



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

Royal Palm Financial Center
Suite 103
729 Southwest Federal Highway
Stuart, Florida 34994

772/219-0220
FAX: 772/219-0260

October 24, 2024

Board of Directors
United Way of Martin County, Inc.
Stuart, FL

We are pleased to present this report related to our audit of the financial statements of the United Way of Martin County, Inc (the "Organization") as of and for the year ended June 30, 2024. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Organization's financial reporting process.

Generally accepted auditing standards require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit.

Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated July 8, 2024. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Management is responsible for the appropriateness of the accounting policies used by the Organization. There were no significant new accounting policies adopted nor were there any changes in the existing accounting policies.

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

We did not discuss with Management any significant or unusual transactions, nor did we discuss any alternative treatments available under generally accepted accounting principles during the current audit period.

Audit reclassification entries provided to Management or communicated to Management have been reported to and agreed upon by Management. The reclassification entries were submitted to Management with the audit report.

Fort Pierce / Stuart

United Way of Martin County, Inc.
October 24, 2024

Page 2

We evaluated the events and conditions in the aggregate and concluded that there was not substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We found no significant deficiencies or material weaknesses in internal control over financial reporting that are required to be reported.

There were no disagreements with Management over the application of significant accounting principles, the basis for judgments made by Management on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

We are not aware of any consultations Management had with other accountants about accounting or auditing matters.

No significant issues arising from the audit have not been properly resolved or were the subject of correspondence with Management.

We did not encounter any difficulties in dealing with Management during the audit process.

Management has made certain written representations to us as part of the audit process. Please contact us if you would like a copy of those representations.

This letter is intended solely for the information and use of the Board of Directors and Management and is not intended to be and should not be used by anyone other than the intended parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the United Way of Martin County, Inc.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Stuart, Florida

October 24, 2024

**United Way of
Martin County, Inc.**

**United Way of
Martin County Foundation, Inc.**

**ANNUAL FINANCIAL REPORT
June 30, 2024 and 2023**

CONTENTS

	Page
<i>REPORT OF INDEPENDENT AUDITORS</i>	1-3
<i>FINANCIAL STATEMENTS</i>	
Consolidated Statement of Financial Position	4
Consolidated Statement of Activities	5
Consolidated Statement of Cash Flows	6
Consolidated Statement of Functional Expenses	7
Consolidated Notes to Financial Statements	8-26
<i>SUPPLEMENTARY INFORMATION</i>	
Combining Schedule of Financial Position – June 30, 2024	27
Combining Schedule of Activities – June 30, 2024	28
Combining Schedule of Financial Position – June 30, 2023	29
Combining Schedule of Activities – June 30, 2023	30



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

Royal Palm Financial Center
Suite 103
729 Southwest Federal Highway
Stuart, Florida 34994

772/219-0220
FAX: 772/219-0260

Report of Independent Auditors

To the Board of Directors
United Way of Martin County, Inc.
Stuart, Florida

Opinion

We have audited the accompanying consolidated financial statements of United Way of Martin County, Inc. (the "Organization"), a non-profit organization, which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, cash flows and functional expenses for the year then ended and the related consolidated notes to financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of United Way of Martin County, Inc. as of June 30, 2024, and the changes in net assets and cash flows for the year 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 (GAAS). 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 Martin 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.

Report on Summarized Comparative Information

We have previously audited the Organization's June 30, 2023 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 12, 2023. Subsequent to the issuance of the report in 2023 it was discovered that there was a misclassification of certain unrestricted net assets as restricted. The discovery resulted in the restatement of beginning net assets. See Note V. The prior year comparative information has been restated to conform with the change. In our opinion, the restated summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects with the audited financial statements from which it has been derived.

Fort Pierce / Stuart



To the Board of Directors
United Way of Martin County, Inc

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 (GAAP); 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 Martin County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are issued or 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 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 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 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 the Organization'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 the Organization's ability to continue as a going concern for a reasonable period of time.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

To the Board of Directors
United Way of Martin County, Inc

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining schedules of financial position and the combining schedules of activities are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Stuart, Florida

October 24, 2024

United Way of Martin County, Inc.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2024
(With Comparative Totals at June 30, 2023)

	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 2,273,839	\$ 1,954,223
Short term investments	584,675	697,908
Receivables		
Campaign receivable, net of allowance of \$125,000 and \$125,000	402,794	298,947
Endowment receivable, net of discount	120,441	119,086
Other receivables	54,677	45,234
Prepaid expenses	27,079	33,210
Total current assets	3,463,505	3,148,608
Furniture, fixtures and equipment at cost, less accumulated depreciation of \$81,426 and \$87,531	16,769	5,944
Right-of-use asset - Property, net of accumulated amortization	387,710	450,582
Security deposit	10,963	10,963
Endowment receivable, net of discount	48,994	166,741
Long-term investments	7,414,220	6,638,342
Total assets	\$ 11,342,161	\$ 10,421,180
Liabilities and Net Assets		
Current liabilities		
Allocations payable and other accrued liabilities	\$ 1,108,033	\$ 1,086,211
Leases payable, current portion	54,440	54,294
Total current liabilities	1,162,473	1,140,505
Noncurrent liabilities		
Lease payable	341,708	396,148
Total liabilities	1,504,181	1,536,653
Net assets		
With donor restrictions	5,291,166	5,083,804 *
Without donor restrictions	4,546,814	3,800,723 *
Total net assets	9,837,980	8,884,527
Total liabilities and net assets	\$ 11,342,161	\$ 10,421,180

