



**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)

Consolidated Financial Statements and Schedules

September 30, 2023 and 2022

(With Independent Auditors' Report Thereon)

**THE CHICAGO COMMUNITY TRUST**  
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Benefit of The Chicago Community Trust)

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## Independent Auditors' Report

The Executive Committee  
The Chicago Community Trust:

### *Opinion*

We have audited the consolidated financial statements of The Chicago Community Trust and its subsidiaries (the Trust), which comprise the consolidated statements of financial position as of September 30, 2023 and 2022, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Trust as of September 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Trust 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.

### *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 U.S. generally accepted accounting principles, 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 Trust's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

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

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



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust'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 Trust'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.

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information included in schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*KPMG LLP*

Chicago, Illinois  
April 5, 2024

**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
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Consolidated Statements of Financial Position

September 30, 2023 and 2022

<b>Assets</b>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents (note 2(f))	\$ 34,826,864	27,230,678
Investments (note 5)	4,191,059,012	3,916,304,407
Contributions receivable, net (note 7)	5,302,348	3,665,994
Notes receivable (note 2(h))	3,669,250	3,996,205
Other assets	3,494,581	5,754,155
Software, office equipment, and leasehold improvements, less accumulated depreciation and amortization of \$1,580,861 and \$1,128,827 in 2023 and 2022, respectively (note 2(j))	2,278,302	1,645,481
Right-of-use asset (note 9)	5,582,187	—
Beneficial interest in charitable term trusts (note 2(i))	242,613,208	264,768,945
Beneficial interest in charitable perpetual trusts (note 2(i))	49,709,815	45,706,166
Total assets	<u>\$ 4,538,535,567</u>	<u>4,269,072,031</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 3,395,981	4,356,356
Grants payable (note 8)	25,453,117	24,100,584
Annuity payable	280,387	354,326
Funds held for others	8,671,392	8,301,487
Lease liability (note 9)	5,582,187	—
Total liabilities	<u>43,383,064</u>	<u>37,112,753</u>
Net assets:		
Without donor restrictions	4,156,577,950	3,879,251,348
With donor restrictions	338,574,553	352,707,930
Total net assets	<u>4,495,152,503</u>	<u>4,231,959,278</u>
Total liabilities and net assets	<u>\$ 4,538,535,567</u>	<u>4,269,072,031</u>

See accompanying notes to consolidated financial statements.

**THE CHICAGO COMMUNITY TRUST**  
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Consolidated Statements of Activities

Years ended September 30, 2023 and 2022

	2023	2022
Without donor restrictions:		
Operating activities:		
Support, revenue, and transfers:		
Investment payout (note 5)	\$ 126,225,007	149,806,936
Contributions of cash and other financial assets	21,252,307	8,157,989
Contributions of nonfinancial assets (note 2(c))	5,428	—
Transfers from nonoperating activities (note 2(e))	1,538,471,272	1,459,930,083
Other income	886,363	3,083,727
Net assets released from restrictions (note 2(b))	33,230,865	38,415,703
Total operating support, revenue, and transfers	1,720,071,242	1,659,394,438
Expenses (note 11):		
Grants, net of refunds	1,569,737,729	1,464,143,519
Program-related expenses (note 10)	10,929,328	15,591,616
Investment management and custodian fees	8,732,088	9,215,918
Administrative expenses (note 11)	23,650,203	21,315,027
Other expenses	53,998	114,613
Total operating expenses	1,613,103,346	1,510,380,693
Excess of operating support, revenue, and transfers over expenses	106,967,896	149,013,745
Nonoperating activities:		
Contributions of cash and other financial assets	1,362,153,996	1,607,688,694
Contributions of nonfinancial assets (note 2(c))	—	11,789
Net return on investments after investment payout (note 5)	353,873,169	(689,116,216)
Investment management and custodian fees (note 11)	(273,839)	(296,920)
Change in value of charitable gift annuity	28,029	(33,022)
Transfer to operating activities (note 2(e))	(1,538,471,272)	(1,459,930,083)
Other gain	5,959	45,617
Deconsolidation of a supporting organization (note 2(a))	(7,610,636)	(19,182,538)
Net assets released from restrictions (note 2(b))	653,300	770,000
Net nonoperating activities	170,358,706	(560,042,679)
Increase (decrease) in net assets without donor restrictions	277,326,602	(411,028,934)
With donor restrictions:		
Operating activities:		
Support and revenue:		
Investment payout (note 5)	1,422,364	1,093,429
Contributions of cash and other financial assets	653,595	50,000
Net assets released from restrictions (note 2(b))	(33,230,865)	(38,415,703)
Total operating support and revenue	(31,154,906)	(37,272,274)
Expenses:		
Investment management and custodian fees	275,097	357,371
Total operating expenses	275,097	357,371
Deficiency of operating support and revenue over expenses	(31,430,003)	(37,629,645)
Nonoperating activities:		
Contributions of cash and other financial assets	1,686,060	(15,564)
Net return on investments after investment payout (note 5)	3,396,443	(8,262,587)
Gain (loss) on beneficial interest in charitable perpetual trusts (note 2(i))	4,003,649	(11,469,922)
Gain (loss) on beneficial interest in charitable term trusts (note 2(i))	8,863,774	(32,839,863)
Net assets released from restrictions (note 2(b))	(653,300)	(770,000)
Net nonoperating activities	17,296,626	(53,357,936)
Decrease in net assets with donor restrictions	(14,133,377)	(90,987,581)
Increase (decrease) in net assets	263,193,225	(502,016,515)
Net assets at beginning of year	4,231,959,278	4,733,975,793
Net assets at end of year	\$ 4,495,152,503	4,231,959,278

See accompanying notes to consolidated financial statements.

**THE CHICAGO COMMUNITY TRUST**  
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Consolidated Statements of Cash Flows  
Years ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 263,193,225	(502,016,515)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	452,034	544,630
Reduction in the carrying amount of right-of-use asset	185,932	—
Change in lease liability	(185,932)	—
Net loss (gain) on investments	(381,848,982)	671,777,203
Net loss (gain) on beneficial interest in charitable trusts	(12,867,423)	44,309,785
Contributed financial assets	(1,101,008,248)	(1,416,534,292)
Proceeds from sale of contributed financial assets	1,045,265,843	1,350,779,832
Gain on sale of contributed financial assets	(4,683,992)	(800,934)
Changes in assets and liabilities:		
Contributions receivable	(1,636,354)	1,085,400
Notes receivable	326,955	(1,046,580)
Other assets	2,259,574	(4,312,295)
Beneficial interest in charitable trusts	31,019,511	34,842,898
Accounts payable and accrued expenses (note 2(a))	(960,375)	(113,411)
Grants payable (note 2(a))	1,352,533	(10,911,222)
Annuity payable	(73,939)	(17,336)
Funds held for others (note 2(a))	369,905	(2,198,646)
Net cash provided by (used in) operating activities	<u>(158,839,733)</u>	<u>165,388,517</u>
Cash flows from investing activities:		
Proceeds from sale of contributed financial assets	39,367,155	32,497,047
Proceeds from sale of investments	579,864,146	256,966,054
Purchase of investments	(459,406,447)	(468,137,185)
Deconsolidation of a supporting organization (note 2(a))	7,695,920	19,535,074
Capital expenditures	(1,084,855)	(1,778,757)
Net cash provided by (used in) investing activities	<u>166,435,919</u>	<u>(160,917,767)</u>
Net increase in cash and cash equivalents	7,596,186	4,470,750
Cash and cash equivalents at beginning of year	<u>27,230,678</u>	<u>22,759,928</u>
Cash and cash equivalents at end of year	<u>\$ 34,826,864</u>	<u>27,230,678</u>
Supplemental disclosure of noncash investing activities:		
Contributed financial assets	\$ 36,873,018	31,970,935

See accompanying notes to consolidated financial statements.

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Notes to Consolidated Financial Statements

September 30, 2023 and 2022

**(1) Description of Organization**

The Chicago Community Trust (the Trust) is the Chicago region's community foundation, established in 1915 to promote, guide, and manage philanthropy for the benefit of the residents of the greater Chicago area. The mission of the Trust is to lead and inspire philanthropic efforts that measurably improve the quality of life and the prosperity of the region. Over the years, thousands of individuals and families, businesses, and corporations have contributed to the Trust. Today, donors recognizing the importance of the Trust continue to add to these funds with contributions, including provisions for the Trust in their estate planning, and establish donor-advised funds to manage their giving during their lifetime. Trust resources are used to respond to the current needs of the community and will be used in the future to respond to the ever-changing needs of the region.

The accompanying consolidated financial statements include all funds held by or created for the benefit of the Trust and its affiliated organizations.

The Trust and its affiliated organizations are recognized as public charities and have received determination letters from the Internal Revenue Service indicating that they are exempt from federal income taxes on related income under Section 501 (a) as organizations described in Section 501 (c)(3) of the Internal Revenue Code.

