

BROWN COUNTY UNITED WAY
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2022 AND 2021



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**BROWN COUNTY UNITED WAY
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YEARS ENDED DECEMBER 31, 2022 AND 2021**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Brown County United Way
Green Bay, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Brown County United Way (the Organization), which comprise the statements of financial position as of December 31, 2022 and 2021, 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 Brown County United Way as of December 31, 2022 and 2021, 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 (GAAS). 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 Brown County United Way 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 Brown County United Way's ability to continue as a going concern for one year after the date 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Brown County 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 Brown County 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.

Board of directors
Brown County United Way

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of community and targeted giving and schedules of donor designations are presented for purposes of additional analysis and are 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 audits 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
June 9, 2023

**BROWN COUNTY UNITED WAY
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021**

	2022	2021
ASSETS		
Cash and Cash Equivalents	\$ 2,713,810	\$ 2,514,359
Promises to Give, Net:		
Annual Campaign	958,432	930,596
Other Receivables	10,856	5,002
Prepaid Expenses	16,347	22,092
Investments	1,796,662	2,080,454
Equipment, Net	352	955
Beneficial Interest in Irrevocable Trust	135,966	165,276
Beneficial Interest in Assets Held by Community Foundation	253,533	316,770
Other Assets	34,459	28,008
	\$ 5,920,417	\$ 6,063,512
LIABILITIES AND NET ASSETS		
LIABILITIES		
Donor Designations Payable	\$ 598,754	\$ 664,272
Accounts Payable	3,902	8,747
Grants Payable	30,000	30,000
Accrued Payroll and Other Expenses	60,588	46,797
Total Liabilities	693,244	749,816
NET ASSETS		
Without Donor Restrictions:		
Undesignated	326,810	541,155
Designated by Board for:		
Subsequent Operations	1,145,602	1,141,105
Emergency Response Fund	60,000	43,307
Endowment	92,401	110,760
Impact Initiative and Advocacy	1,309,336	1,066,004
Total Net Assets Without Donor Restrictions	2,934,149	2,902,331
With Donor Restrictions:		
Contributions Made in Current Year for Future Year	1,995,926	2,040,079
Fitzgerald Trust	135,966	165,276
Endowment	161,132	206,010
Total Net Assets With Donor Restrictions	2,293,024	2,411,365
Total Net Assets	5,227,173	5,313,696
Total Liabilities and Net Assets	\$ 5,920,417	\$ 6,063,512

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUE, SUPPORT, AND LOSSES			
Gross Campaign Results	\$ 619,262	\$ 2,273,238	\$ 2,892,500
Less: Donor Designations	38,382	(239,312)	(200,930)
Less: Allowance for Uncollectible Pledges	(34,559)	(64,085)	(98,644)
Net Campaign Revenue	623,085	1,969,841	2,592,926
Contributions of Nonfinancial Assets	68,546	-	68,546
Contributions of Cash and Other Financial Assets	7,596	-	7,596
Grant Revenues	18,564	-	18,564
Service Fees	33,714	-	33,714
Investment Loss, Net	(279,466)	-	(279,466)
Loss on Beneficial Interest in Irrevocable Trust	-	(29,310)	(29,310)
Loss on Beneficial Interest in Assets Held by Community Foundation	(18,359)	(34,331)	(52,690)
Miscellaneous	25,961	981	26,942
Net Assets Released from Restrictions:			
Expiration of Time Restrictions	2,014,169	(2,014,169)	-
Satisfaction of Purpose Restrictions	11,353	(11,353)	-
Total Revenues, Support, and Losses	2,505,163	(118,341)	2,386,822
EXPENSES			
Program Service Expenses:			
Community and Targeted Giving	1,376,763	-	1,376,763
Less: Donor Designations	(200,930)	-	(200,930)
Net Community and Targeted Giving	1,175,833	-	1,175,833
Community Impact Program	317,324	-	317,324
Community Services Program	24,822	-	24,822
Value-Added Program Services	170,614	-	170,614
Total Program Service Expenses	1,688,593	-	1,688,593
Supporting Services Expenses:			
Management and General	335,701	-	335,701
Communications and Resource Development	449,051	-	449,051
Total Supporting Services Expenses	784,752	-	784,752
Total Expenses	2,473,345	-	2,473,345
CHANGE IN NET ASSETS	31,818	(118,341)	(86,523)
Net Assets - Beginning of Year	2,902,331	2,411,365	5,313,696
NET ASSETS - END OF YEAR	\$ 2,934,149	\$ 2,293,024	\$ 5,227,173

