

**United Way of  
Trumbull County, Inc.**

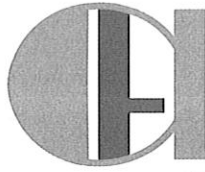
**AUDIT  
OF  
FINANCIAL STATEMENTS**

**Years ended  
December 31, 2016 and 2015**

# CONTENTS

---

INDEPENDENT AUDITORS' REPORT	2-3
FINANCIAL STATEMENTS	
Statements of financial position	4
Statements of activities	5
Statements of functional expenses	6
Statements of cash flows	7
Notes to financial statements	8-12
SUPPLEMENTAL FINANCIAL INFORMATION	
Schedules of allocations to service providers	13



O'Connor, Hosos & Loree, LLC

Certified Public Accountants & Business Advisors

## INDEPENDENT AUDITORS' REPORT

BOARD OF DIRECTORS  
UNITED WAY OF TRUMBULL COUNTY, INC.  
WARREN, OHIO

We have audited the accompanying financial statements of the United Way of Trumbull County, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way of Trumbull County, Inc. as of December 31, 2016 and 2015, 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.

## Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses and allocations to service providers 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 audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*O'Connor, Hoso & Lorie, LLC*

Warren, Ohio  
August 2, 2017

United Way of Trumbull County, Inc.

**STATEMENTS OF FINANCIAL POSITION**

<b>ASSETS</b>	<b>December 31,</b>	
	<b>2016</b>	<b>2015</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents--unrestricted	\$ 139,533	\$ 157,952
Cash and cash equivalents--group benefit plans	27,139	20,973
Total cash and cash equivalents	<u>166,672</u>	<u>178,925</u>
Campaign pledges receivable:		
2014 Fall Campaign--net of allowance of doubtful pledges of \$87,000 in 2015	-	49,423
2015 Fall Campaign--net of allowance for doubtful pledges of \$87,000 in 2016 and \$87,000 in 2015	53,692	375,852
2016 Fall Campaign--net of allowance for doubtful pledges of \$80,000 in 2016	326,815	-
<b>TOTAL CURRENT ASSETS</b>	<b>547,179</b>	<b>604,200</b>
<b>PROPERTY AND EQUIPMENT</b>		
Land	35,000	35,000
Land improvements	5,033	5,033
Building	286,000	286,000
Building improvements	67,874	38,284
Furniture and equipment	160,614	160,614
Total property and equipment	<u>554,521</u>	<u>524,931</u>
Less accumulated depreciation	(436,378)	(425,334)
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<b>118,143</b>	<b>99,597</b>
<b>OTHER ASSETS</b>		
Investments--at fair value	320,168	266,752
Beneficial interest in assets held by Community Foundations	16,109	15,151
<b>TOTAL OTHER ASSETS</b>	<b>336,277</b>	<b>281,903</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,001,599</b>	<b>\$ 985,700</b>

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

<b>LIABILITIES AND NET ASSETS</b>	<b>December 31,</b>	
	<b>2016</b>	<b>2015</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable--Unemployment Plan	\$ 25,991	\$ 19,171
Accounts payable--Community Services	1,148	1,802
Designated pledges payable	47,588	82,405
<b>TOTAL CURRENT LIABILITIES</b>	<b>74,727</b>	<b>103,378</b>
<b>LONG-TERM LIABILITIES</b>		
Note payable--bank	29,590	-
<b>TOTAL LIABILITIES</b>	<b>104,317</b>	<b>103,378</b>
<b>NET ASSETS</b>		
Unrestricted	452,462	390,968
Temporarily restricted	439,820	486,354
Permanently restricted	5,000	5,000
<b>TOTAL NET ASSETS</b>	<b>897,282</b>	<b>882,322</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,001,599</b>	<b>\$ 985,700</b>

