

# UNITED WAY OF MARATHON COUNTY, INC.

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## Financial Statements

For the Years Ended  
December 31, 2024 and 2023

UNITED WAY OF MARATHON COUNTY, INC.

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December 31, 2024 and 2023

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## **Independent Auditors' Report**

Board of Directors  
United Way of Marathon County, Inc.  
Wausau, Wisconsin

### **Opinion**

We have audited the accompanying financial statements of United Way of Marathon County, Inc. (Organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years 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 Organization as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the Organization's ability to continue as a going concern for 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.

To the Board of Directors  
United Way of Marathon County, Inc.

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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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.

*KerberRose SC*

**KerberRose SC**  
**Certified Public Accountants**  
Green Bay, Wisconsin  
May 5, 2025

## **FINANCIAL STATEMENTS**

# UNITED WAY OF MARATHON COUNTY, INC.

Statements of Financial Position  
As of December 31, 2024 and 2023

	2024	2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 469,465	\$ 701,314
Accounts Receivable - Other	75,723	50,418
Unconditional Promises to Give - Current Year Campaign, Net	1,538,887	1,430,885
Prepaid Expenses	24,398	30,167
<b>Total Current Assets</b>	<u>2,108,473</u>	<u>2,212,784</u>
<b>Property and Equipment</b>		
Leasehold Improvements	37,521	37,521
Furniture and Equipment	275,272	272,186
Total Property and Equipment	<u>312,793</u>	<u>309,707</u>
Less: Accumulated Depreciation	249,519	236,248
<b>Net Property and Equipment</b>	<u>63,274</u>	<u>73,459</u>
<b>Other Assets</b>		
Certificates of Deposit	1,184,983	1,151,118
Restricted Cash	37,141	45,988
Unconditional Promises to Give - Prior Year Campaign, Net	520,697	291,560
Right of Use Asset	554,612	644,277
Investments Held by Community Foundation	864,815	794,804
<b>Total Other Assets</b>	<u>3,162,248</u>	<u>2,927,747</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 5,333,995</u></u>	<u><u>\$ 5,213,990</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 21,347	\$ 74,417
Impact Grants and Designations Payable	1,671,411	1,715,502
Designations Payable to United Way	112,258	69,327
Accrued Liabilities	54,536	43,634
Unearned Revenue	19,000	-
Agency Liability	37,141	45,988
Current Portion of Lease Liability	100,182	87,371
<b>Total Current Liabilities</b>	<u>2,015,875</u>	<u>2,036,239</u>
<b>Long-Term Lease Liability</b>	483,018	583,200
<b>TOTAL LIABILITIES</b>	<u>2,498,893</u>	<u>2,619,439</u>
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Investment in Property and Equipment	63,274	73,459
Designated by the Governing Board	864,815	794,804
Undesignated	666,118	578,964
Total Without Donor Restrictions	<u>1,594,207</u>	<u>1,447,227</u>
With Donor Restrictions	1,240,895	1,147,324
<b>Total Net Assets</b>	<u>2,835,102</u>	<u>2,594,551</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 5,333,995</u></u>	<u><u>\$ 5,213,990</u></u>

See Accompanying Notes

**UNITED WAY OF MARATHON COUNTY, INC.**

## Statement of Activities

For the Year Ended December 31, 2024

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>OPERATING ACTIVITIES</b>			
<b>Public Support and Other Revenues</b>			
Net Campaign	\$ -	\$ 2,744,676	\$ 2,744,676
Miscellaneous Campaign	73,632	-	73,632
Grants	72,945	-	72,945
Contributions - Other	468,262	41,067	509,329
Contracted Services Revenue	152,387	-	152,387
Service Fees	20,859	-	20,859
Interest Income	40,392	-	40,392
Release of Restrictions	2,692,172	(2,692,172)	-
<b>Total Public Support and Other Revenues</b>	<u>3,520,649</u>	<u>93,571</u>	<u>3,614,220</u>
<b>Expenses</b>			
Program Services	2,806,012	-	2,806,012
Management and General	382,296	-	382,296
Fundraising	276,382	-	276,382
<b>Total Expenses</b>	<u>3,464,690</u>	<u>-</u>	<u>3,464,690</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<u>55,959</u>	<u>93,571</u>	<u>149,530</u>
<b>OTHER ITEM</b>			
Change in Beneficial Interest in Assets Held by Foundation	<u>91,021</u>	<u>-</u>	<u>91,021</u>
<b>CHANGE IN NET ASSETS</b>	146,980	93,571	240,551
<b>NET ASSETS - BEGINNING</b>	<u>1,447,227</u>	<u>1,147,324</u>	<u>2,594,551</u>
<b>NET ASSETS - ENDING</b>	<u>\$ 1,594,207</u>	<u>\$ 1,240,895</u>	<u>\$ 2,835,102</u>

