

HEARTLAND UNITED WAY, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

December 31, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Heartland United Way, Inc.

Opinion

We have audited the accompanying financial statements of Heartland United Way, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, 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 Heartland United Way, Inc. as of December 31, 2024, 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 Heartland United Way, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Heartland United Way, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

SHAREHOLDERS:

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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 Heartland United Way, Inc.'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 Heartland United Way, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Distribution of Campaign Funds 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 Heartland United Way, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 8, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

AMGLPC

Grand Island, Nebraska
March 17, 2025

HEARTLAND UNITED WAY, INC.
STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

	<u>Office Fund</u>	<u>General Fund</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 109,544	\$ 700,155
Certificates of deposit (note B)	-	915,000
Investments (note C)	-	-
Prepaid expense	10,517	68,126
Accounts receivable - other	-	-
Interest receivable	-	11,473
Grants receivable (note M)	-	-
Pledges receivable (notes A4 and E)		
2024 - net of allowance for uncollectible pledges of \$83,122 in both 2024 and 2023	-	101,616
2025 - net of allowance for uncollectible pledges of \$90,143 in 2024	-	816,382
Total current assets	120,061	2,612,752
EQUIPMENT, AT COST (note A5)		
Equipment	165,103	-
Less accumulated depreciation	(113,012)	-
	52,091	-
OTHER ASSETS		
Operating lease right-of-use assets (note N)	226,492	-
TOTAL ASSETS	\$ 398,644	\$ 2,612,752
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Allocations payable	\$ -	1,852,187
Donor designations payable (note A10)	-	454,508
Accrued payroll taxes	2,633	-
Accrued payroll and vacation	21,119	-
Accounts payable	60,901	-
Current portion of operating lease liabilities (note N)	19,805	-
Total current liabilities	104,458	2,306,695
NONCURRENT LIABILITIES		
Operating lease liabilities (note N)	206,687	-
TOTAL LIABILITIES	311,145	2,306,695
NET ASSETS		
Without donor restrictions	37,116	142,511
With donor restrictions (note F)	50,383	163,546
Total net assets	87,499	306,057
TOTAL LIABILITIES AND NET ASSETS	\$ 398,644	\$ 2,612,752

See notes to financial statements.

Contingency Fund	Investment Fund	Disaster/COVID Fund	Total All Funds	
			2024	2023
\$ 13,114	\$ -	\$ 133,862	\$ 956,675	\$ 713,566
242,032	-	-	1,157,032	1,105,000
459,956	1,112,600	-	1,572,556	1,397,369
-	-	-	78,643	34,194
-	-	-	-	70
1,944	-	-	13,417	9,303
-	-	39,405	39,405	11,124
-	-	-	101,616	66,611
-	-	-	816,382	837,473
<u>717,046</u>	<u>1,112,600</u>	<u>173,267</u>	<u>4,735,726</u>	<u>4,174,710</u>
-	-	-	165,103	169,035
-	-	-	(113,012)	(104,427)
-	-	-	52,091	64,608
-	-	-	226,492	250,672
<u>\$ 717,046</u>	<u>\$ 1,112,600</u>	<u>\$ 173,267</u>	<u>\$ 5,014,309</u>	<u>\$ 4,489,990</u>
\$ -	\$ -	\$ -	\$ 1,852,187	\$ 1,676,374
-	-	-	454,508	426,806
-	-	-	2,633	-
-	-	-	21,119	33,568
-	-	-	60,901	3,219
-	-	-	19,805	24,180
-	-	-	2,411,153	2,164,147
-	-	-	206,687	226,492
-	-	-	2,617,840	2,390,639
717,046	1,112,600	62,813	2,072,086	1,938,296
-	-	110,454	324,383	161,055
<u>717,046</u>	<u>1,112,600</u>	<u>173,267</u>	<u>2,396,469</u>	<u>2,099,351</u>
<u>\$ 717,046</u>	<u>\$ 1,112,600</u>	<u>\$ 173,267</u>	<u>\$ 5,014,309</u>	<u>\$ 4,489,990</u>