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUE, SUPPORT, AND GAINS			
Gross Campaign Results	840,386	\$ 2,355,049	\$ 3,195,435
Less: Donor Designations	(131,453)	(272,401)	(403,854)
Less: Allowance for Uncollectible Pledges	(90,115)	(68,479)	(158,594)
Net Campaign Revenue	<u>618,818</u>	<u>2,014,169</u>	<u>2,632,987</u>
Contributions of Nonfinancial Assets	76,967	-	76,967
Contributions of Cash and Other Financial Assets	6,801	-	6,801
Government Assistance	149,800	-	149,800
Grant Revenues	4,627	29,512	34,139
Service Fees	31,622	-	31,622
Investment Return, Net	126,810	-	126,810
Return on Beneficial Interest in Irrevocable Trust	-	2,322	2,322
Return on Beneficial Interest in			
Assets Held by Community Foundation	10,700	20,446	31,146
Miscellaneous	27,798	-	27,798
Net Assets Released from Restrictions:			
Expiration of Time Restrictions	1,882,832	(1,882,832)	-
Satisfaction of Purpose Restrictions	71,372	(71,372)	-
Total Revenues, Support, and Gains	<u>3,008,147</u>	<u>112,245</u>	<u>3,120,392</u>
EXPENSES			
Program Service Expenses:			
Community and Targeted Giving	1,556,997	-	1,556,997
Less: Donor Designations	(403,854)	-	(403,854)
Net Community and Targeted Giving	<u>1,153,143</u>	<u>-</u>	<u>1,153,143</u>
Community Impact Program	342,848	-	342,848
Community Services Program	47,755	-	47,755
Value-Added Program Services	178,070	-	178,070
Total Program Service Expenses	<u>1,721,816</u>	<u>-</u>	<u>1,721,816</u>
Supporting Services Expenses:			
Management and General	284,713	-	284,713
Communications and Resource Development	430,796	-	430,796
Total Supporting Services Expenses	<u>715,509</u>	<u>-</u>	<u>715,509</u>
Total Expenses	<u>2,437,325</u>	<u>-</u>	<u>2,437,325</u>
CHANGE IN NET ASSETS	570,822	112,245	683,067
Net Assets - Beginning of Year	<u>2,331,509</u>	<u>2,299,120</u>	<u>4,630,629</u>
NET ASSETS - END OF YEAR	<u>\$ 2,902,331</u>	<u>\$ 2,411,365</u>	<u>\$ 5,313,696</u>

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022**

	Program Services				Support Services				Total
	Allocation Services	Community Impact Program	Community Services Program	Value-added Program Services	Total Program Services	Management and General	Communications and Resource Development	Total Support Services	
Expenses:									
Community and Targeted Giving	\$ 1,376,763	\$ -	\$ -	\$ -	\$ 1,376,763	\$ -	\$ -	\$ -	\$ 1,376,763
Less: Donor Designations	(200,930)	-	-	-	(200,930)	-	-	-	(200,930)
Total	1,175,833	-	-	-	1,175,833	-	-	-	1,175,833
Operating Expenses:									
Salaries	-	199,006	11,483	52,528	263,017	155,057	239,526	394,583	657,600
Group Insurance	-	13,243	5,617	11,165	30,025	29,693	29,025	58,718	88,743
Retirement and Other Benefits	-	10,932	(352)	1,685	12,265	11,906	6,039	17,945	30,210
Payroll Taxes	-	14,878	720	3,762	19,360	14,192	17,819	32,011	51,371
Directors and Officers Insurance	-	3,357	1,418	1,143	5,918	1,424	3,402	4,826	10,744
Professional Services	-	7,558	86	84,576	92,220	42,126	12,345	54,471	146,691
Office and Campaign Supplies	-	33,347	1,629	4,506	39,482	21,537	51,701	73,238	112,720
Telephone	-	1,888	211	3,579	5,678	1,848	2,107	3,955	9,633
Postage	-	137	36	97	270	1,189	1,010	2,199	2,469
Occupancy	-	16,189	2,003	5,511	23,703	7,220	16,790	24,010	47,713
Printing and Publications	-	158	90	1,380	1,628	318	36,764	37,082	38,710
Advertising	-	-	-	436	436	-	14,694	14,694	15,130
Conferences, Conventions, and Seminars	-	3,130	64	-	3,194	6,892	2,364	9,256	12,450
Travel	-	347	-	143	490	5,725	977	6,702	7,192
Miscellaneous	-	1,676	-	7	1,683	9,980	515	10,495	12,178
Depreciation	-	209	27	71	307	88	208	296	603
Awards and Grants	-	-	-	-	-	18,682	1,247	19,929	19,929
Membership Dues	-	-	-	25	25	1,920	312	2,232	2,257
Total Operating Expenses	-	306,055	23,032	170,614	499,701	329,797	436,845	766,642	1,266,343
Affiliation Dues - UWWI and UWWW	-	11,269	1,790	-	13,059	5,904	12,206	18,110	31,169
Total Expenses	\$ 1,175,833	\$ 317,324	\$ 24,822	\$ 170,614	\$ 1,688,593	\$ 335,701	\$ 449,051	\$ 784,752	\$ 2,473,345