See Accompanying Notes

**UNITED WAY OF MARATHON COUNTY, INC.**

## Statement of Activities

For the Year Ended December 31, 2023

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>OPERATING ACTIVITIES</b>			
<b>Public Support and Other Revenues</b>			
Net Campaign	\$ -	\$ 2,510,188	\$ 2,510,188
Miscellaneous Campaign	20,501	-	20,501
Grants	158,061	-	158,061
Contributions - Other	136,510	271,724	408,234
Contracted Services Revenue	125,101	-	125,101
Service Fees	25,995	-	25,995
Interest Income	13,343	-	13,343
Release of Restrictions	2,958,170	(2,958,170)	-
<b>Total Public Support and Other Revenues</b>	<u>3,437,681</u>	<u>(176,258)</u>	<u>3,261,423</u>
<b>Expenses</b>			
Program Services	2,719,817	-	2,719,817
Management and General	449,247	-	449,247
Fundraising	251,751	-	251,751
<b>Total Expenses</b>	<u>3,420,815</u>	<u>-</u>	<u>3,420,815</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<u>16,866</u>	<u>(176,258)</u>	<u>(159,392)</u>
<b>OTHER ITEM</b>			
Change in Beneficial Interest in Assets Held by Foundation	<u>112,758</u>	<u>-</u>	<u>112,758</u>
<b>CHANGE IN NET ASSETS</b>	129,624	(176,258)	(46,634)
<b>NET ASSETS - BEGINNING</b>	<u>1,317,603</u>	<u>1,323,582</u>	<u>2,641,185</u>
<b>NET ASSETS - ENDING</b>	<u>\$ 1,447,227</u>	<u>\$ 1,147,324</u>	<u>\$ 2,594,551</u>

See Accompanying Notes



**UNITED WAY OF MARATHON COUNTY, INC.**

Statement of Functional Expenses  
For the Year Ended December 31, 2024

	Program Service					Total Program Services	Management and General	Fundraising	Total
	Impact Grants	Community Services	Community Impact	211	Volunteer Services				
<b>EXPENSES</b>									
Salaries and Wages	\$ -	\$ -	\$ 355,583	\$ 180,046	\$ 13,815	\$ 549,444	\$ 195,340	\$ 161,615	\$ 906,399
Fringe Benefits	-	-	47,231	41,315	687	89,233	25,947	21,467	136,647
Payroll Taxes	-	-	25,943	12,446	1,090	39,479	14,252	11,791	65,522
Impact Grants to Agencies and Grantees	1,628,350	-	-	-	-	1,628,350	-	-	1,628,350
Campaign	-	-	6,152	-	-	6,152	3,380	2,797	12,329
Events and Fundraising	-	56,112	28,061	118	1,471	85,762	15,415	12,754	113,931
Professional Fees	-	-	-	-	-	-	57,612	7,749	65,361
Supplies	-	155,453	10,379	10,984	22,601	199,417	5,701	4,718	209,836
Telephone and Communications	-	-	3,814	2,911	1,056	7,781	2,095	1,734	11,610
Postage and Shipping	-	32	4,015	31	71	4,149	2,205	1,825	8,179
Printing and Publications	-	884	12,357	5,527	1,040	19,808	6,788	5,616	32,212
Occupancy	-	-	36,236	23,831	32,240	92,307	19,907	16,470	128,684
Travel	-	367	226	-	299	892	124	103	1,119
Conferences, Conventions, and Meetings	-	1,549	2,922	112	26	4,609	1,606	1,328	7,543
Insurance	-	-	4,508	1,955	961	7,424	2,476	2,049	11,949
Maintenance	-	-	24,923	9,529	7,494	41,946	13,691	11,328	66,965
United Way of America and Wisconsin Dues	-	-	15,955	-	-	15,955	8,764	7,252	31,971
Miscellaneous	-	-	6,108	-	573	6,681	3,355	2,776	12,812
Depreciation	-	-	6,623	-	-	6,623	3,638	3,010	13,271
<b>TOTAL EXPENSES</b>	<b>\$ 1,628,350</b>	<b>\$ 214,397</b>	<b>\$ 591,036</b>	<b>\$ 288,805</b>	<b>\$ 83,424</b>	<b>\$ 2,806,012</b>	<b>\$ 382,296</b>	<b>\$ 276,382</b>	<b>\$ 3,464,690</b>