**(2) Summary of Significant Accounting Policies**

**(a) Basis of Consolidation**

The consolidated financial statements include the accounts of the Trust; The Chicago Community Foundation (the Foundation); The Burrige D. Butler Memorial Trust of Chicago, Illinois (the Butler Trust); The Lavin Family Supporting Foundation; The PERT Foundation; The Lake County Community Foundation; The Community Foundation of Will County; and Metropolis Strategies. Inter-organizational transactions and balances have been eliminated in consolidation.

The Foundation was incorporated in October 1985 for the purpose of providing additional flexibility to donors with respect to the investment of funds and to broaden the geographic area served.

The Butler Trust was created in 1951 under the provisions of the will of Burrige D. Butler. The net income of the Butler Trust, together with any accumulations of net income, is to be distributed by the Trust. Effective December 7, 2018, the Butler Trust was converted to a Total Return Trust, subject to the provisions of the Illinois Trust and Trustees Act. All net assets are considered to be donor restricted due to the conversion to a Total Return Trust.

The Lavin Family Supporting Foundation is a not-for-profit organization incorporated in December 1996 to foster, support, develop, and maintain charitable activities and vital human and educational services by supporting and furthering the charitable objectives of the Trust. During fiscal year 2022, the Lavin Family Supporting Foundation dissolved and the assets totaling \$18,224,255 were transferred to the Chicago Community Foundation, creating a donor-advised fund.

The PERT Foundation was incorporated in December 2002 and is a supporting organization of the Trust and the Foundation for the purpose of furthering the charitable objectives of the Foundation.



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The Lake County Community Foundation was incorporated in September 2005 and is a supporting organization of the Foundation to improve the mental, moral, intellectual, and physical improvement, assistance, and relief of the inhabitants of Lake County, Illinois, by making grants and otherwise working for the betterment of the quality of life of the inhabitants of Lake County.

Effective October 1, 2021, The Lake County Community Foundation ceased to be a supporting organization of the Trust in their efforts to become a stand-alone, independent charitable organization. As a result, the Trust no longer served a governance role to The Lake County Community Foundation. Accordingly, the Trust derecognized related assets and liabilities as follows:

		<u>October 1, 2021</u>
Assets:		
Cash and cash equivalents	\$	147,272
Investments		19,535,074
Liabilities:		
Accounts payable and accrued expenses		(209,392)
Grants payable		(74,500)
Funds held for others		(215,916)
Net assets deconsolidated:		
Without donor restrictions	\$	<u>19,182,538</u>

The Trust did not receive any consideration in the deconsolidation of The Lake County Community Foundation.

Deconsolidation of a supporting organization of \$19,182,538 is reported in the consolidated financial statements in the above categories.

The Community Foundation of Will County was incorporated in February 2006 and was a supporting organization of the Trust and the Foundation to improve the mental, moral, intellectual, and physical improvement, assistance, and relief of the inhabitants of Will County, Illinois, by making grants and otherwise working for the betterment of the quality of life of the inhabitants of Will County.

Effective October 1, 2022, The Community Foundation of Will County ceased to be a supporting organization of the Trust in their efforts to become a stand-alone, independent charitable organization.

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As a result, the Trust no longer served a governance role to The Community Foundation of Will County. Accordingly, the Trust derecognized related assets and liabilities as follows:

		<b>October 1, 2022</b>
Assets:		
Cash and cash equivalents	\$	388,623
Investments		7,695,920
Liabilities:		
Accounts payable and accrued expenses		(48,054)
Grants payable		(130,899)
Funds held for others		(294,954)
Net assets deconsolidated:		
Without donor restrictions	\$	7,610,636

The Trust did not receive any consideration in the deconsolidation of The Community Foundation of Will County.

Deconsolidation of a supporting organization of \$7,610,636 is reported in the consolidated financial statements in the above categories.

Metropolis Strategies (formerly, Metropolis 2020; D.B.A Illinois Justice Project) became a supporting organization of the Trust on March 1, 2011. A major goal of Metropolis Strategies is to assist in the advancement of the overall mission of the Trust by leveraging its expertise and program activities to advance opportunities for human and economic development, securing conditions for healthy, safe, just, and caring communities and transforming the region through sustainable development.

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The net assets presented below and in the accompanying consolidated statements of financial position include the net assets (net of eliminations) of the organizations described above as of September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
The Chicago Community Trust	\$ 1,447,685,222	1,373,592,471
The Chicago Community Foundation	3,004,013,877	2,810,305,246
The Burrige D. Butler Memorial Trust of Chicago, Illinois	41,344,345	39,180,914
The PERT Foundation	408,435	364,524
The Community Foundation of Will County	—	7,610,636
Metropolis Strategies	1,700,624	905,487
	<u>\$ 4,495,152,503</u>	<u>4,231,959,278</u>

**(b) Basis of Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

To ensure the observance of limitations and restrictions placed on the use of available resources, the Trust maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes into funds that are maintained in accordance with activities or objectives of the Trust.

For external reporting purposes, however, the Trust's consolidated financial statements have been prepared to focus on the organization as a whole and to follow the reporting requirements of the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not-for-Profit Organizations, which require that resources be classified for reporting purposes based on the existence or absence of donor-imposed restrictions. This is accomplished by classification of fund balances into two classes of net assets – without donor restrictions and with donor restrictions. Descriptions of the two net asset categories and related activities are as follows:

**Without Donor Restrictions** – Net assets that are not subject to donor-imposed restrictions.

FASB Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities (Topic 958)*, and its interpretations provide that if the governing body of the organization has the ability to remove a donor restriction (i.e. variance power), the contribution should be classified as without donor restrictions.

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Under the Trust's declaration of trust, the assets are held and invested in a manner similar to endowment funds; however, the Trust's Executive Committee has the authority, if it deems it prudent and appropriate, to expend the entirety of the principal or appreciation. Accordingly, all net assets and related activity over which the management of the Trust exercises direct control are classified as net assets without donor restrictions in the accompanying consolidated financial statements.

In addition, the bylaws of the Foundation include a variance power provision giving the board of directors the power, whenever any restriction or condition on the distribution of funds becomes, in effect, unnecessary, undesirable, impractical, or impossible for literal compliance with the terms of such instrument, to modify any restriction without regard to and freed from any specific restriction, limitation, or direction contained in such instrument. Accordingly, all net assets and related activity over which the management of the Foundation exercises direct control are classified as net assets without donor restrictions in the accompanying consolidated financial statements.

The Trust and its related organizations solicit a variety of contributions to fund its grants, including donor-advised funds. Donor-advised funds allow for the donor to recommend distributions to various trust programs or other charitable organizations approved by the Trust and its related organizations. Although the donor's recommendations are generally fulfilled, they are subject to the approval of the governing board, and the variance power described above and are, therefore, classified as net assets without donor restrictions.

**With Donor Restrictions** – Net assets subject to donor-imposed restrictions that will be met either by actions of the Trust or by the passage of time. Net assets and related activity from term trusts, whereby the Trust has a beneficial interest in a stream of income over a specified period of time, as well as contributions receivable restricted to use in future periods, are recorded as net assets with donor restrictions. These assets are released from their implicit time restriction when cash is collected.

Also included in this category are net assets subject to donor-imposed restrictions to be maintained permanently. Net assets and related activity from perpetual trusts, whereby the Trust has a beneficial interest in a stream of income in perpetuity, are recorded as net assets with donor restrictions.

Net assets released from restrictions, as reported in the consolidated statements of activities, were \$33,884,165 and \$39,185,703 in the years ended September 30, 2023 and 2022, respectively.

The State of Illinois enacted UPMIFA effective June 30, 2009. The Executive Committee has determined that the majority of the consolidated assets of the Trust do not meet the definition of endowment under UPMIFA. As discussed above, the Trust is governed subject to The Declaration of Trust creating The Chicago Community Trust and the assets of the Trust are held and managed by Corporate Trustees. In addition, the governing body has determined that the majority of the assets of the unit Foundation are subject to the bylaws of the Foundation, which contain a variance power provision that grants the governing board the ability to distribute the principal or corpus of the fund and thus excludes the assets as endowments as defined under UPMIFA. While the assets of the Trust and Foundation do not meet the definition of endowment as defined under UPMIFA, the assets, with the exception of donor-advised funds, function as endowments and are managed by the Trust and Foundation similar to endowment funds.

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**(c) Revenue and Expenses**

Revenue is reported as an increase in net assets without donor restrictions unless use of the related asset is limited by donor-imposed time or purpose restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is limited by a donor-imposed time restriction. Expirations of temporary restrictions on net assets (i.e. the stipulated time period has elapsed or the cash has been collected) are reported as net assets released from restrictions.

Contributions, including unconditional pledges, are recognized in the period received. Conditional pledges are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at estimated fair value.

Contributions to be received after one year are discounted at an appropriate rate commensurate with the risk involved. Amortization of discount is recorded as additional contribution revenue.

*Contributed Nonfinancial Assets*

For the years ended September 30, contributed nonfinancial assets recognized within the accompanying consolidated statements of activities included:

	<b>2023</b>	<b>2022</b>
Real estate	\$ —	8,434
Personal property	—	3,355
In kind	5,428	—
	\$ 5,428	11,789

Contributed nonfinancial assets are recognized within revenue and do not have donor-imposed restrictions. It is the Trust's policy to sell any contributed nonfinancial assets at the first reasonable opportunity. Donors who contribute nonfinancial assets are responsible for obtaining a valuation for the contribution. If assets are not sold more than five years after the contribution date, a subsequent valuation may be required.