**United Way of Trumbull County, Inc.**  
**STATEMENTS OF ACTIVITIES**

	Years ended December 31,	
	2016	2015
<b>UNRESTRICTED NET ASSETS</b>		
Public Support		
Received directly	\$ 266,692	\$ 300,533
Revenue		
Net realized and unrealized gain on investments	42,398	6,744
Investment income	8,895	9,267
Transfers	-	(10,000)
Net assets released from restrictions		
Satisfaction of time restrictions	476,203	461,251
Less: Amounts designated by donors for specific organizations	(49,537)	(34,235)
Total net assets released from restrictions	426,666	427,016
<b>TOTAL UNRESTRICTED SUPPORT AND REVENUE</b>	<b>744,651</b>	<b>733,560</b>
<b>EXPENSES</b>		
Allocations to service providers	354,821	361,233
Program services		
Allocations and agency relations	61,531	59,455
Planning and evaluation	25,950	25,179
Community services	94,475	84,924
Supporting services		
Fund raising	82,818	83,124
Management and general	63,562	57,546
<b>TOTAL EXPENSES</b>	<b>683,157</b>	<b>671,461</b>
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	<b>61,494</b>	<b>62,099</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Total net assets to be released from time restrictions	428,711	476,203
Net assets released from time restrictions	(476,203)	(461,251)
Net realized and unrealized gain on investments	958	151
Transfers	-	10,000
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>(46,534)</b>	<b>25,103</b>
<b>PERMANENTLY RESTRICTED NET ASSETS</b>		
Contributions	-	5,000
<b>INCREASE IN PERMANENTLY RESTRICTED NET ASSETS</b>	<b>-</b>	<b>5,000</b>
<b>INCREASE IN TOTAL NET ASSETS</b>	<b>14,960</b>	<b>92,202</b>
<b>TOTAL NET ASSETS AT BEGINNING OF YEAR</b>	<b>882,322</b>	<b>790,120</b>
<b>TOTAL NET ASSETS AT END OF YEAR</b>	<b>\$ 897,282</b>	<b>\$ 882,322</b>

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

United Way of Trumbull County, Inc.  
**STATEMENTS OF FUNCTIONAL EXPENSES**

	Program Services			Supporting Services			TOTAL
	Community Investment	Planning and Evaluation	Community Service	Total	Fund Raising	Management and General	
Salaries	\$ 35,999	\$ 12,966	\$ 38,486	\$ 87,451	\$ 40,314	\$ 30,745	\$ 71,059
Medical and hospitalization premiums	3,597	2,364	3,554	9,515	3,054	3,482	6,536
Pension plan	3,212	951	3,580	7,743	2,995	3,051	6,046
Payroll taxes	3,119	1,106	4,320	8,545	4,500	4,650	9,150
<b>Total salaries and related expense</b>	<b>45,927</b>	<b>17,387</b>	<b>49,940</b>	<b>113,254</b>	<b>50,863</b>	<b>41,928</b>	<b>92,791</b>
Professional fees	2,850	950	1,900	5,700	1,900	1,900	3,800
Office expense	1,343	434	1,980	3,757	2,024	1,212	3,236
Dues and subscriptions	246	82	210	538	191	174	365
Allocations and affiliates	2,147	2,683	-	4,830	3,757	2,147	5,904
Campaign supplies and awards	-	-	-	-	9,852	-	9,852
Telephone	1,034	344	2,534	3,912	1,782	1,097	2,879
Insurance and loan charges	1,451	481	2,068	4,000	1,628	1,229	2,857
Utilities	951	317	2,378	3,646	1,665	1,030	2,695
Literacy program	-	-	24,253	24,253	-	-	-
Repairs and maintenance	2,147	690	4,589	7,426	4,079	2,354	6,433
Auto expense	1,173	414	828	2,415	1,099	922	2,021
Conferences, conventions and meetings	935	269	660	1,864	636	556	1,192
Consultants	-	-	-	-	-	2,500	2,500
Miscellaneous (income) expense	296	1,051	2,404	3,751	(1,178)	2,599	1,421
<b>Total expenses before depreciation</b>	<b>60,500</b>	<b>25,102</b>	<b>93,744</b>	<b>179,346</b>	<b>78,298</b>	<b>59,648</b>	<b>137,946</b>
Depreciation expense	1,031	848	731	2,610	4,520	3,914	8,434
<b>TOTAL EXPENSES</b>	<b>\$ 61,531</b>	<b>\$ 25,950</b>	<b>\$ 94,475</b>	<b>\$ 181,956</b>	<b>\$ 82,818</b>	<b>\$ 63,562</b>	<b>\$ 146,380</b>
							<b>\$ 328,336</b>
							<b>\$ 310,228</b>