See Accompanying Notes

**UNITED WAY OF MARATHON COUNTY, INC.**

Statement of Functional Expenses  
For the Year Ended December 31, 2023

	Program Service						Total Program Services	Management and General	Fundraising	Total
	Impact Grants	Community Services	Community Impact	211	Volunteer Services	RSVP				
<b>EXPENSES</b>										
Salaries and Wages	\$ -	\$ -	\$ 279,996	\$ 162,394	\$ 77,914	\$ 31,007	\$ 551,311	\$ 204,801	\$ 146,960	\$ 903,072
Fringe Benefits	-	-	31,824	45,010	10,523	7,909	95,266	23,250	16,703	135,219
Payroll Taxes	-	-	20,745	10,517	5,656	2,172	39,090	15,156	10,888	65,134
Impact Grants to Agencies and Grantees	1,618,116	-	-	-	-	-	1,618,116	-	-	1,618,116
Campaign	-	26,189	8,451	-	775	-	35,415	6,175	4,436	46,026
Professional Fees	-	-	-	-	-	-	-	110,378	8,472	118,850
Supplies	-	97,913	6,917	111	10,392	-	115,333	7,026	5,048	127,407
Telephone and Communications	-	-	3,690	3,062	687	407	7,846	2,696	1,937	12,479
Postage and Shipping	-	188	3,356	98	51	299	3,992	2,452	1,761	8,205
Printing and Publications	-	12,179	11,218	4,830	906	155	29,288	8,196	5,888	43,372
Occupancy	-	48,372	37,302	17,461	4,959	2,449	110,543	21,573	15,498	147,614
Travel	-	545	274	-	276	120	1,215	198	144	1,557
Conferences, Conventions, and Meetings	-	14,670	16,368	-	-	197	31,235	11,959	8,591	51,785
Insurance	-	-	2,928	1,874	347	2,069	7,218	2,137	1,537	10,892
Maintenance	-	-	20,075	10,140	7,731	1,277	39,223	14,666	10,537	64,426
United Way of America and Wisconsin Dues	-	-	15,293	-	-	-	15,293	11,173	8,026	34,492
Miscellaneous	-	420	5,069	679	2,546	5,643	14,357	3,703	2,661	20,721
Depreciation	-	5,076	-	-	-	-	5,076	3,708	2,664	11,448
<b>TOTAL EXPENSES</b>	<b>\$ 1,618,116</b>	<b>\$ 205,552</b>	<b>\$ 463,506</b>	<b>\$ 256,176</b>	<b>\$ 122,763</b>	<b>\$ 53,704</b>	<b>\$ 2,719,817</b>	<b>\$ 449,247</b>	<b>\$ 251,751</b>	<b>\$ 3,420,815</b>

See Accompanying Notes

# UNITED WAY OF MARATHON COUNTY, INC.

## Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 240,551	\$ (46,634)
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities:		
Depreciation	13,271	11,448
Net Change in Beneficial Interest in Assets Held by Foundation	(91,021)	(112,758)
Reinvested Interest Income on Certificates of Deposit	(33,865)	(9,245)
Change in Operating Assets and Liabilities:		
Accounts Receivable - Other	(25,305)	28,215
Prepaid Expenses	5,769	(11,953)
Unconditional Promises to Give	(337,139)	123,865
Accounts Payable	(53,070)	(64,597)
Impact Grants and Designations Payable	(44,091)	(48,246)
Designations Payable to United Way	42,931	(33,167)
Accrued Liabilities	10,902	(4,696)
Unearned Revenue	19,000	(2,421)
Operating Lease Assets and Liabilities	2,294	4,441
Agency Liability	(8,847)	(6,041)
Total Adjustments	(499,171)	(125,155)
<b>Net Cash Flows From Operating Activities</b>	(258,620)	(171,789)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(3,086)	(53,221)
Purchase of Certificates of Deposit	-	(200,000)
Proceeds from Certificates of Deposit	-	361,506
Deposits to Funds Held by Community Foundation	(12,390)	(515)
Distribution from Investments Held by Community Foundation	33,400	-
<b>Net Cash Flows From Investing Activities</b>	17,924	107,770
<b>NET CHANGE IN CASH</b>	(240,696)	(64,019)
<b>CASH - BEGINNING</b>	747,302	811,321
<b>CASH - ENDING</b>	\$ 506,606	\$ 747,302
<b>RECONCILIATION OF CASH PER STATEMENT OF FINANCIAL POSITION TO STATEMENT OF CASH FLOWS</b>		
Cash	\$ 469,465	\$ 701,314
Restricted Cash	37,141	45,988
<b>Cash Per Statement of Financial Position</b>	\$ 506,606	\$ 747,302

