

Shelby County United Way

Financial Statements
June 30, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To Management
Shelby County United Way

We have audited the accompanying financial statements of Shelby County United Way, Inc. which comprise the statements of financial position as of June 30, 2021 and 2020 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shelby County United Way, Inc. as of June 30, 2021 and 2020 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Allocation Schedules on page 18 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 aspects in relation to the basic financial statements taken as a whole.

McCrate, DeLaet & Co.

Sidney, Ohio
September 3, 2021

Shelby County United Way
 Statements of Financial Position
 June 30, 2021 and 2020

	2021	2020
Assets		
Current Assets:		
Cash	\$ 628,222	\$ 621,229
Certificates of deposit	401,266	399,934
Marketable securities	767,233	769,290
Assets held by others	45,938	34,142
Pledges receivable	376,001	403,316
Total Current Assets	2,218,660	2,227,911
Property and equipment:		
Property and equipment	18,365	18,365
Less - accumulated depreciation	(18,365)	(18,365)
Net Property and Equipment	-	-
Total Assets	\$ 2,218,660	\$ 2,227,911
 Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ -	\$ 77
Accrued expenses	4,972	3,366
Allocations payable	932,285	793,877
Current Portion of Long-Term Debt	-	8,418
Donor designations payable to other United Ways	87,447	97,369
Total Current Liabilities	1,024,704	903,107
Net Assets Without Donor Restrictions:		
General operating	443,471	556,555
Board designated	449,937	391,857
Total Net Assets Without Donor Restrictions	893,408	948,412
Net Assets With Donor Restrictions	300,548	376,393
Total Net Assets	1,193,956	1,324,805
Total Liabilities and Net Assets	\$ 2,218,660	\$ 2,227,911

Shelby County United Way
Statement of Activities and Change in Net Assets
For the Year Ended June 30, 2021

	Without Donor Restrictions			With Donor	Total
	General	Designated	Total	Restrictions	
Revenues and Other Support:					
Annual campaign results, net of bad debts	\$ -	\$ -	\$ -	\$ 1,313,293	\$ 1,313,293
Less: Other United Way donor designations	-	-	-	(151,670)	(151,670)
Less: Direct agency donor designations	-	-	-	(105,441)	(105,441)
Net Contributions	-	-	-	1,056,182	1,056,182
Investment income	171,857	-	171,857	-	171,857
Administrative fees retained on amounts designated by donors to other United Ways	13,117	-	13,117	-	13,117
Miscellaneous income	28,469	-	28,469	-	28,469
Gain/Loss on sales of fixed assets	-	-	-	-	-
Net assets released from restriction: Expiration of time restrictions on annual campaign	1,132,027	-	1,132,027	(1,132,027)	-
Total Revenues and Other Support	1,345,470	-	1,345,470	(75,845)	1,269,625
Expenses:					-
Program services	1,209,858	-	1,209,858	-	1,209,858
Campaign	92,375	-	92,375	-	92,375
General and administrative	98,241	-	98,241	-	98,241
Total Expenses	1,400,474	-	1,400,474	-	1,400,474
Change in Net Assets	(55,004)	-	(55,004)	(75,845)	(130,849)
Transfer of Net Assets	(58,080)	58,080	-	-	-
Net Assets, Beginning of Year	556,555	391,857	948,412	376,393	1,324,805
Net Assets, End of the year	\$ 443,471	\$ 449,937	\$ 893,408	\$ 300,548	\$ 1,193,956

Shelby County United Way
Statement of Activities and Change in Net Assets
For the Year Ended June 30, 2020

