

THE UNITED WAY OF GREATER WATERBURY, INC.

Independent Auditors' Report
Financial Statements

June 30, 2025



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The United Way of Greater Waterbury, Inc.

Opinion

We have audited the accompanying financial statements of The United Way of Greater Waterbury, Inc. (the "United Way"), a nonprofit organization, which comprise the statement of financial position as of June 30, 2025, 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 the United Way as of June 30, 2025, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the United Way 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.

Prior Year Financial Statements

The financial statements of the United Way as of June 30, 2024 were audited by other auditors whose report dated October 12, 2024 expressed an unmodified opinion on those statements.

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 the United Way's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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.

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 the United Way'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 United Way'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.



Hartford, Connecticut
February 17, 2026

THE UNITED WAY OF GREATER WATERBURY, INC.

Statements of Financial Position

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Cash	\$ 3,543,485	\$ 2,777,922
Investments	3,959,396	3,263,117
Pledges and bequest receivable, net	657,870	1,085,240
Other receivables	160,368	120,697
Other assets	61,803	40,111
Property and equipment, net	133,502	142,341
Right-of-use lease assets	469,764	274,980
	<u> </u>	<u> </u>
Total assets	<u>\$ 8,986,188</u>	<u>\$ 7,704,408</u>
Liabilities and Net Assets		
Liabilities		
Allocations payable	\$ 1,254,426	\$ 1,365,782
Due to designated agencies	308,073	300,147
Accounts payable and accrued expenses	139,100	87,721
Due to affiliates	3,800	8,150
Deferred revenue	14,179	16,638
Lease liabilities	470,056	275,118
	<u> </u>	<u> </u>
Total liabilities	<u>2,189,634</u>	<u>2,053,556</u>
Net Assets		
Net assets without donor restrictions	3,990,110	3,764,051
Net assets with donor restrictions	2,806,444	1,886,801
	<u> </u>	<u> </u>
Total net assets	<u>6,796,554</u>	<u>5,650,852</u>
Total liabilities and net assets	<u>\$ 8,986,188</u>	<u>\$ 7,704,408</u>

The accompanying notes are an integral part of the financial statements.

THE UNITED WAY OF GREATER WATERBURY, INC.

Statements of Activities

For the years ended June 30, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Campaign contributions						
Campaign	\$ 3,680,730	\$ -	\$ 3,680,730	\$ 3,677,279	\$ -	\$ 3,677,279
Designation by donors	(1,662,751)	-	(1,662,751)	(1,683,005)	-	(1,683,005)
Net campaign contributions	2,017,979	-	2,017,979	1,994,274	-	1,994,274
Other support						
Contributions and bequests	553,115	837,343	1,390,458	2,008,819	1,849,445	3,858,264
Investment income	292,894	82,300	375,194	211,072	37,356	248,428
Administrative fees and other income	222,665	-	222,665	254,631	-	254,631
Total other support	1,068,674	919,643	1,988,317	2,474,522	1,886,801	4,361,323
Total support and revenue	3,086,653	919,643	4,006,296	4,468,796	1,886,801	6,355,597
Expenses						
Program	1,892,853	-	1,892,853	1,832,576	-	1,832,576
Management and general	644,191	-	644,191	570,096	-	570,096
Fundraising	323,550	-	323,550	284,348	-	284,348
Total expense	2,860,594	-	2,860,594	2,687,020	-	2,687,020
Change in net assets	226,059	919,643	1,145,702	1,781,776	1,886,801	3,668,577
Net assets, beginning of year	3,764,051	1,886,801	5,650,852	1,982,275	-	1,982,275
Net assets, end of year	\$ 3,990,110	\$ 2,806,444	\$ 6,796,554	\$ 3,764,051	\$ 1,886,801	\$ 5,650,852

The accompanying notes are an integral part of the financial statements.

THE UNITED WAY OF GREATER WATERBURY, INC.