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021**

	Program Services				Support Services				Total
	Allocation Services	Community Impact Program	Community Services Program	Value-added Program Services	Total Program Services	Management and General	Communications and Resource Development	Total Support Services	
Expenses:									
Community and Targeted Giving	\$ 1,556,997	\$ -	\$ -	\$ -	\$ 1,556,997	\$ -	\$ -	\$ -	\$ 1,556,997
Less: Donor Designations	(403,854)	-	-	-	(403,854)	-	-	-	(403,854)
Total	<u>1,153,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,153,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,153,143</u>
Operating Expenses:									
Salaries	-	200,641	25,880	59,420	285,941	132,164	211,412	343,576	629,517
Group Insurance	-	15,019	10,508	16,585	42,112	27,782	23,717	51,499	93,611
Retirement and Other Benefits	-	14,978	1,988	5,370	22,336	6,322	14,670	20,992	43,328
Payroll Taxes	-	14,925	1,586	4,038	20,549	11,872	15,674	27,546	48,095
Directors and Officers Insurance	-	3,192	410	1,022	4,624	568	3,158	3,726	8,350
Professional Services	-	2,554	126	78,929	81,609	49,282	12,335	61,617	143,226
Office and Campaign Supplies	-	49,132	2,015	4,217	55,364	14,726	52,837	67,563	122,927
Telephone	-	2,179	286	3,393	5,858	1,803	2,180	3,983	9,841
Postage	-	17	60	15	92	1,461	8,169	9,630	9,722
Occupancy	-	15,923	2,081	3,736	21,740	7,325	16,702	24,027	45,767
Printing and Publications	-	444	107	591	1,142	976	31,269	32,245	33,387
Advertising	-	-	-	184	184	-	15,000	15,000	15,184
Conferences, Conventions, and Seminars	-	2,900	-	-	2,900	5,591	199	5,790	8,690
Travel	-	180	-	79	259	4,424	217	4,641	4,900
Miscellaneous	-	444	45	118	607	8,205	432	8,637	9,244
Depreciation	-	209	27	71	307	88	208	296	603
Awards and Grants	-	-	-	-	-	-	1,459	1,459	1,459
Membership Dues	-	21	-	302	323	1,274	323	1,597	1,920
Total Operating Expenses	<u>-</u>	<u>322,758</u>	<u>45,119</u>	<u>178,070</u>	<u>545,947</u>	<u>273,863</u>	<u>409,961</u>	<u>683,824</u>	<u>1,229,771</u>
Affiliation Dues - UWWI and UWWW	<u>-</u>	<u>20,090</u>	<u>2,636</u>	<u>-</u>	<u>22,726</u>	<u>10,850</u>	<u>20,835</u>	<u>31,685</u>	<u>54,411</u>
Total Expenses	<u>\$ 1,153,143</u>	<u>\$ 342,848</u>	<u>\$ 47,755</u>	<u>\$ 178,070</u>	<u>\$ 1,721,816</u>	<u>\$ 284,713</u>	<u>\$ 430,796</u>	<u>\$ 715,509</u>	<u>\$ 2,437,325</u>

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (86,523)	\$ 683,067
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
(Return) Loss on Beneficial Interest in Irrevocable Trust	29,310	(2,322)
(Return) Loss on Beneficial Interest in Assets Held by Community Foundation	52,690	(31,146)
Depreciation	603	603
Net (Gain) Loss on Investments	340,906	(28,838)
Change in Allowance for Uncollectible Promises to Give	(7,770)	20,469
Changes in Operating Assets and Liabilities:		
Promises to Give	(20,066)	(29,393)
Other Receivables	(5,854)	(1,632)
Prepaid Expenses	5,745	810
Other Assets	(6,451)	(6,121)
Donor Designations Payable	(65,518)	126,022
Accounts Payable	(4,845)	6,508
Grants Payable	-	20,000
Accrued Payroll and Other Expenses	13,791	(7,544)
Refundable Advance	-	(149,800)
Net Cash Provided by Operating Activities	246,018	600,683
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(370,512)	(333,630)
Proceeds from Sale of Investments	313,398	235,921
Withdrawals from Beneficial Interest in Assets Held by Community Foundation	10,547	10,392
Net Cash Used by Investing Activities	(46,567)	(87,317)
NET CHANGE IN CASH AND CASH EQUIVALENTS	199,451	513,366
Cash and Cash Equivalents - Beginning of Year	2,514,359	2,000,993
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,713,810	\$ 2,514,359

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Brown County United Way (the Organization, we, us, our) is a voluntary fundraising organization serving the communities in Brown County, Wisconsin. The Organization was founded in 1925 as United Community Council of Brown County, Inc. and was organized as a non-stock, nonprofit corporation under Chapter 181 of the Wisconsin Statutes in March 1975. Our mission is to unite people, ideas, and resources to create community solutions that strengthen every person and every community in Brown County.