* Restated

United Way of Martin County, Inc.
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024
(With Summarized Comparative Information for the Year Ended June 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Totals 2024	2023
Support and revenues				
Public support:				
Campaign results				
Annual campaign	\$ 2,106,570	\$ 338,990	\$ 2,445,560	\$ 3,021,582
Less: Amounts raised on behalf of others	(257,728)	-	(257,728)	(263,950)
Less: Provision for uncollected pledge losses	(125,000)	-	(125,000)	(125,000)
Net campaign revenues	1,723,842	338,990	2,062,832	2,632,632
Special events	120,505	-	120,505	76,949
Total public support	1,844,347	338,990	2,183,337	2,709,581
Revenues and grants from governmental agencies:				
ARPA Cares	12,431	-	12,431	24,313
Retired and Senior Volunteer Service Grant	-	98,844	98,844	98,844
Total revenues and grants from governmental agencies	12,431	98,844	111,275	123,157
Other revenues and support:				
Other grants	15,000	-	15,000	6,500
Other revenues:				
Investment income	306,137	481,738	787,875	652,530
In-Kind goods and services	7,956	-	7,956	10,389
Other income	66,300	-	66,300	188,722
Administrative fees on amounts raised on behalf of others	1,186	-	1,186	430
Total other revenues	381,579	481,738	863,317	852,071
Net assets released from restrictions	712,210	(712,210)	-	-
Total support and revenues	2,965,567	207,362	3,172,929	3,691,309
Expenses				
Program services				
Community program services	1,666,953	-	1,666,953	1,648,841
Supporting services				
Management and general	249,246	-	249,246	225,558
Campaign and marketing	303,277	-	303,277	328,306
Total supporting services	552,523	-	552,523	553,864
Total expenses	2,219,476	-	2,219,476	2,202,705
Change in net assets	746,091	207,362	953,453	1,488,604
Net assets				
Beginning of year	3,800,723	5,083,804	8,884,527	7,395,923
End of year	\$ 4,546,814	\$ 5,291,166	\$ 9,837,980	\$ 8,884,527

United Way of Martin County, Inc.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2024

	2024
Cash flows from operating activities:	
Change in net assets	\$ 953,453
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation and amortization	67,647
(Gain) loss on sale of securities	(246,592)
Unrealized (gain) loss on long-term investments	(168,152)
Change in assets and liabilities:	
Decrease in pledges receivable	116,392
(Increase) in grants and bequests receivable	(103,847)
(Increase) in other receivables	(9,443)
Decrease in prepaid expenses	6,131
(Decrease) in leases payable	(54,294)
Increase in allocations payable	21,822
Net cash provided by operating activities	583,117
Cash flows from investing activities:	
Purchases of long-term investments	(16,172,578)
Proceeds from sales and maturities of long-term investments	15,991,195
Purchases of depreciable assets	(15,600)
Net cash used in investing activities	(196,983)
Cash flows from financing activities:	
Payments on leases payable	(66,518)
Net increase in cash	319,616
Cash at beginning of year	1,954,223
Cash at end of year	\$ 2,273,839

United Way of Martin County, Inc.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024
(With Summarized Comparative Information for the Year Ended June 30, 2023)

	Program Services	Supporting Services			Totals	
	Community Program Services	Management and General	Campaign and Marketing	Total Supporting Services	2024	2023
Distributions						
Grants and allocations to funded partners	\$ 969,528	\$ -	\$ -	\$ -	\$ 969,528	\$ 933,950
Discretionary grants and awards to others	10,000	-	-	-	10,000	10,000
Specific assistance	98,730	-	-	-	98,730	98,422
Total distributions	<u>1,078,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,078,258</u>	<u>1,042,372</u>
Compensation						
Salaries	306,446	160,944	148,982	309,926	616,372	623,817
Employee benefits	70,355	32,303	29,144	61,447	131,802	137,102
Payroll taxes	23,434	12,459	11,291	23,750	47,184	47,059
Total compensation	<u>400,235</u>	<u>205,706</u>	<u>189,417</u>	<u>395,123</u>	<u>795,358</u>	<u>807,978</u>
Services and supplies						
Audit and accounting	2,869	2,017	8,303	10,320	13,189	13,477
Lease Expense	46,974	16,622	15,072	31,694	78,668	76,896
Insurance	7,802	2,601	4,835	7,436	15,238	14,420
Office maintenance	16,236	4,048	5,597	9,645	25,881	22,134
Meetings/community relations	1,865	756	4,148	4,904	6,769	15,407
Membership dues	2,294	1,349	2,152	3,501	5,795	4,313
Occupancy	7,344	1,448	1,313	2,761	10,105	6,659
General supplies	2,889	1,706	1,219	2,925	5,814	5,772
Telephone	4,639	1,966	1,718	3,684	8,323	8,656
Travel	1,710	900	770	1,670	3,380	3,598
Volunteer & staff development	558	392	950	1,342	1,900	2,606
Total services and supplies	<u>95,180</u>	<u>33,805</u>	<u>46,077</u>	<u>79,882</u>	<u>175,062</u>	<u>173,938</u>
Promotion and awareness						
General promotion	258	181	126	307	565	1,969
Postage	569	400	1,588	1,988	2,557	9,989
Printing and publications	1,655	186	1,655	1,841	3,496	7,756
Professional services and consultants	4,486	2,392	39,682	42,074	46,560	31,700
Program service	25,113	253	176	429	25,542	14,855
Promotional material	64	-	39	39	103	9,772
Campaign and fundraising	23,904	3,842	16,157	19,999	43,903	42,174
Recognition - awards	4,441	950	7,295	8,245	12,686	14,777
Total promotion and awareness	<u>60,490</u>	<u>8,204</u>	<u>66,718</u>	<u>74,922</u>	<u>135,412</u>	<u>132,992</u>
Other expenses						
Dues to national and state organizations	30,611	-	-	-	30,611	36,093
Depreciation	2,179	1,531	1,065	2,596	4,775	9,332
Total other expenses	<u>32,790</u>	<u>1,531</u>	<u>1,065</u>	<u>2,596</u>	<u>35,386</u>	<u>45,425</u>
Total expenses	<u>\$ 1,666,953</u>	<u>\$ 249,246</u>	<u>\$ 303,277</u>	<u>\$ 552,523</u>	<u>\$ 2,219,476</u>	<u>\$ 2,202,705</u>

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE A – DESCRIPTION OF ORGANIZATION

United Way of Martin County, Inc., (“United Way”) is a not-for-profit fund raising, fund distribution and community service agency exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. United Way raises funds on an annual basis, primarily through employee payroll deductions at the workplace, corporate contributions, and individual gifts. United Way uses contributions with no restrictions to support local health and human service initiatives, and also acts as an agent for funds restricted by donors for specific purposes. As an unbiased advocate for the community needs, United Way provides:

1. Leadership in engaging people in the public, private and not-for-profit sectors in community planning and development to take action on priority human care issues that affect the quality of life in the community.
2. Assistance to human care agencies in the recruitment of volunteers and the acquisition of financial resources by conducting an annual voluntary fundraising campaign, developing, and coordinating governmental and private grants, individual gifts and supplemental income from bequests.
3. Investment in programs, projects, and initiatives in Martin County, using a volunteer-driven process and a variety of resource investment strategies, to address priority human care needs, affect root causes and produce positive results.
4. Interaction with donors, key stakeholders, agency partners and community leaders to develop United Way and community strategies that focus and leverage resources to effect optimal, consistent and measurable improvement in those priority needs.