Statements of Functional Expenses

For the years ended June 30, 2025 and 2024

	2025			
	Program	Management and General	Fundraising	Total
Allocations to agencies	\$ 1,011,257	\$ -	\$ -	\$ 1,011,257
Salaries	572,513	346,145	180,215	1,098,873
Office and supplies	38,596	23,336	12,149	74,081
Professional and contractual	120,575	72,900	37,955	231,430
Publicity and promotion	30,207	39,436	55,552	125,195
Occupancy	27,564	16,665	8,676	52,905
Other	75,194	45,463	23,669	144,326
Depreciation	16,947	10,246	5,334	32,527
Bad debt	-	90,000	-	90,000
Total	\$ 1,892,853	\$ 644,191	\$ 323,550	\$ 2,860,594
	2024			
	Program	Management and General	Fundraising	Total
Allocations to agencies	\$ 1,037,187	\$ -	\$ -	\$ 1,037,187
Salaries	517,856	313,099	163,010	993,965
Office and supplies	76,963	46,533	24,227	147,723
Professional and contractual	81,757	49,431	25,735	156,923
Publicity and promotion	36,289	37,565	45,400	119,254
Occupancy	32,607	19,715	10,264	62,586
Other	42,323	25,588	13,322	81,233
Depreciation	7,594	4,591	2,390	14,575
Bad debt	-	73,574	-	73,574
Total	\$ 1,832,576	\$ 570,096	\$ 284,348	\$ 2,687,020

The accompanying notes are an integral part of the financial statements.

THE UNITED WAY OF GREATER WATERBURY, INC.

Statements of Cash Flows

For the years ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	\$ 1,145,702	\$ 3,668,577
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation	32,527	14,575
Amortization of right-of-use asset	57,217	28,051
Bad debt expense	90,000	73,574
Realized and unrealized (gains)/losses on investments	(131,273)	(138,978)
Loss on disposal of property and equipment	-	1,276
(Increase)/decrease in assets:		
Pledges and bequest receivable	337,370	(362,873)
Other receivables	(39,671)	(1,968)
Other assets	(21,692)	31,315
Increase/(decrease) in liabilities:		
Allocations payable	(111,356)	(140,317)
Due to designated agencies	7,926	148,768
Accounts payable and accrued expenses	51,379	(18,740)
Due to affiliates	(4,350)	8,150
Deferred revenue	(2,459)	(4,762)
Lease liabilities	(57,063)	(27,912)
Net cash provided by operating activities	1,354,257	3,278,736
Cash flows from investing activities		
Purchases of fixed assets	(23,688)	(152,512)
Purchase of investments	(585,424)	(1,047,691)
Proceeds from sale of investments	20,418	445,529
Net cash provided by (used in) investing activities	(588,694)	(754,674)
Net change in cash and cash equivalents	765,563	2,524,062
Cash, beginning of year	2,777,921	253,859
Cash, end of year	\$ 3,543,484	\$ 2,777,921
Noncash activities:		
Right-of-use assets obtained in exchange for lease liabilities	\$ -	\$ 303,031

The accompanying notes are an integral part of the financial statements.

THE UNITED WAY OF GREATER WATERBURY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 - NATURE OF ACTIVITIES

The United Way of Greater Waterbury, Inc. (the “United Way”) is a not-for-profit voluntary health and welfare agency. It is a leader in facilitating the identification of regional needs and supporting solutions that create sustained changes in community conditions and provide opportunities that empower people to build successful lives. In order to do this, the United Way conducts an annual fundraising campaign and selects a limited number of focus issues and strategies in which to invest time, relationships, technology, expertise, money and other resources in order to deliver measurable results.

The United Way supports non-profit agencies, programs and initiatives which provide services in ten towns throughout the Greater Waterbury area. The towns which make up United Way’s territory are Bethlehem, Cheshire, Middlebury, Prospect, Southbury, Thomaston, Waterbury, Watertown, Wolcott, and Woodbury.

The United Way of Greater Waterbury, Inc. is a member of United Way of America (UWA). Members of UWA have membership criteria to ensure that all members meet basic legal, financial and ethical standards to ensure consistent and transparent reporting amount member Untied Ways. To remain a member in good standing, The United Way of Greater certifies annually that it has met the basic criteria for membership to UWA.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation - The United Way complies with the *Financial Statements of Not-for-Profit Organizations* topic of the Financial Accounting Standards Board (“FASB”) Codification. Under this topic, the United Way is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the United Way. These net assets may be used at the discretion of the United Way’s management and the Board of Directors.

