



**United Way
of Central New York**

FINANCIAL STATEMENTS

June 30, 2024 and 2023

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THE UNITED WAY OF CENTRAL NEW YORK, INC.

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Dermody, Burke & Brown, CPAs, LLC

INDEPENDENT AUDITORS' REPORT

BOARD OF DIRECTORS THE UNITED WAY OF CENTRAL NEW YORK, INC.

Opinion

We have audited the accompanying financial statements of **The United Way of Central New York, Inc.** (a Not-for-Profit Corporation), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The United Way of Central New York, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The United Way of Central New York, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The United Way of Central New York, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The United Way of Central New York, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The United Way of Central New York, Inc.'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.

Dermody, Burke & Brown

DERMODY, BURKE & BROWN, CPAs, LLC

Syracuse, NY

November 22, 2024

THE UNITED WAY OF CENTRAL NEW YORK, INC.

AUDITED FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

June 30, 2024 and 2023

ASSETS

	2024	2023
Cash	\$ 54,488	\$ 54,841
Restricted Cash	752,883	716,132
Campaign Pledges Receivable, Less Allowance for Uncollectible Pledges	1,733,668	1,409,706
Grants and Other Receivables	789,796	403,129
Prepaid Expenses and Other Assets	28,067	36,462
Investments	5,926,327	5,413,853
Beneficial Interest in Trust	150,044	136,578
Right-of-Use Asset - Operating Leases	621,545	730,081
Property and Equipment, Less Accumulated Depreciation and Amortization	83,485	98,331
TOTAL ASSETS	\$ 10,140,303	\$ 8,999,113

LIABILITIES AND NET ASSETS

LIABILITIES

Line-of-Credit	\$ 1,421,061	\$ 991,329
Accounts Payable and Accrued Expenses	1,148,640	604,928
Funds Held for Others	119,716	207,284
Donor Designations Payable	1,008,736	609,372
Undesignated Allocations Payable	1,083,717	1,022,073
Deferred Revenue	11,720	55,771
Refundable Advances	12,232	27,246
Operating Lease Liabilities	652,034	766,286
Note Payable to New York State	86,375	86,375
Total Liabilities	5,544,231	4,370,664

NET ASSETS

Without Donor Restrictions	(1,005,011)	(308,609)
With Donor Restrictions	5,601,083	4,937,058
Total Net Assets	4,596,072	4,628,449

TOTAL LIABILITIES AND NET ASSETS	\$ 10,140,303	\$ 8,999,113
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See notes to financial statements.