HEARTLAND UNITED WAY, INC.
STATEMENTS OF ACTIVITIES
Years ended December 31, 2024 and 2023

	<u>Office Fund</u>	<u>General Fund</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenues		
Contributions and grants	\$ 91	\$ -
Interest and dividends	1,702	52,064
Administration fees	12,200	-
Realized gain on investments	-	-
Unrealized gain on investments	-	-
Total unrestricted revenues	13,993	52,064
Net assets released from restrictions (note G)		
Satisfaction of program restrictions	6,976	486,829
Total unrestricted revenues and other support	20,969	538,893
Expenses		
Functional expenses	614,744	65,617
Depreciation expense	14,396	-
Total expenses	629,140	65,617
Increase (decrease) in unrestricted net assets before other adjustments	(608,171)	473,276
Other adjustments		
Interfund transfers	515,451	(261,429)
Increase (decrease) in net assets without donor restrictions	(92,720)	211,847
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Total amount raised in campaign - net of uncollectible pledges of \$90,143 in 2024 and \$83,122 in 2023	-	1,712,720
Less: Amounts designated by donors for specific organizations	-	(374,680)
Total contributions	-	1,338,040
Funds allocated to agencies	-	(1,300,526)
Less: Allocations funded through donor designations	-	374,680
Allocations of campaign contributions to various agencies	-	(925,846)
Collection of prior year pledges in excess of estimated net collectible	-	34,278
Other restricted contributions	6,758	203,903
Net assets released from restrictions (note G)	(6,976)	(486,829)
Increase (decrease) in net assets with donor restrictions	(218)	163,546
INCREASE (DECREASE) IN NET ASSETS	(92,938)	375,393
Net assets at beginning of year	180,437	(69,336)
Net assets at end of year	\$ 87,499	\$ 306,057

See notes to financial statements.

Contingency Fund	Investment Fund	Disaster/COVID Fund	Total All Funds	
			2024	2023
\$ -	\$ -	\$ -	\$ 91	\$ 2,040
43,645	64,017	-	161,428	97,645
-	-	-	12,200	18,680
6,117	37,406	-	43,523	11,089
13,178	31,627	-	44,805	148,284
<u>62,940</u>	<u>133,050</u>	<u>-</u>	<u>262,047</u>	<u>277,738</u>
-	-	83,514	577,319	588,986
<u>62,940</u>	<u>133,050</u>	<u>83,514</u>	<u>839,366</u>	<u>866,724</u>
-	268	10,551	691,180	736,354
-	-	-	14,396	15,419
<u>-</u>	<u>268</u>	<u>10,551</u>	<u>705,576</u>	<u>751,773</u>
62,940	132,782	72,963	133,790	114,951
<u>(220,530)</u>	<u>-</u>	<u>(33,492)</u>	<u>-</u>	<u>-</u>
<u>(157,590)</u>	<u>132,782</u>	<u>39,471</u>	<u>133,790</u>	<u>114,951</u>
-	-	-	1,712,720	1,579,324
-	-	-	(374,680)	(352,289)
-	-	-	1,338,040	1,227,035
-	-	-	(1,300,526)	(1,192,699)
-	-	-	374,680	352,289
-	-	-	(925,846)	(840,410)
-	-	-	34,278	47,573
-	-	83,514	294,175	179,765
-	-	(83,514)	(577,319)	(588,986)
<u>-</u>	<u>-</u>	<u>-</u>	<u>163,328</u>	<u>24,977</u>
<u>(157,590)</u>	<u>132,782</u>	<u>39,471</u>	<u>297,118</u>	<u>139,928</u>
<u>874,636</u>	<u>979,818</u>	<u>133,796</u>	<u>2,099,351</u>	<u>1,959,423</u>
<u>\$ 717,046</u>	<u>\$ 1,112,600</u>	<u>\$ 173,267</u>	<u>\$ 2,396,469</u>	<u>\$ 2,099,351</u>

