

January 6, 2026

Lisa Cripps-Downey, President
Berrien Community Foundation
2900 South State Street, Suite 2 East
St. Joseph, MI 49085

RE: Victory Park Fund

Dear Lisa:

The City of Buchanan hereby wishes to establish a fund within the Berrien Community Foundation to be designated as the Victory Park Fund. This Fund will be identified by this name in all relevant literature, reports, promotional material, and other public documents.

This Fund is being established to act as a depository for gifts, conveyances, and other transfers intended to assist the City of Buchanan in the construction and renovation of Victory Park in Buchanan, Michigan.

The Victory Park Fund will be considered a Hybrid Fund and will be split under Codification FASB ASC 958-605-50-6 (formerly FAS 136). Agency funds (gifts originated from The City of Buchanan) and related earnings will be a liability of the Berrien Community Foundation and an asset of the City of Buchanan only on its financial statements due to the beneficial interest that the City of Buchanan has in the balance of the agency portion of the fund. However, agency funds and related earnings are considered assets of the Berrien Community Foundation for 990 tax return reporting purposes. Unrelated contributions (i.e., third party donations) and related earnings are assets of the Berrien Community Foundation for both financial statements and 990 tax return reporting purposes. The Berrien Community Foundation has legal control and ownership over both the agency and 3rd party portions of the Victory Park Fund. Because of the nonendowed nature of this Fund, the City of Buchanan can request the entire balance of the Fund (agency and third party) to be distributed back to the City of Buchanan at any time to support park renovations and improvements.

It is intended that in establishing this Nonendowed Fund that distributions of up to the entire balance of the Fund would be made available in order to permit the City of Buchanan to accomplish its goals and purposes as described herein. The purpose of this fund is to support all phases of construction of Victory Park in Buchanan, Michigan.

By IRS, auditor, and bank requirements, we understand and agree that gift checks for this fund are to be made payable to BCF/Victory Park Fund and sent directly to the Berrien Community Foundation. We also understand that a thank you/tax receipt is sent by BCF within two weeks of receipt and a list of gifts with contact information will be provided to us at the beginning of the month following receipt at BCF.

It is understood that any distribution made from this Fund can only be made with the approval and authorization of the Board of Directors of the Berrien Community Foundation. These distributions are also to be consistent with the exempt purposes and variance power of the Foundation as specified in its Articles of Incorporation and Bylaws and with IRS rules and regulations.

We understand and agree that the Fund will share a fair portion of the total administrative cost of the Berrien Community Foundation. The administrative costs charged against the Fund will at all times be reasonable, will be in accordance with the current fee schedule applicable to funds of this type, and will not exceed usual and reasonable rates.

In the event the City of Buchanan should cease to exist, or the park is not completed, and there are assets remaining in the Victory Park Fund, the Board of Directors of the Berrien Community Foundation is authorized to distribute up to the entire balance of the Fund for such charitable or public purposes as most nearly meet the mission and purposes of the fund as described herein.

Thank you for your assistance in this matter and the establishment of the Victory Park Fund.

Very truly yours,

Tony McGhee,
City Manager, City of Buchanan

Mark Weedon
Mayor, City of Buchanan

Accepted:
Berrien Community Foundation

By:

Sarah Jollay
Board Chair

Lisa Cripps-Downey
President

Date: _____