THE TROY FOUNDATION AND SUBSIDIARY

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
(MODIFIED CASH BASIS)

YEARS ENDED DECEMBER 31, 2024 and 2023

THE TROY FOUNDATION AND SUBSIDIARY
YEARS ENDED DECEMBER 31, 2024 and 2023

TABLE OF CONTENTS

KENTNER SELLERS LLP
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Board of Directors
The Troy Foundation and Subsidiary
Troy, OH

Opinion

We have audited the accompanying consolidated financial statements of The Troy Foundation and Subsidiary (a nonprofit organization), which comprise the consolidated statement of assets, liabilities, and net assets as of December 31, 2024, and the related consolidated statements of receipts, expenditures, and changes in net assets, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Troy Foundation and Subsidiary as of December 31, 2024, and the changes in its net assets for the year then ended in accordance with modified cash basis of accounting as described in the notes to the consolidated financial statements.

Basis for Opinion

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

Prior Period Consolidated Financial Statements

The consolidated financial statements of The Troy Foundation and Subsidiary as of December 31, 2023, were audited by other auditors whose report dated July 10, 2024, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Troy Foundation and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

801 Falls Creek Drive / Dayton, Ohio 45377 / 937.898.1376 / fax: 937.898.1516 / www.kentnersellers.com

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Troy Foundation and Subsidiary's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Troy Foundation and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Kentner Sellers, LLP

KENTNER SELLERS, LLP
September 2, 2025

THE TROY FOUNDATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS (MODIFIED CASH BASIS)
DECEMBER 31, 2024 and 2023

ASSETS

	2024	2023
Cash	$ 3,852,312	$ 1,272,165
Investments at fair value	155,272,419	139,875,724
Property and equipment:		
Land and improvements	149,802	149,802
Buildings	1,389,933	1,389,933
Furniture and fixtures	271,473	271,473
	1,811,208	1,811,208
Less accumulated depreciation	(1,014,344)	(974,287)
Total property and equipment, net	796,864	836,921
Total Assets	$ 159,921,595	$ 141,984,810

LIABILITIES AND NET ASSETS

	2024	2023
Agent liabilities	$ 9,710,128	$ 8,648,704
Net assets:		
Without donor restrictions	27,161,386	24,241,827
With donor restrictions	123,050,081	109,094,279
Total net assets	150,211,467	133,336,106
Total Liabilities and Net Assets	$ 159,921,595	$ 141,984,810

See Notes to Consolidated Financial Statements.

THE TROY FOUNDATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF RECEIPTS, EXPENDITURES, AND CHANGES IN NET ASSETS (MODIFIED CASH BASIS)
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Receipts:			
Contributions	$ 157,471	$ 8,363,039	$ 8,520,510
Dividends and interest, net	505,997	2,463,176	2,969,173
Net assets released from restrictions	9,993,458	(9,993,458)	0
Total receipts	10,656,926	832,757	11,489,683
Expenditures:			
Distributions	9,993,458	0	9,993,458
Trustees' fees	409,109	0	409,109
Administrative expenses	1,035,422	0	1,035,422
Total expenditures	11,437,989	0	11,437,989
Excess of expenditures over receipts	(781,063)	832,757	51,694
Net realized gains on investments	358,184	1,624,160	1,982,344
Net unrealized gains on investments	3,342,438	11,498,885	14,841,323
Change in net assets	2,919,559	13,955,802	16,875,361
Net assets - beginning of year	24,241,827	109,094,279	133,336,106
Net assets - end of year	$ 27,161,386	$ 123,050,081	$ 150,211,467

See Notes to Consolidated Financial Statements.

THE TROY FOUNDATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF RECEIPTS, EXPENDITURES, AND CHANGES IN NET ASSETS (MODIFIED CASH BASIS)
YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Receipts:			
Contributions	$ 42,241	$ 6,244,146	$ 6,286,387
Dividends and interest, net	513,919	2,338,052	2,851,971
Net assets released from restrictions	7,280,374	(7,280,374)	0
Total receipts	7,836,534	1,301,824	9,138,358
Expenditures:			
Distributions	7,280,374	0	7,280,374
Trustees' fees	364,919	0	364,919
Administrative expenses	840,406	0	840,406
Total expenditures	8,485,699	0	8,485,699
Excess of expenditures over receipts	(649,165)	1,301,824	652,659
Net realized gains on investments	251,213	725,919	977,132
Net unrealized gains on investments	2,794,399	12,465,799	15,260,198
Change in net assets	2,396,447	14,493,542	16,889,989
Net assets - beginning of year	21,845,380	94,600,737	116,446,117
Net assets - end of year	$ 24,241,827	$ 109,094,279	$ 133,336,106

See Notes to Consolidated Financial Statements.

