL	30,303	35,886
CLARION BOBCAT SCHOLARSHIP	2,977	3,525
CLARION BOBCAT UNDESIGNATED	1,926	2,281
OIL CITY ARTS PROGRAM ENDOWMENT	1,076	1,274
ALEXANDER "BUD" MARKS SCHOLARSHIP	24,440	28,943
PRESBYTERIAN HOMES	1,706	2,020
PACF ENDOWMENT	33,052	39,141
CLARION FREE LIBRARY	8,019	9,496
PUNX AREA ARTS & HUMANITIES	2,769	3,279
UNITED WAY	433,211	513,020
NAZARETH IN THE WOODS	247,714	293,350
CHILD DEVELOPMENT CENTER	9,250	10,954
CARBAUGH SCHOLARSHIP	9,386	11,115
MCNAMARA SCHOLARSHIP	7,846	9,292
TAYLOR SCHOLARSHIP	25,235	29,884
FULTON SCHOLARSHIP	3,817	4,520
ADAM WEETER	18,178	21,527
DENNIS & MARTHA LAMB	104,744	124,041
PACF COAL MEMORIAL	16,461	19,494
BROWN CHAPEL	9,234	10,935
JEFFERSON CO. 4-H	23,742	28,116
OIL CITY LIBRARY INCOME ACCOUNT	10,824	12,818
OC TREE OF LIFE CEMETERY ASSOCIATION FUND	169,547	200,782
GWENDOLYN SMITH SCHOLARSHIP	87,083	103,126
WOOD-NOBLE GENEALOGICAL BOOK FUND	4,373	5,179
KATHLEEN GORDON WILSON MEMORIAL	4,373	5,179
PUNXSU AREA HISTORICAL & GENE. SOC.	8,747	10,358
	<u>\$ 3,332,604</u>	<u>\$ 3,946,559</u>

See independent auditor's report and accompanying notes to the financial statements.

**BRIDGE BUILDERS COMMUNITY FOUNDATIONS**  
**SCHEDULE OF PNC BANK INVESTMENT MANAGEMENT ACCOUNT**  
**AUGUST 31, 2018**

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<u>FUND NAME</u>	<u>COST</u>	<u>FAIR VALUE</u>
ELKS - JAY REYNOLDS	\$ 194,177	\$ 241,479
RIMERSBURG MEDICAL CENTER - ECCLES	60,413	75,130
FRANKLIN ROTARY - J. FRENCH MILLER	9,016	11,213
YOUNG WOOD	79,143	98,423
WOOD NOBLE	61,040	75,909
TOWN SQUARE	84,081	104,564
SMEDLEY FLOWER FUND	4,761	5,921
EAST END FOUNTAIN ENDOWMENT	26,429	32,867
FLINCHBAUGH	606,316	754,016
	<u>\$ 1,125,376</u>	<u>\$ 1,399,522</u>

See independent auditor's report and accompanying notes to the financial statements.

BRIDGE BUILDERS COMMUNITY FOUNDATIONS  
SCHEDULE OF PNC BANK INVESTMENT MANAGEMENT ACCOUNT  
AUGUST 31, 2017

FUND NAME	COST	FAIR VALUE
ELKS - JAY REYNOLDS	\$ 188,388	\$ 225,522
RIMERSBURG MEDICAL CENTER - ECCLES	58,876	70,482
FRANKLIN ROTARY - J. FRENCH MILLER	10,857	12,997
YOUNG WOOD	79,443	95,103
WOOD NOBLE	59,487	71,213
TOWN SQUARE	73,494	87,980
SMEDLEY FLOWER FUND	4,667	5,587
EAST END FOUNTAIN ENDOWMENT	25,630	30,682
FLINCHBAUGH	609,611	729,774
	<u>\$ 1,110,453</u>	<u>\$ 1,329,340</u>

See independent auditor's report and accompanying notes to the financial statements.



BRIDGE BUILDERS COMMUNITY FOUNDATIONS  
SCHEDULE OF RAYMOND JAMES AGENCY ACCOUNT  
AUGUST 31, 2018

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FUND NAME	COST	FAIR VALUE
KOOS	\$ 90,144	\$ 97,643
HUMPHREY	63,638	68,932
WITHERUP FAMILY	28,175	30,519
FHS ARTIFICIAL TURF	3,384	3,665
PAUL AND ELLEN FLICKNER CHARITABLE	242,833	263,032
	<u>\$ 428,174</u>	<u>\$ 463,791</u>

See independent auditor's report and accompanying notes to the financial statements.

BRIDGE BUILDERS COMMUNITY FOUNDATIONS  
SCHEDULE OF RAYMOND JAMES AGENCY ACCOUNT  
AUGUST 31, 2017

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FUND NAME	COST	FAIR VALUE
KOOS	\$ 89,428	\$ 94,679
HUMPHREY	60,650	64,211
WITHERUP FAMILY	27,852	29,487
ZACHERL OUSTANDING DIESEL AWARD	6,121	6,481
FHS ARTIFICIAL TURF	2,870	3,038
PAUL AND ELLEN FLICKNER CHARITABLE	238,489	252,493
	<u>\$ 425,410</u>	<u>\$ 450,389</u>

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