Grant awards without substantial conditions are recognized in the period in which they are approved by the governing bodies.

**(d) Endowment Investment and Spending Policies**

The Trust and the Foundation have adopted investment and spending policies for their assets held as funds functioning as endowments that seek to provide a total return that will allow the Trust and the Foundation to provide a predictable stream of resources for current operations while maintaining the purchasing power of the assets. To achieve this investment objective, the Trust and the Foundation have adopted a long-term strategy that invests in cash and short-term investment funds, fixed income

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Notes to Consolidated Financial Statements

September 30, 2023 and 2022

securities (domestic and international), domestic equities, international equities, hedge funds, and other assets. Diversification by asset class, investment style, investment manager, etc., is employed to avoid undue risk concentration and as a means to enhance total return.

In line with the total return policy, the Trust and the Foundation have adopted a spending policy that distributes annually an amount in the form of an investment payout that is applied to a moving 12 quarter average of the fair value of the funds functioning as endowments. The payout percentage is reviewed annually by the board of directors and was 4.5% for the fiscal years ended September 30, 2023 and 2022.

All funds of the Trust and the Foundation, exclusive of donor advised funds that are not managed similar to endowment funds and funds that are prohibited because of the gift instrument, are subject to the spending policy.

If investment income received is not sufficient to support the total return objective, the balance is provided from accumulated capital gains. If income received is in excess of the objective, the balance is reinvested in the endowment.

**(e) Operations**

Operating results in the consolidated statements of activities reflect all transactions increasing or decreasing net assets except those items of a long-term capital nature (classified as nonoperating activities), such as contributions of principal assets, donor-advised funds, reinvested investment income, gains and losses on investments. Operating results also exclude deconsolidation of a supporting organization. Transfers from nonoperating activities to operating activities represent dollars that are transferred to match grants that have been committed from funds previously classified as nonoperating. The transfers are primarily from donor-advised funds.

**(f) Cash Equivalents**

Cash equivalents include amounts held in certificates of deposit and money market accounts with original maturities of three months or less, except for such instruments included within the investment portfolio. Cash equivalents are held at major financial institutions and are subject to credit risk to the extent those balances exceed applicable Federal Deposit Insurance Corporation insurance.

**(g) Investments**

Investments are reported in the consolidated financial statements at estimated fair value. Marketable investments, including publicly traded securities and commingled funds, are reported at fair value based on quoted market prices or otherwise observable pricing inputs. Alternative investments, including hedge funds, are reported at fair value based on net asset values (NAVs) provided by the external managers and represented approximately 9% and 10% of the total investments as of September 30, 2023 and 2022, respectively.

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The valuations for these alternative investments involve estimates, appraisals, and assumptions. To minimize the risk of loss, alternative investments are diversified by strategy, external manager, and number of positions. In addition, the activities of all alternative fund managers are regularly reviewed by their independent auditors, Trust staff, and the Trust's outside investment consultant.

See note 5 for further discussion relating to the classification of the Trust's assets based on the three-tier fair value hierarchy.

**(h) Notes Receivable**

The Trust has made loans to several nonprofit organizations as part of its impact investing program. These loans are stated at the amount of unpaid principal and accrued interest, are unsecured, and have maturities up to three years. The loans are presented as notes receivable in the accompanying consolidated statements of financial position.

**(i) Legacies, Bequests, and Beneficial Interest in Trusts**

The Trust is a beneficiary under various wills, the total realizable value of which is not presently determinable. Such amounts are recorded as contributions when clear title is established and the proceeds are clearly measurable. In the absence of donor-imposed conditions, the Trust recognizes its beneficial interest in a trust as a contribution in the period in which it receives notice that the trust agreement conveys an unconditional right to receive benefits.

The Trust is also the income beneficiary under various charitable term and perpetual trusts, the corpus of which is not controlled by the management of the Trust. Although the Trust has no control over the administration or investment of the funds held in the charitable term trusts, in accordance with generally accepted accounting principles, the current fair value of the beneficial interest in various charitable term trusts is recognized as an asset in the accompanying consolidated financial statements.

The beneficial interest in various charitable term trusts as of September 30, 2023 and 2022 is reflected in the accompanying consolidated financial statements as \$242,613,208 and \$264,768,945, respectively. During the years ended September 30, 2023 and 2022, the beneficial interest in various term trusts decreased by \$22,155,737 and \$67,682,761, respectively.

In determining the fair value of The Trust's beneficial interest in the various charitable term trusts, the assumed discount rates used in the present value calculations ranged from 4.92% to 7.74% and from 4.08% to 6.96% as of September 30, 2023 and 2022, respectively, and the average discount rate was 7.64% and 6.84% as of September 30, 2023 and 2022, respectively. Assumed investment returns for the various charitable term trusts that provide payouts based upon the fair value of assets over the life of the trusts range from 6.69% to 7.74% and from 5.58% to 6.96% as of September 30, 2023 and 2022, respectively. The fair value of these computations resulted in estimated present values of \$242,613,208 and \$264,768,945 as of September 30, 2023 and 2022, respectively. The value reflected on the consolidated statements of financial position as of September 30, 2023 and 2022 is the lower of the expected future cash flows or the current fair value of the underlying assets.

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The Trust received distributions from various term trusts of \$31,019,511 and \$34,842,898 in the years ended September 30, 2023 and 2022, respectively, which are reported in the net assets released from restrictions in the accompanying consolidated statements of activities.

In addition to the charitable term trusts noted above, the Trust is also the beneficiary of several charitable perpetual trusts. The beneficial interest in the charitable perpetual trusts is reflected in the consolidated financial statements at the fair value of the underlying assets. The beneficial interest in charitable perpetual trusts as of September 30, 2023 and 2022 was \$49,709,815 and \$45,706,166, respectively. The Trust received distributions from various charitable perpetual trusts of \$1,997,067 and \$1,731,466 in the years ended September 30, 2023 and 2022, respectively, which are reported in the investment payout in the accompanying consolidated statements of activities.

**(j) Fixed Assets**

Software, office equipment and leasehold improvements are stated at cost. Depreciation of equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. Depreciation expense was \$186,399 and \$70,540 in the years ended September 30, 2023 and 2022, respectively. Leasehold improvements are amortized on a straight-line basis over the term of the leases. Software is amortized on a straight-line basis over the estimated useful lives of the assets. Amortization expense was \$265,635 and \$474,090 in the years ended September 30, 2023 and 2022, respectively. Depreciation and amortization expenses are reported in administrative expenses in the accompanying consolidated statements of activities.

**(k) Leases**

Leases result in the recognition of right-of-use (ROU) asset and lease liability on the consolidated statements of financial position. ROU assets represent the right to use an underlying asset for the lease term and are recognized in an amount equal to the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. Lease liabilities represent the present value of the future lease payments over the expected lease term. The present value of the lease liability is determined using the risk-free discount rate at lease inception for operating leases. Operating lease expense is recognized on a straight-line basis over the lease term.

The Trust determines whether to account for its leases as operating or financing leases depending on the underlying terms of the lease agreement. The Trust elected the practical expedient to utilize the risk-free rate for all operating leases. Lease terms may include options to extend or terminate certain leases. The value of a lease is reflected in the valuation if it is reasonably certain management will exercise an option to extend or terminate a lease.



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**(l) Use of Estimates**

In order to prepare these consolidated financial statements in conformity with U.S. generally accepted accounting principles, management of the Trust has made a number of estimates and assumptions related to the reporting of assets, including investments in hedge funds, absolute return funds, term and perpetual trusts, liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reporting of revenue, expenses, gains, and losses during the reporting period. Actual results could differ from the amounts reflected in the consolidated financial statements and the differences could be material.

**(m) Recently Adopted Accounting Standards**

On October 1, 2022, the Trust adopted ASU No. 2016-02, *Leases (Topic 842), as amended*. This guidance establishes the principles that lessees and lessors shall apply to report useful information to users of the financial statements about the amount, timing, and uncertainty of cash flows arising from a lease for more transparency and comparability among organizations. The core principle of the new guidance is that a lessee should recognize the assets and liabilities that arise from leases. The adoption of this ASU resulted in initial recognition of an ROU asset and lease liability of \$5,768,120. The required disclosures are also presented in note 9.

**(n) Recently Issued Accounting Standards**

In June 2022, the FASB issued ASU No. 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*. This clarifies guidance when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security and introduce new disclosure requirements related to contractual sale restrictions. This guidance becomes effective for the Trust in fiscal year 2026, with early adoption permitted. The Trust is evaluating the effect that ASU No. 2023-03 will have on its consolidated financial statements and related disclosures.

In March 2023, the FASB issued ASU No. 2023-01, *Leases (Topic 842): Common Control Arrangements*. The ASU offers not-for-profit entities that are not conduit bond obligors, a practical expedient that gives them the option of using the written terms and conditions of a common-control arrangement when determining whether a lease exists and the subsequent accounting for the lease, including the lease's classification. The ASU also amends the accounting for leasehold improvements in common-control arrangements for all entities. This guidance becomes effective for the Trust in fiscal year 2025, with early adoption permitted. The Trust is evaluating the effect that ASU No. 2023-01 will have on its consolidated financial statements and related disclosures.

