

UNITED WAY OF PORTAGE COUNTY, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

CHEREK, PUCCI & QUICK, S.C.

CERTIFIED PUBLIC ACCOUNTANTS

STEVENS POINT, WI

UNITED WAY OF PORTAGE COUNTY, INC.

DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

**Board of Directors
United Way of Portage County, Inc.
Stevens Point, Wisconsin**

Opinion

We have audited the accompanying financial statements of the United Way of Portage County, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Portage County, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 Financial Statements section of our report. We are required to be independent of United Way of Portage County, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Portage County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the 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 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 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 United Way of Portage County'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Portage County'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.

Report on Supplementary Information

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

Chuck, Aucci & Quirk, S.C.

Certified Public Accountants
Stevens Point, Wisconsin

May 16, 2024

UNITED WAY OF PORTAGE COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Assets:		
Cash in banks and on hand	\$ 2,002,550	2,186,783
Certificates of deposits	1,468,962	1,205,806
Cash in investment account	56,862	484,809
Certificates of deposits and short-term cash investments at cost in investment account	<u>688,928</u>	<u>252,080</u>
Total cash and cash equivalents	4,217,302	4,129,478
Investment securities available for sale - at market	530,360	433,942
Pledges receivable, less allowance for doubtful pledges of \$80,000 in 2023 and \$100,000 in 2022	1,683,998	1,794,112
Other receivables	152,718	342,796
Prepaid expense	22,730	19,800
Fixed Assets - at cost less accumulated depreciation of \$385,503 in 2023 and \$257,359 in 2022	<u>1,868,186</u>	<u>1,958,132</u>
Total assets	\$ <u>8,475,294</u>	<u>8,678,260</u>
Liabilities:		
Donor designations - payable	\$ 291,944	240,854
Other accounts payable	<u>48,783</u>	<u>122,557</u>
Total liabilities	\$ <u>340,727</u>	<u>363,411</u>
Net Assets:		
Net assets without donor restrictions:		
Unrestricted - Board designated	\$ 3,065,189	2,949,302
Unrestricted	<u>1,339,288</u>	<u>1,359,190</u>
Total net assets without restrictions	\$ 4,404,477	4,308,492
Net assets with donor restrictions:		
Temporarily restricted - program grants	\$ 138,179	103,012
Temporarily restricted - 2022 campaign	-	3,296,403
Temporarily restricted - 2023 campaign	2,875,003	6,000
Temporarily restricted - endowment fund	<u>716,908</u>	<u>600,942</u>
Total net assets with donor restrictions	\$ <u>3,730,090</u>	<u>4,006,357</u>
Total net assets	\$ <u>8,134,567</u>	<u>8,314,849</u>
Total liabilities and net assets	\$ <u>8,475,294</u>	<u>8,678,260</u>

See accompanying notes and independent auditor's report.

UNITED WAY OF PORTAGE COUNTY, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		2022	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Public support and revenue:				
Total amounts raised	-	3,223,639	-	3,296,749
Less: Allowance for uncollectible pledges & bad debts	-	(80,000)	-	(100,000)
Less: Amounts designated by donors for specific organizations	-	(289,016)	-	(236,007)
Total contributions	-	2,854,623	-	2,960,742
Capital campaign revenue	254	-	270,624	-
Additional campaign revenue	103,818	-	215,451	6,000
Volunteer Center revenue	-	16,432	-	25,318
Donated goods and services revenue	-	139,121	-	147,884
Investment income	52,721	9,396	18,476	8,094
Net unrealized gains on long-term investments	90,664	-	-	(116,502)
Grants	15,700	118,798	-	85,700
Bequest	-	51,067	-	27,804
Miscellaneous	235	-	1,140	-
Disaster Funds	-	-	100	-
Net assets released from restrictions	3,465,704	(3,465,704)	3,915,575	(3,915,575)
Total support and revenue	3,729,096	(276,267)	4,421,366	(770,535)
Allocations and other functional expenses:				
Funds allocated to agencies	2,320,587	-	2,182,092	-
Planned Giving Grant	33,216	-	28,200	-
Program services	398,942	-	409,876	-
General and administrative	352,848	-	344,245	-
Resource development	527,518	-	442,255	-
Total allocations and other functional expenses	3,633,111	-	3,406,668	-
Changes in net assets	95,985	(276,267)	1,014,698	(770,535)
Net assets - beginning of year	4,308,492	4,006,357	3,293,794	4,776,892
Net assets - end of year	\$ 4,404,477	\$ 3,730,090	\$ 4,308,492	\$ 4,006,357

See accompanying notes and independent auditor's report.

