

UNITED WAY OF BLOUNT COUNTY
Maryville, Tennessee

FINANCIAL STATEMENTS

December 31, 2023

UNITED WAY OF BLOUNT COUNTY
Maryville, Tennessee
For Year Ended December 31, 2023

TABLE OF CONTENTS

Independent Auditors' Report	1 – 2
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Statement of Functional Expenses	6
Notes to Financial Statements	7 – 15
Supplemental Information: Schedule of Agency Support	16 – 18

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
United Way of Blount County
Maryville, Tennessee

Opinion

We have audited the accompanying financial statements of United Way of Blount County (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Blount County as of December 31, 2023, and the changes in its net assets and its 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. 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 Blount County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way of Blount County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Blount County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of agency support on pages 15-18 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Organizations December 31, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 1, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

PSH Audit & Assurance Services, PLLC

Certified Public Accountants

November 1, 2024

UNITED WAY OF BLOUNT COUNTY
Statement of Financial Position
December 31, 2023
With Comparative Totals for December 31, 2022

ASSETS	<u>2023</u>	<u>2022</u>
Current Assets		
Cash	\$ 1,265,053	\$ 1,389,017
Pledges receivable, net of estimated uncollectibles of \$179,783 and \$184,159 for 2023 and 2022	<u>1,920,683</u>	<u>1,855,521</u>
Total Current Assets	<u>3,185,736</u>	<u>3,244,538</u>
Property and Equipment		
Land	203,535	203,535
Building	1,775,518	1,775,518
Building improvements	86,000	86,000
Equipment and furniture	<u>100,102</u>	<u>100,102</u>
Total Property and Equipment	2,165,155	2,165,155
Accumulated depreciation	<u>(1,010,392)</u>	<u>(950,915)</u>
Net Property and Equipment	<u>1,154,763</u>	<u>1,214,240</u>
Total Assets	<u>\$ 4,340,499</u>	<u>\$ 4,458,778</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ -	\$ -
Accrued compensated absences	10,738	10,572
Accrued payroll liabilities	2,533	2,121
Deferred revenue	<u>252,924</u>	<u>187,763</u>
Total Current Liabilities	<u>266,195</u>	<u>200,456</u>
Long-Term Liabilities		
Security deposit	<u>11,375</u>	<u>11,375</u>
Total Liabilities	<u>277,570</u>	<u>211,831</u>
Net Assets		
Without Donor Restrictions:		
Board Designated	413,500	403,726
Undesignated	1,728,746	1,987,700
With Donor Restrictions	<u>1,920,683</u>	<u>1,855,521</u>
Total Net Assets	<u>4,062,929</u>	<u>4,246,947</u>
Total Liabilities and Net Assets	<u>\$ 4,340,499</u>	<u>\$ 4,458,778</u>

See accompanying independent auditor's report and notes.

UNITED WAY OF BLOUNT COUNTY
Statement of Activities
Year Ended December 31, 2023
With Comparative Totals for the Year December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
REVENUE AND OTHER SUPPORT				
Contributions	\$ -	\$ 2,102,712	\$ 2,102,712	\$ 2,155,831
COVID-19 Response Fund	-	-	-	20,000
Less, provision for uncollectible				
Net of recoveries	-	(113,046)	(113,046)	(96,666)
Less, donor designations	-	(226,519)	(226,519)	(215,817)
Net campaign revenue	-	1,763,147	1,763,147	1,863,348
Special events income, net of direct expenses of \$28,257	-	113,044	113,044	89,268
Grants awarded	32,000	-	32,000	45,000
Donated In-Kind Services	21,450	-	21,450	17,750
Interest income	28,117	-	28,117	3,555
Lease Income	68,250	-	68,250	68,250
Media sponsor Contributions	14,900	-	14,900	15,025
Meeting sponsor Contributions	13,200	-	13,200	12,750
Miscellaneous	4,780	-	4,780	6,454
Net assets released from				
Restrictions	1,920,683	(1,920,683)	-	-
Total Revenues and Other Support	2,103,380	(44,492)	2,058,888	2,121,400
EXPENSES				
Programs				
Health and human services	1,870,418	-	1,870,418	1,872,504
Supporting Services				
General and administrative	147,946	-	147,946	113,541
Campaign fundraising	184,737	-	184,737	159,502
Other expenses - rental	39,805	-	39,805	30,690
Total Expenses (includes donated services of \$21,450)	2,242,906	-	2,242,906	2,176,237
Change in Net Assets	(139,526)	(44,492)	(184,018)	(54,837)
NET ASSETS - BEGINNING OF YEAR	2,351,250	1,895,697	4,246,947	4,301,784
NET ASSETS - END OF YEAR	\$ 2,211,724	\$ 1,851,205	\$ 4,062,929	\$ 4,246,947

See accompanying independent auditor's report and notes.