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



United Way of Trumbull County, Inc.  
**STATEMENTS OF CASH FLOWS**

	Years ended December 31,	
	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 14,960	\$ 92,202
Adjustments to reconcile change in net assets to net cash flows provided by (used in) operating activities:		
Depreciation	11,044	10,196
Realized/Unrealized (gains) on investments	(42,399)	(6,744)
Donation of marketable securities	(11,017)	(5,769)
(Increase) decrease in assets:		
Campaign pledges receivable--net	44,768	15,004
Beneficial interest in assets held by Community Foundation	(958)	(15,151)
Workers' compensation deposit	-	389
Increase (decrease) in liabilities:		
Designated pledges payable	(34,817)	(49,664)
Community services payable	(654)	1,802
Group benefits payable	6,820	4,834
<b>NET CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>(12,253)</b>	<b>47,099</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(29,590)	-
<b>NET CASH FLOWS (USED IN) INVESTING ACTIVITIES</b>	<b>(29,590)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of long-term debt	29,590	-
<b>NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES</b>	<b>29,590</b>	<b>-</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(12,253)</b>	<b>47,099</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>178,925</b>	<b>131,826</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 166,672</b>	<b>\$ 178,925</b>

**NOTE A--NATURE OF OPERATIONS**

The United Way of Trumbull County, Inc. is a charitable entity that provides planning, fund raising and allocation activities which serve the people of Trumbull County through affiliated human service providers. The Organization was originally incorporated March 23, 1923 under the name of Trumbull County Community Chest, Inc.

The financial records of the Organization are maintained on the accrual basis and generally follow the procedures and chart of accounts recommended by United Way Worldwide.

**NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Cash and Cash Equivalents**

Cash equivalents consist of temporary bank deposits and money market instruments with a maturity of three months or less as of the purchase date.

**Campaign Pledges Receivable**

Pledges received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Allowances are provided for uncollectible pledges and other subsequent adjustments to campaign results based on experience and adjusted for current conditions.

**Annual Campaign Support and Related Expenses**

Annual campaigns are conducted to raise support for allocation to participating human service providers in the subsequent year. All support is considered available for unrestricted use unless specifically restricted by the donor. Pledges are recorded as received, and allowances are provided for amounts estimated as uncollectible. Fluctuations in campaign receivables between years may occur due to the timing of pledge commitments.

**Contributed Services**

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. Nevertheless, a substantial number of volunteers have donated

significant amounts of their time in the organization's program and supporting services.

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of certificates of deposits (CD's) and treasury bills with an original maturity of three months to a year, as of the purchase date.

**Property and Equipment**

The Organization capitalizes property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated over their estimated useful lives using primarily the straight-line method.

**Income Taxes**

The Organization is a not-for-profit organization which is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

**Designated Pledges**

Financial donor contributions designated to a specific service provider without granting variance power to the United Way of Trumbull County are not included in campaign revenue, but are recorded as a liability to the designated beneficiary.

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2016 and 2015

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

**Net Assets**

The Organization is required to report information regarding their financial position and activities according to three classes of net assets: Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Temporarily restricted net assets are those whose use has been limited by the Board of Directors or by donor-imposed time restrictions or purpose restrictions. Permanently restricted net assets are net assets required by donor restriction or by law to be maintained by the Organization in perpetuity. Unrestricted net assets are all other net assets.

