

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

**AUDIT
OF
FINANCIAL STATEMENTS**

**Years ended
December 31, 2018 and 2017**

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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, 2018 and 2017, 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.

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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, 2018 and 2017, 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 & Loebe, LLC

Warren, Ohio
August 14, 2019

United Way of Trumbull County, Inc.

STATEMENTS OF FINANCIAL POSITION

ASSETS	December 31,	
	2018	2017
CURRENT ASSETS		
Cash and cash equivalents--unrestricted	\$ 328,303	\$ 337,587
Cash and cash equivalents--group benefit plans	335	408
Total cash and cash equivalents	<u>328,638</u>	<u>337,995</u>
Campaign pledges receivable:		
2016 Fall Campaign--net of allowance of doubtful pledges of \$80,000 in 2017	-	91,832
2017 Fall Campaign--net of allowance for doubtful pledges of \$80,000 in 2018 and \$80,000 in 2017	27,182	229,346
2018 Fall Campaign--net of allowance for doubtful pledges of \$80,000 in 2018	195,627	-
TOTAL CURRENT ASSETS	551,447	659,173
PROPERTY AND EQUIPMENT		
Land	35,000	35,000
Land improvements	5,033	5,033
Building	286,000	286,000
Building improvements	67,874	67,874
Furniture and equipment	160,614	160,614
Total property and equipment	<u>554,521</u>	<u>554,521</u>
Less accumulated depreciation	(457,951)	(447,290)
TOTAL PROPERTY AND EQUIPMENT	96,570	107,231
OTHER ASSETS		
Investments--at fair value	369,467	369,200
Beneficial interest in assets held by Community Foundations	16,906	17,956
TOTAL OTHER ASSETS	386,373	387,156
TOTAL ASSETS	\$ 1,034,390	\$ 1,153,560

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

LIABILITIES AND NET ASSETS	December 31,	
	2018	2017
CURRENT LIABILITIES		
Accounts payable--Community Services	\$ 334	\$ 408
Current portion of long-term debt	8,300	8,100
Designated pledges payable	38,009	57,733
TOTAL CURRENT LIABILITIES	46,643	66,241
LONG-TERM LIABILITIES		
Note payable--bank (less payments due within one year--above)	8,235	17,172
TOTAL LIABILITIES	54,878	83,413
NET ASSETS		
Without donor restrictions	566,829	632,684
With donor restrictions	412,683	437,463
TOTAL NET ASSETS	979,512	1,070,147
TOTAL LIABILITIES AND NET ASSETS	\$ 1,034,390	\$ 1,153,560

United Way of Trumbull County, Inc.
STATEMENTS OF ACTIVITIES

	Years ended December 31,	
	2018	2017
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Public Support		
Received directly	\$ 176,993	\$ 410,831
Revenue		
Net realized and unrealized gain (loss) on investments	(24,344)	45,370
Investment income	14,681	12,228
Net assets released from restrictions		
Satisfaction of time restrictions	432,463	428,711
Less: Amounts designated by donors for specific organizations	(26,607)	(45,266)
Total net assets released from restrictions	<u>405,856</u>	<u>383,445</u>
TOTAL SUPPORT AND REVENUE	573,186	851,874
EXPENSES		
Allocations to service providers	302,389	341,117
Program services		
Allocations and agency relations	75,846	68,663
Targeted impact	67,354	64,220
Community services	77,782	81,597
Supporting services		
Fund raising	71,819	83,714
Management and general	43,851	43,450
TOTAL EXPENSES	639,041	682,761
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(65,855)	169,113
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Total net assets to be released from time restrictions	407,683	432,463
Net assets released from time restrictions	(432,463)	(428,711)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	(24,780)	3,752
INCREASE (DECREASE) IN TOTAL NET ASSETS	(90,635)	172,865
TOTAL NET ASSETS AT BEGINNING OF YEAR	1,070,147	897,282
TOTAL NET ASSETS AT END OF YEAR	\$ 979,512	\$ 1,070,147