THE TROY FOUNDATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
(MODIFIED CASH BASIS)
YEAR ENDED DECEMBER 31, 2024

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Grant distributions	$ 9,993,458	$ 0	$ 0	$ 9,993,458
Trustees' fees	409,109	0	0	409,109
Salaries and benefits	283,940	189,293	157,744	630,977
Depreciation	0	40,057	0	40,057
Dues and subscriptions	0	15,763	0	15,763
Events	0	17,712	0	17,712
Other expenses	0	329,933	980	330,913
Total Expenses	$10,686,507	$ 592,758	$ 158,724	$11,437,989

See Notes to Consolidated Financial Statements.

THE TROY FOUNDATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
(MODIFIED CASH BASIS)
YEAR ENDED DECEMBER 31, 2023

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Grant distributions	$ 7,280,374	$ 0	$ 0	$ 7,280,374
Trustees' fees	364,919	0	0	364,919
Salaries and benefits	247,086	164,724	137,270	549,080
Depreciation	0	41,370	0	41,370
Dues and subscriptions	0	16,856	0	16,856
Events	0	20,333	0	20,333
Other expenses	0	212,137	630	212,767
Total Expenses	$ 7,892,379	$ 455,420	$ 137,900	$ 8,485,699

NOTE A - ORGANIZATION AND OPERATIONS

The Troy Foundation (the Foundation) is a community foundation in Miami County, Ohio. As a charitable organization, its mission is to improve the quality of life for the community by connecting donors to charitable causes for a better tomorrow.

TF Land, Inc., a wholly owned subsidiary of the Foundation, was formed to purchase a building in Troy, Ohio that is leased to The Troy Foundation.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Foundation prepares its financial statements on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Consequently, revenue and related assets are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred. Accordingly, grants to charitable organizations are recognized as expenditures when paid and the accounts exclude contributions, interest, and dividends receivable. The Foundation's policy is to prepare its financial statements on a modified cash basis that includes recording of depreciation and amortization on long-lived assets. If an expenditure results in the acquisition of an asset having an estimated useful life which extends substantially beyond the year of acquisition, the expenditure is capitalized and depreciated or amortized over the useful life of the asset. Therefore, the accompanying financial statements are not intended to present the financial position and changes in net assets in conformity with accounting principles generally accepted in the United States of America.

Principles of Consolidation

The consolidated financial statements include the accounts and transactions of The Troy Foundation and TF Land. All significant accounts and transactions between the organizations have been eliminated upon consolidation.

Financial Statement Presentation

The Foundation reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. A description of each class as it pertains to the Foundation is as follows:

Net assets without donor restrictions – Represents funds which impose no restrictions on the Foundation as to their use or purpose. Such funds are expended for charitable purposes as deemed appropriate by the Governing Board.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

Net assets with donor restrictions – Represents funds whose use by the Foundation has been limited by donor-imposed restrictions that either expire by the passage of time or can be fulfilled by actions of the Foundation. When a restriction expires or is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions

Contributions of cash and other assets are reported at fair value. Contributions that are received under an agreement providing the Foundation the unilateral power to redirect the use of the transferred assets to a beneficiary other than the one specified by the donor (variance power) are classified as without donor restrictions. The Foundation's Governing Board will evaluate and determine if circumstances have changed, that would render the express desires of the donor unnecessary, impractical, incapable of fulfillment or inconsistent with the charitable needs of the community. The Foundation may at any time redirect the application of all or part of a gift, grant or bequest to such other charitable uses or purposes which, in the Foundation's judgment, will most effectively accomplish the general mission of the Foundation. The Foundation does not receive any donated services that are required to be recognized as contributions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Functional Classification

Functional classification is a method of grouping expenses according to the purpose for which costs are incurred. This is done to help donors and others in assessing the Foundation’s service efforts. The primary functional classifications are program services and supporting activities. Program services are the activities that result in goods and services being distributed to beneficiaries or which fulfill the Foundation’s purpose and mission. Supporting activities are all activities of the Foundation other than program services and include fundraising and management and general.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Classification (Continued)

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function of the Foundation; therefore, these expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated on the basis of estimates of time and effort.

Cash and Cash Equivalents

The Foundation considers all highly liquid, short-term investments with an original maturity of ninety days or less when purchased to be cash equivalents for purposes of reporting balance sheet cash. Cash balances are held in financial institutions and may periodically exceed federally insured limits. The Foundation manages this risk by using high credit quality financial institutions. The Foundation has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on cash.

Property and Equipment

Property and equipment is recorded at cost, or if donated, at fair value. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Impairment of asset value is recognized whenever events or changes in circumstances indicate that carrying amounts are not recoverable. For financial reporting purposes, the Foundation provides for depreciation of its property and equipment according to asset classification on the following basis:

CLASSIFICATION	USEFUL LIFE	METHOD
Buildings	40 Years	Straight-line
Improvements	15 Years	Straight-line
Office furniture and equipment	5 to 10 Years	Straight-line

Depreciation of $40,057 and $41,370 was expensed for the years ending December 31, 2024 and 2023, respectively.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Agent Liabilities

The Foundation receives and distributes assets under certain agency and intermediary arrangements. Funds received by the Foundation when acting as an agent or intermediary are reported as a liability. The funds received are reported as assets of the Foundation and a liability is established for the fair value of the funds.