In accordance with our by-laws, we are governed by a board of directors consisting of not fewer than 24 and not more than 30 persons, representing the diverse elements in the community of taxpayers, donors, users of community services and persons affiliated with agencies and organizations within the community. Members of the board are volunteers and not compensated for their services.

Our revenue is derived principally from voluntary contributions from the public. Funds are distributed primarily to member agencies to fund programs fairly and impartially with the betterment of the broad community in mind. The distribution of funds is guided by board-approved priorities through planning, needs assessment, and policy decisions relating to the communities' changing needs and resources.

Program services carried on by the Organization include the following:

Community impact program – We mobilize the community of Brown County by using the resources of people, time, talent, relationships, expertise, technology, and money, to create lasting changes in community conditions through the initiatives of three impact councils.

Community services program – A resource for central labor councils and the AFL-CIO to help increase the capacity for unions to raise community standards and improve the lives of working families.

Value-added program services – services for 2022 included the following:

2-1-1 – The 2-1-1 service is used to connect people with important community services and volunteer opportunities.

CPC – The Community Partnership for Children (CPC) is a community change initiative coordinated by us, to ensure that all children in our community are safe, healthy, and ready for kindergarten.

CIS – The Community Information System (CIS) is a multidisciplinary data integration system designed to inform systems-level community change.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

Our financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Estimates

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

Cash and Cash Equivalents

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Promises to Give

We record unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discount is included in contribution revenue in the statements of activities. We determine the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. At December 31, 2022 and 2021, the allowance was \$150,713 and \$158,484, respectively.

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equipment

We record property and equipment additions over \$1,000 at cost or, if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended December 31, 2022 and 2021.

Beneficial Interest in Irrevocable Trust

We have been named as an irrevocable beneficiary of a perpetual trust held and administered by an independent trustee. The perpetual trust provides for the distribution of the net income of the trust to us; however, we will never receive the assets of the trust. At the date we receive notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the statements of activities, and a beneficial interest in perpetual trust is recorded in the statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts' assets in the statements of financial position, with trust distributions and changes in fair value recognized in the statements of activities.

Beneficial Interest in Assets Held by Community Foundation

Between 1992 and 2001, we entered into agreements with the Greater Green Bay Community Foundation (the Foundation) whereby we transferred endowment contributions as well as funds without donor restrictions to the Foundation. We granted variance power to the Foundation, which allows the Foundation to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of the Foundation's Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The fund is held and invested by the Foundation for our benefit and is reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in the statements of activities.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donor Designations Payable

Donor designations payable represent amounts due to qualified donor-designated agencies under United Way's "Community Donor Choice" programs or other donor-designated programs administered by United Way for local, state, and federal government employees. Qualified agencies for United Way's "Community Donor Choice" program are health and human development agencies located in the state of Wisconsin and other United Ways that are recognized by the Internal Revenue Service (IRS) as nonprofit organizations.

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor- (or certain grantor-) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve, net assets to be used for impact initiatives and advocacy dollars, net assets to be used as emergency response funds, and net assets for a board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cost Deduction Standards

We certify annually to United Way Worldwide that we adhere to cost deduction standards on agency transactions. The fees charged by us are based on actual expenses. Additionally, there are no fundraising or processing fees deducted from designated gifts originating by or from another United Way organization.

Revenue and Revenue Recognition

Revenue is recognized when performance obligations are met. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been met.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition (Continued)

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by us.

Program Allocations and Grants

Community program allocations are recognized as an expense upon approval by our board of directors.

Designation of Net Assets without Donor Restrictions

It is the policy of our board of directors to designate appropriate sums of net assets without donor restrictions to assure adequate financing of any future contingencies. This contingency fund is maintained in a separate cash account.

Advertising

Advertising costs are expensed as incurred and totaled \$15,130 and \$15,184 during the years ended December 31, 2022 and 2021, respectively.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

Brown County United Way is organized as a Wisconsin nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction under IRC Section 170(b)(1)(A), and has been determined not to be a private foundation under IRC Section 509(a)(3). We are annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, we are subject to income tax on net income that is derived from business activities that are unrelated to our exempt purposes. We have determined that we are not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments and Credit Risk

We manage deposit concentrations by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts. Credit risk associated with promises to give is considered to be limited due to the large number of contributors comprising our contributor base and their dispersion across different industries. Investments are made by diversified investment managers whose performance is monitored by us and the board of directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the board of directors believe that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Accounting Standards Updates

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statements of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

We adopted the requirements of the guidance effective January 1, 2022, and have elected to apply the provisions of this standard to the beginning of the period of adoption, while continuing to present the comparative period in accordance with the guidance under the lease standard in effect during that period.

We have elected to adopt the package of practical expedients available in the year of adoption. We have elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of our ROU assets.

The ROU assets and lease liabilities have not been booked as they were determined to be immaterial to our financial statements.