	Without Donor Restrictions			With Donor	Total
	General	Designated	Total	Restrictions	
Revenues and Other Support:					
Annual campaign results, net of bad debts	\$ -	\$ -	\$ -	\$ 1,221,379	\$ 1,221,379
Less: Other United Way donor designations	-	-	-	(135,100)	(135,100)
Less: Direct agency donor designations	-	-	-	(168,065)	(168,065)
Net Contributions	-	-	-	918,214	918,214
Investment income	58,047	-	58,047	-	58,047
Administrative fees retained on amounts designated by donors to other United Ways	14,605	-	14,605	-	14,605
Miscellaneous income	53,029	-	53,029	-	53,029
Gain/Loss on sales of fixed assets	(2,097)	-	(2,097)	-	(2,097)
Net assets released from restriction: Expiration of time restrictions on annual campaign	855,000	-	855,000	(855,000)	-
Total Revenues and Other Support	978,584	-	978,584	63,214	1,041,798
Expenses:			-		-
Program services	861,516		861,516	-	861,516
Campaign	91,094		91,094	-	91,094
General and administrative	101,351		101,351	-	101,351
Total Expenses	1,053,961	-	1,053,961	-	1,053,961
Change in Net Assets	(75,377)	-	(75,377)	63,214	(12,163)
Transfer of Net Assets	54,731	(54,731)	-	-	-
Net Assets, Beginning of Year	577,201	446,588	1,023,789	313,179	1,336,968
Net Assets, End of the year	\$ 556,555	\$ 391,857	\$ 948,412	\$ 376,393	\$ 1,324,805

Shelby County United Way
Statement of Functional Expenses
For the Year Ended June 30, 2021

	Program Services	Campaign	General and Administrative	Total
Allocations	\$ 1,137,087	\$ -	\$ -	\$ 1,137,087
Compensation	32,000	45,539	45,539	123,078
Employment taxes and benefits	7,145	10,167	10,167	27,479
Supplies and printing	2,100	3,311	2,665	8,076
Fair share fees	20,296	-	-	20,296
Professional fees	1,182	-	22,461	23,643
Repair and maintenance	1,354	5,414	6,767	13,535
Utilities	1,057	1,504	1,504	4,065
Telephone	788	1,121	1,120	3,029
Insurance	817	1,163	1,164	3,144
Depreciation	-	-	-	-
Campaign expense	-	21,492	-	21,492
Rent	1,872	2,664	2,664	7,200
Other operating expenses	4,160	-	4,190	8,350
Total Expenses	\$ 1,209,858	\$ 92,375	\$ 98,241	\$ 1,400,474

Shelby County United Way
Statement of Functional Expenses
For the Year Ended June 30, 2020

	Program Services	Campaign	General and Administrative	Total
Allocations	\$ 795,482	\$ -	\$ -	\$ 795,482
Compensation	32,813	46,696	46,696	126,205
Employment taxes and benefits	5,310	7,556	7,556	20,422
Supplies and printing	1,429	2,253	1,814	5,496
Fair share fees	13,897	-	-	13,897
Professional fees	1,034	-	19,648	20,682
Repair and maintenance	2,807	11,229	14,038	28,074
Utilities	1,077	1,533	1,533	4,143
Telephone	845	1,202	1,202	3,249
Insurance	805	1,146	1,146	3,097
Depreciation	24	24	24	72
Campaign expense	-	16,846	-	16,846
Rent	1,833	2,609	2,608	7,050
Other operating expenses	4,160	-	5,086	9,246
Total Expenses	\$ 861,516	\$ 91,094	\$ 101,351	\$ 1,053,961