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

	Program Services			Supporting Services			TOTAL	
	Agency Impact	Targeted Impact	Community Service	Total	Fund Raising	Management and General	2018	2017
Salaries	\$ 46,561	\$ 38,908	\$ 29,196	\$ 114,665	\$ 50,981	\$ 23,217	\$ 74,198	\$ 188,863
Medical and hospitalization premiums	1,851	-	11,007	12,858	1,851	3,702	5,553	18,411
Pension plan	5,018	4,426	2,471	11,915	4,927	2,425	7,352	19,267
Payroll taxes	3,701	3,407	1,995	9,103	4,024	1,783	5,807	14,910
Total salaries and related expense	57,131	46,741	44,669	148,541	61,783	31,127	92,910	241,451
Professional fees	3,800	3,800	-	7,600	1,425	475	1,900	9,500
Office expense	1,477	1,325	1,283	4,085	1,991	652	2,643	6,728
Dues and subscriptions	377	352	21	750	295	60	355	1,105
Allocations and affiliates	1,969	2,461	-	4,430	3,445	1,969	5,414	9,844
Campaign supplies and awards	-	-	-	-	4,353	-	4,353	4,353
Telephone	1,324	1,258	1,589	4,171	1,722	728	2,450	6,621
Insurance and loan charges	1,751	1,718	792	4,261	1,265	499	1,764	6,025
Utilities	1,240	1,178	1,488	3,906	1,612	682	2,294	6,200
Literacy program	-	-	23,033	23,033	-	-	-	23,033
Repairs and maintenance	2,786	2,234	3,031	8,051	5,449	1,613	7,062	15,113
Auto expense	1,392	1,343	223	2,958	882	516	1,398	4,341
Conferences, conventions and meetings	755	638	233	1,626	617	122	739	2,365
Miscellaneous (income) expense	848	3,487	715	5,050	(17,383)	1,630	(15,753)	(10,703)
Total expenses before depreciation	74,850	66,535	77,077	218,462	67,456	40,073	107,529	325,991
Depreciation expense	996	819	705	2,520	4,363	3,778	8,141	10,661
TOTAL EXPENSES	\$ 75,846	\$ 67,354	\$ 77,782	\$ 220,982	\$ 71,819	\$ 43,851	\$ 115,670	\$ 336,652
								\$ 341,644

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,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (90,635)	\$ 172,865
Adjustments to reconcile change in net assets to net cash flows provided by (used in) operating activities:		
Depreciation	10,661	10,912
Realized/Unrealized (gains) losses on investments	20,227	(45,525)
Donation of marketable securities	(20,494)	(3,507)
(Increase) decrease in assets:		
Campaign pledges receivable--net	98,369	59,329
Beneficial interest in assets held by Community Foundation	1,050	(1,847)
Increase (decrease) in liabilities:		
Designated pledges payable	(19,724)	10,145
Community services payable	(74)	(740)
Group benefits payable	-	(25,991)
NET CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES	(620)	175,641
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on long-term debt	(8,737)	(4,318)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES	(8,737)	(4,318)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(9,357)	171,323
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	337,995	166,672
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 328,638	\$ 337,995
CASH PAID DURING THE YEAR FOR:		
Interest	\$ 632	\$ 1,508

NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

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 with or without donor restrictions, 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, 2018 and 2017

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

Net Assets

Net assets without donor restrictions are available for use at the discretion of the Board of Directors for general operating purposes. From time to time the Board may designate a portion of these net assets for specific purposes which would make them unavailable for use at management's discretion.

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions.

See Note E for more information on the composition of 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, 2018 and 2017 because of the short maturities of these instruments.

Accounting Pronouncements Adopted

In August 2016, the FASB issued ASU 2016-14, "Presentation of Financial Statements of Not-for-Profit Entities". The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions", b) modifying the presentation of underwater endowment funds and related disclosures, c) requiring the use of placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statements of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, e) requiring the disclosure of quantitative and qualitative information regarding the liquidity and availability of resources, f) presenting investment return net of external and direct internal investment expenses, and g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements.