Affiliated Corporation

United Way has established the United Way of Martin County Foundation, Inc. (Foundation). The Foundation is a separate non-profit organization which provides planned giving services to United Way donors. The United Way of Martin County Foundation is an independent public charity uniquely positioned to accept legacy gifts and build an endowment fund to meet current and future unmet needs of Martin County. Both United Way and the Foundation are related organizations with the Foundation having a number of present and former United Way Board members. The accompanying financial statements include the accounts of both entities. Inter-company transactions and balances have been eliminated.

NOTE B – SUMMARY OF ACCOUNTING POLICIES

Financial Statements

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles. Assets and related revenues are recorded when earned, and liabilities and related expenses are recognized as incurred. For grant revenue recognition, the legal and contractual requirements of the individual programs are used as guidance.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE B – SUMMARY OF ACCOUNTING POLICIES (continued)

Financial Statements (continued)

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in corporate documents and the application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others entered into in the course of its operations.

Net Assets With Donor Restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions.

The organization's unspent contributions are included in this class if the donor limited their use, as are its donor-restricted endowment funds.

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. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the organization, unless the donor provides more specific directions about the period of its use.

Annual campaigns are conducted each year to raise support for charitable distributions. An unconditional promise to give is recognized as revenue at the time of the pledge, net of an allowance for uncollectible amounts.

Donors have the option to designate their contribution to a specific organization. Such contributions are referred to as donor choice. United Way also manages campaigns for corporations with locations outside Martin County, Florida. Undesignated pledges from employees of these corporations who do not reside and/or work in Martin County will in certain instances be distributed to other regional United Way Organizations. The collection of these contributions and distribution to donor-specified agencies or other regional United Way Organizations are transactions in which United Way is acting as an agent or intermediary. These transactions are not reported in the statement of activities as revenue and expenses but are included in the total campaign amounts raised on the statement and then deducted as amounts raised on behalf of others before arriving at net current year contributions.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE B – SUMMARY OF ACCOUNTING POLICIES (continued)

Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U. S. Generally Accepted Accounting Principles. Accordingly, such information should be read in conjunction with United Way's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, time deposits, all highly liquid debt instruments, insured money market accounts and certificates of deposit with maturities of three months or less. Cash equivalents also include the cash portion of investment funds held by brokerage firms.

Investments

Debt and equity securities with readily determinable fair values purchased for investment are recorded at fair value based on quoted market prices. Cost basis is determined on the date of purchase. Purchased investments are reported at fair market value. Donated investments are recorded at their fair market value on the date of donation. Investment income which includes interest, dividends, gains and losses on sales of securities and unrealized gains and losses from investment appreciation and depreciation are considered as unrestricted revenue.

Furniture, Fixtures and Equipment

Uses of funds for acquisitions of physical property and equipment are generally accounted for as net assets without donor restrictions. These properties are recorded at cost, if purchased or fair market value, if contributed. If contributors of property stipulate how long the assets must be used, the contributions are recorded as support with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions. The organization has elected to capitalize those assets costing or having a fair market value at time of donation of, \$1,000 or more. Depreciation is provided for on all classes of property and equipment using straight-line methods over estimated useful lives ranging from 3 to 10 years.

Income Taxes

United Way is exempt from federal income tax as an organization described in Section 501(c) (3) of the Internal Revenue Code. In accordance with the Internal Revenue Code, United Way of Martin County, Inc. is not considered a private foundation.

Donated Services and In-Kind Contributions

United Way records in-kind contributions at fair market values consistent with those amounts which would be paid for similar products and services. Donated services are reported as contributions when the services create or enhance non-financial assets, would be purchased if they had not been provided by contribution, require specialized skills and are provided by individuals possessing those skills.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE B – SUMMARY OF ACCOUNTING POLICIES (continued)

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allocation of Expenses

The costs of providing the organization's programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. United Way allocates costs to the various functional expense categories based primarily upon the number of employees in each respective functional expense category.

Leases

The Organization implemented FASB ASC TOPIC 842, *Leases*, in 2022, which changed the accounting and financial reporting for leases. FASB ASU 2016-02 defines a lease as a contract that conveys the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Under FASB ASU 2016-02, leases other than short-term leases, defined as having a maximum possible term of 12 months or less, are required to be recognized in the Statement of Financial Position. A lessee should recognize a lease liability and an intangible right of use asset, while a lessor should recognize a lease receivable and a deferred income. Contracts that transfer ownership should be accounted for as finance leases by the lessee or sales-type leases by the lessor.

The Organization determines if an arrangement is a lease, or contains a lease, at inception. Lessee arrangements recognize a lease liability and a right of use (ROU) asset in the Statement of Financial Position at the commencement date of the lease. The lease liability represents the Organization's obligation to make lease payments arising from the lessee arrangement and is initially and subsequently recognized based on the present value of future lease payments. The ROU asset represents the Organization's right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction, and is amortized on a straight-line basis over the terms of the associated leases. The lease term may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option.

Payment for short-term leases with a lease term of less than twelve months, and lease agreements below the Organization's approved annualized threshold, are recognized as expenses as incurred. The Organization has established a \$5,000 threshold, for total annual payments, for leases subject to FASB ASC TOPIC 842. Short-term leases and leases under the threshold are not included as lease liabilities or right of use assets on the Statement of Financial Position.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE C – CASH AND CASH EQUIVALENTS

Cash and cash equivalents total \$2,273,839 and \$1,954,223 on June 30, 2024 and 2023 and include \$2,050,517 and \$1,715,272, respectively in interest bearing accounts. The fair value of cash and cash equivalents approximates their carrying value on June 30, 2024 and 2023.

Deposits - Cash deposits are maintained at various financial institutions. On June 30, 2024 accounts are insured by the FDIC up to \$250,000 per financial institution regardless of whether they are interest bearing or not. The uninsured cash balances of United Way on June 30, 2024 and 2023 were \$646,060 and \$600,711. The uninsured balances are 100% collateralized by interests in obligations fully guaranteed as to principal and interest by the United States government or an agency thereof.

Cash equivalents - Included in cash equivalents are \$1,125,352 and \$897,563 of money market accounts on June 30, 2024 and 2023, respectively. These accounts are insured through the SIPC.