In September 2020, FASB issued ASU 2020-07, *Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The new standard increases transparency and comparability among organizations through enhancements to presentation and disclosure requirements for contributed nonfinancial assets. We adopted ASU 2020-07 on a retrospective basis as of January 1, 2021. No cumulative-effect adjustment in net assets was necessary with the adoption of ASU 2020-07.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

We determine if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets – financing and lease liability – financing in the statements of financial position.

ROU assets represent our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. We have elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

When the individual lease contracts do not provide information about the discount rate implicit in the lease, we have elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities. If the lease contract provides information to determine the implicit rate, we use that information to compute the present value of lease liabilities.

We have elected not to separate nonlease components from lease components and instead account for each separate lease component and the nonlease component as a single lease component.

Subsequent Events

We have evaluated events and transactions for potential recognition or disclosure in the financial statements through June 9, 2023, the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 2,687,722	\$2,488,446
Other Receivables	10,856	5,002
Promises to Give	958,432	930,596
Operating Investments	1,796,662	2,080,454
Total	<u>\$ 5,453,672</u>	<u>\$ 5,504,498</u>

The promises to give are subject to implied time restrictions but are expected to be collected within one year.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)

We have a goal to maintain financial assets, which consist of cash and short-term investments, on hand in case of an economic downturn. Our contingency policy states that we shall maintain 15% to 25% of the prior year's audited total revenue in reserves. We have a policy to structure our financial assets to be available for general expenditures, liabilities, and other obligations as they come due.

In addition, as part of our liquidity management, we invest cash in excess of daily requirements in various short-term investments, as more fully described in Note 4.

The board of directors has designated \$92,401 and \$110,760 to the endowment fund as of December 31, 2022 and 2021, respectively. The board has also designated a total of \$60,000 and \$43,307 of emergency relief funds to be used for emergency response grants as of December 31, 2022 and 2021, respectively. Additionally, the board has designated a total of \$1,309,336 and \$1,066,004 of annual campaign revenues to be used for impact initiatives and advocacy dollars as of December 31, 2022 and 2021, respectively.

NOTE 3 PROMISES TO GIVE

Annual campaign promises to give as of December 31, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
2022 - 2023 Campaign	\$ 905,016	\$ -
2021 - 2022 Campaign	204,129	929,353
2020 - 2021 Campaign	-	159,727
Total	<u>1,109,145</u>	<u>1,089,080</u>
Less:		
Allowance for Uncollectible Promises 2022 - 2023	64,085	-
Allowance for Uncollectible Promises 2021 - 2022	86,628	68,479
Allowance for Uncollectible Promises 2020 - 2021	-	90,005
Total	<u>150,713</u>	<u>158,484</u>
Net Annual Campaign Promises to Give	<u>\$ 958,432</u>	<u>\$ 930,596</u>

The allowance for uncollectible promises is based upon previous experience with annual campaign promises to give written off. All campaign promises to give are to be received in less than one year.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 4 INVESTMENTS

Investments as of December 31, 2022 and 2021 are summarized as follows:

	<u>2022</u>	<u>2021</u>
Money Market Funds	\$ 11,913	\$ 159
Exchange Traded and Mutual Funds:		
Large Cap Equity Funds	387,211	382,332
Mid Cap Equity Funds	91,748	116,716
Small Cap Equity Funds	27,229	39,020
Global Funds	10,935	29,216
Other Equities	126,613	364,793
U.S. Fixed Income	949,514	940,576
Other Fixed Income	191,499	207,642
Total Investments	<u>\$ 1,796,662</u>	<u>\$ 2,080,454</u>

Investment return for the years ended December 31, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Dividends and Interest	\$ 61,686	\$ 60,015
Long-Term Capital Gain Distributions	13,803	52,755
Net Realized Loss on Investments	(3,917)	(5,097)
Investment Fees	<u>(14,049)</u>	<u>(14,798)</u>
Total Dividends, Interest, Fees, and Net Realized Loss	57,523	92,875
Unrealized Gain on Investments, Beginning of Year	213,353	179,418
Unrealized Gain (Loss) on Investments, End of Year	<u>(123,636)</u>	<u>213,353</u>
Net Unrealized Gain (Loss) on Investments	<u>(336,989)</u>	<u>33,935</u>
Net Investment Gain (Loss)	<u>\$ (279,466)</u>	<u>\$ 126,810</u>

NOTE 5 EQUIPMENT

Equipment as of December 31, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 46,577	\$ 46,577
Less Accumulated Depreciation	<u>(46,225)</u>	<u>(45,622)</u>
Total	<u>\$ 352</u>	<u>\$ 955</u>

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 6 BENEFICIAL INTEREST IN IRREVOCABLE TRUST

We are a beneficiary of the Edward L. Fitzgerald Foundation Trust which is held by an independent trustee. Under the terms of the trust, we have the right to receive annually our portion of the net income earned by the trust. The value of our share of the trust as of December 31, 2022 and 2021 was \$135,966 and \$165,276, respectively. For the years ended December 31, 2022 and 2021, \$7,596 and \$6,801, respectively, was received as the annual income distribution from the trust. The annual distributions received from the trust are included in net assets without donor restrictions. The loss on the beneficial interest in irrevocable trust for the year ended December 31, 2022 was \$29,310 and the gain on the beneficial interest in irrevocable trust for the year ended December 31, 2021 was \$2,322.