Shelby County United Way
 Statements of Cash Flows
 For the Years Ended June 30, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities:		
Cash received from donors	\$ 1,340,608	\$ 1,360,303
Interest and dividends received	17,354	26,537
Other revenue	37,560	58,209
Allocations and grants paid	(977,179)	(930,205)
Donor designations	(267,033)	(299,396)
Cash paid to employees and suppliers	(279,330)	(277,114)
Net cash provided (used) by operating activities	(128,020)	(61,665)
Cash Flows from Investing Activities:		
Proceeds from sales of securities	680,447	277,734
Purchases of investments	(545,434)	(190,227)
Net cash provided (used) by investing activities	135,013	87,508
Cash Flows from Financing Activities:		
Proceeds (repayment) of long term debt	-	8,418
Net cash provided (used) by financing activities	-	8,418
Net Increase (Decrease) in Cash	6,993	34,261
Cash at Beginning of Year	621,229	586,968
Cash at End of Year	\$ 628,222	\$ 621,229
Reconciliation of Change in Net Assets to		
Net Cash Provided by Operating Activities:		
Change in Net Assets	\$ (130,849)	\$ (12,163)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	-	72
Realized (gain) loss on marketable securities	(169,748)	4,996
Unrealized (gain) loss on marketable securities	15,245	(36,506)
Gain (loss) on sale of assets	-	2,097
(Increase) decrease in net pledges receivable	27,315	138,924
Increase (decrease) in accounts payable	(77)	(1,423)
Increase (decrease) in accrued and withheld taxes	1,608	(1,709)
Increase (decrease) in allocations payable	138,408	(159,723)
Increase (decrease) in donor designations	(9,922)	3,769
Net Cash Provided (Used) by Operating Activities	\$ (128,020)	\$ (61,665)
Non-cash PPP loan forgiveness	\$ 8,418	\$ -
Net- Non cash contributions	\$ 8,418	\$ -

Shelby County United Way
Notes to Financial Statements

Note 1 - Nature of Activities:

Shelby County United Way, Inc. (the Organization) conducts an annual fund raising campaign to provide funds to human service organizations in the Shelby County area. Shelby County United Way, Inc.'s mission statement is: To continually identify, evaluate, and make possible the human services needed in our community by:

Playing a leadership role in raising and distributing funds;
Encouraging collaboration to resolve community problems;
Fostering personal involvement in volunteerism; and
Promoting self-sufficiency with an emphasis on pro-active services.

Note 2 - Significant Accounting Policies:

Basis of Accounting

The financial statements of Shelby County United Way, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve. Net assets with donor restrictions are 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, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

Note 2 - (Continued)

The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of less than three months to be cash equivalents.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily accelerated methods over the estimated useful life of the asset. Additions and betterments of \$1,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Allocations Payable

Allocations payable are reported at net realizable value if, at the time the promise is made, the Organization expects to make payment in one year or less. Unconditional promises that the Organization expects to pay in more than one year are reported at fair value initially and in subsequent periods because the Organization elected the fair value option in accordance with generally accepted accounting principles. Management believes that the use of fair value reduces the cost of measuring unconditional promises to give in periods subsequent to their payment and provides equal or better information to users of its financial statements than if those promises were measured using present value techniques and historical discount rates.

Contributions

In accordance with generally accepted accounting principles, contributions received are recorded as contributions with donor restrictions or contributions without donor restrictions.

Note 2 - (Continued)

The Organization 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 a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

The Organization reports gifts of equipment as donor unrestricted support unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated Services

Donated services are recognized as contributions in accordance with generally accepted accounting principles (GAAP), if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Shelby County United Way, Inc. Many individuals also volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, campaign solicitations, and various committee assignments that are not recognized as contributions in the financial statements since the recognition criteria under generally accepted accounting principles were not met.

Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general 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.

Defined Contribution Plan

The Organization has a defined contribution plan under Section 403(b) of the Internal Revenue code covering all full time employees with at least 90 days of service. Employees may elect to defer a portion of their compensation within certain limits. The employer's contribution is at the discretion of management. Retirement plan expense for the years ended June 30, 2021 and 2020 was \$9,112 and \$9,135, respectively.

Income Tax Status

The Shelby County United Way, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, Shelby County United Way, Inc. qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organization is no longer subject to examination by the Internal Revenue Service for years before June 30, 2017.

Note 2 - (Continued)Fair Value of Financial Instruments

The following methods and assumptions were used by the Organization to estimate its fair value disclosure for financial statements:

Cash, cash equivalents, and promises to give due in less than 90 days: The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

Marketable Securities: The fair values of marketable securities are based on quoted market prices for those or similar investments.

Estimates

The preparation 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, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Subsequent Events

Management has evaluated subsequent events through the Report date, the date the financial statements were available to be issued.