HEARTLAND UNITED WAY, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

Years ended December 31, 2024 and 2023

	2024				Total All Funds
	Community <u>Impact</u>	<u>Admin.</u>	<u>Campaign</u>	<u>Investment</u>	
Salaries	\$ 221,648	\$ 44,330	\$ 75,020	\$ -	\$ 340,998
Employee benefits	31,930	6,386	10,807	-	49,123
Payroll taxes	16,587	3,317	5,614	-	25,518
Professional fees	21,338	3,048	6,097	268	30,751
Office supplies	5,000	2,500	2,917	-	10,417
Campaign supplies	1,205	-	71,162	-	72,367
Telephone	2,546	1,432	1,326	-	5,304
Postage	1,541	856	1,028	-	3,425
Occupancy	11,526	4,611	6,916	-	23,053
Equipment lease and repairs	6,574	2,739	4,383	-	13,696
Printing	168	51	118	-	337
Volunteer/marketing	5,066	-	-	-	5,066
Travel	1,621	611	825	-	3,057
Meetings	9,198	3,471	4,686	-	17,355
Dues	7,991	4,814	5,752	-	18,557
Insurance	8,548	2,564	3,134	-	14,246
Disaster/COVID grants and expenses	10,551	-	-	-	10,551
Holiday Program expenses	47,334	-	-	-	47,334
Discretionary funds	25	-	-	-	25
Total functional expenses	\$ 410,397	\$ 80,730	\$199,785	\$ 268	\$ 691,180

See notes to financial statements.

2023

Community <u>Impact</u>	<u>Admin.</u>	<u>Campaign</u>	<u>Investment</u>	Total All <u>Funds</u>
\$ 239,802	\$ 47,961	\$ 81,164	\$ -	\$ 368,927
32,391	6,478	10,963	-	49,832
17,519	3,504	5,929	-	26,952
19,778	2,825	5,651	214	28,468
4,330	2,165	2,526	-	9,021
1,347	-	82,126	-	83,473
2,941	1,655	1,532	-	6,128
1,268	704	845	-	2,817
11,396	4,559	6,838	-	22,793
14,230	5,929	9,487	-	29,646
297	89	208	-	594
4,870	-	-	-	4,870
2,020	762	1,029	-	3,811
4,716	1,780	2,402	-	8,898
8,589	5,175	6,184	-	19,948
6,894	2,068	2,528	-	11,490
58,686	-	-	-	58,686
-	-	-	-	-
-	-	-	-	-
\$ 431,074	\$ 85,654	\$ 219,412	\$ 214	\$ 736,354

HEARTLAND UNITED WAY, INC.

STATEMENTS OF CASH FLOWS

December 31, 2024 and 2023

	<u>Office Fund</u>	<u>General Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ (92,938)	\$ 375,393
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation expense	14,396	-
Realized gain on investments	-	-
Unrealized gain on investments	-	-
(Increase) decrease in:		
Prepaid expense	(30)	(44,419)
Accounts receivable - other	70	-
Interest receivable	-	(4,071)
Employee retention credit receivable	-	-
Grants receivable	-	-
Pledges receivable	-	(13,914)
Increase (decrease) in:		
Allocations and donor designations payable	-	203,515
Accrued payroll and vacations	2,633	-
Accrued payroll taxes and payroll withholdings	(12,449)	-
Accounts payable	57,682	-
	(30,636)	516,504
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(1,879)	-
Purchase of certificates of deposit	-	(40,000)
Sale of investments	-	-
Purchase of investments	-	-
	(1,879)	(40,000)
Net cash used by investing activities	(1,879)	(40,000)
Net increase (decrease) in cash and cash equivalents	(32,515)	476,504
Cash and cash equivalents - beginning of year	142,059	223,651
Cash and cash equivalents - end of year	\$ 109,544	\$ 700,155

See notes to financial statements.