NOTE 7 BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION

Beneficial interest in assets held by community foundation totaling \$253,533 and \$316,770 as of December 31, 2022 and 2021, respectively, represents amounts held at the Foundation. These amounts are the legal assets of the Foundation with the restriction that the Foundation make distributions to us as needed.

NOTE 8 CONTRIBUTED NONFINANCIAL ASSETS

The value of donated materials and services included in the financial statements as contributions of nonfinancial assets and the corresponding expense or asset for the year ended December 31, 2022 are as follows:

	2022			Total
	Program Services	Management and General	Communications and Resource Development	
Professional Services	\$ -	\$ -	\$ 8,500	\$ 8,500
Office and Campaign Supplies	8,895	-	376	9,271
Advertising	-	-	12,000	12,000
Travel	-	4,316	-	4,316
Total Donated Materials and Services	<u>\$ 8,895</u>	<u>\$ 4,316</u>	<u>\$ 20,876</u>	34,087
Donated Other Assets				<u>34,459</u>
Total In-Kind Contributions				<u>\$ 68,546</u>

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 8 CONTRIBUTED NONFINANCIAL ASSETS (CONTINUED)

A total of \$8,500 was recognized for contributed professional services in the form of loaned executives that were provided to us from other organizations to assist us with our campaign. A total of \$9,271 of donated canned food for the campaign kickoff, donated diapers for the Community Impact program and donated gift cards for our volunteer event was recognized as contributed office and campaign supplies. A total of \$12,000 of donated campaign materials was recognized as contributed advertising. A total of \$4,316 in donated parking passes was recognized as contributed travel expenses. A total of \$34,459 was recognized as donated other assets and represents the value of a vehicle that was donated to us to raffle off as an incentive for individuals to give to our campaign. The vehicle was received in 2022 but not raffled off until the following year and was therefore recognized as an other asset at December 31, 2022.

The value of donated materials and services included in the financial statements as contributions of nonfinancial assets and the corresponding expense or asset for the year ended December 31, 2021 are as follows:

	2021			Total
	Program Services	Management and General	Communications and Resource Development	
Professional Services	\$ -	\$ -	\$ 10,000	\$ 10,000
Office and Campaign Supplies	2,376	-	4,158	6,534
Printing and Publications	-	-	13,257	13,257
Advertising	-	-	15,000	15,000
Travel	-	4,168	-	4,168
Total Donated Materials and Services	\$ 2,376	\$ 4,168	\$ 42,415	48,959
Donated Other Assets				28,008
Total In-Kind Contributions				\$ 76,967

A total of \$10,000 was recognized for contributed professional services in the form of loaned executives that were provided to us from other organizations to assist us with our campaign. A total of \$6,534 made up of donated canned food for the campaign kickoff, raffle items for our internal campaign, campaign materials, bikes for our Community Impact program and donated gift cards and meat for our volunteer event was recognized as contributed office and campaign supplies. A total of \$13,257 in donated printing of materials for our campaign was recognized as contributed printing and publication expense. A total of \$15,000 in donated campaign materials was recognized as contributed advertising. A total of \$4,168 in donated parking passes was recognized as contributed travel expenses. A total of \$28,008 was recognized as donated other assets and represents the value of a vehicle that was donated to us to raffle off as an incentive for individuals to give to our campaign. The vehicle was received in 2021 but not raffled off until the following year and was therefore recognized as an other asset at December 31, 2021.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 8 CONTRIBUTED NONFINANCIAL ASSETS (CONTINUED)

We recognized contributed nonfinancial assets within revenue, support and gains. Contributed good, services and assets are recorded at the respective fair values at the date of donation. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Additionally, we receive a significant amount of contributed time that does not meet the recognition criteria for contributed professional services. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying statements of activities.

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods:

	2022	2021
Subject to the Passage of Time:		
2022 Campaign Revenue	\$ -	\$ 2,014,169
2023 Campaign Revenue	1,969,841	-
Total	1,969,841	2,014,169
Subject to Expenditure for Specified Purpose:		
Child Abuse Task Force - Provider Training	18,665	18,490
Child Abuse Task Force - Parenting Cafes	7,420	7,420
Total	26,085	25,910
Subject to the Organization's Spending Policy and Appropriation:		
Endowment	90,718	135,596
Subject to be Held in Perpetuity:		
Beneficial Interests in Perpetual Trusts	135,966	165,276
Endowment	70,414	70,414
Total	206,380	235,690
Total Net Assets With Donor Restrictions	\$ 2,293,024	\$ 2,411,365