UNITED WAY OF BLOUNT COUNTY
Statement of Cash Flows
Year Ended December 31, 2023
With Comparative Totals for the Year December 31, 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (184,018)	\$ (54,837)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	59,477	59,476
In-kind contributions of fixed assets	-	-
Change in allowance for doubtful accounts	-	-
Change in assets and liabilities:		
Gross pledges receivable	(65,162)	(57,137)
Accounts payable	-	-
Security deposit	-	-
Accrued payroll	412	(191)
Deferred revenue	65,161	162,963
Accrued compensated absences	166	300
Net Cash Provided By Operating Activities	\$ (123,964)	\$ 110,574
 CASH FLOWS USED BY INVESTING ACTIVITIES		
Purchase of fixed assets	-	-
 NET INCREASE (DECREASE) IN CASH	(123,964)	110,574
 CASH AT BEGINNING OF YEAR	1,389,017	1,278,443
 CASH AT END OF YEAR	\$ 1,265,053	\$ 1,389,017
 Supplemental Non-Cash Information:		
Donated Services	\$ 21,450	17,750
Donated Fixed Assets	-	-
	\$ 21,450	\$ 17,750

See accompanying independent auditor's report and notes.

UNITED WAY OF BLOUNT COUNTY

Statement of Functional Expenses

Year Ended December 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	Program Services Health and Human Services	General and Administrative	Campaign Fund Raising	Rental Property	2023 Total	2022 Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Salaries	\$ 229,702	\$ 83,528	\$ 104,410	\$ -	\$ 417,640	\$ 379,351
Employee benefits	44,682	16,248	20,310	-	81,240	84,890
Payroll taxes	17,486	6,358	7,948	-	31,792	29,993
Contract labor	19,250	7,000	8,750	-	35,000	10,000
Insurance and bonds	3,485	1,251	1,519	2,681	8,936	9,030
Conferences and meetings	5,394	1,962	2,452	-	9,808	2,930
Dues	13,632	4,957	6,197	-	24,786	21,207
Campaign supplies	752	273	342	-	1,367	1,474
Depreciation	21,411	7,464	8,921	21,679	59,475	59,475
Maintenance and repairs	8,157	3,005	3,864	6,440	21,466	16,671
Occupancy	11,407	4,202	5,403	9,005	30,017	28,234
Postage and shipping	1,301	473	592	-	2,366	2,656
Printing	2,403	874	1,092	-	4,369	3,205
Professional	17	6	8	-	31	6,280
Telephone	3,368	1,225	1,531	-	6,124	6,109
Travel	842	306	383	-	1,531	2,448
Subscriptions/Publication	130	47	59	-	236	-
Supplies	8,546	3,108	3,885	-	15,539	7,697
Miscellaneous	550	200	250	-	1,000	-
Advertising	32,310	-	-	-	32,310	18,199
Agencies - allocations	1,621,602	-	-	-	1,621,602	1,432,659
Program Service Training	15,500	-	-	-	15,500	-
Emergency Crisis and Relief Fund Grants	20,000	-	-	-	20,000	45,000
Meeting Sponsors Expense	8,281	3,011	3,764	-	15,056	-
Equipment	2,083	758	947	-	3,788	1,968
Bank Fees	4,324	1,572	1,966	-	7,862	5,937
Licenses and fees	-	-	-	-	-	-
Other operating expense	320	116	145	-	581	824
	<u>\$ 2,096,935</u>	<u>\$ 147,944</u>	<u>\$ 184,738</u>	<u>\$ 39,805</u>	<u>\$ 2,469,422</u>	<u>\$ 2,176,237</u>

See accompanying independent auditor's report and notes.

UNITED WAY OF BLOUNT COUNTY

Notes to Financial Statements
Year Ended December 31, 2023

NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

United Way of Blount County (UWBC or the Organization) was formed in 1954 as a non-profit county-wide community service group to ensure that human needs are met through assessment, monitoring, and a trusting spirit where people help one another. The Organization operates through an Executive Committee, a Board of Directors, and a Finance Committee to ensure compliance with applicable Sarbanes-Oxley legislation affecting non-profit entities.