See Accompanying Notes

## UNITED WAY OF MARATHON COUNTY, INC.

Notes to Financial Statements  
December 31, 2024 and 2023

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### Note 1 - Summary of Significant Accounting Policies

This summary of significant accounting policies of United Way of Marathon County, Inc. (Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

#### Nature of Operations

The Organization is a non-profit Wisconsin corporation organized under Chapter 181 of the Wisconsin Statutes and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The entity is also exempt from Wisconsin income taxes. The Organization is a community-based volunteer Organization whose purpose is to provide leadership to maximize Marathon County's capacity to address the human care needs of its residents.

#### Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenue is recognized when earned rather than received and expenses are recognized when incurred rather than when paid.

#### Cash

For purposes of reporting cash flows, cash is defined as cash on hand, amounts held in financial institutions and investments with a maturity of three months or less when purchased. The Organization maintains its bank accounts at one financial institution. Aggregate accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2024, the Organization had uninsured cash of \$509,309.

The Organization has restricted cash for the agency liability for the Workforce Volunteer Council in the amount of \$37,141 and \$45,988 at December 31, 2024 and 2023, respectively.

#### Receivables and Credit Policy

Contributions, grants, accounts receivable – other, and interest receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on a 10-year historical average adjusted by management estimates of current economic factors. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to contributions receivable.

#### Property, Equipment and Depreciation

Purchased property and equipment are recorded at cost or fair market value if donated. Major expenditures for equipment and those which substantially increase useful lives are capitalized. Maintenance, repairs, and minor renewals are expensed when incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income. Depreciation is computed on a straight-line method over the estimated useful lives of the assets, as detailed below:

<u>Assets</u>	<u>Years</u>
Leasehold Improvements	15
Furniture and Equipment	5

Property and equipment and expenditures for major renewals and betterments over \$1,000 that extend the useful lives of the assets are capitalized.

## UNITED WAY OF MARATHON COUNTY, INC.

Notes to Financial Statements  
December 31, 2024 and 2023

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### **Revenue and Revenue Recognition**

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- A barrier that is more than trivial and must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor's or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barriers to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

#### **Public Support and Impact Grants to Organizations**

Annual campaigns are conducted each fall to raise support for the following year's impact grants to participating agencies and grantees. All campaign contributions are considered net assets with donor restrictions for use in the following year and are released from restriction in the current year to the extent of impact grants approved for the following year. Unconditional promises to give are recorded as receivables in the year pledged. Conditional promises to give are recognized only when the conditions on which they depend are substantially met. Promises to give whose eventual uses are restricted by the donors are recorded as increases in with donor restrictions. Unconditional promises to give to be collected in future periods are also recorded as an increase to with donor restrictions and reclassified to without donor restrictions when received, unless the donor's intention is to support current-period activities. Contribution income is recognized in the year that the unconditional promise is received. Impact grants payable to agencies and grantees are recorded in the financial statements at the time of approval by the Board of Directors, which is usually in the year of the campaign, by recording an expense and a liability in equal amounts. The Organization may approve multi-year allocations and consider future allocations beyond two years to be conditional based on the success of the campaign.

Contributed marketable securities, materials, equipment, and services requiring specific expertise are recorded as contributions at their estimated fair values at the date of the donation. There were no such items for the years ended December 31, 2024 and 2023.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, campaign solicitations, and various committee assignments. No amounts have been reflected in the financial statements for these donated services since they do not meet the criteria for recognition.