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

December 31, 2018 and 2017

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

Accounting Pronouncements Adopted (continued)

A recap of the net asset reclassifications driven by the adoption of ASU 2016-14 as of December 31, 2017 is as follows:

Net Assets Classifications	ASU 2016-14 Classifications		
	Without donor restrictions	With donor restrictions	Total
As previously presented:			
Unrestricted	\$ 619,728	\$ -	\$ 619,728
Temporarily Restricted	-	445,419	445,419
Permanently Restricted	-	5,000	5,000
	619,728	450,419	1,070,147
Designated by the governing board	12,956	(12,956)	-
Net assets, as reclassified	\$ 632,684	\$ 437,463	\$ 1,070,147

NOTE C--INVESTMENTS

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

	December 31,	
	2018	2017
	Fair Value	Fair Value
Money market	\$ 1,948	\$ 1,943
Common stocks	316,472	333,404
Mutual funds	51,047	33,853
Total investments	\$ 369,467	\$ 369,200

NOTE D--RELATED PARTY TRANSACTIONS

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

NOTE E--NET ASSETS

The Organization's net assets consist of the following:

	December 31,	
	2018	2017
Without donor restrictions		
Designated by the governing board		
Capital improvement	\$ 11,884	\$ 11,884
Property and equipment	96,570	107,231
Community Foundation	11,906	12,956
Undesignated – available for general activities	446,469	500,613
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	566,829	632,684
With donor restrictions		
Annual campaign support designated for subsequent periods	412,683	437,463
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	412,683	437,463
TOTAL NET ASSETS	\$ 979,512	\$ 1,070,147

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:

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

December 31, 2018 and 2017

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

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, 2018 and 2017 are as follows:

Assets at Fair Value as of December 31, 2018				
	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market	\$ 1,948	\$ -	\$ 1,948	\$ -
Common stock	316,472	316,472	-	-
Mutual funds	51,047	51,047	-	-
Beneficial interest in assets held by the Community Foundation of Western PA & Eastern OH	10,958	-	5,958	5,000
Beneficial interest in assets held by the Community Foundation of the Mahoning Valley	5,948	-	5,948	-
TOTAL	\$ 386,373	\$ 367,519	\$ 13,854	\$ 5,000

United Way of Trumbull County, Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE F--FAIR VALUE MEASUREMENTS
(continued)

Assets at Fair Value as of December 31, 2017

	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market	\$ 1,943	\$ -	\$ 1,943	\$ -
Common stock	333,404	333,404	-	-
Mutual funds	33,853	33,853	-	-
Beneficial interest in assets held by the Community Foundation of Western PA & Eastern OH	11,662	-	6,662	5,000
Beneficial interest in assets held by the Community Foundation of the Mahoning Valley	6,294	-	6,294	-
TOTAL	\$ 387,156	\$ 367,257	\$ 14,899	\$ 5,000

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, 2018 are as follows:

Balance at January 1, 2018	\$	17,956
Share of depreciation of fund		(1,050)
Balance at December 31, 2018	\$	16,906

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 \$19,267 and \$16,604 for the years ended December 31, 2018 and 2017, respectively.

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

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

December 31, 2018 and 2017

**NOTE I--GROUP BENEFITS PAYABLE
(continued)**

who qualified for such benefits. This plan was discontinued in December 2017.

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 2018 and 2017, the United Way of Trumbull County, Inc. received \$3,476 and \$6,853, respectively, from service providers and investment income, and disbursed \$-0- and \$-0-, 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 \$3,260 and \$2,951, for the years ended December 31, 2018 and 2017, respectively.

Future minimum payments under all non-cancelable operating leases with initial or remaining terms of one year or more as of December 31, 2018 are as follows:

Year ending December 31,	Amount
2019	\$ 2,289
2020	85
2021	-
2022	-
2023	-
Thereafter	-
TOTAL MINIMUM LEASE PAYMENTS	\$ 2,374

The Organization leased office space to another entity under a lease agreement through June 2017. The agreement required the entity to make rent payments totaling \$165 each month to the Organization. Under the terms of the original lease, this agreement is now a month to month lease with the same terms as the original lease.