Financial Statement Presentation

The financial statements of the Organization are presented on the accrual basis. The significant accounting policies followed are described below:

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor- imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets subject to grantor or donor-imposed stipulations that may or will be met, either by actions by the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities released from restrictions.

All contributions are considered to be without donor restrictions unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as net assets with donor restrictions.

Comparative Information

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of ninety days or less to be cash equivalents for the purpose of the Cash Flow Statement. At December 31, 2023 and 2022, there were no cash equivalents.

Contributions and accounts receivable

The Organization reports contributions, net of an allowance for doubtful accounts, at the amount which represents management's estimate of the amount that ultimately will be realized. The Organization reviews the adequacy of its allowance for uncollectible accounts on an ongoing basis, using historical trends and existing economic conditions, as well as review of specific accounts, and makes adjustments in the allowance as necessary.

UNITED WAY OF BLOUNT COUNTY
Notes to Financial Statements (Continued)
Year Ended December 31, 2023

NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Services and In-Kind Contributions

A large number of volunteers donate substantial amounts of time toward the annual campaign and the various community activities. Donated services are only recognized if the donated service requires specialized skills and were provided by a donor who possesses such skills and would have been purchased by the Organization if not donated. Donated property and other in-kind contributions are recognized in the financial statements at fair value when received.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets are capitalized at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their used and contributions of cash that must be used to acquire property and equipment are reported as restricted donor support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations or donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation expense for the years ended December 31, 2023 and 2022, was \$59,476 and \$59,476, respectively, computed using straight-line methods over the estimated useful lives of the assets, which range from five to thirty-nine years.

Recently Issued Accounting Standards

In February 2016, the FASB issued ASU No. 2016-02 – *Leases*. The standard requires all leases with lease terms over twelve months to be capitalized as a right to use asset and lease liability on the statement of financial position at the date of lease commencement. Leases will be classified as either financing or operating. This distinction will be relevant for the patten or expense recognition in the statement of activities and changes in net assets. This standard will be effective for annual periods beginning after December 15, 2023. Management is evaluating the potential impact of the adoption of this standard.

Functional Allocation of Expense

The cost of providing the various program services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services.

(Continued)

UNITED WAY OF BLOUNT COUNTY
Notes to Financial Statements (Continued)
Year Ended December 31, 2023

NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value of financial instruments

The carrying amounts reported in the statement of financial position for cash and cash equivalents, pledge receivables, and accrued expenses approximate fair value based on the short-term nature of these instruments.

Revenue recognition

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a donor restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities and changes in net assets are net assets released from restriction. The Organization considers the pledges received under the current year community-wide campaign, to be restricted for use in the following year.

Program revenues are generally recognized when services are rendered. The Organization recognizes revenue from fundraising on the day of a fundraising event.

Donor designations

The Organization receives contributions that have been designated by the donor for certain member groups and agencies. The Organization honors these designations and transfers the donor designated gifts to the appropriate groups or agencies. At December 31, 2023 and 2022, all designated gifts received had been allocated accordingly.

Advertising

The Organization had advertising costs of \$25,786 and \$27,782 during the years ended December 31, 2023 and 2022, respectively. Advertising costs are expensed when they are incurred. Advertising valued at \$21,450 and \$17,750 was donated during the years ended December 31, 2023 and 2022, respectively and is included in the Statements of Functional Expenses. Corresponding revenue is included in the in-kind revenue line in the Statement of Activities.

Income Tax Status

The Organization is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and the Internal Revenue Service has determined that the Organization is not a private foundation under Internal Revenue Code Section 509(a). There were no unrecognized tax benefits identified or recorded as liabilities for the years ending December 31, 2023 and 2022.

Concentrations of Credit Risk

The Organization's cash balances are insured (FDIC \$250,000) by various banks. Balances in excess of \$250,000 are secured by a bank with pledge securities held by the bank.