Net Assets with Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the United Way or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Investments - Investments are stated at fair value. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Realized gains and losses on investments sold are determined on the average cost basis. Dividend and interest income are recorded on the accrual basis.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value - The United Way follows the *Fair Value Measurements* topic of the FASB Codification, which defines fair value and establishes a framework for measuring fair value in generally accepted accounting principles. The topic defines fair value as the exchange price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value is calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities includes consideration of non-performance risk including the United Way's own credit risk.

In addition to defining fair value, the Fair Value Measurements topic expands the disclosure requirements around fair value and establishes a fair value hierarchy for valuation inputs. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. The three levels of the fair value hierarchy are as follows:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities in active markets; quoted prices in markets that are not active; and model-based valuation techniques for which all significant inputs are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Significant unobservable inputs that reflect an organization's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Valuation techniques based on unobservable inputs are highly subjective and require judgments regarding significant matters, such as the amount and timing of future cash flows and the selection of discount rates that may appropriately reflect market and credit risks. Changes in these judgments often have a material impact on the fair value estimates. In addition, since these estimates are as of a specific point in time, they are susceptible to material near-term changes.

Following is a description of the valuation methodologies used for assets measured at fair value:

Money market funds, certificates of deposit, and U.S. Treasury Bills - Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the United Way are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the United Way are deemed to be actively traded.

There have been no changes in the methodology used to measure fair value at June 30, 2025 and 2024.

Investment Income and Gains - Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Endowment - The United Way adheres to the Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds topic of the FASB Codification. Under this topic, accumulated gains and income on donor-restricted endowment assets are classified as net assets with donor restrictions until appropriated for expenditure. The endowment is subject to a spending policy equal to 4.25% of a twelve quarter rolling average of the endowment value.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property and Equipment - Property and equipment with a cost of \$1,000 are capitalized at cost at the date of acquisition, or in the case of gifts, at fair value at the date of donation. Depreciation is computed using the straight-line method over their estimated useful lives. Expenditures for repairs and maintenance are charged to expense as incurred.

Leases - The United Way determines if an arrangement is a lease at inception and assessed as either an operating lease or a financing lease. Lease right-of-use (“ROU”) assets represent the United Way’s right to use an underlying asset for the lease term and operating lease obligations represent the United Way’s obligation to make lease payments arising from the lease. Lease ROU assets and lease obligations are recognized at commencement date based on the present value of lease payments over the lease term. As the United Way’s leases do not provide an implicit rate, the United Way uses the U.S. Treasury risk free rate based on the information available at commencement date in determining the present value of lease payments. The lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the United Way will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The United Way elected to use the expedient package and did not reassess whether any existing contracts contain leases, the lease classification for existing leases, and initial direct costs for any existing leases. As a result, all leases are considered operating leases.

Contributions - Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value. Donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Fundraising campaigns are conducted in the fall of each year to raise funds to be allocated to participating agencies in the following fiscal year. All contributions are considered available for unrestricted use unless specifically restricted by the donor as to the use of the donated assets. The public support income recognized in each fiscal year is from the campaign which occurred in the current fiscal year. Pledges are recorded in the statements of financial position as receivables, and allowances are provided for amounts estimated to be uncollectible for each pledge year.

Through United Way's Annual Community Campaign, donors can direct (designate) their gifts to any qualified 501(c)(3) organization. Because the donations include a specified beneficiary, donor directed gifts of \$1,662,751 and \$1,683,005 at June 30, 2025 and 2024, respectively, do not meet revenue recognition criteria and are therefore reported under designations and not community investment and program service expenses.

Donated Materials and Services - Donated materials and equipment are recorded as contributions at their estimated values at date of receipt. Management has estimated the value of in-kind services using the hourly rate of the professional at their normal practice and actual hours worked. Also, there was a substantial number of volunteers that donated significant amounts of their time to the United Way's fundraising and other activities. A substantial number of volunteers donated significant amounts of their time in the United Way's program services, administration and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet the recognition criteria prescribed by generally accepted accounting principles and there is no objective basis available to measure the value of such services.