**(o) Risk Management**

In the normal course of business, the Trust encounters economic risk, including credit risk, and market risk. Credit risk is the risk of default on the Trust's loans to nonprofit organizations resulting from the loan recipient's inability or unwillingness to make contractually required payments. Market risk reflects the Trust's exposure to factors that affect performance of the broad financial markets, resulting in changes in the valuation of investments held by the Trust.

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**(3) Income Taxes**

The Trust and its affiliates received tax determination letters from the Internal Revenue Service indicating that they are tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code and, except for taxes pertaining to unrelated business income, are exempt from federal and state income taxes. Income taxes recorded in the accompanying consolidated financial statements for unrelated business income amounted to \$73,112 and \$2,386,499 in the years ended September 30, 2023 and 2022, respectively. Income tax receivable amounted to \$1,479,988 and \$3,300,000 as of September 30, 2023 and 2022, respectively.

The Trust accounts for uncertain tax positions in accordance with FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes (included in FASB ASC Subtopic 740-10, Income Taxes – Overall)*. There is no impact on the consolidated financial statements as a result of this pronouncement as the Trust has no significant uncertain tax positions.

**(4) Liquidity and Available Resources**

As of September 30, 2023 and 2022, financial assets available within one year of the consolidated statement of financial position are as follows:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 34,826,864	27,230,678
Investments	3,763,768,895	3,476,270,284
Contributions receivable, net	4,310,448	3,086,324
Notes receivable	2,271,000	3,444,052
Distributions from beneficial interest in charitable term trusts	27,811,691	30,528,663
Distributions from beneficial interest in charitable perpetual trusts	1,997,067	1,731,466
	<u>\$ 3,834,985,965</u>	<u>3,542,291,467</u>

Investments are shown net of those categorized as Level 3 and recorded at net asset value in the fair value hierarchy totaling \$427,290,117 and \$440,034,123 as of September 30, 2023 and 2022, respectively.

As of September 30, 2023 and 2022, the Trust and its affiliates' general expenditures, liabilities, and other obligations that come due within one year are estimated to be \$22,692,521 and \$24,347,728, respectively. As part of the Trust's liquidity management, it has a policy to structure its financial assets to be available to pay these obligations.

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**(5) Investments**

The fair value of investments held as of September 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Short-term investment funds	\$ 647,129,529	754,191,679
Fixed income – domestic	756,277,005	788,865,620
Fixed income – international	35,400,654	37,478,306
Domestic equities	1,641,840,013	1,321,963,376
International equities	736,558,498	597,283,772
Hedge funds	325,381,075	323,305,906
Real estate	900,000	1,205,185
Other	47,572,238	92,010,563
	<u>\$ 4,191,059,012</u>	<u>3,916,304,407</u>

Return on investments for the years ended September 30, 2023 and 2022 consists of the following (does not include beneficial interest in charitable term trusts):

	<u>2023</u>	<u>2022</u>
Investment return:		
Investment income	\$ 99,812,479	123,277,030
Net realized gain on sale of investments	52,286,428	119,563,126
Unrealized gain (loss) on investments	332,818,076	(789,318,594)
Total return on investments	484,916,983	(546,478,438)
Investment payout	(127,647,371)	(150,900,365)
Net return on investments after investment payout	<u>\$ 357,269,612</u>	<u>(697,378,803)</u>

Fair value is defined as the price that the Trust would receive upon selling an asset in an orderly transaction between market participants.

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The Trust has adopted the fair value hierarchy as presented by ASC Subtopic 820-10, *Fair Value Management – Overall*. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 – Quoted prices in active markets for identical investments. Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments in Level 1 include listed equities held in the name of the Trust and exclude listed equities and other securities held indirectly through commingled funds.
- Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.). Pricing inputs, including broker quotes, are generally those other than exchange quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.
- Level 3 – Significant unobservable inputs (including the Trust’s own assumptions in determining the fair value of investments). Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement in its entirety.

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The following table summarizes the Trust's investments and other assets by major category in the fair value hierarchy as of September 30, 2023, as well as the related strategy and liquidity.

	2023			Total	Redemption or liquidation	Days' notice
	Level 1	Level 2	Level 3			
Cash and cash equivalents	\$ 34,826,864	—	—	34,826,864	Daily	One
Short-term investment funds	647,129,529	—	—	647,129,529	Daily	One
Fixed income – domestic:						
U.S. Treasuries and agency fixed income (includes funds)	119,672,864	—	—	119,672,864	Daily	One
U.S. corporate and municipal fixed income	—	165,986,791	—	165,986,791	Daily/None	One/Not applicable
U.S. corporate fixed income funds	465,783,001	4,834,349	—	470,617,350	Daily	One
Total	585,455,865	170,821,140	—	756,277,005		
Fixed income – international:						
International bonds	—	23,046,718	—	23,046,718	Daily	One
International fixed income funds	12,353,936	—	—	12,353,936	Daily	One
Total	12,353,936	23,046,718	—	35,400,654		
Equities – domestic and international:						
Domestic equities and funds	1,555,559,635	41,315,187	—	1,596,874,822	Daily	One
International equities and funds	659,665,862	33,238,395	—	692,904,257	Daily to Monthly	One to Ten
Total	2,215,225,497	74,553,582	—	2,289,779,079		
Hedge funds and alternative investments:						
Hedge funds	32,903,369	—	4,153,234	37,056,603	Daily/None	One/Not applicable
Real estate property	—	—	900,000	900,000	Illiquid	N/A
Commodity funds	2,279,259	—	—	2,279,259	Daily	One
Private investments	—	—	27,346,655	27,346,655	Illiquid	N/A
Total	35,182,628	—	32,399,889	67,582,517		
Investments measured at NAV	—	—	—	394,890,228		
Total – all investments	3,495,347,455	268,421,440	32,399,889	4,191,059,012		
Other assets:						
Beneficial interest in charitable term trusts	—	—	242,613,208	242,613,208	Illiquid	N/A
Beneficial interest in charitable perpetual trusts	—	—	49,709,815	49,709,815	Illiquid	N/A
Total – other assets	—	—	292,323,023	292,323,023		
Total – all assets	\$ 3,530,174,319	268,421,440	324,722,912	4,518,208,899		

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The Trust has a position in one fund that calculates net asset value whose terms did not allow for redemptions as of September 30, 2023, but subsequent to the date of these financial statements, disclosed updated distribution timetables. These investments were valued at a combined value of \$4,153,234 as of September 30, 2023 and the Trust has since received \$183,505 in distributions from the funds.

The following table summarizes the Trust's investments and other assets by major category in the fair value hierarchy as of September 30, 2022, as well as the related strategy and liquidity.

	2022				Redemption or liquidation	Days' notice
	Level 1	Level 2	Level 3	Total		
Cash and cash equivalents	\$ 27,230,678	—	—	27,230,678	Daily	One
Short-term investment funds	754,191,679	—	—	754,191,679	Daily	One
Fixed income – domestic:						
U.S. Treasuries and agency fixed income (includes funds)	147,206,653	—	—	147,206,653	Daily	One
U.S. corporate and municipal fixed income	—	146,509,739	—	146,509,739	Daily/None	One/Not applicable
U.S. corporate fixed income funds	495,149,228	—	—	495,149,228	Daily	One
Total	642,355,881	146,509,739	—	788,865,620		
Fixed income – international:						
International bonds	—	25,341,115	—	25,341,115	Daily	One
International fixed income funds	12,137,191	—	—	12,137,191	Daily	One
Total	12,137,191	25,341,115	—	37,478,306		
Equities – domestic and international:						
Domestic equities and funds	1,266,885,614	39,429,318	—	1,306,314,932	Daily	One
International equities and funds	527,870,691	25,144,941	—	553,015,632	Daily to Monthly	One to Ten
Total	1,794,756,305	64,574,259	—	1,859,330,564		
Hedge funds and alternative investments:						
Hedge funds	33,733,946	—	4,186,285	37,920,231	Daily/None	One/Not applicable
Real estate property	—	—	1,205,185	1,205,185	Illiquid	NA
Commodity funds	2,670,169	—	—	2,670,169	Daily	One
Private investments	—	—	25,573,397	25,573,397	Illiquid	NA
Total	36,404,115	—	30,964,867	67,368,982		
Investments measured at NAV	—	—	—	409,069,256		
Total – all investments	3,239,845,171	236,425,113	30,964,867	3,916,304,407		
Other assets:						
Beneficial interest in charitable term trusts	—	—	264,768,945	264,768,945	Illiquid	NA
Beneficial interest in charitable perpetual trusts	—	—	45,706,166	45,706,166	Illiquid	NA
Total – other assets	—	—	310,475,111	310,475,111		
Total – all assets	\$ 3,267,075,849	236,425,113	341,439,978	4,254,010,196		