(Continued)

UNITED WAY OF BLOUNT COUNTY
Notes to Financial Statements (Continued)
Year Ended December 31, 2023

NOTE B – LIQUIDITY

The Organization has a policy to manage its liquidity and reserve following three guiding principles: operating within a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization’s financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>2023</u>	<u>2022</u>
Financial assets to meet cash needs for General expenditures within one year		
Cash and cash equivalents	\$ 1,265,053	\$ 1,389,017
Pledges receivable, net	<u>1,920,683</u>	<u>1,855,521</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,185,736</u>	<u>\$ 3,244,538</u>

NOTE C – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as December 31:

	<u>2023</u>	<u>2022</u>
Pledge receivable	\$ 2,100,466	\$ 2,039,680
Less: Allowance for uncollectibles	<u>(179,783)</u>	<u>(184,159)</u>
	<u>\$ 1,920,683</u>	<u>\$ 1,855,521</u>

NOTE D – RETIREMENT PLAN

The Organization provides a defined contribution plan designed to meet the requirements of IRS Code § 403(b). All full-time and eligible part-time employees are eligible after two years of service with 1,000 hours each year, and a minimum age of 21. UWBC will contribute 10% of the participant's annual compensation into the employee's plan. The plan offers immediate vesting. Eligible employees can defer a portion of their compensation (elective deferrals) to the Plan. Enrollment forms and information, a salary reduction agreement, a copy of the Summary Plan Description (SPD), and a list of investment options are available at the time of hire, eligibility, or upon request. While it is expected that these plans will continue indefinitely, UWBC reserves the right to modify, change carriers or discontinue them at any time. Total expense for the years ended December 31, 2023 and 2022 was \$35,322 and 35,524, respectively.

(Continued)

UNITED WAY OF BLOUNT COUNTY
Notes to Financial Statements (Continued)
Year Ended December 31, 2023

NOTE E – BOARD DESIGNATED NET ASSETS

The Board has designated the following net assets:

	2023	2022
Arconic Equity Grant	\$ -	\$ 35,000
Future Fund	93,211	91,056
Building maintenance reserve	107,410	72,361
Summit fund	60,110	66,777
Poverty Education	3,214	2,847
Connect United	5,250	5,250
Emergency Crisis Relief Fund	24,095	44,095
Arconic Grant	6,501	28,200
DEI workshops	143	894
Discretionary grants	12,063	57,246
Affordable Housing Initiative	18,127	-
IDEA Discretionary Grants	75,000	-
Media Sponsors	8,376	-
	\$ 413,500	\$ 403,726

NOTE F – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2023	2022
Land	\$ 203,535	\$ 203,535
Building	1,775,518	1,775,518
Building improvements	86,000	86,000
Equipment and furniture	100,102	100,102
Total property and equipment	2,165,155	2,165,155
Less - Accumulated depreciation	(1,010,392)	(950,915)
Net property and equipment	\$ 1,154,763	\$ 1,214,240

Depreciation expense for the years ended December 31, 2023 and 2022 was \$59,476 and \$59,475, respectively.

NOTE G – RECLASSIFICATION

Certain items previously reported in the 2022 financial statements have been reclassified to facilitate the presentations in the 2023 financial statements.

(Continued)

UNITED WAY OF BLOUNT COUNTY
Notes to Financial Statements (Continued)
Year Ended December 31, 2023

NOTE H – COMPENSATED ABSENCES

Annual leave for part-time staff is 1.67 hours per pay period, immediately accruing at the time of employment for the next 5 years and 2.5 hours per pay period for more than 5 years of service. For full-time staff, the leave is 5 hours per pay period (three weeks/year) immediately accruing at the time of employment for the next 5 years and 6.67 hours per pay period for more than 5 years of service (four weeks/year). The calendar year is the base period, and a carryover of up to 10 days of vacation leave accrued in the previous calendar year must be approved by the President/CEO and is to be used in the first 4 months of the following year. Eligible part-time employees may accrue sick leave; prorated based on their regularly scheduled hours. After a probationary period of 3 months, sick leave accumulates at a rate of 1 day per month. Sick days can accrue to the maximum of ninety (90) days and are not compensated at the cease of employment. Accrued compensated absences as of December 31, 2023 and 2022 were \$10,738 and \$10,572, respectively.

NOTE I – UNCONDITIONAL PROMISES TO GIVE AND RELATED RECEIVABLES

In the fall, the Organization begins its pledge campaign for the next calendar year. The Organization records these unconditional promises to give, net of estimated uncollectible amounts, as net assets with donor restrictions since the pledge indicates the donor's intent that the funds be used during the following year. The amounts estimated as uncollectible are based on prior history of the Organization. It is estimated that most of the promises to give will be received within the next calendar year. A summary of the campaigns is as follows:

	2023	2022
2024/2025 Campaign	\$ 48,492	\$ -
2023/2024 Campaign	47,936	-
2022/2023 Campaign	1,496,172	1,800
2021/2022 Campaign	257,153	1,542,075
2020/2021 Campaign	90,296	242,803
2019/2020 Campaign	99,631	101,606
2018/2019 Campaign	-	87,289
2017/2018 Campaign	-	-
	2,039,680	1,975,573
Less allowance for uncollectible pledges	(184,159)	(176,971)
Net pledges receivable	\$ 1,855,521	\$ 1,798,602