UNITED WAY OF PORTAGE COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	2-1-1 Information & Referral	Learn For Life	Community Impact	Mental Health Initiative	Early Years Collaborative	Volunteer Center	Total Programs	General & Administrative	Resource Develop- ment	Total
Payroll/Benefits	\$ 1,693	36,122	100,847	-	25,399	53,358	217,419	270,485	224,072	711,976
Professional fees	110	2,352	12,682	-	1,654	3,454	20,252	10,826	29,391	60,469
Contract labor	-	-	-	-	-	-	-	-	450	450
Supplies	6	2,413	415	-	83	243	3,160	4,097	3,704	10,961
Telephone and Internet Web Hosting	10	217	799	8,181	153	319	9,679	1,090	1,586	12,355
Postage and shipping	-	5	23	-	-	378	406	1,069	5,680	7,155
Occupancy	144	3,068	7,911	-	2,158	4,507	17,788	11,123	19,034	47,945
Equipment rental and maintenance	3	66	170	-	45	97	381	431	408	1,220
Auto expense	2	47	159	-	33	69	310	171	376	857
Printing and publications	150	931	1,586	137	198	1,614	4,616	1,467	18,563	24,646
Conferences, meetings, and training	-	566	2,815	-	7	39	3,427	(1,657)	7,034	8,804
Event expenses	-	227	1,110	-	-	5	1,342	-	2,465	3,807
Program goods and services purchased	-	709	19,415	-	-	13,352	33,476	-	-	33,476
Recognition/awards	3	574	190	-	52	108	927	282	8,284	9,493
Financial fees	-	-	-	-	-	7	7	1,846	3,107	4,960
Other expenses	5	725	1,111	-	64	2,403	4,308	4,301	14,983	23,592
Insurance	20	419	1,080	-	295	615	2,429	6,594	2,599	11,622
Depreciation	385	8,201	21,144	-	5,766	12,045	47,541	29,729	50,873	128,143
United Way dues	142	3,033	7,819	-	2,132	4,455	17,581	10,994	18,813	47,388
Donated goods & services	-	-	3,005	-	-	10,888	13,893	-	116,096	129,989
Total	\$ 2,673	59,675	182,281	8,318	38,039	107,956	398,942	352,848	527,518	1,279,308

See accompanying notes and independent auditor's report.

UNITED WAY OF PORTAGE COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	2-1-1 Information & Referral	Learn For Life	Community Impact	Mental		Early Years Collaborative	Volunteer Center	Total Programs	General & Administrative	Resource Develop- ment	Total
				Health Initiative	Health Initiative						
Payroll/Benefits	\$ 1,870	39,888	110,112	-	-	28,047	58,586	238,503	205,952	247,433	691,888
Professional fees	144	3,068	33,480	-	-	2,157	7,541	46,390	25,809	25,832	98,031
Contract labor	-	-	-	-	-	-	-	-	-	-	-
Supplies	12	1,162	792	-	-	169	781	2,916	6,152	6,678	15,746
Telephone and Internet											
Web Hosting	13	284	(267)	6,177	-	200	517	6,924	1,269	2,143	10,336
Postage and shipping	-	71	169	-	-	-	395	635	467	7,414	8,516
Occupancy	131	2,801	7,221	-	-	1,969	4,114	16,236	44,524	17,374	78,134
Equipment rental and maintenance	6	131	338	-	-	92	193	760	859	1,118	2,737
Auto expense	10	210	542	-	-	148	309	1,219	763	1,305	3,287
Printing and publications	16	605	1,841	-	-	239	2,428	5,129	1,449	13,424	20,002
Conferences, meetings, and training	1	58	488	-	-	19	1,421	1,987	1,371	600	3,958
Event expenses	-	-	203	-	-	-	-	203	61	3,100	3,364
Program goods and services purchased	-	-	9,618	-	-	-	9,529	19,147	-	-	19,147
Recognition/awards	3	74	413	-	-	52	108	650	473	6,073	7,196
Financial fees	-	-	-	-	-	-	-	-	7,501	-	7,501
Other expenses	2	164	642	-	-	33	2,886	3,727	2,233	10,646	16,606
Insurance	27	567	1,462	-	-	399	833	3,288	4,396	3,517	11,201
Depreciation	213	4,537	11,697	-	-	3,190	6,664	26,301	16,447	28,144	70,892
United Way dues	139	2,968	7,652	-	-	2,087	4,359	17,205	10,759	18,411	46,375
Donated goods & services	-	-	4,474	-	-	-	14,182	18,656	13,760	49,043	81,459
Total	\$ 2,587	56,588	190,877	6,177	-	38,801	114,846	409,876	344,245	442,255	1,196,376

See accompanying notes and independent auditor's report.