Note 3 - Pledges Receivable:

The Organization holds an annual fund-raising campaign that typically starts in early September and ends by late November. The pledges received during the campaign are recognized as support when received. The outstanding pledges receivable at June 30, 2021 and 2020 are as follows:

	2021	2020
2020-2021 campaign	\$ 424,001	\$ -
2019-2020 campaign	-	593,316
	<u>424,001</u>	<u>593,316</u>
Allowance for pledge losses	(48,000)	(190,000)
Pledges Receivable	<u>\$ 376,001</u>	<u>\$ 403,316</u>

Note 4 - Marketable Securities:

Marketable securities are stated at fair value. Fair values and unrealized appreciation at June 30, 2021 and 2020 are summarized as follows:

	June 30, 2021		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Corporate obligations	\$ 199,351	\$ 202,099	\$ 2,748
Equities	10,989	17,190	6,201
Equity mutual funds	381,485	547,944	166,459
Total Marketable Securities	\$ 591,825	\$ 767,233	\$ 175,408

	June 30, 2020		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Corporate obligations	\$ 210,790	\$ 217,923	\$ 7,133
Equities	17,192	24,197	7,005
Equity mutual funds	350,650	527,170	176,520
Total Marketable Securities	\$ 578,632	\$ 769,290	\$ 190,658

The following schedule summarizes the investment return and its classification in the statement of activities for the periods ended:

	June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Interest income from bank savings and CD's	\$ 7,792	\$ -	\$ 7,792
Interest and Div. Inc.	9,562	-	9,562
Net realized and unrealized gains	154,503	-	154,503
Total Investment Inc.	\$ 171,857	\$ -	\$ 171,857

	June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Interest income from bank savings and CD's	\$ 14,796	\$ -	\$ 14,796
Interest and Div. Inc.	11,741	-	11,741
Net realized and unrealized gains	31,510	-	31,510
Total Investment Inc.	\$ 58,047	\$ -	\$ 58,047

Note 5 - Fair Value Measurements:

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unReport quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unReport quoted prices for identical assets or liabilities in an active market. This level includes common stocks, corporate bonds and mutual funds based on the closing price reported in the active market where the securities are traded.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation, or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note 5 - (Continued)

Fair values of assets measured on a recurring basis at June 30, 2021 are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets held by others	\$ 45,938	\$ -	\$ -	\$ 45,938
Marketable Securities	767,233	767,233	-	-
Total	<u>\$ 813,171</u>	<u>\$ 767,233</u>	<u>\$ -</u>	<u>\$ 45,938</u>

Fair values of assets measured on a recurring basis at June 30, 2020 are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets held by others	\$ 34,142	\$ -	\$ -	\$ 34,142
Marketable Securities	769,290	769,290	-	-
Total	<u>\$ 803,432</u>	<u>\$ 769,290</u>	<u>\$ -</u>	<u>\$ 34,142</u>

Following is a reconciliation of activity in June 30, 2021 for assets measured at fair value based on significant unobservable (non-market) information:

Beneficial Interest in Assets Held by Others

Fair value at July 1, 2020	\$ 34,142
Contributions	-
Net realized and unrealized gain (loss) on beneficial interest	12,128
Amounts appropriated for expenditure	(332)
Fair value at June 30, 2021	<u>\$ 45,938</u>

Note 6 - Leases:

The Organization entered into a lease agreement for office space located at 232 South Ohio Street, in Sidney, Ohio. The five year lease agreement, commencing January 1, 2020, has a current monthly obligation of \$600.

The Organization entered into a lease agreement for a Konica Minolta Copier in August 2018. The 60 month lease agreement, has a current monthly obligation of \$187.