Contingency Fund	Investment Fund	Disaster Fund	Total All Funds	
			2024	2023
\$ (157,590)	\$ 132,782	\$ 39,471	\$ 297,118	\$ 139,928
-	-	-	14,396	15,419
(6,117)	(37,406)	-	(43,523)	(11,089)
(13,178)	(31,627)	-	(44,805)	(148,284)
-	-	-	(44,449)	(1,633)
-	-	-	70	2,343
(43)	-	-	(4,114)	(9,303)
-	-	-	-	96,697
-	-	(28,281)	(28,281)	32,911
-	-	-	(13,914)	(35,326)
-	-	-	203,515	212,435
-	-	-	2,633	493
-	-	-	(12,449)	(276)
-	-	-	57,682	(4,537)
(176,928)	63,749	11,190	383,879	289,778
-	-	-	(1,879)	(2,903)
(12,032)	-	-	(52,032)	(1,105,000)
-	268	-	268	-
(23,110)	(64,017)	-	(87,127)	(46,387)
(35,142)	(63,749)	-	(140,770)	(1,154,290)
(212,070)	-	11,190	243,109	(864,512)
225,184	-	122,672	713,566	1,578,078
<u>\$ 13,114</u>	<u>\$ -</u>	<u>\$ 133,862</u>	<u>\$ 956,675</u>	<u>\$ 713,566</u>

HEARTLAND UNITED WAY, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Operations

Heartland United Way, Inc., is a nonprofit organization engaged primarily in soliciting and collecting contributions from individuals and businesses in the Hall, Hamilton, Howard, and Merrick county areas, which it then allocates as support to its member agencies and other organizations. Contributions received in the form of pledges are unsecured.

2. Basis of Accounting and Presentation

Heartland United Way, Inc., uses the accrual basis of accounting, in conformity with the recommendations of the American Institute of Certified Public Accountants for Voluntary Health and Welfare Organizations. Under this method of accounting, revenues and expenses are recorded as incurred, without regard to the date of receipt or payment of cash.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards Codification regarding *Financial Statements of Not-for-Profit Organizations*. Under SFAS Codification Standards, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

3. Fund Accounting

In order to ensure observance of limitations and restrictions placed on use of resources available to the Organization, fund accounting is used to classify resources in accordance with activities or objectives specified.

Office Fund - is used to account for the operations of the Heartland United Way, Inc., local office. The fund also includes other designated resources available for support of office operations.

General Fund - is used to account for annual campaign pledges, collections, and allocations.

Contingency Fund - includes certain funds that are designated by the board to be retained for use in the event of an emergency such as a local disaster or a reduced campaign response, etc.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Fund Accounting, continued

Investment Fund - includes amounts of donor contributions and bequests the board has designated be put in the Investment Fund, where the principal remains intact, with the interest being currently reinvested in the Fund.

Disaster/COVID Fund – includes grants and donor contributions restricted for various disaster/COVID recovery efforts. The fund was established during 2019 after the March 2019 floods. The fund also accounts for the grants and donations received to address the COVID-19 pandemic which began during 2020.

4. Allowance for Uncollectible Pledges

The Organization provides an allowance for uncollectible pledges at the time campaign revenues are recorded. The allowance is estimated based on prior years' experience. At December 31, 2024, 5.0 percent of the 2025 general campaign revenues, or \$90,143, was recorded as an allowance for uncollectible pledges on the general campaign.

At December 31, 2023, 5.0 percent of the 2024 general campaign revenues, or \$83,122, was recorded as an allowance for uncollectible pledges on the general campaign.

5. Equipment

Property and equipment are stated at cost. Donated equipment is recorded at fair market value at the date of the donation. The Organization capitalizes equipment with a cost/value greater than \$1,000. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on a straight-line basis. The estimated lives used in determining depreciation on the equipment range from five to seven years.

6. Income Taxes

As a nonprofit organization, Heartland United Way, Inc., is exempt from income taxes in accordance with Internal Revenue Code Section 501(c)(3). As of December 31, 2024, the 2021, 2022, and 2023 tax years are open for examination by the IRS.

7. Cash and Cash Equivalents

The Organization considers all cash and certificates of deposit, excluding the investments in the Investment Fund, to be cash and cash equivalents.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

8. Donated Services

A substantial number of volunteers have donated significant amounts of their time in the Organization's program services and its fundraising campaigns. However, no amounts have been reflected in the statements for donated services, since no objective basis is available to measure the value of such services.