NOTE D – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2024 are:

Financial Assets	
Cash	\$ 2,273,839
ST Investments	584,675
LT Investments	7,414,220
Campaign receivables	402,794
Less financial assets held to meet donor imposed restrictions	<u>(5,291,166)</u>
Amount available for general expenditures within one year	<u>\$ 5,384,362</u>

NOTE E - PLEDGES RECEIVABLE

The 2023 campaign pledge receivables are expected to be received within one year. The Endowment Campaign pledges to be received in future years are reported at the present value of their future cash flows. Carrying amounts of pledges receivable approximates their fair value. Concentrations of credit risk with respect to the 2023 campaign pledge receivables are limited due to the large number of donors and their dispersion across different industries. Campaign receivables on June 30, 2024 totaled \$402,794 net of managements allowance for uncollectible pledges of \$125,000. The Endowment Campaign pledges receivable total \$169,435 (net of discount) and that entire amount is concentrated among two donors. Management has evaluated Endowment Campaign pledge receivables and believes that all amounts will be collected from the two donors; therefore, no allowance for doubtful collections has been established related to the Endowment Campaign pledges.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE F – INVESTMENTS

Debt and equity securities with readily determinable fair values purchased for investment are recorded at fair value based on quoted market prices. Net appreciation (depreciation) in the fair value of investments, which includes realized gains and losses and unrealized appreciation (depreciation) on those investments, is reported in the statement of activities. Cost basis is determined on the date of purchase. Cost basis and approximate fair values of long-term investment securities and CD's on June 30, 2024 and 2023 are summarized as follows:

	June 30, 2024		
	Cost Basis	Net Unrealized Gains / (Losses)	Fair Value
Mutual Funds	\$ 3,785,547	\$ 420,953	\$ 4,206,500
Exchange Traded Products	2,708,156	26,260	2,734,416
Certificates of Deposit - LT	475,000	(1,696)	473,304
	\$ 6,968,703	\$ 445,517	\$ 7,414,220
	June 30, 2023		
	Cost Basis	Net Unrealized Gains / (Losses)	Fair Value
Mutual Funds	\$ 3,685,165	\$ 51,355	\$ 3,736,520
Exchange Traded Products	2,350,755	163,805	2,514,560
Certificates of Deposit - LT	390,000	(2,738)	387,262
	\$ 6,425,920	\$ 212,422	\$ 6,638,342

The United Way, on occasion, receives short-term investments, generally consisting of stocks or bonds, from donors in satisfaction of pledges made. The organization sells the contributed investments as soon as is practical after receipt. On June 30, 2024 and 2023, substantially all of the investments had been sold. The composition of investment income included in the Statement of Activities and Changes in Net Assets is as follows:

Interest and dividends	\$ 373,131
Net realized and unrealized gains on investments	414,744
	\$ 787,875

Investment funds and securities held by brokerage institutions are insured by the Securities Investor Protection Corporation (SIPC) up to \$100,000 and \$500,000 respectively. The asset protection provided by the SIPC is not against losses from fluctuations in the value of the securities, but rather only if the brokerage firm ceases doing business. Investments subject to market risk of fluctuations in value on June 30, 2024 and 2023 include \$8,066,268 and \$7,148,643 in money market accounts, mutual funds and exchange traded products, respectively.

Short term investments consist of Certificates of Deposit with maturities greater than three months, but less than one year in the amounts of \$584,675 and \$697,908 on June 30, 2024 and 2023.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE G – FAIR VALUE MEASUREMENTS

The organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs 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 unobservable inputs (Level 3 measurements). The three levels of inputs used to measure fair value are as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.

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. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Mutual funds and exchange traded products: Valued at the net asset value of shares held by the entity at year end, which approximates fair value.

Promises to give: Valued at the pledge amount discounted to the present value of the future cash flows to be received.

Assets measured at fair value as of June 30, 2024 on a recurring basis comprise the following:

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 4,206,500	\$ -	\$ -	\$ 4,206,500
Exchange Traded Products	2,734,416	-	-	2,734,416
Certificates of Deposit	473,304	-	-	473,304
Total investments	7,414,220	-	-	7,414,220
Promises to give	-	-	169,435	169,435
Total Assets at Fair Value	\$ 7,414,220	\$ -	\$ 169,435	\$ 7,583,655

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE G – FAIR VALUE MEASUREMENTS (continued)

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the entity's Level 3 assets for the fiscal year ended June 30, 2024.

Level 3 Assets Year Ended June 30, 2024

	Beginning Balance 6/30/23	Unrealized gains/losses relating to instruments still held at the reporting date	Purchases, Sales Issuances, and Settlements (net)	Ending Balance 6/30/24
Promises to give	\$ 285,827	\$ -	\$ (116,392)	\$ 169,435

Assets measured at fair value as of June 30, 2023 on a recurring basis comprise the following:

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 3,736,520	\$ -	\$ -	\$ 3,736,520
Exchange Traded Products	2,514,560	-	-	2,514,560
Certificates of Deposit	387,262	-	-	387,262
Total investments	6,638,342	-	-	6,638,342
Promises to give	-	-	285,827	285,827
Total Assets at Fair Value	\$ 6,638,342	\$ -	\$ 285,827	\$ 6,924,169

Level 3 Assets Year Ended June 30, 2023

	Beginning Balance 6/30/22	Unrealized gains/losses relating to instruments still held at the reporting date	Purchases, Sales Issuances, and Settlements (net)	Ending Balance 6/30/23
Promises to give	\$ 473,502	\$ -	\$ (187,675)	\$ 285,827

Generally, for mutual funds, certificates of deposits, and exchange traded products, which are considered as available for sale, fair value is determined by reference to quoted market prices and other relevant information generated by market transactions (Level 1). The organization does not hold significant assets recorded at fair value using other observable inputs (Level 2) for the year ended June 30, 2024 or 2023. Other assets held and used are not considered significant to the financial statements as a whole and are not disclosed above. The fair value of loans and other long-term debt is determined by reference to quoted market prices and other market information for similar assets.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE H – FURNITURE, FIXTURES AND EQUIPMENT

Fixed assets consisted of the following as of June 30, 2024 and 2023:

	2024	2023
Furniture	\$ 17,953	\$ 17,953
Office equipment	10,710	8,276
Building sign	3,490	3,490
Data processing equipment	46,776	44,490
Data processing software	19,266	19,266
	98,195	93,475
Less accumulated depreciation	81,426	87,531
Net furniture, fixtures and equipment	\$ 16,769	\$ 5,944

NOTE I - RETIREMENT PLAN

United Way sponsors a retirement plan that covers all full-time employees. Board discretionary contributions to the plan are based on a percentage of the employee's salary. For the year ended June 30, 2024, the board approved discretionary contribution amount was 5 percent. Additionally, employees deferring compensation into the plan received up to an optional 3 percent match. For the year ended June 30, 2024, pension expense was \$39,650.