Note 7 - Campaign Revenue:

Shelby County United Way, Inc. collects campaign contributions from the geographic area of Shelby County. A portion of these contributions are designated by donors to other United Way organizations. Additionally, a separate Women's Initiative Campaign (POWER), provides assistance to children and their families in Shelby County. The gross and net campaign revenues are as follows:

	<u>2021</u>	<u>2020</u>
Pledges 2020/2021 Campaign	\$ 1,232,833	\$ -
Less: Reported in prior years	(16,449)	-
Other United Way donor designations	(146,512)	-
Direct agency donor designation	(105,441)	-
Uncollectible pledges	(142,000)	-
Subtotal	<u>822,431</u>	<u>-</u>
Pledges 2019/2020 Campaign	191,582	1,339,940
Pledges 2021/2022 Campaign	5,975	-
Less: Reported in prior years	-	(21,276)
Other United Way donor designations	-	(139,201)
Direct agency donor designation	-	(168,065)
Uncollectible pledges	-	(152,000)
Subtotal	<u>197,557</u>	<u>859,398</u>
Other Contributions	-	35,705
Pledges from previous campaigns	-	-
Women's Initiative Campaign (POWER)	28,474	23,111
Annual Campaign Revenue	<u>\$ 1,048,462</u>	<u>\$ 918,214</u>

Note 8 - Net Assets with Donor Restrictions:

Net assets with donor restrictions consist of pledges received. The annual fundraising campaign is conducted in the year prior to the receipt of the funds and, therefore, the passage of time removes the donor restriction. The net assets with donor restrictions consisted of:

	<u>2021</u>	<u>2020</u>
Annual Campaign	\$ 1,232,833	\$ 1,339,940
Less: Allocations Payable	(932,285)	(963,547)
Net Assets with Donor Restrictions	<u>\$ 300,548</u>	<u>\$ 376,393</u>

Note 9 - In-Kind Contributions:

The Organization received in-kind contributions of \$9,243 and \$6,473 for the years ended June 30, 2020 and 2019, respectively. The donations were received from various vendors for items and services such as storage, campaign shirts, advertising, video creation, designing and printing pledge cards, and office supplies.

Contributed services totaling \$3,543 and \$6,000 for the years ended June 30, 2020 and 2019 respectively, included printing, pledge card designing, and advertising.

Note 10 - Related Party Transactions:

Shelby County United Way has paid fair share fees to the United Way Worldwide. The fair share fees for the years ended June 30, 2020 and 2019 were \$13,897 and \$13,657, respectively.

Note 11 - Board Designated Net Assets:

The Board of the Shelby County United Way has designated certain net assets as reserves of the organization. Reserves are available for general activities, endowments, and as an emergency fund.

At June 30, 2020 and 2019, board designated reserves amounted to:

	2020	2019
Appropriated Reserves at 25% of next year budgeted expenses, including allocations	\$ 334,309	\$ 276,157
Operating Reserves	115,628	115,700
Total Board Designated Reserves	\$ 449,937	\$ 391,857

Note 12 - Allocation of Joint Costs:

The brochure used by the Shelby County United Way, Inc. is a referral source as well as a campaign pledge card. The Organization also receives free advertising from the local radio station and received donated furniture and painting service. For the years ended June 30, 2020 and 2019, the cost of redesigning and printing the brochure, advertising, and donated furniture/painting amounted to \$9,424 and \$6,474 of joint costs, respectively. These were in-kind gifts and were allocated as follows:

	2021	2020
Fundraising	\$ 6,152	\$ 5,153
Programming	545	1,322
General and Administrative	2,727	-
Total Joint Costs	\$ 9,424	\$ 6,475

Note 13 - Concentration of Credit Risk:

Shelby County United Way, Inc. conducts an annual fund-raising campaign in Shelby County, Ohio. This campaign provides virtually all of the support of the Organization. Approximately 50% of the campaign revenues come from five corporate contributors and their employees.

Shelby County United Way, Inc. maintains cash balances at several financial institutions in Sidney, Ohio. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to a certain limit. From time to time, deposits at any one institution may exceed this limit.

Note 14 - Liquidity:

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

	<u>2021</u>	<u>2020</u>
Financial assets at year-end		
Cash	\$ 628,222	\$ 621,229
CD's	401,266	399,934
Marketable	767,233	769,290
Current Liabilities	<u>(1,024,704)</u>	<u>(903,107)</u>
Financial Assets available to meet cash needs for general expenditures within one year	<u>\$ 772,017</u>	<u>\$ 887,346</u>

The Board of Directors along with management decide on the allocation budget for the following fiscal year. They manage liquidity based on the funds they have and the amounts that have already been promised to local organizations.