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The following table presents the Trust's activity for the fiscal year ended September 30, 2023 for investments and other assets measured at fair value using unobservable inputs classified in Level 3:

	<u>Investments</u>	<u>Beneficial interest in charitable trusts</u>	<u>Total</u>
Balance at September 30, 2022	\$ 30,964,867	310,475,111	341,439,978
Investments gains and losses, net	1,468,074	—	1,468,074
Net purchases (sales)	(33,052)	—	(33,052)
Gain on beneficial interest in charitable trusts	—	12,867,423	12,867,423
Distributions from charitable trusts	—	(31,019,511)	(31,019,511)
Balance at September 30, 2023	<u>\$ 32,399,889</u>	<u>292,323,023</u>	<u>324,722,912</u>

The following table presents the Trust's activity for the fiscal year ended September 30, 2022 for investments and other assets measured at fair value using unobservable inputs classified in Level 3:

	<u>Investments</u>	<u>Beneficial interest in charitable trusts</u>	<u>Total</u>
Balance at September 30, 2021	\$ 30,467,074	389,627,794	420,094,868
Investments gains and losses, net	(1,743,692)	—	(1,743,692)
Net purchases (sales)	2,241,485	—	2,241,485
Loss on beneficial interest in charitable trusts	—	(44,309,785)	(44,309,785)
Distributions from charitable trusts	—	(34,842,898)	(34,842,898)
Balance at September 30, 2022	<u>\$ 30,964,867</u>	<u>310,475,111</u>	<u>341,439,978</u>

Investments in the hedge fund asset class include two alternative investment strategies: long-short equity and absolute return. Long-short equity hedge funds buy stocks that are expected to appreciate and sell short stocks that are expected to decline; they also have the ability to adjust their market exposures over time. These strategies may also have flexibility to adjust their investment strategy by style, market capitalization, and geography, and are not constrained by sector and market cap biases of a market index. Absolute return hedge funds invest across the capital structure of businesses. Investment returns are generated through mispricing of assets or events that will result in the convergence of valuations, rather than by market direction. Examples of absolute return hedge fund strategies include merger arbitrage, distressed debt/credit, convertible arbitrage, and equity restructuring. Hedge fund investments valued at NAV have monthly to annual redemption terms, with varying notice periods. Lock-up provisions are also

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present for certain hedge fund investments. Liquidity provisions of private equity investments are set by the terms of the limited partnership, and generally have fund lives of ten years or more.

Private equity and venture capital investments are generally made through limited partnerships. Under the terms of these agreements, the Trust is obligated to remit additional funding periodically as capital or liquidity calls are exercised by the manager. The Trust has made contractual commitments totaling \$21,103,577 with private equity investment funds. As of September 30, 2023, the Trust's unfunded capital commitments related to these funds total \$2,101,964. These partnerships have a limited existence and, under such agreements, may provide for annual extensions for the purpose of disposing portfolio positions and returning capital to investors. However, depending on market conditions, the inability to execute the fund's strategy, and other factors, a manager may extend the terms of a fund beyond its originally anticipated existence or may wind the fund down prematurely. The Trust cannot anticipate such changes because they are based on unforeseen events, but should they occur, they might result in less liquidity or return from the investment than originally anticipated. As a result, the timing and amount of future capital or liquidity calls in any particular future year are uncertain.

**(6) Funds Functioning as Endowments**

Changes in the fair value of the funds functioning as endowments (quasi-endowments) for the fiscal years ended September 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Quasi-endowment net assets, beginning of year	\$ 1,266,067,360	1,601,025,019
Contributions	10,013,451	37,652,457
Interest and dividends	26,510,314	23,770,773
Net realized/unrealized gain (loss)	144,869,835	(305,214,608)
Amounts appropriated for expenditure	(57,643,381)	(81,789,127)
Reclassifications and transfers	<u>(2,147,066)</u>	<u>(9,377,154)</u>
Change in quasi-endowment net assets	<u>121,603,153</u>	<u>(334,957,659)</u>
Quasi-endowment net assets, end of year	<u>\$ 1,387,670,513</u>	<u>1,266,067,360</u>



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**(7) Contributions Receivable, net**

As of September 30, 2023, outstanding pledges are expected to be collected as follows:

Year ending September 30:	
2024	\$ 4,987,000
2025	1,480,000
2026	605,000
2027 and beyond	<u>781,624</u>
	7,853,624
Less discount	(2,351,276)
Less allowance for uncollectable accounts	<u>(200,000)</u>
	<u>\$ 5,302,348</u>

**(8) Grants Payable**

Grants were approved by the governing bodies of the following organizations as of September 30, 2023 and 2022; however, the grants were not due for payment until after that date:

	<b>2023</b>	<b>2022</b>
The Chicago Community Trust	\$ 15,727,167	16,570,834
The Chicago Community Foundation	9,725,950	7,398,851
The Community Foundation of Will County	<u>—</u>	<u>130,899</u>
	<u>\$ 25,453,117</u>	<u>24,100,584</u>

These approved grants as of September 30, 2023 are expected to be paid as follows:

Year ending September 30:	
2024	\$ 17,768,117
2025	6,005,000
2026	680,000
2027 and beyond	<u>1,000,000</u>
	<u>\$ 25,453,117</u>

**(9) Leases**

The Trust lease agreement for the space located at 225 North Michigan Avenue in Chicago, Illinois was terminated effective May 2022 resulting in a penalty payment of \$1,388,674.

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The Trust entered into a new lease agreement, under an operating lease, which expires in 2037, for a space located at 33 S. State Street, Chicago, Illinois. The minimum lease payments have been abated for the following lease months: the first lease month of lease years 5–10 and the first and second lease months of lease years 11–15 and will not be payable by the Trust unless the Trust defaults by failing to make timely lease payments. The amount abated is \$2,195,298. The lease agreement does not include any residual value guarantees or restrictive covenants.

As of September 30, 2023, the operating right-of-use asset and corresponding operating lease liability associated with future lease payments on the consolidated statements of financial position was \$5,582,187. The Trust did not recognize any finance leases. Other lease information is summarized below at initial adoption.

Cash paid for amounts included in the measurement of lease liability:

Operating cash flows from operating lease	\$	565,575
ROU asset obtained in exchange for operating lease liability		5,768,120
Weighted average remaining lease term		14 Years
Weighted average discount rate		4.92 %

The components of lease expense which is reported in the administrative expenses in the accompanying consolidated statement of activities for fiscal year 2023 are as follows:

Operating lease cost	\$	563,672
Variable lease cost		<u>627,920</u>
Total lease expense	\$	<u><u>1,191,592</u></u>

The maturities of operating lease liability as of September 30, 2023 were as follows:

Year ending September 30:		
2024	\$	563,672
2025		563,672
2026		563,672
2027		563,672
2028		563,672
Thereafter		<u>4,885,153</u>
Total lease payments		7,703,513
Less present value discount		<u>2,121,326</u>
Total future lease payments	\$	<u><u>5,582,187</u></u>

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**(10) Program-Related Expenses**

Program-related expenses include costs associated with staff and other related expenses incurred by Operating Funder Collaborative Accounts and affiliated organizations of the Trust.

**(11) Expenses by Functional Expense Classification**

The Trust's mission is to promote, guide, and manage philanthropy for the benefit of the residents of the greater Chicago area. The Trust's grant making is a significant undertaking toward accomplishing its mission. Administrative expenses included under program are incurred in support of direct program activities. The Trust reports expenses by both natural and functional classification. Expenses associated with a program are charged directly to that program. Indirect expenses are further allocated among function based on employee's time and effort.

The Trust's expenses by functional classification for the year ended September 30, 2023 are as follows:

	<b>2023</b>			
	<u>Program</u>	<u>Management and general</u>	<u>Fundraising</u>	<u>Total</u>
Grants	\$ 1,569,737,729	—	—	1,569,737,729
Program-related expenses	10,929,328	—	—	10,929,328
Investment management and custodian fees	—	9,281,024	—	9,281,024
Other expenses	—	53,998	—	53,998
Administrative expenses:				
Salaries and benefits	5,469,200	6,703,068	2,266,911	14,439,179
Professional fees	1,562,152	2,093,966	395,818	4,051,936
Meetings and travel	129,067	196,954	78,524	404,545
Occupancy, utilities, and insurance	564,814	670,628	230,045	1,465,487
Depreciation and amortization	162,733	216,975	72,326	452,034
Printing and publications	76,973	76,973	76,973	230,919
Other administrative expenses	374,751	1,647,871	583,481	2,606,103
Total administrative expenses	8,339,690	11,606,435	3,704,078	23,650,203
Percentage of administrative expenses	<u>35.3 %</u>	<u>49.0 %</u>	<u>15.7 %</u>	<u>100.0 %</u>
Total expenses	\$ <u>1,589,006,747</u>	<u>20,941,457</u>	<u>3,704,078</u>	<u>1,613,652,282</u>
Percentage of total expenses	98.5 %	1.3 %	0.2 %	100.0 %

**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

The Trust's expenses by functional classification for the year ended September 30, 2022 are as follows:

	<b>2022</b>			
	<u>Program</u>	<u>Management and general</u>	<u>Fundraising</u>	<u>Total</u>
Grants	\$ 1,464,143,519	—	—	1,464,143,519
Program-related expenses	15,591,616	—	—	15,591,616
Investment management and custodian fees	—	9,870,209	—	9,870,209
Other expenses	—	114,613	—	114,613
Administrative expenses:				
Salaries and benefits	4,519,833	6,115,714	2,266,313	12,901,860
Professional fees	1,072,830	2,908,670	510,838	4,492,338
Meetings and travel	74,031	119,286	51,033	244,350
Occupancy, utilities, and insurance	279,922	282,315	114,618	676,855
Depreciation and amortization	179,728	266,869	98,033	544,630
Printing and publications	47,348	45,406	46,862	139,616
Other administrative expenses	568,831	1,095,772	650,775	2,315,378
Total administrative expenses	6,742,523	10,834,032	3,738,472	21,315,027
Percentage of administrative expenses	<u>31.6 %</u>	<u>50.8 %</u>	<u>17.6 %</u>	<u>100.0 %</u>
Total expenses	<u>\$ 1,486,477,658</u>	<u>20,818,854</u>	<u>3,738,472</u>	<u>1,511,034,984</u>
Percentage of total expenses	98.4 %	1.4 %	0.2 %	100.0 %

For the years ended September 30, 2023 and 2022, nonoperating investment management and custodian fees of \$273,839 and \$296,920, respectively, are reported in the consolidated statements of activities and are included in the above analysis.

**(12) Retirement Plans**

The Trust has a 401(k) plan. Employees at least 21 years of age are eligible to participate, and elective employee contributions can be made on the first quarter after their hire date. On the first quarter after one year of service, the Trust provides an employer matching contribution to the 401(k) plan equal to 100% of the employee's elective contribution up to 4% of eligible compensation. Employees are fully and immediately vested in employer matching contributions.

**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
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Notes to Consolidated Financial Statements

September 30, 2023 and 2022

In addition, the Trust provides an employer base contribution on the first quarter after one year of service to employees who work at least 1,000 hours. Employees are 100% vested in employer base contributions after three years of vesting service. The Trust has the sole discretionary right to determine the amount of the employer base contribution for a plan year.

Total retirement benefit costs for the years ended September 30, 2023 and 2022 were \$786,245 and \$657,822, respectively, which is included in administrative expenses in the accompanying consolidated statements of activities.

**(13) Transactions with Affiliates**

During the years ended September 30, 2023 and 2022, the Trust approved grant awards totaling \$7,578,705 and \$35,469,789, respectively, to the Foundation.

During the year ended September 30, 2022, the Trust approved grant awards totaling \$100,000 to The Community Foundation of Will County.

During the year ended September 30, 2022, the Trust approved grant awards totaling \$102,500 to Metropolis Strategies.

During the years ended September 30, 2023 and 2022, the Foundation approved grant awards totaling \$2,851,158 and \$4,486,553, respectively, to the Trust.

During the year ended September 30, 2023, the Foundation approved grant awards totaling \$255,000 to Metropolis Strategies.

During the year ended September 30, 2022, The PERT Foundation approved grant awards totaling \$2,125,000 to the Foundation.

During the year ended September 30, 2022, The PERT Foundation approved grant awards totaling \$450,000 to the Trust.

During the years ended September 30, 2023 and 2022, the Butler Trust approved grants totaling \$2,191,174 and \$2,201,672, respectively, to the Trust.

During the year ended September 30, 2022, The Lavin Family Supporting Foundation approved grants totaling \$18,224,255 to the Foundation.

Each of these affiliate transactions have been eliminated in consolidation.

**(14) Subsequent Events**

In connection with the preparation of the consolidated financial statements and in accordance with FASB ASC Topic 855, *Subsequent Events*, the Trust's management evaluated subsequent events after the consolidated statement of financial position date of September 30, 2023 through April 5, 2024, the date the consolidated financial statements were available to be issued, and determined there are no additional items to disclose, except as noted above.

**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)  
Consolidating Statement of Financial Position  
September 30, 2023

<b>Assets</b>	<b>The Chicago Community Trust</b>	<b>The Chicago Community Foundation</b>	<b>The Burrige D. Butler Memorial Trust of Chicago, Illinois</b>	<b>The PERT Foundation</b>	<b>Metropolis Strategies</b>	<b>Total</b>	<b>Eliminations</b>	<b>Consolidated</b>
Cash and cash equivalents	\$ 29,384,509	2,288,499	1,899,982	9,069	1,244,805	34,826,864	—	34,826,864
Investments:								
Short-term investment funds	125,073,309	522,032,429	—	23,791	—	647,129,529	—	647,129,529
Fixed income – domestic	226,742,377	517,772,865	11,671,845	89,918	—	756,277,005	—	756,277,005
Fixed income – international	18,351,125	16,396,416	653,113	—	—	35,400,654	—	35,400,654
Domestic equities	492,427,907	1,112,309,525	10,115,664	159,262	—	1,615,012,358	—	1,615,012,358
International equities	199,926,968	530,805,911	5,678,698	146,921	—	736,558,498	—	736,558,498
Hedge funds	81,057,231	232,862,944	11,460,900	—	—	325,381,075	—	325,381,075
Real estate	900,000	—	—	—	—	900,000	—	900,000
Other	1,762,387	72,637,506	—	—	—	74,399,893	—	74,399,893
Total investments	1,146,241,304	3,004,817,596	39,580,220	419,892	—	4,191,059,012	—	4,191,059,012
Contributions receivable	—	9,945,724	—	—	585,000	10,530,724	(5,228,376)	5,302,348
Notes receivable	—	3,669,250	—	—	—	3,669,250	—	3,669,250
Other assets	2,883,216	1,690,150	—	—	47,600	4,620,966	(1,126,385)	3,494,581
Software, office equipment, and leasehold improvements, net	2,278,302	—	—	—	—	2,278,302	—	2,278,302
Right-of-use asset	5,582,187	—	—	—	—	5,582,187	—	5,582,187
Beneficial interest in charitable term trusts	242,613,208	—	—	—	—	242,613,208	—	242,613,208
Beneficial interest in charitable perpetual trusts	49,709,815	—	—	—	—	49,709,815	—	49,709,815
Total assets	\$ 1,478,692,541	3,022,411,219	41,480,202	428,961	1,877,405	4,544,890,328	(6,354,761)	4,538,535,567
<b>Liabilities and Net Assets</b>								
Liabilities:								
Accounts payable and accrued expenses	\$ 4,189,202	—	135,857	20,526	176,781	4,522,366	(1,126,385)	3,395,981
Grants payable	20,955,543	9,725,950	—	—	—	30,681,493	(5,228,376)	25,453,117
Annuity payable	280,387	—	—	—	—	280,387	—	280,387
Funds held for others	—	8,671,392	—	—	—	8,671,392	—	8,671,392
Lease liability	5,582,187	—	—	—	—	5,582,187	—	5,582,187
Total liabilities	31,007,319	18,397,342	135,857	20,526	176,781	49,737,825	(6,354,761)	43,383,064
Net assets:								
Without donor restrictions	1,155,362,199	2,994,068,153	—	408,435	1,115,624	4,150,954,411	5,623,539	4,156,577,950
With donor restrictions	292,323,023	9,945,724	41,344,345	—	585,000	344,198,092	(5,623,539)	338,574,553
Total net assets	1,447,685,222	3,004,013,877	41,344,345	408,435	1,700,624	4,495,152,503	—	4,495,152,503
Total liabilities and net assets	\$ 1,478,692,541	3,022,411,219	41,480,202	428,961	1,877,405	4,544,890,328	(6,354,761)	4,538,535,567

See accompanying notes to consolidated financial statements.