**Functional Allocation of Expenses**

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

**Use of Estimates**

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

**Comparative Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended (prior year end), from which the summarized information was derived.

**Fair Value of Financial Instruments**

The Organization adopted the required provisions of FASB ASC 820-10, "Fair Value Measurements" (see fair value measurements footnote), which resulted in no impact to the Organization's financial statements. FASB ASC 820-10 establishes a framework for measuring fair value, clarifies the definition of fair value

and expands disclosures about fair value measurements.

The carrying amounts of the Organization's cash and cash equivalents, accounts receivable and accounts payable approximated fair value at December 31, 2016 and 2015 because of the short maturities of these instruments.

**NOTE C--INVESTMENTS**

Investments are stated at fair value based on quoted market prices and consist of the following:

	December 31,	
	2016	2015
	Fair Value	Fair Value
Money market	\$ 1,942	\$ 1,942
Common stocks	290,633	247,801
Mutual funds	27,593	17,009
<b>Total investments</b>	<b>\$ 320,168</b>	<b>\$ 266,752</b>

**NOTE D--NET ASSETS**

The Organization's net assets consist of the following:

	December 31,	
	2016	2015
Unrestricted		
Designated by the governing board		
Capital improvement	\$ 11,884	\$ 41,474
Property and equipment	118,143	99,597
Undesignated – available for general activities	322,435	249,897
<b>TOTAL UNRESTRICTED NET ASSETS</b>	<b>452,462</b>	<b>390,968</b>
Temporarily restricted		
Annual campaign support designated for subsequent periods	428,711	476,203
Designated by the governing board		
Community Foundation	11,109	10,151
<b>TOTAL TEMPORARILY RESTRICTED NET ASSETS</b>	<b>439,820</b>	<b>486,354</b>

United Way of Trumbull County, Inc.  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2016 and 2015

**NOTE D--NET ASSETS (continued)**

	December 31,	
	2016	2015
Permanently restricted Donor restricted endowment fund	\$ 5,000	\$ 5,000
<b>TOTAL NET ASSETS</b>	<b>\$ 897,282</b>	<b>\$ 882,322</b>

**NOTE E--RELATED PARTY TRANSACTIONS**

In the ordinary course of business, the Organization occasionally enters into transactions with members of its Board of Trustees. These transactions primarily relate to depository relationships with financial institutions and purchases of vehicles and equipment.

**NOTE F--FAIR VALUE MEASUREMENTS**

The Organization has determined the fair value of certain assets and liabilities through the application of FASB ASC 820-10, *Fair Value Measurements*. FASB ASC 820-10 establishes a framework for measuring fair value, clarifies the definition of fair value and expands disclosures about fair value measurements. FASB ASC 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability. Fair value is a market-based measurement that should be determined using assumptions that market participants would use in pricing an asset or liability.

FASB ASC 820-10 establishes a valuation hierarchy for disclosure of fair value measurements. The categorization within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. The categories within the valuation hierarchy are described below:

*Level 1* – These are financial instruments where values are based on unadjusted quoted prices for identical assets in an active market that the Organization has the ability to access.

*Level 2* – These are financial instruments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the

full term of the financial instruments.

*Level 3* – These are financial instruments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the financial instruments.