## UNITED WAY OF MARATHON COUNTY, INC.

Notes to Financial Statements  
December 31, 2024 and 2023

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### **Financial Statements Presentation**

The Organization presents 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 organization. These net assets may be used at the discretion of United Way of Marathon County, Inc.'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 United Way of Marathon County, Inc. or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization currently does not have any net assets with donor restrictions that are perpetual in nature.

#### **Unemployment Compensation**

The Organization has elected reimbursement financing under provisions of the Wisconsin unemployment compensation laws. The Organization maintains a \$15,000 certificate of deposit in escrow to meet state funding requirements. The certificate of deposit expires October 1, 2025.

#### **Income Taxes**

The Organization is a charitable organization under Section 501(c)(3) of the Internal Revenue Code, and thus is exempt from income taxes. Gifts, grants and bequests are deductible by donors within limitations of the Internal Revenue Code. The Organization is subject to a tax on income from any unrelated activities. No unrelated activities were identified in the current year. The Organization continually evaluates its tax positions, changes in tax law and new authoritative rulings for potential implications to its tax status.

#### **Leases**

The Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, Leases) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

As allowed under the standard, the Organization elects the discount rate practical expedient that allows for the use of a risk-free rate as the discount rate for all leases by asset class. The Organization also elects the practical expedient which allows the Organization to account for lease and non-lease components as a single lease. The Organization elects not to apply the recognition requirements to short-term leases.

## UNITED WAY OF MARATHON COUNTY, INC.

Notes to Financial Statements  
December 31, 2024 and 2023

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### Note 1 - Summary of Significant Accounting Policies (Continued)

#### Expense Allocation

Program expenses are charged in these functional expense areas based on time studies of actual time incurred for the following categories:

**Community Impact** - Service projects, agency communications, and impact team process.

**Management and general** - All general office administration and procedures, including general purpose Board meetings and executive committee meetings.

**Fundraising** - Campaign and other fundraising activities.

Program expenses are charged directly to the following functions:

**Community services** - Community coalitions, initiatives, programs, and projects housed within the Organization such as: Early Years, Emerging Leaders, Housing and Homeless Coalition, Hunger Coalition, LIFE, Partnership in Youth, Ready to Read, Retire United, and Women United.

**211** - Telephone referral service of professional service providers and sources of funding.

**Volunteer services** - Volunteer connection program.

**RSVP** - Volunteer program involving persons aged 55 or older.

#### Agency Fund

The Organization is holding funds for the Workplace Volunteer Council, which is not part of United Way of Marathon County, Inc. These funds do not belong to the Organization and are currently being held in a separate bank account. The funds will be provided to the Council upon request.

#### Use of Estimates

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

#### Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating activities and other changes. Operating activities consist of those items attributable to United Way of Marathon County, Inc.'s ongoing services and interest earned on investments. Other changes are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

#### Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation with no impact on the change in net assets as previously reported.

#### Subsequent Events

The Organization has evaluated subsequent events through May 5, 2025, the date which the financial statements were available to be issued.

**UNITED WAY OF MARATHON COUNTY, INC.**

Notes to Financial Statements  
December 31, 2024 and 2023

**Note 2 - Availability and Liquidity**

The following represents United Way of Marathon County, Inc.'s financial assets at December 31:

	2024	2023
Financial assets at year end:		
Cash	\$ 469,465	\$ 701,314
Certificates of Deposit	1,184,983	1,151,118
Investments	864,815	794,804
Accounts Receivable - Other	75,723	50,418
Unconditional Promises to Give	1,538,887	1,430,885
Total financial assets	<u>4,133,873</u>	<u>4,128,539</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	1,240,895	1,147,324
Less net assets with purpose restrictions to be met in less than one year	<u>(1,240,895)</u>	<u>(1,147,324)</u>
	<u>-</u>	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 4,133,873</u>	<u>\$ 4,128,539</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in certificates of deposits or investment accounts.

**Note 3 - Fair Value Measurements**

Financial Accounting Standards Board Codification of Accounting Pronouncements, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Organization has the ability to access as of the measurement date.

Level 2 – Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

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

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

The Organization classifies its beneficial interest in assets held by the Community Foundation as Level 3 because the assets are valued by the Community Foundation and it is not possible to determine a daily value of the Organization's portion of the commingled investment portfolio.