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, 2018 and 2017, the United Way of Trumbull County, Inc. had pledge receivable balances of \$60,000 and \$65,000 from the employees of one business, respectively. The employees of this business had total pledge amounts of \$126,617 and \$142,692 for the years ended December 31, 2018 and 2017, respectively.

NOTE L--LONG-TERM DEBT

Long-term debt outstanding is as follows:

	December 31,	
	2018	2017
Note payable to bank, secured by building, 3.00% interest per annum, due in monthly installments of \$726 including interest, due January 2027.	\$ 16,535	\$ 25,272
TOTAL LONG-TERM DEBT	16,535	25,272
Less current portion of long-term debt	(8,300)	(8,100)
NET LONG-TERM DEBT	\$ 8,235	\$ 17,172

As of December 31, 2018, maturities of long-term debt for each of the subsequent years are as follows:

Year ended December 31,	Amount
2019	\$ 8,300
2020	8,235
2021	-
2022	-
2023	-
Thereafter	-
TOTAL	\$ 16,535

NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

NOTE M--LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	December 31, 2018
Cash and cash equivalents	\$ 328,638
Investments	369,467
Beneficial interest in assets held by Comm. Fdn.	16,906
Campaign pledges receivable, net	177,061
Total financial assets available within one year	<u>892,072</u>
Less: Amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with time restrictions	(407,683)
Restricted by donors in perpetuity	(5,000)
Total amounts unavailable for general expenditures within one year	<u>(412,683)</u>
Amounts unavailable to management without Board approval:	
Board designated for Quasi-Endowment	(11,906)
Board designated for specific purposes	(108,454)
Total amounts unavailable to management without Board approval	<u>(120,360)</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 359,029</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additionally, the Organization has Board designated net assets without donor restrictions that, while the Organization does not intend to spend these for purposes other than those identified, the amounts could be made available for current operations, if necessary.

NOTE N--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 14, 2019, which is the date the financial statements were available to be issued.

United Way of Trumbull County, Inc.

SCHEDULES OF ALLOCATIONS TO SERVICE PROVIDERS

	Years ended December 31,	
	2018	2017
SCHEDULES OF ALLOCATIONS TO SERVICE PROVIDERS		
Access Health Mahoning Valley	\$ 1,100	\$ 2,350
American Red Cross - Lake to River Chapter	43,000	46,000
Beatitude House	-	2,000
Big Brothers/Big Sisters of Mahoning Valley, Inc.	8,204	8,863
Boy Scouts of America, Great Trail Council	12,305	14,695
Catholic Charities Regional Agency	23,000	23,000
Children's Rehabilitation Center	60,575	70,320
Community Legal Aid Services, Inc.	-	1,456
Community Volunteer Council	2,375	2,500
Easter Seal Society	3,900	3,010
Emmanuel Community Care Center	-	141
Empowering & Strengthening Ohio's People	950	500
Family & Community Services - Foster Grandparents	1,440	1,800
Family & Community Services - SCOPE	13,587	14,615
Family & Community Services - Solace Center	2,779	2,925
Family & Community Services - Someplace Safe, Inc.	7,000	7,000
Girl Scouts of North East Ohio - East Region	3,276	4,095
Goodwill Industries, Inc.	4,083	5,089
Greater Warren-Youngstown Urban League, Inc.	18,920	19,500
Help Me Grow	-	1,500
Help Network of Northeast Ohio	16,100	17,600
Homes for Kids	500	500
Inspiring Minds	4,512	4,875
Niles Community Services, Inc.	9,500	9,500
Potential Development Program	7,006	7,580
Salvation Army - Warren Corps	12,558	14,491
Second Harvest Food Bank of Mahoning Valley	6,500	6,500
Trumbull Family Fitness	24,819	26,812
Trumbull Mobile Meals, Inc.	10,000	10,000
Trumbull Neighborhood Partnership	-	1,000
United Methodist Community Center	900	1,900
YWCA of Mahoning Valley	3,500	9,000
TOTAL	\$ 302,389	\$ 341,117