**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)

Consolidating Statement of Financial Position

September 30, 2022

Assets	The Chicago Community Trust	The Chicago Community Foundation	The Burridge D. Butler Memorial Trust of Chicago, Illinois	The PERT Foundation	The Community Foundation of Will County	Metropolis Strategies	Total	Eliminations	Consolidated
Cash and cash equivalents	\$ 11,356,850	12,983,799	1,336,351	9,069	388,623	1,155,986	27,230,678	—	27,230,678
Investments:									
Short-term investment funds	116,015,435	637,823,592	—	5,759	346,893	—	754,191,679	—	754,191,679
Fixed income – domestic	224,776,309	549,582,204	10,977,781	83,874	3,445,452	—	788,865,620	—	788,865,620
Fixed income – international	19,761,326	17,111,811	605,169	—	—	—	37,478,306	—	37,478,306
Domestic equities	474,346,145	834,974,639	9,723,103	87,150	2,832,339	—	1,321,963,376	—	1,321,963,376
International equities	144,461,348	451,363,684	195,264	192,240	1,071,236	—	597,283,772	—	597,283,772
Hedge funds	79,459,814	226,824,145	17,021,947	—	—	—	323,305,906	—	323,305,906
Real estate	900,000	305,185	—	—	—	—	1,205,185	—	1,205,185
Other	1,853,403	90,157,160	—	—	—	—	92,010,563	—	92,010,563
Total investments	1,061,573,780	2,808,142,420	38,523,264	369,023	7,695,920	—	3,916,304,407	—	3,916,304,407
Contributions receivable	—	9,412,964	—	—	—	50,000	9,462,964	(5,796,970)	3,665,994
Notes receivable	—	3,996,205	—	—	—	—	3,996,205	—	3,996,205
Other assets	15,203,241	760,000	—	—	—	—	15,963,241	(10,209,086)	5,754,155
Software, office equipment, and leasehold improvements, net	1,645,481	—	—	—	—	—	1,645,481	—	1,645,481
Beneficial interest in charitable term trusts	264,768,945	—	—	—	—	—	264,768,945	—	264,768,945
Beneficial interest in charitable perpetual trusts	45,706,166	—	—	—	—	—	45,706,166	—	45,706,166
Total assets	\$ 1,400,254,463	2,835,295,388	39,859,615	378,092	8,084,543	1,205,986	4,285,078,087	(16,006,056)	4,269,072,031
<b>Liabilities and Net Assets</b>									
Liabilities:									
Accounts payable and accrued expenses	\$ 3,939,862	9,584,758	128,283	13,568	48,054	300,499	14,015,024	(9,658,668)	4,356,356
Grants payable	22,367,804	7,398,851	550,418	—	130,899	—	30,447,972	(6,347,388)	24,100,584
Annuity payable	354,326	—	—	—	—	—	354,326	—	354,326
Funds held for others	—	8,006,533	—	—	294,954	—	8,301,487	—	8,301,487
Total liabilities	26,661,992	24,990,142	678,701	13,568	473,907	300,499	53,118,809	(16,006,056)	37,112,753
Net assets:									
Without donor restrictions	1,062,785,867	2,800,892,282	—	364,524	7,610,636	855,487	3,872,508,796	6,742,552	3,879,251,348
With donor restrictions	310,806,604	9,412,964	39,180,914	—	—	50,000	359,450,482	(6,742,552)	352,707,930
Total net assets	1,373,592,471	2,810,305,246	39,180,914	364,524	7,610,636	905,487	4,231,959,278	—	4,231,959,278
Total liabilities and net assets	\$ 1,400,254,463	2,835,295,388	39,859,615	378,092	8,084,543	1,205,986	4,285,078,087	(16,006,056)	4,269,072,031

See accompanying notes to consolidated financial statements.

**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)

Consolidating Statement of Activities – Without Donor Restrictions

Year ended September 30, 2023

	The Chicago Community Trust	The Chicago Community Foundation	The Burrige D. Butler Memorial Trust of Chicago, Illinois	The PERT Foundation	Metropolis Strategies	The Community Foundation of Will County	Total	Eliminations	Consolidated
Operating activities:									
Support, revenue, and transfers:									
Investment payout	\$ 50,998,737	75,182,951	—	12,701	30,618	—	126,225,007	—	126,225,007
Contributions of cash and other financial assets	24,648,673	—	—	—	1,704,306	—	26,352,979	(5,100,672)	21,252,307
Contributions of nonfinancial assets	5,428	—	—	—	—	—	5,428	—	5,428
Transfer from nonoperating activities	3,591,336	1,534,879,936	—	—	—	—	1,538,471,272	—	1,538,471,272
Other income	15,631,296	288,601	—	17	—	—	15,919,914	(15,033,551)	886,363
Net assets released from restrictions	31,351,004	—	2,380,279	—	50,000	—	33,781,283	(550,418)	33,230,865
	<u>126,226,474</u>	<u>1,610,351,488</u>	<u>2,380,279</u>	<u>12,718</u>	<u>1,784,924</u>	<u>—</u>	<u>1,740,755,883</u>	<u>(20,684,641)</u>	<u>1,720,071,242</u>
Total operating support, revenue, and transfers									
Expenses:									
Grants, net of refunds	82,606,384	1,497,816,208	2,191,174	—	—	—	1,582,613,766	(12,876,037)	1,569,737,729
Program-related expenses	11,458,437	5,319,890	—	—	249,000	—	17,027,327	(6,097,999)	10,929,328
Investment management and custodian fees	3,304,302	5,425,437	—	2,349	—	—	8,732,088	—	8,732,088
Administrative expenses	21,901,629	9,212,276	189,105	6,958	1,275,787	—	32,585,755	(8,935,552)	23,650,203
Other expenses	53,998	—	—	—	—	—	53,998	—	53,998
	<u>119,324,750</u>	<u>1,517,773,811</u>	<u>2,380,279</u>	<u>9,307</u>	<u>1,524,787</u>	<u>—</u>	<u>1,641,012,934</u>	<u>(27,909,588)</u>	<u>1,613,103,346</u>
	<u>6,901,724</u>	<u>92,577,677</u>	<u>—</u>	<u>3,411</u>	<u>260,137</u>	<u>—</u>	<u>99,742,949</u>	<u>7,224,947</u>	<u>106,967,896</u>
Excess of operating support, revenue, and transfers over expenses									
Nonoperating activities:									
Contributions of cash and other financial assets	7,735,866	1,362,262,090	—	—	—	—	1,369,997,956	(7,843,960)	1,362,153,996
Net return on investments after investment payout	81,789,091	272,043,578	—	40,500	—	—	353,873,169	—	353,873,169
Investment management and custodian fees	(273,839)	—	—	—	—	—	(273,839)	—	(273,839)
Change in value of charitable gift annuity	28,029	—	—	—	—	—	28,029	—	28,029
Transfer to operating activities	(3,591,336)	(1,534,879,936)	—	—	—	—	(1,538,471,272)	—	(1,538,471,272)
Other gain (loss)	(13,203)	19,162	—	—	—	—	5,959	—	5,959
Deconsolidation of a supporting organization	—	—	—	—	—	(7,610,636)	(7,610,636)	—	(7,610,636)
Net assets released from restrictions	—	1,153,300	—	—	—	—	1,153,300	(500,000)	653,300
	<u>85,674,608</u>	<u>100,598,194</u>	<u>—</u>	<u>40,500</u>	<u>—</u>	<u>(7,610,636)</u>	<u>178,702,666</u>	<u>(8,343,960)</u>	<u>170,358,706</u>
	<u>92,576,332</u>	<u>193,175,871</u>	<u>—</u>	<u>43,911</u>	<u>260,137</u>	<u>(7,610,636)</u>	<u>278,445,615</u>	<u>(1,119,013)</u>	<u>277,326,602</u>
Increase (decrease) in net assets									
Net assets at beginning of year	1,062,785,867	2,800,892,282	—	364,524	855,487	7,610,636	3,872,508,796	6,742,552	3,879,251,348
Net assets at end of year	<u>\$ 1,155,362,199</u>	<u>2,994,068,153</u>	<u>—</u>	<u>408,435</u>	<u>1,115,624</u>	<u>—</u>	<u>4,150,954,411</u>	<u>5,623,539</u>	<u>4,156,577,950</u>

See accompanying notes to consolidated financial statements.



**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)

Consolidating Statement of Activities – Without Donor Restrictions

Year ended September 30, 2022

	The Chicago Community Trust	The Chicago Community Foundation	The Burrige D. Butler Memorial Trust of Chicago, Illinois	The Lavin Family Supporting Foundation	The PERT Foundation	The Lake County Community Foundation
Operating activities:						
Support, revenue, and transfers:						
Investment payout	\$ 97,237,892	52,319,485	—	11,513	34,810	—
Contributions of cash and other financial assets	14,124,907	—	—	—	—	—
Transfer from nonoperating activities	7,776,050	1,450,937,540	—	356,382	—	—
Other income	16,354,149	445,868	—	—	146	—
Net assets released from restrictions	34,842,898	—	2,382,805	—	—	—
Total operating support, revenue, and transfers	170,335,896	1,503,702,893	2,382,805	367,895	34,956	—
Expenses:						
Grants, net of refunds	93,723,204	1,408,204,046	2,201,672	18,224,255	4,090,000	—
Program-related expenses	15,330,408	4,435,822	—	—	—	—
Investment management and custodian fees	3,517,245	5,671,273	—	—	13,227	—
Administrative expenses	19,531,834	9,155,572	181,133	184,668	48,779	—
Other expenses	36,671	—	—	14	60	—
Total operating expenses	132,139,362	1,427,466,713	2,382,805	18,408,937	4,152,066	—
Excess (deficiency) of operating support, revenue, and transfers over expenses	38,196,534	76,236,180	—	(18,041,042)	(4,117,110)	—
Nonoperating activities:						
Contributions of cash and other financial assets	27,173,145	1,633,006,948	—	—	—	—
Contributions of nonfinancial assets	8,434	3,355	—	—	—	—
Net return on investments after investment payout	(243,984,508)	(443,695,956)	—	356,382	(194,540)	—
Investment management and custodian fees	(296,920)	—	—	—	—	—
Change in value of charitable gift annuity	(33,022)	—	—	—	—	—
Transfer to operating activities	(7,776,050)	(1,450,937,540)	—	(356,382)	—	—
Other gain (loss)	(13,211)	58,828	—	—	—	—
Deconsolidation of a supporting organization	—	—	—	—	—	(19,182,538)
Net assets released from restrictions	—	2,460,000	—	—	—	—
Net nonoperating activities	(224,922,132)	(259,104,365)	—	—	(194,540)	(19,182,538)
Increase (decrease) in net assets	(186,725,598)	(182,868,185)	—	(18,041,042)	(4,311,650)	(19,182,538)
Net assets at beginning of year	1,249,511,465	2,983,760,467	—	18,041,042	4,676,174	19,182,538
Net assets at end of year	\$ 1,062,785,867	2,800,892,282	—	—	364,524	—

See accompanying independent auditors' report.