Note 15 - Write-off:

Each year the Director of Shelby County United Way has to make the decision to Write-off uncollectible pledge accounts. For the years ended June 30, 2021 and June 30, 2020 the uncollectible pledge write-off amounts were \$85,965 and \$35,951.

Note 16 - Covid 19:

In March 2020, the World Health Organization categorized Coronavirus Disease 2019 ("COVID-19") as a pandemic, and the President of the United States declared the COVID-19 outbreak a national emergency. The COVID-19 pandemic has led to extreme volatility in financial markets and has affected, and may continue to affect, the market price of investments. The potential economic impact brought by, and the duration of, COVID-19 is difficult to assess or predict and will depend on future developments that are highly uncertain and cannot be predicted.

The United Way received a PPP (Paycheck Protection Program) Loan in the amount of \$22,000. The United Way accounted for the loan with ASC 470 debt accounting. This shows up as a liability and as the expenses are used they are recorded as a "miscellaneous income." The United Way received full forgiveness November 2020.

Note 17 - Revenue Recognition:

The Organization has adopted Accounting Standards Update (ASU) No. 2018-08 Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605) as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

The Organization has also adopted Accounting Standards Update (ASU) No. 2014-09 - Revenue from Contracts with Customers (Topic 606), as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

Analysis of various provisions of these standards resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with these standards.

Shelby County United Way
Allocation Schedules
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Investing in Youth & Children:		
Midwest Regional ESC Alt School	\$ 13,000	\$ 26,000
Big Brothers Big Sisters	65,000	40,000
Miami Valley Council Boy Scouts	30,000	22,500
Clear Creek Farms	40,000	50,700
Total Investing in Youth & Children	<u>148,000</u>	<u>139,200</u>
Enriching the Lives of Seniors:		
Adult Day Care Center	-	20,500
Senior Center Sidney/Shelby Co	44,660	30,000
Sr Health Service - Catholic SS	44,000	36,000
Catholic Social Services - Mental Health	36,000	20,000
Total Enriching the Lives of Seniors	<u>124,660</u>	<u>106,500</u>
Strengthening Families & Individuals:		
CASA/GAL	25,000	15,000
Wilma Valentine Creative Learning Center	76,039	64,000
Sidney/Shelby Co YMCA Childcare	113,000	70,000
Alpha Community Center	54,500	38,000
Total Strengthening Families & Individuals	<u>268,539</u>	<u>187,000</u>
Caring for People in Crisis:		
American Red Cross	7,500	1,192
New Choices	55,000	55,000
Emergency Housing & Utilities	18,000	18,000
Samaritan Works	70,000	50,000
Victim Services	40,000	20,000
COVID 19 Emergency Funding	528	65,565
Sheriff Star House	40,000	35,000
Mercy Mission House	150,000	-
Total Caring for People in Crisis	<u>381,028</u>	<u>244,757</u>
Promoting Health & Well Being:		
Rehab Center	24,000	20,000
Shelby County ARC	19,125	16,000
Compassionate Care	89,000	56,000
Safe Haven	20,000	16,000
Agape	40,000	40,000
Total Promoting Health & Well Being	<u>192,125</u>	<u>148,000</u>

Shelby County United Way
Allocation Schedules
For the Years Ended June 30, 2021 and 2020

Community Impact		
Imagination Library	7,500	7,563
I.M.P.A.C.T. Program	40,125	-
WFP Career Counselor	34,000	-
Total Community Impact	<u>81,625</u>	<u>7,563</u>
Other Allocations:		
Special Projects	525	63,675
211 Programming	8,340	14,467
Student United Way	10,014	20,464
Christmas Dinner	6,172	6,921
POWER	21,500	25,000
Total Other Allocations	<u>46,551</u>	<u>130,527</u>
Gross Agency Allocations	1,242,528	963,547
Less: Direct Agency Donor Designations	105,441	168,065
NET AGENCY ALLOCATIONS	<u><u>\$ 1,137,087</u></u>	<u><u>\$ 795,482</u></u>