9. Estimates

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

10. Contributions

The Organization accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in the SFAS Codification Standards regarding *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS Codification Standards, contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization also follows the SFAS Codification Standard regarding *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*. Under this Statement, donations received with specific donor designations over which the Organization does not have variance power cannot be included in the revenue of Heartland United Way. These designated donor contributions are recorded as a liability until they are remitted to the designated beneficiaries.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

11. Promises To Give

Unconditional promises to give, less an allowance for uncollectible amounts, are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

12. Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations, and changes in fund balances in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Organization's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type) have not been presented since its inclusion would make the statements unduly complex and difficult to read.

13. Revenue Recognition

The Organization recognizes contribution revenue from donors when the donors make an unconditional pledge. An allowance for uncollectible pledges is recorded at that time, as described in Note A4. Also, allocations payable to partner agencies are recognized in conjunction with the contribution revenue.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE B – CERTIFICATES OF DEPOSIT

Certificates of deposit at December 31, 2024 and 2023 consisted of the following:

<u>Fund</u>	<u>Bank</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>12/31/2024 Balance</u>	<u>12/31/2023 Balance</u>
General	Five Points Bank	4.96%	2/3/2025	\$ 206,057	\$ 200,000
General	Home Federal	4.60%	4/2/2025	235,611	225,000
General	Home Federal	5.00%	2/2/2025	103,858	100,000
General	First National Bank	4.84%	2/13/2025	211,554	200,000
General	First National Bank	1.95%	2/6/2025	157,920	150,000
				<u>915,000</u>	<u>875,000</u>
Contingency	Equitable Bank	5.20%	2/3/2025	136,896	130,000
Contingency	Equitable Bank	4.70%	5/3/2025	105,136	100,000
				<u>242,032</u>	<u>230,000</u>
				<u>\$ 1,157,032</u>	<u>\$ 1,105,000</u>

NOTE C – INVESTMENTS

The Organization has been the beneficiary of bequest money, which the Board of Directors has voted to place in an Investment Fund. The Fund is invested with Edward Jones. The account holdings consist of bond funds and mutual funds. Interest earned in this Fund is to be used for the overall benefit of the member agencies. Each year the Board of Directors directs how those funds will be spent. In 2024 and 2023, the interest was reinvested back into the Fund.

During the year ended December 31, 1999, the Organization transferred \$5,000 of investments to the Grand Island Community Foundation. Investment income earned on this investment will be allocated to the Organization annually. The Community Foundation investment balance was \$13,544 and \$12,600 at December 31, 2024 and 2023, respectively.

The Contingency Fund also has assets invested with Edward Jones. The account holdings consist of bond funds and mutual funds. Interest earned in this Fund is to be reinvested for future contingencies. In 2024 and 2023, the interest was reinvested back into the Fund.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE C - INVESTMENT FUND, continued

The Organization values investments in accordance with Statement of Financial Accounting Codification Standards, which requires nonprofit organizations to value their investments at current market value, recognizing both realized and unrealized gains and losses.

	December 31, 2024			December 31, 2023		
	Cost	Market Value	Unrealized Gain (Loss)	Cost	Market Value	Unrealized Gain (Loss)
Edward Jones:						
American Balanced Capital World	\$ 144,617	\$ 222,768	\$ 78,151	\$ 139,076	\$ 208,075	\$ 68,999
Growth and Income	54,455	71,558	17,103	53,029	67,763	14,734
Corporate Bond	300,668	261,671	(38,997)	252,693	219,301	(33,392)
Money Market	38	38	-	38	38	-
Small Cap World Fund	127,742	151,763	24,021	136,565	159,795	23,230
New World Fund	38,865	42,794	3,929	40,182	43,289	3,107
New Perspective Growth Fund of America	38,903	40,062	1,159	39,660	36,821	(2,839)
Intermediate Bond Fund	87,297	141,990	54,693	81,515	119,237	37,722
Investment Company of America	297,899	277,682	(20,217)	246,956	229,475	(17,481)
	242,489	348,686	106,197	229,182	300,975	71,793
	1,332,973	1,559,012	226,039	1,218,896	1,384,769	165,873
Greater Grand Island Community Foundation	9,522	13,544	4,022	9,522	12,600	3,078
	\$1,342,495	\$1,572,556	\$ 230,061	\$1,228,418	\$1,397,369	\$ 168,951