(Continued)

**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)

Consolidating Statement of Activities – Without Donor Restrictions

Year ended September 30, 2022

	The Community Foundation of Will County	Metropolis Strategies	Total	Eliminations	Consolidated
Operating activities:					
Support, revenue, and transfers:					
Investment payout	\$ 199,321	3,915	149,806,936	—	149,806,936
Contributions of cash and other financial assets	158,960	809,115	15,092,982	(6,934,993)	8,157,989
Transfer from nonoperating activities	860,111	—	1,459,930,083	—	1,459,930,083
Other income	83,101	—	16,883,264	(13,799,537)	3,083,727
Net assets released from restrictions	—	1,190,000	38,415,703	—	38,415,703
Total operating support, revenue, and transfers	<u>1,301,493</u>	<u>2,003,030</u>	<u>1,680,128,968</u>	<u>(20,734,530)</u>	<u>1,659,394,438</u>
Expenses:					
Grants, net of refunds	860,111	—	1,527,303,288	(63,159,769)	1,464,143,519
Program-related expenses	—	442,784	20,209,014	(4,617,398)	15,591,616
Investment management and custodian fees	14,173	—	9,215,918	—	9,215,918
Administrative expenses	137,534	1,257,646	30,497,166	(9,182,139)	21,315,027
Other expenses	77,829	39	114,613	—	114,613
Total operating expenses	<u>1,089,647</u>	<u>1,700,469</u>	<u>1,587,339,999</u>	<u>(76,959,306)</u>	<u>1,510,380,693</u>
Excess (deficiency) of operating support, revenue, and transfers over expenses	<u>211,846</u>	<u>302,561</u>	<u>92,788,969</u>	<u>56,224,776</u>	<u>149,013,745</u>
Nonoperating activities:					
Contributions of cash and other financial assets	3,182,959	—	1,663,363,052	(55,674,358)	1,607,688,694
Contributions of nonfinancial assets	—	—	11,789	—	11,789
Net return on investments after investment payout	(1,597,594)	—	(689,116,216)	—	(689,116,216)
Investment management and custodian fees	—	—	(296,920)	—	(296,920)
Change in value of charitable gift annuity	—	—	(33,022)	—	(33,022)
Transfer to operating activities	(860,111)	—	(1,459,930,083)	—	(1,459,930,083)
Other gain (loss)	—	—	45,617	—	45,617
Deconsolidation of a supporting organization	—	—	(19,182,538)	—	(19,182,538)
Net assets released from restrictions	—	—	2,460,000	(1,690,000)	770,000
Net nonoperating activities	<u>725,254</u>	<u>—</u>	<u>(502,678,321)</u>	<u>(57,364,358)</u>	<u>(560,042,679)</u>
Increase (decrease) in net assets	<u>937,100</u>	<u>302,561</u>	<u>(409,889,352)</u>	<u>(1,139,582)</u>	<u>(411,028,934)</u>
Net assets at beginning of year	<u>6,673,536</u>	<u>552,926</u>	<u>4,282,398,148</u>	<u>7,882,134</u>	<u>4,290,280,282</u>
Net assets at end of year	<u>\$ 7,610,636</u>	<u>855,487</u>	<u>3,872,508,796</u>	<u>6,742,552</u>	<u>3,879,251,348</u>

See accompanying independent auditors' report.

**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)  
Consolidating Statement of Activities – With Donor Restrictions  
Year ended September 30, 2023

	The Chicago Community Trust	The Chicago Community Foundation	The Burrige D. Butler Memorial Trust of Chicago, Illinois	Metropolis Strategies	Total	Eliminations	Consolidated
Operating activities:							
Support and revenue:							
Investment payout	\$ —	—	1,422,364	—	1,422,364	—	1,422,364
Contributions of cash and other financial assets	—	—	—	585,000	585,000	68,595	653,595
Net assets released from restrictions	(31,351,004)	—	(2,380,279)	(50,000)	(33,781,283)	550,418	(33,230,865)
Total operating support and revenue	(31,351,004)	—	(957,915)	535,000	(31,773,919)	619,013	(31,154,906)
Expenses:							
Investment management and custodian fees	—	—	275,097	—	275,097	—	275,097
Total operating expenses	—	—	275,097	—	275,097	—	275,097
Excess (deficiency) of operating support and revenue over expenses	(31,351,004)	—	(1,233,012)	535,000	(32,049,016)	619,013	(31,430,003)
Nonoperating activities:							
Contributions of cash and other financial assets	—	1,686,060	—	—	1,686,060	—	1,686,060
Net return on investments after investment payout	—	—	3,396,443	—	3,396,443	—	3,396,443
Gain on beneficial interest in charitable perpetual trusts	4,003,649	—	—	—	4,003,649	—	4,003,649
Gain on beneficial interest in charitable term trusts	8,863,774	—	—	—	8,863,774	—	8,863,774
Net assets released from restrictions	—	(1,153,300)	—	—	(1,153,300)	500,000	(653,300)
Net nonoperating activities	12,867,423	532,760	3,396,443	—	16,796,626	500,000	17,296,626
Increase (decrease) in net assets	(18,483,581)	532,760	2,163,431	535,000	(15,252,390)	1,119,013	(14,133,377)
Net assets at beginning of year	310,806,604	9,412,964	39,180,914	50,000	359,450,482	(6,742,552)	352,707,930
Net assets at end of year	\$ 292,323,023	9,945,724	41,344,345	585,000	344,198,092	(5,623,539)	338,574,553

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**THE CHICAGO COMMUNITY TRUST**  
(Funds Held by the Trustees or Created for the  
Benefit of The Chicago Community Trust)  
Consolidating Statement of Activities – With Donor Restrictions  
Year ended September 30, 2022

	The Chicago Community Trust	The Chicago Community Foundation	The Burrige D. Butler Memorial Trust of Chicago, Illinois	Metropolis Strategies	Total	Eliminations	Consolidated
Operating activities:							
Support and revenue:							
Investment payout	\$ —	—	1,093,429	—	1,093,429	—	1,093,429
Contributions of cash and other financial assets	550,418	—	—	50,000	600,418	(550,418)	50,000
Net assets released from restrictions	<u>(34,842,898)</u>	—	<u>(2,382,805)</u>	<u>(1,190,000)</u>	<u>(38,415,703)</u>	—	<u>(38,415,703)</u>
Total operating support and revenue	<u>(34,292,480)</u>	—	<u>(1,289,376)</u>	<u>(1,140,000)</u>	<u>(36,721,856)</u>	<u>(550,418)</u>	<u>(37,272,274)</u>
Expenses:							
Investment management and custodian fees	—	—	357,371	—	357,371	—	357,371
Total operating expenses	—	—	<u>357,371</u>	—	<u>357,371</u>	—	<u>357,371</u>
Deficiency of operating support and revenue over expenses	<u>(34,292,480)</u>	—	<u>(1,646,747)</u>	<u>(1,140,000)</u>	<u>(37,079,227)</u>	<u>(550,418)</u>	<u>(37,629,645)</u>
Nonoperating activities:							
Contributions of cash and other financial assets	—	(15,564)	—	—	(15,564)	—	(15,564)
Net return on investments after investment payout	—	—	(8,262,587)	—	(8,262,587)	—	(8,262,587)
Loss on beneficial interest in charitable perpetual trusts	(11,469,922)	—	—	—	(11,469,922)	—	(11,469,922)
Loss on beneficial interest in charitable term trusts	(32,839,863)	—	—	—	(32,839,863)	—	(32,839,863)
Net assets released from restrictions	—	<u>(2,460,000)</u>	—	—	<u>(2,460,000)</u>	1,690,000	<u>(770,000)</u>
Net nonoperating activities	<u>(44,309,785)</u>	<u>(2,475,564)</u>	<u>(8,262,587)</u>	—	<u>(55,047,936)</u>	1,690,000	<u>(53,357,936)</u>
Decrease in net assets	<u>(78,602,265)</u>	<u>(2,475,564)</u>	<u>(9,909,334)</u>	<u>(1,140,000)</u>	<u>(92,127,163)</u>	1,139,582	<u>(90,987,581)</u>
Net assets at beginning of year	<u>389,408,869</u>	<u>11,888,528</u>	<u>49,090,248</u>	<u>1,190,000</u>	<u>451,577,645</u>	<u>(7,882,134)</u>	<u>443,695,511</u>
Net assets at end of year	<u>\$ 310,806,604</u>	<u>9,412,964</u>	<u>39,180,914</u>	<u>50,000</u>	<u>359,450,482</u>	<u>(6,742,552)</u>	<u>352,707,930</u>

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