NOTE J – LEASES

The Organization has obligations as a lessee for office space with initial noncancelable terms in excess of one year. The Organization has classified this lease as an operating lease. The Organization's leases do not include termination options for either party to the lease. Payments due under the lease arrangements are comprised entirely of fixed payments, with some agreements including an agreed upon annual increase of the fixed amount.

In July 2020, the Organization entered into an agreement on a third addendum to lease building space which required 60 monthly payments ranging from \$5,866.67 to \$7,192.55. A fourth addendum was entered into in August 2023 in which United Way is giving back some of the office space in the previous lease agreements. The new addendum will require 84 monthly payments ranging from \$5,295.83 to \$6,323.50. The lease liability was measured at a discount rate of 2.88%, which is the Organization's risk-free rate from the US Treasury Par Yield Curve on July 1st, 2022. As a result of the lease, the Organization reported a right of use asset with a net book value of \$387,710 at June 30, 2024.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE J – LEASES (continued)

The lease cost for the year ended June 30, 2024 are as follows:

Operating Lease Cost	\$ <u>129,390</u>
----------------------	-------------------

Supplemental cash flow information related to leases was as follows:

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

Operating cash flows from operating leases	\$ <u>66,518</u>
--	------------------

Non-cash investing and financing activities:

Additions to right of use assets obtained from:

New operating lease liabilities	\$ <u>-</u>
---------------------------------	-------------

Supplemental balance sheet information related to leases was as follows:

Operating Lease Right of Use Assets	\$ <u>387,710</u>
-------------------------------------	-------------------

Operating Lease Liabilities	\$ <u>396,149</u>
-----------------------------	-------------------

Future minimum payments of lease liabilities under noncancellable operating leases as of June 30, 2024, were as follows:

Year Ending June 30,	Total
2025	\$ 65,139
2026	67,093
2027	69,106
2028	71,179
2029 and thereafter	<u>161,475</u>
Total minimum lease payments	433,992
Less: amount representing interest	<u>(37,843)</u>
Lease liability as of June 30, 2024	<u>396,149</u>

As of June 30, 2024, the weighted-average remaining lease term for all operating leases is 6.17 years. As the discount rate was not indicated on the lease agreements, the Organization utilized the incremental borrowing rate as the discount rate. The weighted-average discount rate associated with all operating leases is 2.88%. Amortization expense related to the right of use asset was \$62,872 for the year ended June 30, 2024 and accumulated amortization totaled \$188,616.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE K – COMMUNITY SERVICE PROGRAMS

The Organization provides community services programs in addition to the support it provides to the member agencies.

1. Volunteer United
Volunteer United delivers creative solutions to community problems by mobilizing people and resources through collaborative efforts. United Way continues to sponsor AmeriCorps Seniors and the RSVP (Retired Senior Volunteer Program) through a federal grant from the Corporation for National and Community Service which provides for intergenerational programs that allow the strengths of one generation to meet the needs of another. Additionally, Volunteer United provides corporate and individual volunteer opportunities through Day of Caring events. Additional revenue for Volunteer United comes from United Way allocations, local grants, corporate sponsorships and designated contributions.
2. United Way Holiday Project
The United Way Holiday Project (formerly known as White Doves) is a community wide effort to coordinate the distribution of food and toys to qualifying disadvantaged families for the holidays. United Way also serves as the sponsoring organization for the Toys for Tots program in Martin County. Expenses relate to purchases of food, bikes, toys, and direct project expenses. The United Way holiday project provided specific assistance totaling \$37,900 to Martin County families during the year ended June 30, 2024.
3. Community Impact Initiatives
United Way convenes and participates in multiple task forces, networks and councils within diverse community sectors in an effort to identify, measure and track factors associated with the quality of life in Martin County so that community resources are allocated wisely.
4. Community Fund Distribution
The Community Fund Distribution process considers all available resources, and community needs for human care services in the allocation of United Way Funds. Volunteers review, assess and monitor agency operations and programs to ensure that donor contributions are well spent. For year ended June 30, 2024, approximately 339 volunteer hours were spent on the Community Fund Distribution process.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE K – COMMUNITY SERVICE PROGRAMS (continued)

5. Other Direct Program Services

Ride United offers free, round-trip, on demand rides to connect Martin County residents to education, employment, health care and other critical services. This program provides a critical service, eliminating the transportation barriers facing those in need of transportation assistance.

The Volunteer Income Tax Assistance (VITA) program offers free income tax preparation by IRS trained volunteers for Martin County residents meeting the Earned Income Tax Credit (EITC) guidelines.

Through its Tools for Success program United Way assists in providing supplies directly to classrooms of Martin County schools so that every student can start the year equipped with required learning materials without putting the burden of these expenses on the families.

United Way also provides information and referral services for residents that call or walk into our office; conducts community conversations to educate the public and discuss pertinent topics impacting our community; and manages the Leaders United and Students United programs which provide education, awareness and community outreach opportunities to adults and youth in our community.

NOTE L – GRANTS FROM GOVERNMENTAL AGENCIES

RSVP

United Way entered into agreements with the Corporation for National & Community Service to administer grant funds received in accordance with the grant applications as negotiated. The period of performance for all activities under the grants originally continued until August 29, 2012. The agreements have since been extended through March 2027 and can be continued additionally through agreement by and between the parties. During the year ended June 30, 2024, United Way received \$98,844 under these agreements.

The following is a schedule of program sponsor matching requirements (9% from July 1, 2023 through March 31, 2024 and 30% from April 1, 2024 through June 30, 2024) for the year ended June 30, 2024.

Total project costs (excluding depreciation):		
Federal		\$98,844
Non-federal		<u>21,616</u>
		120,460
Amounts received or receivable	\$98,844	
Match required	<u>17,922</u>	<u>116,766</u>
Excess match		<u>\$ 3,694</u>

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE M – DESIGNATIONS FROM CONTRIBUTORS

Total campaign results include local campaign pledges that are unrestricted as well as local campaign pledges restricted by donors (donor choice) in which United Way acts as an agent. These designations were to funded partners and non-funded agencies and other United Ways. Such donations are recorded in the accompanying financial statements for the year ended June 30, 2024 as local campaign receipts and deducted as amounts raised on behalf of others as follows:

Funded partners	\$	46,788
Non-funded agencies		73,062
Other United Ways		137,878
		\$ 257,728

The remaining liability was reported as designations payable on June 30, 2024 and payments were made in April 2024 and will be made in July 2024, October 2024 and February 2025.