Administrative Fees and Other Income - The United Way has multiple revenue streams that are accounted for as reciprocal exchange transactions; administrative fees and other income include fees on designations and revenue from a shared services agreement.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fees on Designations - The United Way charges a processing fee on annual campaign contributions that are designated to specified beneficiaries and do not meet revenue recognition requirements. The fees are earned and recognized as the designations are made.

Revenue from Shared Services Agreement - The United Way has entered into a shared services agreement with Waterbury Bridge to Success, Inc. Revenue is recognized monthly as performance obligations are met.

Functional Allocation of Expenses - The costs of providing various programs and other activities have been presented on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. All expenses are allocated based on time and effort.

Federal Income Tax - The United Way is a not-for-profit organization that is exempt from income taxes under Sections 501(c)(3) of the U.S. Internal Revenue Code (the "Code"), and contributions to the United Way are tax deductible within limitations prescribed by the Code.

Use of Estimates - The preparation of the financial statements in conformity with U.S. GAAP 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 financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events - The United Way monitored and evaluated any subsequent events for footnote disclosures or adjustments required in its financial statements for the year ended June 30, 2025 through February 17, 2026, the date on which the financial statements were available to be issued.

Reclassifications - Certain reclassifications have been made to the June 30, 2024 financial statements to conform to the June 30, 2025 presentation.

NOTE 3 - LIQUIDITY AND AVAILABILITY OF FUNDS

Financial assets available for general expenditure over the next twelve months consist of the following at June 30,:

	<u>2025</u>	<u>2024</u>
Financial assets at June 30,:		
Cash	\$ 3,543,485	\$ 2,777,922
Investments	3,959,396	3,263,117
Pledges and bequest receivable, net	657,870	1,085,240
Other receivables	160,368	120,697
Total financial assets available	<u>8,321,119</u>	<u>7,246,976</u>
Less:		
Due to designated agencies	308,073	300,147
Net assets with donor restrictions - endowment	2,806,444	1,886,801
Net assets with board designations - quasi endowment	1,781,279	1,202,012
Net assets with board designations - emergency fund	<u>700,000</u>	<u>750,000</u>
Financial assets available to meet general expenditures in the next twelve months	<u>\$ 2,725,323</u>	<u>\$ 3,108,016</u>

NOTE 3 - LIQUIDITY AND AVAILABILITY OF FUNDS (continued)

The United Way monitors the level of liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of available funds. Financial assets in excess of daily cash requirements are set aside in the savings account. The Board of Directors has designated funds for a quasi-endowment and an emergency fund.

NOTE 4 - INVESTMENTS AT FAIR VALUE

Investments, measured at fair value using Level 1 inputs, consist of the following at June 30,:

	<u>2025</u>	<u>2024</u>
Mutual funds:		
Equities	\$ 990,213	\$ 919,745
Fixed income	488,834	426,818
Total mutual funds	<u>1,479,047</u>	<u>1,346,563</u>
U.S. Treasury bills	2,125,676	1,749,678
Money market funds	335,244	148,146
Certificate of deposit	<u>19,429</u>	<u>18,730</u>
Total investments	<u>\$ 3,959,396</u>	<u>\$ 3,263,117</u>

NOTE 5 - ENDOWMENT

The change in the endowment is as follows for the years ended June 30,:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balance July 1, 2023	\$ 142,549	\$ -	\$ 142,549
Investment income	59,463	37,356	96,819
Contributions	<u>1,000,000</u>	<u>1,849,445</u>	<u>2,849,445</u>
Balance June 30, 2024	1,202,012	1,886,801	3,088,813
Investment income	79,267	82,300	161,567
Contributions	<u>500,000</u>	<u>837,343</u>	<u>1,337,343</u>
Balance June 30, 2025	<u>\$ 1,781,279</u>	<u>\$ 2,806,444</u>	<u>\$ 4,587,723</u>

The endowment is comprised of both cash and investments.