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Expiration of Time Restrictions	\$ 2,014,169	\$ 1,882,832
Satisfaction of Purpose Restrictions:		
Endowment	10,547	10,392
Child Abuse Task Force - Provider Training	806	737
2-1-1 Recovery Help Line	-	21,436
Psychological Trauma in Schools	-	15,000
Emergency Response Funding	-	23,807
Total Net Assets Released from Donor Restrictions	<u>\$ 2,025,522</u>	<u>\$ 1,954,204</u>

NOTE 10 PENSION PLAN

We sponsor a 403(b) Thrift Plan covering substantially all of our employees. The Plan historically required an 8% contribution of eligible employee wages. The Plan was modified in 2022 from the 8% contribution to up to a 5% matching contribution. Our contribution under this Plan amounted to \$25,769 and \$47,556 for the years ended December 31, 2022 and 2021, respectively.

NOTE 11 REFUNDABLE ADVANCE

On April 10, 2020, we received a loan from Associated Bank, National Association in the amount of \$149,800 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The PPP loan may be forgiven by the U.S. Small Business Administration (SBA) subject to certain performance barriers, as outlined in the loan agreement and the CARES Act.

On February 3, 2021, we received formal notification from the SBA that the full amount of our PPP loan has been forgiven. We recognized income totaling \$149,800 related to this agreement during the year ended December 31, 2021.

The SBA may review funding eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, we are of the opinion that any review will not have a material adverse impact on our financial position.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 12 FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, office and campaign supplies, occupancy, as well as salaries and benefits. These expenses are allocated on an estimate of time and effort.

NOTE 13 ENDOWMENT FUNDS

Our endowment funds consist of three individual funds at the Community Foundation (Note 7). The endowment funds include both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. Net assets associated with endowment funds, including board-designated funds to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

We have interpreted the Wisconsin Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gifts as of the gift date to the donor-restricted endowment fund, unless there are explicit donor stipulations to the contrary. At December 31, 2022 and 2021, there were no such donor stipulations. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give at fair value) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 13 ENDOWMENT FUNDS (CONTINUED)

As of December 31, 2022 we had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 92,401	\$ -	\$ 92,401
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	70,414	70,414
Accumulated Investment Gains	-	90,718	90,718
Total	\$ 92,401	\$ 161,132	\$ 253,533

As of December 31, 2021 we had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 110,760	\$ -	\$ 110,760
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	70,414	70,414
Accumulated Investment Gains	-	135,596	135,596
Total	\$ 110,760	\$ 206,010	\$ 316,770

Investment and Spending Policies

We have adopted investment and spending policies for endowment funds to maximize total return with a low level of risk. Endowment funds include those assets of donor-restricted funds that we must hold in perpetuity or for donor specified periods. We have adopted a policy so that the endowment funds over time provide an average rate of return that results in a consistent inflation-protected rate of return. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed by management in coordination with the board of directors to not expose the funds to unacceptable levels of risk.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 13 ENDOWMENT FUNDS (CONTINUED)

Changes in endowment net assets for the year ended December 31, 2022 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets -			
Beginning of Year	\$ 110,760	\$ 206,010	\$ 316,770
Contributions	-	-	-
Investment Income:			
Investment Income (Loss), Net of Fees	1,742	(1,797)	(55)
Net Depreciation - Realized and Unrealized	<u>(20,101)</u>	<u>(32,534)</u>	<u>(52,635)</u>
Total Investment Income	(18,359)	(34,331)	(52,690)
Appropriations of Endowment Assets for Expenditure	<u>-</u>	<u>(10,547)</u>	<u>(10,547)</u>
Endowment Net Assets - End of Year	<u>\$ 92,401</u>	<u>\$ 161,132</u>	<u>\$ 253,533</u>

Changes in endowment net assets for the year ended December 31, 2021 are as follows

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets -			
Beginning of Year	\$ 100,060	\$ 195,956	\$ 296,016
Contributions	-	-	-
Investment Income:			
Investment Income (Loss), Net of Fees	10,264	(2,082)	8,182
Net Appreciation - Realized and Unrealized	<u>436</u>	<u>22,528</u>	<u>22,964</u>
Total Investment Income	10,700	20,446	31,146
Appropriations of Endowment Assets for Expenditure	<u>-</u>	<u>(10,392)</u>	<u>(10,392)</u>
Endowment Net Assets - End of Year	<u>\$ 110,760</u>	<u>\$ 206,010</u>	<u>\$ 316,770</u>