NOTE N – DISTRIBUTION OF UNITED WAY FUNDS

United Way funds funded partners on a July 1 - June 30 funding cycle. Generally, allocations are paid in four quarterly installments. The United Way Board of Directors has approved allocation commitments to funded partners for payment during the twelve months ending June 30, 2025 amounting to \$933,800. Accordingly, the total liability of \$933,800 was accrued as of June 30, 2024. Listed below are the accrued allocations to funded partners for the 2023-2024 funding cycle, other allocations, other distributions, allocations to internal programs and Foundation distributions.

Funded Partners / Program Allocations

Agency

Alzheimer's Community Care (Family Navigator)	\$	50,000
SafeSpace (Domestic Shelter)		50,000
House of Hope (Project Hope)		47,250
ARC of Martin County (ABLE Program)		43,000
The Salvation Army (Compassion House)		40,000
House of Hope (Pantry)		38,500
Martin County Healthy Start Coalition (Client Services & Delivery)		36,000
Council on Aging (Meals on Wheels Program)		35,000
Project Lift (Substance Abuse – Hobe Sound)		35,000
2-1-1 of the Treasure Coast		34,000
Helping People Succeed (HPS)(Baby Steps)		32,500
Helping People Succeed (HPS)(Community Living)		32,500
Children's Emergency Resources (Medical Services)		30,000
Martin Chamber Foundation (Career Connect Martin)		30,000
Tykes & Teens (Therapeutic Services)		30,000
Alzheimer's Community Care (Specialized Day Care)		28,000
Council on Aging (Adult Day Health Program)		25,000
Council on Aging (Senior Services Navigator)		25,000
House of Hope (Golden Gate)		25,000
Suncoast Mental Health		25,000

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE N – DISTRIBUTION OF UNITED WAY FUNDS (continued)

Hobe Sound Early Learning Center (Small Group Instruction)	22,500
The Salvation Army (Basic Needs)	21,000
D.A.T.A	20,300
Caring Children Clothing Children	20,000
Hope Rural School	20,000
Catholic Charities	16,000
ARC of Martin County (Youth After School Program)	15,000
(The) Inner Truth Project (SHIP)	15,000
Little Lights Dentistry	15,000
Hope Center for Autism	14,290
Banner Lake (Beyond Summer Slide)	12,960
Hibiscus Children's Center (Shelter Literacy Program)	12,500
Banner Lake (Butterflies VPK)	10,000
Tykes & Teens (Willoughby Center)	10,000
Life Builders (Building Lives, Protecting Community)	7,500
Epilepsy Foundation of Florida	5,000
Martin County Healthy Start Coalition (Father and Child Resources)	5,000
Liability for Funds Allocated to Funded Partners	933,800
Other Allocations	
Martin County School District (Kindergarten Camp)	25,000
Junior Achievement	7,500
YMCA of the Treasure Coast	1,800
Children's Home Society – Children in Need of Services	1,428
	35,728
Other Distributions	
Publix Emergency Funding	20,508
Other Specific Assistance	78,222
	98,730
Funds Allocated to Internal Programs	
Program	
Volunteer United	17,558
RSVP	23,058
	40,616
Foundation Distributions	
Lichtenberger Endowment – UWSLC	10,000
Total Distribution of United Way Funds	\$ 1,118,874

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE O - NET ASSETS

Net assets with donor restrictions are available for the following purposes on June 30, 2024:

Time Restrictions	\$ 169,435
Shared Services Network	46,085
Ride United	15,000
Campaign 23/24	15,270
Noble Operating Reserves	22,509
United Way Holiday Project	40,782
Other Grants and Programs	91,265
Perpetual Donor Restrictions	<u>4,890,820</u>
	<u>\$ 5,291,166</u>

Net assets were released from donor/grantor restrictions by incurring expenses satisfying the purpose or time restrictions specified as follows:

	<u>2024</u>
Earnings on Restricted Investments	\$ 481,738
Tools for Success	4,960
Shared Services Network	7,500
Ride United	19,772
Campaign 23/24	10,000
Holiday Project	50,397
Publix Emergency Reserves	20,508
Noble Operating Reserves	12,491
Retired and Senior Volunteer Program	98,844
Time Restricted - Sponsorships	<u>6,000</u>
	<u>\$ 712,210</u>

Unrestricted net assets consist of the following:

	<u>2024</u>
United Way Foundation unrestricted	\$ 2,382,261
UW unrestricted and undesignated	1,034,787
Designated for emergencies	300,000
Designated for other projects	79,766
Designated for endowment	<u>750,000</u>
	<u>\$ 4,546,814</u>

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE P – PAYMENTS TO AFFILIATED ORGANIZATIONS

United Way of Martin County, Inc. made payments to affiliated organizations for the year ended June 30, 2024 as follows:

United Way of America	\$	22,580
United Way of Florida		8,031
 Total		\$ 30,611

NOTE Q – ENDOWMENT

FASB ASC 958-205 provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). FASB ASC 958-205 also requires additional disclosures about an organization’s endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA. The State of Florida enacted UPMIFA effective July 1, 2012 and applied to this organization for the 2012/2013 fiscal year.

During the year ended June 30, 2013 the Organization adopted the provisions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) in accordance with the requirements of the State of Florida and FASB 958-205. UPMIFA requires the historical dollar amount of a donor-restricted endowment fund to be preserved. In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund is spendable under UPMIFA. The Organization’s donors have not placed restrictions on the use of investment income or net appreciation resulting from the donor-restricted endowment funds.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to functions supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The Organization’s spending and investing policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places an emphasis on investments to achieve its long-term return objectives within prudent risk parameters. The spending policy establishes prudent objectives for the uses and purposes for which the endowment fund is established, consistent with the goal of conserving the purchasing power of the endowment. In making its decisions, the Organization uses reasonable care, skill, and caution in considering the purposes of the Organization, the intent of the donors of the endowment, the terms of applicable instruments, the long-term and short-term needs of the Organization in carrying out its purposes, the general economic conditions, the possible effect of inflation or deflation, or other resources of the Organization, and perpetuation of the endowment.