All investments at December 31, 2024 and 2023, consist of Level 1 investments which have quoted prices in active markets for identical assets. The Organization does not hold any Level 2 (measured using significant other observable inputs) nor Level 3 (measured using significant unobservable inputs) investments.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE D - DESIGNATION OF INTEREST INCOME

The Board has designated that the interest earned in the General Fund and Contingency Fund accounts be accumulated to be used for the purchase of office equipment, furniture, and other Board-directed expenses. Interest earned during 2024 was \$52,066 on the General Fund and \$43,645 on the Contingency Fund. Interest earned during 2023 was \$38,982 on the General Fund and \$10,227 on the Contingency Fund.

NOTE E - PROMISES TO GIVE

Unconditional promises to give at December 31, 2024 and 2023, are as follows:

	<u>2024</u>	<u>2023</u>
2025 campaign pledges receivable	\$ 906,525	\$ -
2024 campaign pledges receivable	184,738	920,595
2023 campaign pledges receivable	<u>-</u>	<u>142,251</u>
Total campaign pledges receivable	1,091,263	1,062,846
Less allowance for uncollectible pledges receivable	(<u>173,265</u>)	(<u>158,762</u>)
Net unconditional pledges receivable at December 31,	\$ <u>917,998</u>	\$ <u>904,084</u>

As of December 31, 2024, these pledges receivable are expected to be collected as follows:

Receivable in less than one year	\$ 917,998
Receivable between one and five years	-
Receivable after five years	<u>-</u>
Net pledges receivable at December 31, 2024	\$ <u>917,998</u>

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE F - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2024 and 2023, were available for the following purposes or periods:

	<u>2024</u>	<u>2023</u>
Refugee Assistance	\$ 3,828	\$ 3,828
Heartland United Way Disaster donations	67,288	67,288
Disaster Construction	1,399	1,399
Diversity Outreach Coordinator	12,845	12,845
COVID-19 Compassion	25,094	25,094
Government Shutdown	370	370
Toys for Tots	34,654	34,958
Christmas Cheer	163,546	-
Adopt a Family	<u>15,359</u>	<u>15,273</u>
	<u>\$ 324,383</u>	<u>\$ 161,055</u>

There were no endowed net assets with donor restrictions as of December 31, 2024 and 2023. The Investment Fund comprises only board-designated funds.

NOTE G - RELEASE OF DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by donors.

	<u>2024</u>	<u>2023</u>
Purpose restrictions accomplished:		
General allocations to agencies	\$ 446,472	\$ 571,409
Disaster/COVID grants and expenses	83,514	17,577
Holiday programs	<u>47,333</u>	<u>-</u>
Total purpose restrictions released	<u>\$ 577,319</u>	<u>\$ 588,986</u>

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE H - RETIREMENT PLAN

In January 2001, the Organization established a 403(b) Plan, which was updated in 2011. Under the plan, the Organization contributes 4.5 percent of each qualified employee's gross income to the plan. Qualified employees are full-time employees who have completed their 90-day introductory period. The employees can also elect to contribute a portion of their salary to the plan. During the years ended December 31, 2024 and 2023, retirement expense was \$13,964 and \$14,625, respectively.

NOTE I - OVERHEAD RATIO

The overhead ratio is equal to fundraising, management, and general expenses divided by total campaign support and other revenue sources.