UNITED WAY OF PORTAGE COUNTY, INC.
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Net cash flows from operating activities:		
Change in net assets	\$ (180,282)	244,163
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	128,143	70,893
Net unrealized (gains) on long term investments	(90,664)	116,502
(Increase) in pledges receivables	110,114	(57,365)
(Increase) decrease in other receivables	190,078	220,655
(Increase) decrease in prepaid expense	(2,930)	(2,551)
Increase (decrease) in accounts payable	(73,774)	24,123
Increase (decrease) in donor designation	51,090	(1,789)
Cash provided by operating activities	131,775	614,631
Cash flows from investing activities:		
Purchase of investments	(155,754)	(507,993)
Sale of investments	150,000	483,050
Purchase of property and equipment	(38,197)	(1,028,236)
Cash (used) by investing activities	(43,951)	(1,053,179)
Net increase in cash	87,824	(438,548)
Cash and cash equivalents - beginning of year	4,129,478	4,568,026
Cash and cash equivalents - end of year	\$ 4,217,302	4,129,478

See accompanying notes and independent auditor's report.

**UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 - ORGANIZATION'S PURPOSE AND NATURE OF ACTIVITIES:

United Way of Portage County, Inc. brings the community together to focus on the most important health and human service needs in the community. This is done by building community partnerships and leveraging resources to make a measurable difference. The United Way of Portage County, Inc. raises contributions to pass through to local non-profit agencies to accomplish these goals.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

REVENUE RECOGNITION:

United Way of Portage County, Inc. reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

PROPERTY AND EQUIPMENT:

Property and equipment purchased is recorded at cost. Depreciation on the property and equipment is computed by use of the straight line method over the five to eight year estimated useful life of the property and equipment. Expenditures for maintenance and repairs are charged to expense as incurred; expenditures for renewals and betterments are generally capitalized. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

CONTRIBUTIONS AND PLEDGES:

The United Way records unconditional promises to give (pledges) as receivables and contributions within the appropriate net asset category based on the existence or absence of donor-imposed restrictions. The United Way recognizes conditional promises to give when the conditions stipulated by the donor are substantially met. A conditional promise to give is considered unconditional if the possibility that the condition will not be met is remote.

Concentrations of Credit Risk - The organization maintains cash accounts and certificates of deposit at various financial institutions. The balances at times may exceed federally insured limits. Accounts at each local financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Total uninsured cash was \$32,755 at December 31, 2023 and \$41,431 at December 31, 2022. A sweep/repurchase agreement of \$1,389,869 at December 31, 2023 and \$1,682,924 at December 31, 2022 is collateralized by government backed or federal agency securities.

Credit risk for accounts receivable are also concentrated since the organization's donors are located primarily in the Portage County area.

Contributions for the years ended December 31, 2023 and 2022 includes contributions from two entities which account for 22% and 20% respectively of the total contributions received for those two years.

UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

CONTRIBUTIONS AND PLEDGES : (CONTINUED)

For purposes of the statement of cash flows, the organization considers all highly liquid investments including certificates of deposit to be cash equivalents.

The presentation of financial statements in conformity with generally accepted accounting principles 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.

The carrying value of cash is a reasonable estimate of the fair value based on instruments with similar terms and maturities.

Pledges receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of past donor receivable collectability. Actual uncollectible pledges written off were \$70,383 in 2023 for the 2022 campaign pledges and \$74,139 in 2022 for the 2021 campaign pledges.

BASIS OF ACCOUNTING:

The financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. Accordingly, the financial statements reflect all significant receivables, payables and other accrued expenses. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

BASIS OF PRESENTATION:

The United Way records resources for accounting and reporting purposes based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

OPERATING ACTIVITIES:

Operating activities reflect all transactions increasing or decreasing net assets except those items associated with long-term investment such as contributions for endowment, facilities and equipment, and investment returns in excess of amounts designated for current operations.

ADVERTISING:

The Organization uses marketing in the form of mailings, social media, radio, and the annual report to promote its programs among the individuals and the community it serves. The production costs of marketing are expensed as incurred. Advertising expense was \$4,754 for the year ended December 31, 2023 and \$278 for the year ended December 31, 2022.

FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs benefitted based on specific identification. Salaries are time tracked by department. General and administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization. General and administrative expenses are allocated based on salary.

NOTE 3 - TAX STATUS:

The organization is exempt from federal and state income tax as it is an exempt organization under Section 501 (c)(3) of the Internal Revenue Service Code and is not a private foundation. Accordingly, no provision for income taxes is made in the financial statement. The United Way continually evaluates its tax position, changes in tax law and new authoritative rulings for potential implications to its tax status.

NOTE 4 - GRANTS:

During 2023 and 2022 the United Way acted as disbursing agent for \$64,013 and \$39,909 of Emergency Food and Shelter Grants.

NOTE 5 - RETIREMENT PLAN:

The organization entered into a Simplified Employer Pension/Individual Retirement Account (SEP/IRA) arrangement in September 1989.

The organization will pay 5% of any full or part-time employee's salary into their SEP/IRA after the employee has worked for the United Way for one year of the immediately preceding five plan years. The employer contribution was \$22,572 in 2023 and \$24,998 in 2022.

Once an employee enters the plan, they are 100% vested and may control their funds according to Internal Revenue Service rules and regulations.

**UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 6 – CONTRACTS:

The United Way of Portage County (UWPC) entered into a contractual agreement with the United Way of Marathon County (UWMC) whereby UWMC provides residents of Portage County with information about human service providers and referral of persons in need to such providers. Access to this information and referral network is made via the telephone by dialing 2-1-1. UWPC paid UWMC \$47,940 in 2023 and \$47,940 in 2022 as the contractually agreed upon price for providing this service.

NOTE 7 – FAIR VALUE MEASUREMENTS:

The organization's investments are reported at fair value in the accompanying statements of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. The organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are available to the organization, and Level 3 inputs are only used when Level 1 or Level 2 are not available.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the organization at year-end.

The fair value of fixed income investments is based on recently available quoted prices at year end.

UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 7 – FAIR VALUE MEASUREMENTS: (CONTINUED)

Level 1 Fair Value Measurements (continued)

The following tables set forth, by level within the fair value hierarchy, the organization’s investments at fair value as of December 31, 2023 and 2022:

		<u>Fair Value Measurements Using:</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
		<u>Fair Value</u>		
<u>December 31, 2023</u>				
Mutual funds	\$ 530,360	530,360	-	-
Fixed income investments	<u>688,928</u>	<u>688,928</u>	-	-
	<u>\$ 1,219,288</u>	<u>1,219,288</u>	-	-

		<u>Fair Value Measurements Using:</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
		<u>Fair Value</u>		
<u>December 31, 2022</u>				
Mutual funds	\$ 433,942	433,942	-	-
Fixed income investments	<u>252,080</u>	<u>252,080</u>	-	-
	<u>\$ 686,022</u>	<u>686,022</u>	-	-

Gains and losses (realized and unrealized) that are included in the statements of activities for the years ended December 31, 2023 and 2022 are reported in investment income or net unrealized gains on investments.

**UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 8 - LIQUIDITY AND AVAILABILITY OF RESOURCES:

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$	3,528,374
Fixed income investments		688,928
Equity investments		530,360
Receivables, net		<u>1,836,716</u>
 Total financial assets available within one year		 6,584,378
 Less amounts unavailable for general expenditures within one year, due to:		
Restricted by donors with purpose restrictions		(3,730,090)
Restricted by donors with designated contributions		<u>(291,944)</u>
 Total amounts unavailable for general expenditures within one year		 <u>(4,022,034)</u>
 Total financial assets available within one year after restriction	\$	 <u>2,562,344</u>

As part of the Organization'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 9 - CONTRIBUTIONS OF DONATED SERVICES:

Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets; or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The United Way receives a significant amount of contributed time from volunteers not meeting the above criteria. The United Way receives donated services in the form of Board of Directors and committee members, and event volunteers. The hours contributed is estimated by management to be 1,040 volunteers, contributing 4,117 volunteer hours.

NOTE 10 - RELATED PARTY TRANSACTIONS:

The Organization pays annual membership fees to its state and national organizations. State dues paid were \$5,646 in 2023 and \$5,609 in 2022. National dues were \$41,742 in 2023 and \$40,765 in 2022.

The Organization contracted with a local business to act as the general contractor in the build out of the new building. A board member is an officer and shareholder of that company. Total amount paid to the company was \$891,244 for the year ended December 31, 2022, which was fair market value.

**UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 11 - COMMITMENTS:

On May 3, 2021, Inclusa, Inc. and United Way of Portage County, Inc. signed an offer to purchase property located at 2801 Hoover Road, Stevens Point, Wisconsin. The purchase was completed on September 17, 2021. The United Way moved their administrative offices to this location in September of 2022.

The United Way transferred \$470,000 from the investment account to checking to finance the purchase of the building, of which \$250,000 does not need to be repaid to the investment account. In 2022, an additional \$500,000 was transferred from the investment account to the checking account for additional building costs. A repayment schedule has not yet been set.

Condominium fee commitments are as follows for the years ended December 31:

2024	44,256
2025	44,256
2026	44,256
2027	44,699

NOTE 12 - DONOR DESIGNATED NET ASSETS - ENDOWMENT FUND:

The endowment fund assets consist of certificates of deposit and a mutual fund. The activity is summarized below.

Changes in investments as of December 31, 2023 are as follows:

Investment Accounts, Beginning of Year	\$	600,942
Contributions		51,067
Interest and Dividends		9,396
Distributions		(35,161)
Realized and Unrealized Gains		<u>90,664</u>
Total	\$	<u>716,908</u>

Changes in investments as of December 31, 2022 are as follows:

Investment Accounts, Beginning of Year	\$	692,519
Contributions		27,804
Interest and Dividends		8,094
Distributions		(28,200)
Unrealized Gains		<u>(99,275)</u>
Total	\$	<u>600,942</u>

UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 12 - DONOR DESIGNATED NET ASSETS - ENDOWMENT FUND: (CONTINUED)

ASSET ALLOCATION

Asset allocation can be defined as the mix between stocks, bonds, and cash. The target mix of the trust is the desired long-term allocation of the assets actively managed by the United Way Endowment Committee and Finance Committee. A movement outside of the ranges should be discussed with the Board of Directors.

	<u>Target Mix</u>	<u>Actual Mix</u>	<u>Minimum/ Maximum Ranges</u>
Equities	60%	60%	60% to 65%
Fixed Income	40%	40%	35% to 40%

ASSET QUALITY

It is the intent of the Board to invest in a well-diversified portfolio of equity and fixed income vehicles or cash equivalents so as to be considered prudent and consistent with the long-term goals of the endowment.

Fixed Income securities should include U.S. Government securities and Government agency securities, corporate bonds rated A3/A- or better by Moody's or Standard and Poor's and cash (money market instruments) including money market funds, certificates of deposits and commercial paper.

The components of the investment return is as follows:

	<u>2023</u>	<u>2022</u>
Interest and dividends - net of investment fees	\$ 9,396	8,094
Net realized and unrealized gains and losses on investments	90,664	(116,502)
Total investment return	\$ 100,060	(108,408)

**UNITED WAY OF PORTAGE COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 13 - PROPERTY AND EQUIPMENT:

Property and equipment consists of the following as of December 31:

	2023	2022
Campaign software	\$ 18,000	18,000
Equipment	351,514	316,309
Vehicles	7,275	7,275
Leasehold improvements	6,555	6,555
Building	1,870,345	1,867,352
	2,253,689	2,215,491
Accumulated depreciation	(385,503)	(257,359)
Net fixed assets	\$ 1,868,186	1,958,132

Depreciation expense was \$128,143 for the year ended December 31, 2023 and \$70,892 for the year ended December 31, 2022.

NOTE 14 - CAPITAL CAMPAIGN:

The organization began a long-term capital campaign in 2021 for the purposes of acquiring a building for use as office space. The pledges receivable are as follows for the year ended December 31:

2024	59,729
2025	49,021
2026	25,000
\$	133,750

NOTE 15 - SUBSEQUENT EVENTS:

Management has evaluated subsequent events through May 16, 2024, the date on which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