The following summarizes the change in the allowance for estimated uncollectible pledges for the year ended December 31:

	2023	2022
Balance at beginning of year	\$ 184,159	\$ 176,971
Provision	108,670	103,856
Write-offs, net	(113,046)	(96,668)
Balance at end of year	\$ 179,783	\$ 184,159

(Continued)

UNITED WAY OF BLOUNT COUNTY
Notes to Financial Statements (Continued)
Year Ended December 31, 2023

NOTE J – LEASES IN FINANCIAL STATEMENT OF LESSORS

The Organization is the lessor of office space within the headquarters building under an operating lease expiring June 30, 2024.

Following is a summary of property held for lease at December 31:

	<u>2023</u>	<u>2022</u>
6,500 square feet of 13, 100 square feet building	\$ 845,457	\$ 845,457
Less: Accumulated depreciation	<u>(416,766)</u>	<u>(395,088)</u>
	<u>\$ 428,691</u>	<u>\$ 450,369</u>

This rental results in unrelated trade or business income that is subject to federal income taxes, if applicable, after any directly related expenses are deducted.

Minimum future rentals to be received on the lease are:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 34,125

NOTE K – DONATED SERVICES

The estimated fair market value of donated services included in the financial statements for the year ended December 31 is as follows:

	<u>2023</u>	<u>2022</u>
Expenses		
Advertising -- Campaign related	\$ 21,450	\$ 17,750

NOTE L – CONCENTRATION

During the year ended December 31, 2023, the Organization received approximately 25% of its support from two donors. During the year ended December 31, 2022 the Organization received approximately 34% of its support from eight donors. If a significant reduction in these levels of support were to occur, it could have a significant impact on the Organization's operations.

(Continued)

UNITED WAY OF BLOUNT COUNTY
Notes to Financial Statements (Continued)
Year Ended December 31, 2023

NOTE M – OPERATING LEASE

In February 2021, the organization entered into a contract for the lease of a printer and a copier for 60 months at a rate of \$232 per month. In February 2023, the Organization signed a lease to rent a postage machine. Under the terms of the lease, the Organization will pay 20 quarterly payments of \$282 beginning on June 10, 2023.

In June 2023, the Organization entered into a three-year subscription fee agreement. Under the terms of the agreement, the Organization will pay three annual payments of \$2,550 in exchange for hosting services and annual software maintenance support.

Future minimum lease payments under non-cancelable leases as of December 31, 2023, are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2024	\$ 6,461
2025	1,824
2026	1,128
2027	564

NOTE N – LINE OF CREDIT

The Organization has a \$250,000 unsecured line of credit with a local bank. The line of credit matures on September 20, 2025. There was no unpaid balance on the line of credit for the years ended December 31, 2023 and 2022, respectively. There were no draws from the line of credit during 2023 or 2022 and therefore the Organization did not incur interest expense during 2023 or 2022.

NOTE O – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Expenses are charged directly to program, fundraising, rental or management categories based on specific identification or management’s allocation, based on expenditures and assessment of time and effort devoted to the respective functions. During the years ended December 31, 2023 there were no joint costs involving fundraising appeals.

UWBC functional expenses percentages are as follows:

55%, 20% and 25% for Program Services, General and Administrative, and Campaign Fundraising, respectively for the following categories: travel, professional fees, bank fees, equipment, telephone, license and fees, postage and shipping, dues, printing, subscriptions/publications, conferences and meetings, miscellaneous, other operating, and supplies expenses.

(Continued)

UNITED WAY OF BLOUNT COUNTY
Notes to Financial Statements (Continued)
Year Ended December 31, 2023

NOTE O – FUNCIONAL ALLOCATION OF EXPENSES (Continued)

36%, 12.55%, 15% and 36.45% for Program Services, General and Administrative, Campaign Fundraising and Rental, respectively for the following categories: depreciation expense.

38%, 14%, 18% and 30% for Program Services, General and Administrative, Campaign Fundraising and Rental, respectively for the following categories: occupancy and repairs and maintenance expenses.

39%, 14%, 17% and 30% for Program Services, General and Administrative, Campaign Fundraising and Rental, respectively for the following categories: insurance and bonds expense.