STATEMENTS OF ACTIVITIES

Years Ended June 30, 2024 and 2023

	Net Assets Without Donor Restrictions		Net Assets With Donor Restrictions		Total Net Assets	
	2024	2023	2024	2023	2024	2023
PUBLIC SUPPORT AND OTHER REVENUE						
Recently Completed Community Campaign	\$ 0	\$ 0	\$ 4,541,153	\$ 4,408,914	\$ 4,541,153	\$ 4,408,914
Campaign In-Kind Donations	0	0	92,057	270,356	92,057	270,356
Less: Donor Designations from SEFA Campaign	0	0	(782,535)	(371,575)	(782,535)	(371,575)
Donor Designations from United Way's Community Campaign	0	0	(559,156)	(563,778)	(559,156)	(563,778)
Provision for Uncollectible Pledges	0	0	(181,735)	(238,000)	(181,735)	(238,000)
Available to United Way of Central New York, Inc.	0	0	3,109,784	3,505,917	3,109,784	3,505,917
Excess in Anticipated Collection of Prior Years' Campaigns	148,149	260,882	0	0	148,149	260,882
Service Fee Income	370,593	248,450	0	0	370,593	248,450
Grants and Other Non-Campaign Contributions	2,312,964	2,189,585	897,095	1,870,778	3,210,059	4,060,363
Investment Income	45,096	41,988	83,623	60,485	128,719	102,473
Miscellaneous Revenue	4,568	2,807	0	0	4,568	2,807
Net Assets Released from Restrictions	3,874,134	5,320,048	(3,874,134)	(5,320,048)	0	0
Total Public Support and Other Revenue	6,755,504	8,063,760	216,368	117,132	6,971,872	8,180,892
EXPENSES						
Program Services:						
Community Impact	3,328,627	3,316,026	0	0	3,328,627	3,316,026
Housing and Homeless Coalition	785,926	608,856	0	0	785,926	608,856
Early Childhood Alliance	0	1,226,087	0	0	0	1,226,087
Literacy Coalition of Onondaga County	595,947	537,890	0	0	595,947	537,890
Other Community Programs	1,380,001	939,313	0	0	1,380,001	939,313
Total Program Services	6,090,501	6,628,172	0	0	6,090,501	6,628,172
Resource Development and Marketing	1,044,149	1,027,837	0	0	1,044,149	1,027,837
Organizational Administration	411,729	504,744	0	0	411,729	504,744
Total Supporting Services	1,455,878	1,532,581	0	0	1,455,878	1,532,581
Total Expenses	7,546,379	8,160,753	0	0	7,546,379	8,160,753
Change in Operating Net Assets	(790,875)	(96,993)	216,368	117,132	(574,507)	20,139
NON-OPERATING ACTIVITY						
Change in Beneficial Interest in Trust	0	0	13,466	(11,690)	13,466	(11,690)
Gain on Investments	94,473	54,040	434,191	448,149	528,664	502,189
Contribution to Not-For-Profit	0	(4,767)	0	(1,075,118)	0	(1,079,885)
Total Non-Operating Activity	94,473	49,273	447,657	(638,659)	542,130	(589,386)
Change in Total Net Assets	(696,402)	(47,720)	664,025	(521,527)	(32,377)	(569,247)
Net Assets (Deficit), Beginning of Year	(308,609)	(260,889)	4,937,058	5,458,585	4,628,449	5,197,696
Net Assets (Deficit), End of Year	\$ (1,005,011)	\$ (308,609)	\$ 5,601,083	\$ 4,937,058	\$ 4,596,072	\$ 4,628,449

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2024 with Comparative Totals for Year Ended June 30, 2023

	Community Impact	Housing and Homeless Coalition	Literacy Coalition of Onondaga County	Other Community Programs	Total Program Services	Resource Development and Marketing	Organizational Administration	Total Supporting Services	Total Expenses	
									2024	2023
Salaries	\$ 534,738	\$ 452,235	\$ 128,441	\$ 329,400	\$ 1,444,814	\$ 435,487	\$ 137,363	\$ 572,850	\$ 2,017,664	\$ 2,344,750
Employee Benefits	95,800	83,548	5,667	30,527	215,542	89,128	28,837	117,965	333,507	380,565
Payroll Taxes	48,396	41,832	11,775	34,703	136,706	39,376	12,782	52,158	188,864	215,857
Total Salaries and Related Expenses	678,934	577,615	145,883	394,630	1,797,062	563,991	178,982	742,973	2,540,035	2,941,172
Professional Services	102,771	29,067	21,699	592,638	746,175	67,437	77,790	145,227	891,402	810,182
Operating Expenses	3,036	897	20,336	3,639	27,908	11,426	4,528	15,954	43,862	42,062
Marketing and Advertising	39,115	64	3,657	118,357	161,193	152,057	1,555	153,612	314,805	410,686
Occupancy	67,194	6,384	4,012	12,652	90,242	52,376	23,692	76,068	166,310	174,794
Small Equipment Purchases, Leases and Maintenance	48,763	8,001	1,537	49,722	108,023	29,577	13,004	42,581	150,604	145,141
Staff Development and Reimbursements	4,711	11,021	289	17,808	33,829	5,218	881	6,099	39,928	81,932
Subscriptions, Dues and Publications	5,733	102,245	435	806	109,219	38,069	1,263	39,332	148,551	140,217
Special Events and Donor Relations Expense	58,931	0	793	40,438	100,162	78,162	286	78,448	178,610	127,780
Interest Expense	0	0	0	0	0	0	89,812	89,812	89,812	72,544
Other Community Program Support	33,179	50,632	397,306	149,311	630,428	106	0	106	630,534	782,945
Expense Subtotal	1,042,367	785,926	595,947	1,380,001	3,804,241	998,419	391,793	1,390,212	5,194,453	5,729,455
Payments to Affiliates:										
United Way Worldwide Dues	42,355	0	0	0	42,355	31,709	14,341	46,050	88,405	83,855
United Way of New York State Dues	6,070	0	0	0	6,070	4,339	2,139	6,478	12,548	8,170
Total Payments to Affiliates	48,425	0	0	0	48,425	36,048	16,480	52,528	100,953	92,025
Depreciation and Amortization	5,485	0	0	0	5,485	9,682	3,456	13,138	18,623	22,431
Total Operations Expense	1,096,277	785,926	595,947	1,380,001	3,858,151	1,044,149	411,729	1,455,878	5,314,029	5,843,911
Allocations/Awards	2,232,350	0	0	0	2,232,350	0	0	0	2,232,350	2,316,842
Total Functional Expenses	\$ 3,328,627	\$ 785,926	\$ 595,947	\$ 1,380,001	\$ 6,090,501	\$ 1,044,149	\$ 411,729	\$ 1,455,878	\$ 7,546,379	\$ 8,160,753