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 14 FAIR VALUE MEASUREMENTS

We report certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of our investment assets are classified within Level 1 because they comprise open-end exchanged traded and mutual funds with readily determinable fair values based on daily redemption values. The fair value of our beneficial interest in irrevocable trust is determined by estimating the value of our interest based on the market prices assigned to the underlying investment at year end. The fair value of our beneficial interest in assets held by Community Foundation is based on the fair value of fund investments as reported by the Community Foundation. These are considered to be Level 3 measurements.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 14 FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables present assets measured at fair value on a recurring basis at December 31, 2022:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
ASSETS				
Investments:				
Exchange Traded and Mutual Funds	\$ 1,784,749	\$ 1,784,749	\$ -	\$ -
Beneficial Interest in Irrevocable Trust	135,966	-	-	135,966
Beneficial Interest in Assets Held by Community Foundation	253,533	-	-	253,533
Total	<u>2,174,248</u>	<u>\$ 1,784,749</u>	<u>\$ -</u>	<u>\$ 389,499</u>
Cash and Cash Equivalents	11,913			
Total	<u>\$ 2,186,161</u>			

The following tables present assets measured at fair value on a recurring basis at December 31, 2021:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
ASSETS				
Investments:				
Exchange Traded and Mutual funds	\$ 2,080,295	\$ 2,080,295	\$ -	\$ -
Beneficial Interest in Irrevocable Trust	165,276	-	-	165,276
Beneficial Interest in Assets Held by Community Foundation	316,770	-	-	316,770
Total	<u>2,562,341</u>	<u>\$ 2,080,295</u>	<u>\$ -</u>	<u>\$ 482,046</u>
Cash and Cash Equivalents	159			
Total	<u>\$ 2,562,500</u>			

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 14 FAIR VALUE MEASUREMENTS (CONTINUED)

The value of beneficial interest in irrevocable trust represents an irrevocable right to receive distributions in perpetuity from a trust that is managed by a third-party. We do not have a variance power over the trust's portfolio. The value of beneficial interest in irrevocable trust is estimated based on the fair value of the underlying investments held by the trust.

Beneficial interest in assets held by Community Foundation represents amounts held at the Greater Green Bay Community Foundation, Inc. These amounts are the legal assets of the Community Foundation with the restriction that the Community Foundation make distributions to us as needed.

There were no contributions made to the Community Foundation during the years ended December 31, 2022 and 2021. We received distributions totaling \$10,547 and \$10,392 from the Community Foundation during the years ended December 31, 2022 and 2021, respectively. There were no transfers into or out of level 3 assets during the years ended December 31, 2022 and 2021.

**BROWN COUNTY UNITED WAY
SCHEDULES OF COMMUNITY AND TARGETED GIVING
YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
ASPIRO, Inc.	\$ -	\$ 17,500
Big Brothers Big Sisters of Northeastern Wisconsin	66,000	66,000
Boys and Girls Club of Green Bay	88,000	88,000
CASA of Brown County, Inc.	32,000	32,000
Catholic Charities of the Diocese of Green Bay, Inc.	82,000	82,000
Curative Connections	37,000	37,000
Encompass Early Education and Care, Inc.	134,500	134,500
Family and Childcare Resources of N.E.W.	20,000	20,000
Family Services of Northeast Wisconsin	175,000	175,000
Foundation Health and Wholeness	26,400	26,400
Golden House, Inc.	65,000	65,000
Green Bay Public Schools - Starfish Program	10,000	10,000
House of Hope Green Bay, Inc.	44,000	44,000
Legal Action of Wisconsin, Inc.	36,000	36,000
Literacy Green Bay, Inc.	44,000	44,000
NEW Community Clinic	120,000	120,000
NEW Community Shelter, Inc.	45,000	45,000
Salvation Army of Brown County	44,000	44,000
Total Allocations Paid Out to United Way Agencies	1,068,900	1,086,400
Other Allocations:		
Emergency Response Fund	43,307	40,500
Community Partnership for Children	63,626	26,243
Net Community and Targeted Giving	\$ 1,175,833	\$ 1,153,143

**BROWN COUNTY UNITED WAY
SCHEDULES OF DONOR DESIGNATIONS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
ASPIRO, Inc.	\$ -	\$ 5,423
Big Brothers Big Sisters of Northeastern Wisconsin	4,340	7,742
Boys and Girls Club of Green Bay	3,015	14,802
CASA of Brown County, Inc.	3,012	4,989
Catholic Charities of the Diocese of Green Bay, Inc.	14,317	11,939
Curative Connections, Inc.	1,496	1,648
Encompass Early Education and Care, Inc.	7,171	6,657
Family and Childcare Resources of N.E.W.	660	296
Family Services of Northeast Wisconsin	11,007	15,160
Foundations Health and Wholeness	1,527	2,489
Golden House, Inc.	7,887	11,047
Green Bay Public Schools - Starfish Program	806	(127)
House of Hope Green Bay, Inc.	4,931	6,443
Legal Action of Wisconsin, Inc.	230	155
Literacy Green Bay, Inc.	1,708	1,821
NEW Community Clinic	3,492	3,551
New Community Shelter, Inc.	1,414	7,607
Salvation Army of Brown County	(5,733)	15,529
Total Donor Designations to United Way Agencies	61,280	117,171
Donor Contributions to Other United Way and Nonmember Agencies	139,650	286,683
Net Donor Designations	\$ 200,930	\$ 403,854



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