Administrative Expenses

The Foundation collects an administrative fee from the funds to cover operating costs, such as professional fees, salaries, advertising and general office expenses. During the years ended December 31, 2024 and 2023, $(1,242,658) and $(1,084,138), respectively, was disbursed from the funds and placed in the Foundation's operating account. Actual operating expenses incurred by The Troy Foundation during the years ended December 31, 2024 and 2023, were $333,539 and $373,504, respectively. Actual operating expenses incurred by TF Land, Inc. during the years ended December 31, 2024 and 2023, were $37,335 and $38,648, respectively.

Investments

Investments consist primarily of assets invested in marketable equity and debt securities and money market accounts. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated statements of assets, liabilities, and net assets. Fair value of marketable equity and debt securities is based on quoted market prices. The realized and unrealized gain or loss on investment is reflected in the consolidated statements of receipts, expenditures, and changes in net assets (modified cash basis).

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Spending Policy

The Foundation follows a spending policy that matches investment performance to actual spending, limiting volatility in spending while maintaining the purchasing power of the assets over time. Under the policy, distributions from these funds are based on a percentage approved by the Governing Board (4% for the years ended December 31, 2024 and 2023) of the average fair value of the individual fund for the previous eight quarters. The fair value includes all assets of the fund, including the original contribution, all recorded dividends and interest and all appreciation realized on the investments.

Income Tax Status

The Troy Foundation and Subsidiary is an Ohio not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Foundation follows authoritative guidance related to the accounting for uncertain tax positions. The guidance prescribes a comprehensive model for recognizing, measuring, presenting, and disclosing in the financial statements tax positions taken or expected to be taken on information and tax returns, including the positions that the Foundation is exempt from income taxes or not subject to income taxes on unrelated business income. Management concluded that there are no material uncertain tax positions as of December 31, 2024 and 2023.

Reclassifications

Certain reclassifications have been made to the 2023 financial statements to conform to 2024 presentations.

NOTE C - CONCENTRATION OF CREDIT RISK

During the year ended December 31, 2024, the Foundation had one donor that represented 31% of total contribution revenues.

NOTE D - AVAILABILITY AND LIQUIDITY

The following represents the Foundation's financial assets at December 31, 2024 and 2023, reduced by amounts not available for general use because of contractual or donor-imposed restrictions, within one year:

	2024	2023
Financial assets at year end:		
Cash and cash equivalents	$ 3,852,312	$ 1,272,165
Investments at fair value	155,272,419	139,875,724
Total financial assets	159,124,731	141,147,889
Less amounts not available to be used within one year:		
Agent liabilities	(9,710,128)	(8,648,704)
Net assets with donor restrictions	(123,050,081)	(109,094,279)
	(132,760,209)	(117,742,983)
Financial assets available to meet general expenditures over the next twelve months	$ 26,364,522	$ 23,404,906

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE E - SUMMARY OF FAIR VALUE EXPOSURE

The Foundation follows a framework for measuring fair value, and includes disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable. The Foundation has adopted this standard for its financial assets and liabilities measured on a recurring and nonrecurring basis.

NOTE E - SUMMARY OF FAIR VALUE EXPOSURE (Continued)

Fair value is the amount that would be received from the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants, i.e., an exit price. To estimate an exit price, a three-tier hierarchy is used to prioritize the inputs:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spreads, credit risk, etc.).

Level 3: Significant unobservable inputs (including the Foundation's own assumptions in determining the fair value of investments).

The inputs and methodology used for valuing the Foundation's financial assets and liabilities are not indicators of the risks associated with those instruments.

The following table provides fair value measurement information for financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Money market funds	$ 2,708,171	$ 0	$ 0	$ 2,708,171
United States treasury notes and agency obligations	0	4,747,419	0	4,747,419
Common and preferred stocks	18,031,657	0	0	18,031,657
Corporate bonds	0	37,366,072	0	37,366,072
Government bonds	0	1,715,601	0	1,715,601
Mutual funds	86,186,797	0	0	86,186,797
International equities	0	1,449,000	0	1,449,000
International debt	0	1,559,154	0	1,559,154
Other	0	1,508,548	0	1,508,548
	$ 106,926,625	$ 48,345,794	$ 0	$ 155,272,419

NOTE E - SUMMARY OF FAIR VALUE EXPOSURE (Continued)

The following table provides fair value measurement information for financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Money market funds	$ 5,109,369	$ 0	$ 0	$ 5,109,369
United States treasury notes and agency obligations	0	5,772,732	0	5,772,732
Common and preferred stocks	24,167,942	0	0	24,167,942
Corporate bonds	0	36,340,847	0	36,340,847
Government bonds	0	1,142,577	0	1,142,577
Mutual funds	66,933,762	0	0	66,933,762
Other	0	408,495	0	408,495
	$ 96,211,073	$ 43,664,651	$ 0	$ 139,875,724

NOTE F - SUBSEQUENT EVENT

The Foundation has evaluated subsequent events through September 2, 2025, the date which the financial statements were available to be issued.