UNITED WAY OF PORTAGE COUNTY, INC.
SCHEDULE OF AGENCY ALLOCATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Total</u> <u>Allocation</u>	<u>Donor</u> <u>Designations</u>	<u>Net</u> <u>Allocation</u>
Monthly Program Allocations:			
ADRC - Adult Day Care	\$ 105,139	14,576	90,563
Big Brothers/Big Sisters	173,993	9,546	164,447
Boy Scouts of America - Samoset Council	25,000	6,764	18,236
Boys and Girls Club of Portage County	241,086	22,780	218,306
CAP Services, Inc.	336,758	14,610	322,148
CAP Mental Health Navigator	81,801	9,411	72,390
Children's Hospital of Wisconsin	416,243	6,999	409,244
Children's Hospital Strong Start	236,146	1,103	235,043
Childcaring Inc. - Good Starts	55,000	2,000	53,000
ODC Supported Employment	73,360	3,133	70,227
Girl Scouts of Northwestern Great Lakes	30,461	1,108	29,353
Meals on Wheels	99,133	21,440	77,693
Salvation Army	184,948	10,465	174,483
United Way of Marathon County - 2-1-1 Contract	47,940	-	47,940
Y M C A	284,077	3,752	280,325
Total	\$ 2,391,085	127,687	2,263,398
Emerging Needs Allocations:			
Evergreen Community Initiatives	\$ 1,323	-	1,323
Childcaring, Inc. - Good Start Grant	7,600	-	7,600
Children's WI - Strong Start - FOSS - Pilot Program	18,000	-	18,000
Total	\$ 26,923	-	26,923
Supplementary Funds Allocations:			
Portage County Legal Aid Society, Inc.	1,500	-	1,500
One Big Tent	3,524	-	3,524
EFS National Board Program	3,066	-	3,066
Evergreen Community Initiatives	6,476	-	6,476
Total	\$ 14,566	-	14,566
Special Grant Fund Allocation:			
Childcaring, Inc. - Childcare Coalition Grant	\$ 15,700	-	15,700
Total Allocations	\$ 2,448,274	127,687	2,320,587

**UNITED WAY OF PORTAGE COUNTY, INC.
SCHEDULE OF AGENCY ALLOCATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Total</u>	<u>Donor</u>	<u>Net</u>
	<u>Allocation</u>	<u>Designations</u>	<u>Allocation</u>
Monthly Program Allocations:			
ADRC - Adult Day Care	\$ 102,528	16,792	85,736
Big Brothers/Big Sisters	174,027	5,444	168,583
Boy Scouts of America - Samoset Council	25,000	6,249	18,751
Boys and Girls Club of Portage County	188,235	23,717	164,518
CAP Services, Inc.	303,754	8,641	295,113
CAP Mental Health Navigator	78,828	10,995	67,833
Children's Hospital of Wisconsin	368,788	6,671	362,117
Children's Hospital Strong Start	231,516	1,081	230,435
ODC Supported Employment	70,589	4,631	65,958
Girl Scouts of Northwestern Great Lakes	30,500	1,380	29,120
Meals on Wheels	97,000	21,938	75,062
Salvation Army	185,000	11,589	173,411
United Way of Marathon County - 2-1-1 Contract	47,940	-	47,940
Y M C A	263,337	7,980	255,357
Total	\$ 2,167,042	127,108	2,039,934
Emerging Needs Allocations:			
Boys & Girls Club	\$ 38,250	-	38,250
Childcaring, Inc.	21,514	-	21,514
Portage County Literacy Council	7,500	-	7,500
ODC - Community Partners	31,366	-	31,366
Total	\$ 98,630	-	98,630
Supplementary Funds Allocation:			
Community Foundation of Central Wisconsin, Nonprofit Leadership & Education Fund	\$ 1,000	-	1,000
Relief Fund Allocations:			
Salvation Army	\$ 13,385	-	13,385
Childcaring, Inc.	29,143	-	29,143
Total	\$ 42,528	-	42,528
Total Allocations	\$ 2,309,200	127,108	2,182,092

**UNITED WAY OF PORTAGE COUNTY, INC.
SCHEDULES OF GRANT INCOME AND EXPENSE
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Funding from United Way of Portage County Emergency Food and Shelter Grant	\$ 43,715	-
	<u>64,013</u>	<u>39,909</u>
Expenses:		
Emergency Food and Shelter Program	\$ 3,066	-
United Way of Portage County	40,640	-
CAP Services	6,984	3,750
Community Thrift Store	1,944	267
Portage County Health & Human Services	-	(683)
Operation Bootstrap	42,529	16,600
Salvation Army	17,223	-
Evergreen Initiatives Warming Center	3,775	7,550
Associated Bank Fees	-	2
	<u>-</u>	<u>2</u>
Total Expenses	\$ <u>116,161</u>	<u>27,486</u>
Beginning Balance	\$ <u>12,482</u>	<u>59</u>
Emergency Food and Shelter Grant unspent funds	\$ <u>4,049</u>	<u>12,482</u>