		<u>2024</u>	<u>2023</u>
A. Numerator:	Administrative expenses	\$ 80,730	\$ 85,654
	Campaign expense	199,785	219,412
	Investment expense	<u>268</u>	<u>214</u>
	Total Supporting Service expenses	<u>\$ 280,783</u>	<u>\$ 305,280</u>
B. Denominator:	Campaign Contributions	\$ 1,338,040	\$ 1,227,035
	Add: Amounts designated for specific agencies	374,680	352,289
	Prior year campaign contributions	34,278	47,573
	Other restricted contributions	83,514	179,765
	Other revenue sources	<u>344,024</u>	<u>118,365</u>
		<u>\$ 2,174,536</u>	<u>\$ 1,925,027</u>
	Overhead Ratio (A÷B)	<u>12.9%</u>	<u>15.9%</u>

Overhead Ratio by Expense Category:

Administrative expense	3.7%	4.5%
Campaign expense	9.2	11.4
Investment expense	<u>-</u>	<u>-</u>
	<u>12.9%</u>	<u>15.9%</u>

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE J – CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at several financial institutions located in Grand Island, Nebraska. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2024, bank deposits exceeded FDIC coverage and pledged collateral at three financial institutions by \$293,009. At December 31, 2023, bank deposits exceeded FDIC coverage and pledged collateral at one financial institution by \$105,000.

NOTE K – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditure are as follows as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Total assets at year-end	\$ 5,014,309	\$ 4,489,990
Less non-financial assets		
Prepaid expenses	(78,643)	(34,194)
Net property and equipment	(52,091)	(64,608)
Operating lease right-of-use asset	<u>(226,492)</u>	<u>(250,672)</u>
Financial assets	4,657,083	4,140,516
Less financial assets unavailable for general expenditures within one year:		
Assets held for allocations to agencies	(2,544,626)	(2,010,137)
Assets held for disaster/COVID recovery	(173,267)	(133,796)
Assets held for contingencies	(717,046)	(874,636)
Board designated investment funds	<u>(1,112,600)</u>	<u>(979,818)</u>
Financial assets available for general expenditures within one year	\$ <u>109,544</u>	\$ <u>142,129</u>

As part of its liquidity management, the Organization has a goal to maintain financial assets on hand to meet three months of normal operating expense (excluding grants and expenses paid out of restricted funds), which would be approximately \$158,300 based on the actual expenditures for the year ended December 31, 2024. Upon board approval, the contingency reserve funds of \$717,046 would also be available to meet emergency cash flow needs.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE L – COST ALLOCATION

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The Organization allocates expenses based on annual budget allocations approved by the Board.

NOTE M – GRANTS RECEIVABLE

At December 31, 2024 and 2023, the Organization had recognized grants receivable totaling \$39,405 and \$11,124, respectively, for program expenses incurred during the year ended December 31, 2024 that were to be reimbursed by grant programs. The grants receivable consisted of amounts due from Department of Health and Human Services grants.

NOTE N – LEASING ACTIVITIES

The Organization has operating leases for office space and a copier. These leases have remaining lease terms of 1 to 11.5 years, including options to extend the office space lease for two additional 5 year terms.

The following summarizes the line items in the statement of financial position which include amounts for operating leases as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Operating Leases		
Operating lease right-of-use-assets	<u>\$226,492</u>	<u>\$250,672</u>
Current portion of operating lease liabilities	\$ 19,805	\$ 24,180
Operating lease liabilities	<u>206,687</u>	<u>226,492</u>
Total operating lease liabilities	<u>\$226,492</u>	<u>\$250,672</u>

The following summarizes the weighted average remaining lease term and discount rate as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Weighted Average Remaining Lease Term		
Operating leases	11.2 years	11.7 years
Weighted Average Discount Rate		
Operating leases	3.34%	3.45%

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024 and 2023

NOTE N – LEASING ACTIVITIES, continued

The maturities of lease liabilities as of December 31, 2024 were as follows:

	<u>Total</u>	<u>Less Interest</u>	<u>Present Value</u>
Year Ending December 31:			
2025	\$ 26,930	\$ 7,125	\$ 19,805
2026	20,788	6,508	14,280
2027	21,307	6,029	15,278
2028	21,840	5,517	16,323
2029	22,386	4,971	17,415
Thereafter	159,712	16,321	143,391
	<u>\$ 272,963</u>	<u>\$ 46,471</u>	<u>\$ 226,492</u>