NOTE 6 - PLEDGES AND BEQUEST RECEIVABLE

Pledges and bequest receivable are as follows at June 30,:

	<u>2025</u>	<u>2024</u>
Campaign pledges receivable due in one year	\$ 721,031	\$ 512,269
Allowance for uncollectible pledges	<u>(86,158)</u>	<u>(134,028)</u>
Net campaign pledges receivable	634,873	378,241
Bequests receivable	<u>22,997</u>	<u>706,999</u>
Pledges and bequest receivable, net	<u><u>\$ 657,870</u></u>	<u><u>\$ 1,085,240</u></u>

NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment are as follows at June 30,:

	<u>2025</u>	<u>2024</u>
Equipment and fixtures	\$ 145,695	\$ 144,095
Leasehold improvements	7,423	-
Computers	12,658	7,814
Audio visual equipment	<u>10,057</u>	<u>1,317</u>
Total property and equipment	175,833	153,226
Accumulated depreciation	<u>(42,331)</u>	<u>(10,885)</u>
Property and equipment, net	<u><u>\$ 133,502</u></u>	<u><u>\$ 142,341</u></u>

NOTE 8 - LEASES

The United Way leases office space which is classified as an operating lease. The obligation under the operating lease has been recorded in the accompanying financial statements at the present value of future minimum lease payments, at a discount rate of 3.9%. The lease term end in December 2028. The office space lease includes a five-year extension, available at the United Way's option, which it is reasonably certain to exercise. Therefore, the payments associated with the extension are included in the operating lease right-of-use asset and operating lease liability.

Total lease costs are as follows for the years ended June 30,:

	<u>2025</u>	<u>2024</u>
Operating lease cost	<u><u>\$ 66,790</u></u>	<u><u>\$ 33,710</u></u>

NOTE 8 - LEASES (continued)

Future minimum lease payments under non-cancelable operating leases with terms greater than one year are as follows for the years ending June 30,:

2026	\$	66,635
2027		66,635
2028		66,635
2029		64,851
Thereafter		<u>285,420</u>
Total		550,176
Less present value discount		<u>(80,120)</u>
Present value of lease liabilities	\$	<u><u>470,056</u></u>

NOTE 9 - NET ASSETS

Board designated net assets consist of the following at June 30,:

	<u>2025</u>	<u>2024</u>
Board designated:		
Emergency fund	\$ 700,000	\$ 750,000
Endowment	<u>1,781,279</u>	<u>1,202,012</u>
Total board designated net assets	<u><u>\$ 2,481,279</u></u>	<u><u>\$ 1,952,012</u></u>

Net assets with donor restrictions consist of the following at June 30,:

	<u>2025</u>	<u>2024</u>
Amounts held in perpetuity	\$ 2,686,788	\$ 1,849,445
Aggregate earnings	<u>119,656</u>	<u>37,356</u>
Total general endowment	<u><u>\$ 2,806,444</u></u>	<u><u>\$ 1,886,801</u></u>

NOTE 10 - CONTRIBUTED GOODS AND SERVICES

The following donated materials and services have been recorded in the statements of activities at their fair market value for the years ended June 30,:

	<u>2025</u>	<u>2024</u>
Special events prizes and services	\$ 26,234	\$ -
Professional services	<u>24,000</u>	<u>74,662</u>
Total	<u><u>\$ 50,234</u></u>	<u><u>\$ 74,662</u></u>

NOTE 11 - EMPLOYEE BENEFIT PLAN

The United Way has a defined contribution plan, which covers substantially all employees who: a) are 21 years of age and b) have completed one year of eligible service with the United Way or another non-profit organization. Contributions to the plan are made by the United Way, on behalf of the participant, at a rate of 7% of eligible pay. This rate was set by the United Way's Board of Directors and is subject to revision at the Board's discretion on an annual basis. Total pension cost for the years ended June 30, 2025 and 2024, totaled \$54,614 and \$48,789, respectively.

NOTE 12 - CONCENTRATIONS

The United Way maintains its cash in bank accounts which, at times, may exceed the federally insured limits. The United Way has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash equivalents.

NOTE 13 - RELATED PARTY TRANSACTIONS

The United Way leases space from Webster Bank which totaled \$66,790 and \$33,710 for the years ended June 30, 2025 and 2024, respectively. The Bank contributed \$541,941 and \$591,150 during the years ended June 30, 2025 and 2024, respectively. A board member also serves as part of the Bank's management team.

Headquarters

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