100% for Program Services for the following categories: agency allocations, designations to other United Ways, program fees, and grant expenses.

NOTE P – SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2023, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosures is November 1, 2024, which is the date on which the financial statements were issued.

SUPPLEMENTAL INFORMATION

UNITED WAY OF BLOUNT COUNTY

Schedule of Agency Support
Year Ended December 31, 2023

A Place to Stay	\$ 30,000.00
Big Brothers Big Sisters of East TN	15,896.00
Blount County Community Action Agency	84,688.00
Blount County Habitat for Humanity	44,000.00
Boys and Girls Club of Blount County	166,405.00
CASA of the Tennessee Heartland	35,000.00
Compassion Counseling	30,000.00
East TN Children's Hospital (designations only)	5,649.46
East Tennessee Kidney Foundation, Inc.	13,500.00
Epilepsy Foundation of East Tennessee (designations only)	862.56
Family Promise of Blount County	73,500.00
The Florence Crittenton Agency	19,000.00
GATE – Gateway to Independence	20,000.00
Girls Inc. of TN Valley	30,000.00
Good Neighbors of Blount County	50,000.00
Great Smoky Mountain Council, Boy Scouts of America	20,000.00
Haven House, Inc.	102,320.00
The Hearing and Speech Foundation	10,000.00
Legal Aid of East Tennessee	77,000.00
LTVEC – Birth to Three Program	23,000.00
Maryville Kiwanis Foundation- Imagination Library	7,500.00
McNabb Center	244,782.00
New Hope Blount County Children’s Advocacy Center	69,480.00
Second Harvest Food Bank of East Tennessee	17,500.00
Senior Citizens Home Assistance Service, Inc.	100,000.00
Trinity Health Ministries, Inc.	30,000.00
True Purpose Ministry	\$ 60,000.00
	<u>1,380,083.02</u>
 Other Grants	
CLS Clubs Mini Grants	15,000.00
Emergency Crisis & Relief Fund Grants	20,000.00
	<u>35,000.00</u>
 Designations to Other United Ways	
United Way of Greater Knoxville	225,000.46
United Way of Loudon County	233.70
United Way of McMinn County	\$ 1,285.33
	<u>226,519</u>
 Total Schedule of Agency Support	\$ 1,641,602.51

UNITED WAY OF BLOUNT COUNTY

Schedule of Agency Support
Year Ended December 31, 2022

A Place to Stay	\$ 27,500
Big Brothers Big Sisters of East TN	10,875
Blount County Community Action Agency	75,000
Blount County Habitat for Humanity	42,000
Boys and Girls Club of Blount County	167,153
CASA of the Tennessee Heartland	35,000
Compassion Counseling	25,000
East Tennessee Children’s Hospital Rehab Center (designations only)	5,320
East Tennessee Kidney Foundation, Inc.	13,500
Epilepsy Foundation of East Tennessee	1,468
Family Promise of Blount County	70,000
The Florence Crittenton Agency	16,800
GATE – Gateway to Independence	20,000
Girls Inc. of TN Valley	30,000
Good Neighbors of Blount County	50,000
Great Smoky Mountain Council, Boy Scouts of America	20,000
Haven House, Inc.	91,000
The Hearing and Speech Foundation	10,000
Legal Aid of East Tennessee	77,000
LTVEC – Birth to Three Program	23,000
Maryville Kiwanis Foundation- Imagination Library	7,500
McNabb Center	233,348
New Hope Blount County Children’s Advocacy Center	60,000
Second Harvest Food Bank of East Tennessee	10,000
Senior Citizens Home Assistance Service, Inc.	50,417
Trinity Health Ministries, Inc.	30,000
Designations to Other United Ways	\$ 215,817
	<hr/> 1,417,698
 CLS Clubs Mini Grants:	
A Place to Stay	5,000
New Hope Children's Advocacy Center	5,000
Second Harvest Foodbank	5,000
	<hr/> 15,000
 COVID-19 Response Fund Grants:	
Blount County Community Action Agency	5,000
Good Neighbors of Blount County	40,000
	<hr/> 45,000

UNITED WAY OF BLOUNT COUNTY

Schedule of Agency Support
Year Ended December 31, 2022

Discretionary Grants:

Blount Memorial Hospital Foundation	\$	26,000
Girls Inc of TN Valley		7,500
John 316 Outreach Ministries		15,000
Kingdom Design Ministries		15,000
Open Hearts Open Arms		15,000
		<hr/>
		78,500

Total \$ 1,556,198