The methods used to measure fair value described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

A summary of financial assets and liabilities measured at fair value on a recurring basis during the years ended December 31, 2016 and 2015 are as follows:

Assets at Fair Value as of December 31, 2016				
	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market	\$ 1,942	\$ -	\$ 1,942	\$ -
Common stock	290,633	290,633	-	-
Mutual funds	27,593	27,593	-	-
Beneficial interest in assets held by the Community Foundation of Western PA & Eastern OH	10,522	-	5,522	5,000
Beneficial interest in assets held by the Community Foundation of the Mahoning Valley	5,587	-	5,587	-
<b>TOTAL</b>	<b>\$ 336,277</b>	<b>\$ 318,226</b>	<b>\$ 13,051</b>	<b>\$ 5,000</b>

United Way of Trumbull County, Inc.  
**NOTES TO FINANCIAL STATEMENTS**  
 December 31, 2016 and 2015

**NOTE F--FAIR VALUE MEASUREMENTS  
 (continued)**

Assets at Fair Value as of December 31, 2015

	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market	\$ 1,942	\$ -	\$ 1,942	\$ -
Common stock	247,801	247,801	-	-
Mutual funds	17,009	17,009	-	-
Beneficial interest in assets held by the Community Foundation of Western PA & Eastern OH	10,151	-	5,151	5,000
Beneficial interest in assets held by the Community Foundation of the Mahoning Valley	5,000	-	5,000	-
<b>TOTAL</b>	<b>\$ 281,903</b>	<b>\$ 264,810</b>	<b>\$ 12,093</b>	<b>\$ 5,000</b>

The beneficial interests in assets held at the two Community Foundations have been valued at the fair value of the Organization's share of the Foundation's investment pool as of the measurement date. The Foundations value securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the Foundation are determined by the management of the Foundation and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. A portion of the beneficial interest in assets held at the Community Foundation of Western PA & Eastern OH is not redeemable by the Organization.

Financial instruments classified as Level 3 in the fair value hierarchy represent the Organization's investments in financial instruments in which management has used at least one significant unobservable input in the valuation model. There were no changes in the current year for Level 3 financial instruments.

**NOTE G--COMMUNITY FOUNDATIONS**

The Organization has transferred assets to the Community Foundation of Western PA & Eastern OH and the Community Foundation of the Mahoning Valley (the "Foundations") which are holding them as endowed component funds ("Funds") for the benefit of the Organization. The Funds are subject to the Foundations investment and spending policies, with a current spending policy of 5%. The Organization reports the fair value of the Funds as "Beneficial interest in assets held by Community Foundations" in the statements of financial position and reports distributions received as investment income. Changes in the value of the Funds are reported as "Net realized and unrealized gain on investments" in the statements of activities. Changes in the Funds for the year ended December 31, 2016 are as follows:

Balance at January 1, 2016	\$ 15,151
Share of appreciation of fund	958
<b>Balance at December 31, 2016</b>	<b>\$ 16,109</b>

**NOTE H--PENSION PLAN**

The United Way of Trumbull County, Inc. participates in the Mutual of America Life Insurance Company Pension Plan. The plan is a noncontributory defined contribution pension plan and covers all eligible employees. The contribution to the plan is based on a percentage of the compensation of the participants. The plan provides a money purchase retirement benefit. Pension expense was \$13,789 and \$13,041 for the years ended December 31, 2016 and 2015, respectively.

United Way of Trumbull County, Inc.  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2016 and 2015

**NOTE I--GROUP BENEFITS PAYABLE**

**Unemployment Compensation**

The United Way of Trumbull County, Inc. acted as an agent for itself and many of its service providers for the purpose of reimbursing the Ohio Department of Job and Family Services for unemployment compensation paid to former United Way or service provider employees who qualified for such benefits.

The unemployment claims reimbursed to the state are recouped from participating agencies. Payments were made to the fund until such a time as the account totals \$25,000 or the prior year's expense level, whichever is greater.

During 2016 and 2015, the United Way of Trumbull County, Inc. received \$7,263 and \$5,833, respectively, from service providers and investment income, and disbursed \$463 and \$1,007, respectively, for unemployment benefits.

**NOTE J--LEASES**

The Organization leases certain office equipment through operating leases expiring in various years through 2019. Total rent expense under all operating leases amounted to \$2,951 and \$3,248, for the years ended December 31, 2016 and 2015, respectively.