**UNITED WAY OF MARATHON COUNTY, INC.**

Notes to Financial Statements  
December 31, 2024 and 2023

**Note 3 - Fair Value Measurements (Continued)**

	Assets at Fair Value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Beneficial Interest in Assets Held by the Foundation	\$ -	\$ -	\$ 864,815	\$ 864,815

  

	Assets at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Beneficial Interest in Assets Held by the Foundation	\$ -	\$ -	\$ 794,804	\$ 794,804

**Note 4 - Beneficial Interest in Assets Held by Others****The United Way Endowment Fund**

On August 29, 1991, the Organization entered into an agreement with the Community Foundation of North Central Wisconsin to establish an endowment fund. Pursuant to the terms of the agreement, the Organization contributed donor-restricted funds to the Foundation on August 30, 1991. The purpose of the fund is to further carry out the charitable purposes of the Organization and the Foundation. The fund is designated by the Foundation as "The United Way Endowment Fund." The Foundation has powers necessary to carry out the purposes of the fund, including the powers to invest and reinvest monies.

The Organization's Board of Directors may recommend and request distribution of all or part of the endowment; however, ultimate expenditures are the responsibility of the Foundation. Upon the Organization's written request, the Foundation shall distribute the funds of the endowment fund.

The Foundation receives an annual fee from 1% to 1.5% of the average value of assets managed under \$100,000, depending on the fund, and 1% of the average value of assets managed over \$100,000, regardless of the fund.

The Organization has recorded an asset for the fair value of the funds transferred by the Organization to the Foundation to establish the endowment for the benefit of the Organization. The endowment fund's contribution income from other donors, where variance power is not granted to the Foundation, is recognized by the Organization, including the fund's earnings and expenses.

**UNITED WAY OF MARATHON COUNTY, INC.**Notes to Financial Statements  
December 31, 2024 and 2023**Note 4 - Beneficial Interest in Assets Held by Others (Continued)**

An analysis of the activity of the endowment fund is as follows:

	2024	2023
Support and revenue:		
Contributions	\$ 12,390	\$ 515
Investment income	21,048	18,254
Net realized and unrealized gain on investments	76,058	99,956
	<u>109,496</u>	<u>118,725</u>
Contributions and net investment gain		
Expenses:		
Administrative fee	6,085	5,452
Distributions to the Organization	33,400	-
	<u>39,485</u>	<u>5,452</u>
Change in Fund	70,011	113,273
Fund at January 1	794,804	681,531
Fund at December 31	<u>\$ 864,815</u>	<u>\$ 794,804</u>

**United Way Leave a Legacy Fund**

On January 1, 2001, a donor contributed to the Foundation assets in the amount of \$500,000 intended to establish the United Way Leave a Legacy Fund (the "Fund"). The Fund is established for the purpose of providing lasting support of the Organization's annual fund-raising campaign. The Foundation has been granted variance power by the donor, which includes all powers necessary to carry out the purposes of the Fund, including the powers to invest, reinvest, and expend monies. As a result, these assets are not reflected on the financial statements of the Organization.

The Organization's Board of Directors, based on operating needs, may recommend and request distribution from the Fund; however, ultimate expenditures are the responsibility of the Foundation. Distributions from the Fund will not normally exceed the income for any fiscal period unless there are unusual circumstances that justify a distribution of principal.

The Foundation receives an annual fee of 1.5% of the average value of assets managed under \$100,000 and 1% of the average of assets managed over \$100,000.

# UNITED WAY OF MARATHON COUNTY, INC.

Notes to Financial Statements  
December 31, 2024 and 2023

## Note 4 - Beneficial Interest in Assets Held by Others (Continued)

An analysis of the activity of the Fund maintained at the Foundation is as follows:

	2024	2023
Support and revenue:		
Investment income	\$ -	\$ 14,699
Net realized and unrealized gain on investments	73,386	80,497
Contributions and net investment gain	73,386	95,196
Expenses:		
Administrative fee	6,374	6,309
Distributions to the Organization	53,700	-
	60,074	6,309
Change in Fund	13,312	88,887
Fund at January 1	638,488	549,601
Fund at December 31	\$ 651,800	\$ 638,488

## Note 5 - Unconditional Promises to Give

Unconditional promises to give consisted of the following at December 31, 2024 and 2023, respectively:

	Without Donor Restrictions	With Donor Restrictions	Total
2024 Campaign	\$ 630,213	\$ 1,028,674	\$ 1,658,887
Less - Allowance for uncollectibles	120,000	-	120,000
Totals	\$ 510,213	\$ 1,028,674	\$ 1,538,887
2023 Campaign	\$ 640,697	\$ -	\$ 640,697
Less - Allowance for uncollectibles	120,000	-	120,000
Totals	\$ 520,697	\$ -	\$ 520,697
2023 Campaign	\$ 640,697	\$ 910,188	\$ 1,550,885
Less - Allowance for uncollectibles	120,000	-	120,000
Totals	\$ 520,697	\$ 910,188	\$ 1,430,885
2022 Campaign	\$ 411,560	\$ -	\$ 411,560
Less - Allowance for uncollectibles	120,000	-	120,000
Totals	\$ 291,560	\$ -	\$ 291,560

**UNITED WAY OF MARATHON COUNTY, INC.**

Notes to Financial Statements  
December 31, 2024 and 2023

**Note 6 - Net Assets with Donor Restrictions**

Net assets with donor restrictions at December 31 are as follows:

	2024	2023
Campaign Pledges	\$ 1,028,674	\$ 910,188
Adopt a Classroom	10,892	10,892
Early Years	13,536	13,536
Emerging Leaders	20,266	27,424
Hunger Coalition	33,294	89,003
LIFE Project	34,105	34,105
Mobile Closet	34,372	-
Retire United	30,287	27,828
Women United	35,469	31,233
Workshops	-	3,115
Total	<u>\$ 1,240,895</u>	<u>\$ 1,147,324</u>

Net assets released from net assets with donor restrictions are as follows:

	2024	2023
PY Revenue used for CY Activities	\$ 910,188	\$ 952,904
CY Revenue Allocated to Agencies and Grantees	1,716,002	1,600,000
Community Impact	-	9,629
Early Years	-	369
Emerging Leaders	7,158	34,941
Housing and Homelessness	-	23,470
Hunger Coalition	55,709	91,744
LIFE Project	-	5,184
Partnership for Youth	-	29,967
Ready to Read	-	60,106
Retire United	-	6,990
Women United	-	142,866
Workshops	3,115	-
Total	<u>\$ 2,692,172</u>	<u>\$ 2,958,170</u>

**Note 7 - Net Campaign**

Campaign support consisted of the following as of December 31:

	2024	2023
Current Year campaign	\$ 2,840,039	\$ 2,642,316
Less:		
Amounts raised on behalf of other organizations	-	3,434
Estimated uncollectible unconditional promises to give	95,363	114,451
Other Organizations Accounts designations to Pass Through	-	14,243
Net campaign support	<u>\$ 2,744,676</u>	<u>\$ 2,510,188</u>

## UNITED WAY OF MARATHON COUNTY, INC.

Notes to Financial Statements  
December 31, 2024 and 2023

### Note 8 - Commitment

United Way of Marathon County, Inc. has an agreement with an IT services company for managed IT services. The services include backing up the Organization's data. The services were renewed on August 1, 2024 and are to be in effect for the next three years beginning January 1, 2025. The monthly fee is \$3,010 with the total fee for three years being \$108,360.

### Note 9 - Retirement Plan

The Organization has a 403b Thrift Plan that covers substantially all of its employees. The Organization automatically contributes 2% of salary and up to an additional 2% match of an employee's contribution. The Organization's contribution to the retirement plan totaled \$32,366 and \$23,729 for the years ended December 31, 2024 and 2023, respectively.

### Note 10 - Lease

Under the terms of a lease agreement for office space, total rental payments will start on October 1, 2019 and are to be paid monthly during the lease term ending September 30, 2030. Renegotiations of terms, lease extension, etc. shall be subject to agreement of both parties.

Additional information about United Way of Marathon County's lease for the years ended December 31, 2024 and 2023 are as follows:

Other Information:	2024	2023
Operating Cash Flows from Operating Leases	\$ 100,074	\$ 100,074
Remaining Lease Term	6.75 years	7.75 years
Risk-Free Discount Rate	1.65%	1.65%

Future minimum lease payments as of December 31, 2024 are:

2025	\$ 100,182
2026	103,438
2027	105,751
2028	108,122
2029	110,552
Thereafter	84,307
Total Lease Payments	612,352
Less Present Value	(29,152)
Present Value of Lease Liability	<u>\$ 583,200</u>