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE Q – ENDOWMENT (continued)

Endowment net asset composition by type of fund as of June 30, 2024 is as follows:

	Unrestricted	Donor Restrictions	Total
Donor-restricted endowment funds and appreciation	\$ 3,132,261	\$ 5,060,255	\$ 8,192,516

Changes in endowment net assets as of June 30, 2024 are as follows:

	Unrestricted	Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 2,673,299	\$ 4,862,971	\$ 7,536,270
Contributions/Events	46,786	77,421	124,207
Investment income	220,719	481,738	702,457
Appropriated/Released	191,457	(361,875)	(170,418)
Endowment net assets, end of year	\$ 3,132,261	\$ 5,060,255	\$ 8,192,516

Endowment net asset composition by type of fund as of June 30, 2023 is as follows:

	Unrestricted	Donor Restrictions	Total
Donor-restricted endowment funds and appreciation	\$ 2,673,299	\$ 4,862,971	\$ 7,536,270

Changes in endowment net assets as of June 30, 2023 are as follows:

	Unrestricted	Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 2,056,352	\$ 4,290,454	\$ 6,346,806
Contributions/Events	21,500	701,935	723,435
Investment income (loss), net	171,917	445,926	617,843
Appropriated/Released	423,530	(575,344)	(151,814)
Endowment net assets, end of year	\$ 2,673,299	\$ 4,862,971	\$ 7,536,270

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE R – UNITED WAY ADMINISTRATIVE EXPENSES

Campaign expenses as a percentage of total public support raised for United Way of Martin County, Inc. and United Way of Martin County Foundation, Inc. combined was 12.38% for the year ended June 30, 2024. United Way combined administrative expense as a percentage of total revenue was 16.03% for the year ended June 30, 2024.

Campaign and marketing percentages were calculated by dividing the total fundraising expenses (campaign and marketing expenses on page six) before depreciation by total public support (page four) plus pass thru funds raised on behalf of other organizations. Administrative percentages were calculated by dividing total United Way supporting services expenses (page four) before depreciation expense by total support and revenue (page four) plus pass-thru funds raised on behalf of other organizations. Computation of these amounts is presented below.

Campaign and marketing expenses as a percentage of net public support

A.	Total Public Support (page 5)	\$ 2,183,337
	Add: Pass thru funds raised on behalf of other organizations	257,728
	Adjusted total Public Support	\$ 2,441,065
B.	Campaign and Marketing	\$ 303,277
	Less: Depreciation	1,065
	Adjusted total Campaign and Marketing expenses	\$ 302,212
	Campaign expenses as a percentage of total public support (B. divided by A.)	12.38%

United Way Administrative expense as a percentage of total revenue

A.	Total Support and Revenue (page 5)	\$ 3,172,929
	Add: Pass thru funds raised on behalf of other Organizations, net of administrative fees	257,728
	Adjusted Support and Revenues	\$ 3,430,657
B.	Total United Way Support Services (page 5)	
	Campaign and Marketing	\$ 303,277
	Management & General	249,246
		552,523
	Less: Depreciation	2,596
		\$ 549,927
	United Way Administrative expense as a percentage of total revenue (B. divided by A.)	16.03%

United Way of Martin County, Inc.
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE S - DONATED SERVICES

While a substantial number of volunteers have donated their time in the organization's program services and fundraising campaigns, these services do not create or enhance non-financial assets, nor do they require specialized skills that if not provided by a volunteer would be purchased. Accordingly, while these services contribute to the success of the organization, they have not been reflected in the accompanying financial statements.

NOTE T – MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

In preparing the financial statement information, management has evaluated events and transactions for potential recognition or disclosure through October 24, 2024, the date the financial statements were available to be issued.

NOTE U – INCOME TAXES

The organization has adopted accounting policies required for uncertainty in income tax positions. The policies follow accounting guidance which clarifies the accounting and recognition for tax positions taken or expected to be taken in its income tax returns. The organization's tax filings are subject to audit by various taxing authorities. The organizations federal income tax returns for June 30, 2023, 2022 and 2021 remain open to examination by the Internal Revenue Service. In evaluating the organization's tax provisions, management believes that any estimates are appropriately based on current facts and circumstances.

NOTE V – RESTATEMENT OF BEGINNING NET ASSETS

Net assets were restated to properly reflect beginning net assets related to the prior year misclassification of certain unrestricted net assets related to the Organization's endowment. The reclassification is as follows:

Net assets with donor restrictions – July 1, 2023, previously reported	\$ 5,833,804
Decrease in net assets with donor restrictions	<u>(750,000)</u>
Net assets with donor restrictions – July 1, 2023, restated	<u>\$ 5,083,804</u>
Net assets without donor restrictions – July 1, 2023, previously reported	\$ 3,050,723
Increase in net assets without donor restrictions	<u>750,000</u>
Net assets without donor restrictions – July 1, 2023, restated	<u>\$ 3,800,723</u>

SUPPLEMENTARY INFORMATION

United Way of Martin County, Inc.
COMBINING SCHEDULE OF FINANCIAL POSITION
June 30, 2024

	United Way of Martin County, Inc.	United Way of Martin County Foundation, Inc.	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 1,349,223	\$ 924,616	\$ 2,273,839
Short term investments	584,675	-	584,675
Receivables			
Campaign receivable, net of allowance of \$125,000 for 2024 and \$125,000 for 2023	402,794	-	402,794
Endowment receivable, net of discount	-	120,441	120,441
Other receivables	54,677	-	54,677
Prepaid expenses	24,713	2,366	27,079
Total current assets	2,416,082	1,047,423	3,463,505
Furniture, fixtures and equipment net of accumulated depreciation	16,769	-	16,769
Right-of-use asset - Property, net of accumulated amortization	387,710	-	387,710
Security deposit	10,963	-	10,963
Endowment receivable, net of discount	-	48,994	48,994
Long-term investments	296,493	7,117,727	7,414,220
Total assets	\$ 3,128,017	\$ 8,214,144	\$ 11,342,161
Liabilities and Net Assets			
Current liabilities			
Leases payable, current portion	\$ 54,440	\$ -	\$ 54,440
Allocations payable and other accrued liabilities	1,086,405	21,628	1,108,033
Total current liabilities	1,140,845	21,628	1,162,473
Noncurrent liabilities			
Leases payable	341,708	-	341,708
Total liabilities	1,482,553	21,628	1,504,181
Net assets			
Without donor restrictions			
Undesignated	1,034,787	2,382,261	3,417,048
Designated for emergencies	300,000	-	300,000
Designated for other projects	79,766	-	79,766
Designated for endowment	-	750,000	750,000
With donor restrictions	230,911	5,060,255	5,291,166
Total net assets	1,645,464	8,192,516	9,837,980
Total liabilities and net assets	\$ 3,128,017	\$ 8,214,144	\$ 11,342,161