Future minimum payments under all non-cancelable operating leases with initial or remaining terms of one year or more as of December 31, 2016 are as follows:

Year ending December 31,	Amount
2017	\$ 2,950
2018	2,925
2019	1,951
2020	-
2021	-
Thereafter	-
<b>TOTAL MINIMUM LEASE PAYMENTS</b>	<b>\$ 7,826</b>

The Organization subleases office space to another entity under a lease agreement through June 2017. The agreement requires the entity to make rent payments totaling \$165 each month to the Organization.

**NOTE K--CONCENTRATION OF RISK**

The Organization maintains its cash within various financial institutions which, at times, may exceed federally insured limits. The Organization has not experienced any losses from such accounts, and management believes the Organization is not exposed to significant credit risk related to bank deposit accounts.

**Major Contributors**

For the years ended December 31, 2016 and 2015, the United Way of Trumbull County, Inc. had pledge receivable balances of \$105,000 and \$150,000 from the employees of one business, respectively. The employees of this business had total pledge amounts of \$105,000 and \$150,000 for the years ended December 31, 2016 and 2015, respectively.

**NOTE L--LONG-TERM DEBT**

During 2016, the Organization secured a loan from Cortland Bank. This agreement is secured by the building and allows for borrowings up to \$75,000 with an interest rate of 3% and a 10 year amortization. As of December 31, 2016, the loan is not "closed" as there may be additional borrowings made in 2017. The Organization is currently being billed only for interest; therefore, the entire amount is included as long-term in the accompanying Statements of Financial Position. As of December 31, 2016, outstanding borrowings against the loan were \$29,590.

**NOTE M--SUBSEQUENT EVENTS**

The Organization evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through August 2, 2017, which is the date the financial statements were available to be issued.

**SCHEDULES OF ALLOCATIONS TO SERVICE PROVIDERS**

	Years ended December 31,	
	2016	2015
<b>SCHEDULES OF ALLOCATIONS TO SERVICE PROVIDERS</b>		
Access Health Mahoning Valley	\$ 2,500	\$ 1,042
American Red Cross - Lake to River Chapter	47,625	50,525
Apprisen	3,000	-
Beatitude House	2,000	-
Big Brothers/Big Sisters of Mahoning Valley, Inc.	9,090	9,090
Boy Scouts of America, Great Trail Council	16,921	17,930
Catholic Charities Regional Agency	22,953	24,463
Children's Rehabilitation Center	73,833	74,500
Community Legal Aid Services, Inc.	2,940	2,970
Community Volunteer Council	1,250	-
Compass Family & Community Services	2,750	5,900
Family & Community Services - Foster Grandparents	1,000	-
Family & Community Services - SCOPE	12,195	9,540
Family & Community Services - Solace Center	3,000	3,000
Family & Community Services - Someplace Safe, Inc.	7,000	7,000
Family & Community Services - Veteran's Haven	1,560	3,120
Girl Scouts of North East Ohio - East Region	4,689	5,254
Goodwill Industries, Inc.	5,272	4,913
Greater Warren-Youngstown Urban League, Inc.	19,891	21,716
Help Hotline Crisis Center	15,750	14,500
Homes for Kids	-	500
Inspiring Minds	5,000	5,000
Niles Community Services, Inc.	9,500	9,500
Potential Development Program	8,750	10,500
Salvation Army - Warren Corps	16,430	17,548
Second Harvest Food Bank of Mahoning Valley	6,500	6,500
Trumbull Family Fitness	26,980	26,460
Trumbull Mobile Meals, Inc.	10,000	10,000
Trumbull Neighborhood Partnership	1,000	-
United Methodist Community Center	2,620	3,870
Youngstown Hearing and Speech Center	2,072	2,992
YWCA of Warren	10,750	12,900
<b>TOTAL</b>	<b>\$ 354,821</b>	<b>\$ 361,233</b>