The following summarizes the line items in the statements of functional expenses which include the components of lease expense for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Occupancy	\$ 19,878	\$ 19,303
Equipment lease and repairs	11,766	12,544
	<u>\$ 31,644</u>	<u>\$ 31,847</u>

NOTE O – GO BIG GIVE

Heartland United Way, in collaboration with Greater Grand Island Community Foundation, conducts the Go Big Give day of giving fundraiser each year. Because the revenues are designated by donors to the 100+ nonprofit organizations who participate in Go Big Give, the funds raised and related expenses of this program are not included in the revenues and expenses on the accompanying Statements of Activities. During the years ended December 31, 2024 and 2023, Go Big Give raised \$1,507,261 and \$1,668,671, respectively, for the participating nonprofit organizations. At December 31, 2024 and 2023, the Organization had a balance of \$21,715 and \$35,159, respectively, included in allocations payable for Go Big Give funds remaining to be paid out to participating non-profits.

NOTE P – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 17, 2025, the date on which the financial statements were available for issue.

SUPPLEMENTAL INFORMATION

HEARTLAND UNITED WAY, INC.
DISTRIBUTION OF CAMPAIGN FUNDS

	Budgeted for the Year Ending December 31, 2025		Actual Distribution For The Year Ended December 31, 2024	
	Amount	%	Amount	%
CONTRIBUTIONS RECEIVED/PLEDGED	\$ 1,802,863	100.0 %	\$ 1,662,446	100.0 %
Allowance for uncollectible pledges	(90,143)	(5.0)	(83,122)	(5.0)
Administration, volunteer engagement and fundraising	(217,100)	(12.0)	(193,935)	(11.7)
Campaign expenses - car giveaway	(60,135)	(3.3)	(70,000)	(4.2)
Community impact and community investment process	(134,959)	(7.6)	(122,690)	(7.4)
Designations - United Way agencies	(328,052)	(18.2)	(298,642)	(18.0)
Designations - Non-United Way agencies	(46,628)	(2.6)	(53,647)	(3.2)
AVAILABLE FOR DISTRIBUTION	\$ 925,846	51.3 %	\$ 840,410	50.5 %
 PARTNER AGENCY ALLOCATIONS THROUGH COMMUNITY INVESTMENT DISTRIBUTION				
Partner Agencies:				
Adult Education	\$ 51,700	2.9 %	\$ 47,000	2.8 %
American Red Cross - Central Plains	13,200	0.7	12,000	0.7
Big Brothers/Big Sisters	74,360	4.1	67,600	4.1
Boy Scouts of America - Overland Trails Council	66,550	3.7	60,500	3.6
Central Nebraska Council on Alcoholism	81,576	4.5	74,160	4.5
Crossroads Mission	10,000	0.6	-	-
First Light	39,600	2.2	36,000	2.2
Girl Scouts - Spirit of Nebraska	15,400	0.9	14,000	0.8
Heartland CASA	65,010	3.6	59,100	3.6
Hope Harbor	104,500	5.8	95,000	5.7
Legal Aid	11,000	0.6	10,000	0.6
Literacy Council	38,500	2.1	35,000	2.1
Lutheran Family Services	37,400	2.1	34,000	2.0
Midland Area Agency on Aging	11,000	0.6	10,000	0.6
Multicultural Coalition	49,500	2.7	45,000	2.7
TeamMates of Grand Island	17,600	1.0	16,000	1.0
Third City Community Clinic	71,500	4.0	65,000	3.9
Willow Rising	36,850	2.0	33,500	2.0
YMCA	27,500	1.5	25,000	1.5
Community programs and services:				
Imagination Library	30,000	1.7	30,000	1.8
Area counties and schools	33,100	1.8	31,550	1.9
Community impact/community response	40,000	2.2	40,000	2.4
TOTAL	\$ 925,846	51.3 %	\$ 840,410	50.5 %