United Way of Martin County, Inc.
COMBINING SCHEDULE OF ACTIVITIES
For the year ended June 30, 2024

	United Way of Martin County, Inc.	United Way of Martin County Foundation, Inc.	Total
Support and revenues			
Public support:			
Campaign results			
Annual Campaign	\$ 2,368,139	\$ 77,421	\$ 2,445,560
Less: Amounts raised on behalf of others	(257,728)	-	(257,728)
Less: Provision for uncollected pledge losses	(125,000)	-	(125,000)
Net campaign revenues	1,985,411	77,421	2,062,832
Special events	100,005	20,500	120,505
Total public support	2,085,416	97,921	2,183,337
Revenues and grants from governmental agencies:			
ARPA Cares	12,431	-	12,431
Grant - Retired and Senior Volunteer Service	98,844	-	98,844
Total grants from governmental agencies	111,275	-	111,275
Other revenues and support:			
Other Grants	15,000	-	15,000
Other revenues			
Investment income	85,418	702,457	787,875
In-Kind goods and services	7,956	-	7,956
Other income	88,843	26,286	115,129
Administrative fees on amounts raised on behalf of others	1,186	-	1,186
Total other revenues	183,403	728,743	912,146
Total support and revenues	2,395,094	826,664	3,221,758
Expenses			
Program services			
Community program services	1,656,953	10,000	1,666,953
Supporting services			
Management and general	249,246	-	249,246
Campaign and marketing	191,688	160,418	352,106
Total supporting services	440,934	160,418	601,352
Total expenses	2,097,887	170,418	2,268,305
Change in net assets	297,207	656,246	953,453
Net Assets - July 1, 2023	1,348,257	7,536,270	8,884,527
Net Assets - June 30, 2024	\$ 1,645,464	\$ 8,192,516	\$ 9,837,980

United Way of Martin County, Inc.
COMBINING SCHEDULE OF FINANCIAL POSITION
June 30, 2023

	United Way of Martin County, Inc.	United Way of Martin County Foundation, Inc.	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 937,810	\$ 1,016,413	\$ 1,954,223
Short term investments	697,908	-	697,908
Receivables			
Campaign receivable, net of allowance of \$125,000 for 2023 and \$150,000 for 2022	298,947	-	298,947
Endowment receivable, net of discount	-	119,086	119,086
Other receivables	45,234	-	45,234
Prepaid expenses	30,758	2,452	33,210
Total current assets	2,010,657	1,137,951	3,148,608
Furniture, fixtures and equipment net of accumulated depreciation	5,944	-	5,944
Right-of-use asset - Property, net of accumulated amortization	450,582	-	450,582
Security deposit	10,963	-	10,963
Endowment receivable, net of discount	-	166,741	166,741
Long-term investments	387,262	6,251,080	6,638,342
	387,262	6,251,080	6,638,342
Total assets	\$ 2,865,408	\$ 7,555,772	\$ 10,421,180
Liabilities and Net Assets			
Current liabilities			
Leases payable, current portion	\$ 54,294	\$ -	\$ 54,294
Allocations payable and other accrued liabilities	1,066,709	19,502	1,086,211
Total current liabilities	1,121,003	19,502	1,140,505
Noncurrent liabilities			
Leases payable	396,148	-	396,148
Total liabilities	1,517,151	19,502	1,536,653
Net assets			
Without donor restrictions			
Undesignated	732,658	1,923,299	2,655,957
Designated for emergencies	300,000	-	300,000
Designated for other projects	94,766	-	94,766
Designated for endowment	-	750,000	750,000
With donor restrictions	220,833	4,862,971	5,083,804
Total net assets	1,348,257	7,536,270	8,884,527
	\$ 2,865,408	\$ 7,555,772	\$ 10,421,180

United Way of Martin County, Inc.
COMBINING SCHEDULE OF ACTIVITIES
For the year ended June 30, 2023

	United Way of Martin County, Inc.	United Way of Martin County Foundation, Inc.	Total
Support and revenues			
Public support:			
Campaign results			
Annual Campaign	\$ 2,319,647	\$ 701,935	\$ 3,021,582
Less: Amounts raised on behalf of others	(263,950)	-	(263,950)
Less: Provision for uncollected pledge losses	(125,000)	-	(125,000)
Net campaign revenues	<u>1,930,697</u>	<u>701,935</u>	<u>2,632,632</u>
Special events	55,449	21,500	76,949
Total public support	<u>1,986,146</u>	<u>723,435</u>	<u>2,709,581</u>
Revenues and grants from governmental agencies:			
ARPA Cares	24,313	-	24,313
Grant - Retired and Senior Volunteer Service	98,844	-	98,844
Total grants from governmental agencies	<u>123,157</u>	<u>-</u>	<u>123,157</u>
Other revenues and support:			
Other Grants	<u>6,500</u>	<u>-</u>	<u>6,500</u>
Other revenues			
Investment income	34,687	617,843	652,530
In-Kind goods and services	10,389	-	10,389
Other income	234,273	685	234,958
Administrative fees on amounts raised on behalf of others	430	-	430
Total other revenues	<u>279,779</u>	<u>618,528</u>	<u>898,307</u>
Total support and revenues	<u>2,395,582</u>	<u>1,341,963</u>	<u>3,737,545</u>
Expenses			
Program services			
Community program services	<u>1,638,841</u>	<u>10,000</u>	<u>1,648,841</u>
Supporting services			
Management and general	225,558	-	225,558
Campaign and marketing	232,043	142,499	374,542
Total supporting services	<u>457,601</u>	<u>142,499</u>	<u>600,100</u>
Total expenses	<u>2,096,442</u>	<u>152,499</u>	<u>2,248,941</u>
Change in net assets	299,140	1,189,464	1,488,604
Net Assets - July 1, 2022	<u>1,049,117</u>	<u>6,346,806</u>	<u>7,395,923</u>
Net Assets - June 30, 2023	<u>\$ 1,348,257</u>	<u>\$ 7,536,270</u>	<u>\$ 8,884,527</u>