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2023

	Community Impact	Housing and Homeless Coalition	Early Childhood Alliance	Literacy Coalition of Onondaga County	Other Community Programs	Total Program Services	Resource Development and Marketing	Organizational Administration	Total Supporting Services	Total Expenses
Salaries	\$ 428,471	\$ 360,201	\$ 569,357	\$ 116,815	\$ 182,219	\$ 1,657,063	\$ 460,883	\$ 226,804	\$ 687,687	\$ 2,344,750
Employee Benefits	63,780	54,941	99,500	4,808	20,864	243,893	92,338	44,334	136,672	380,565
Payroll Taxes	38,232	32,913	53,928	10,927	17,758	153,758	41,703	20,396	62,099	215,857
Total Salaries and Related Expenses	530,483	448,055	722,785	132,550	220,841	2,054,714	594,924	291,534	886,458	2,941,172
Professional Services	24,711	19,061	238,605	1,639	389,917	673,933	73,356	62,893	136,249	810,182
Operating Expenses	2,958	1,151	4,442	15,836	2,814	27,201	10,638	4,223	14,861	42,062
Marketing and Advertising	4,341	0	69,376	2,674	186,480	262,871	147,718	97	147,815	410,686
Occupancy	51,455	6,392	13,568	4,150	5,784	81,349	62,263	31,182	93,445	174,794
Small Equipment Purchases, Leases and Maintenance	36,564	4,250	36,078	1,486	21,483	99,861	31,045	14,235	45,280	145,141
Staff Development and Reimbursements	8,774	17,520	19,770	2,521	26,345	74,930	5,816	1,186	7,002	81,932
Subscriptions, Dues and Publications	4,881	99,015	3,313	117	1,301	108,627	29,370	2,220	31,590	140,217
Special Events and Donor Relations Expense	72,396	0	20,283	0	11,509	104,188	23,389	203	23,592	127,780
Interest Expense	0	0	0	0	0	0	0	72,544	72,544	72,544
Other Community Program Support	222,668	13,412	97,109	376,917	72,839	782,945	0	0	0	782,945
Expense Subtotal	959,231	608,856	1,225,329	537,890	939,313	4,270,619	978,519	480,317	1,458,836	5,729,455
Payments to Affiliates:										
United Way Worldwide Dues	30,497	0	0	0	0	30,497	34,828	18,530	53,358	83,855
United Way of New York State Dues	2,880	0	0	0	0	2,880	3,537	1,753	5,290	8,170
Total Payments to Affiliates	33,377	0	0	0	0	33,377	38,365	20,283	58,648	92,025
Depreciation and Amortization	6,576	0	758	0	0	7,334	10,953	4,144	15,097	22,431
Total Operations Expense	999,184	608,856	1,226,087	537,890	939,313	4,311,330	1,027,837	504,744	1,532,581	5,843,911
Allocations/Awards	2,316,842	0	0	0	0	2,316,842	0	0	0	2,316,842
Total Functional Expenses	\$ 3,316,026	\$ 608,856	\$ 1,226,087	\$ 537,890	\$ 939,313	\$ 6,628,172	\$ 1,027,837	\$ 504,744	\$ 1,532,581	\$ 8,160,753

See notes to financial statements.

THE UNITED WAY OF CENTRAL NEW YORK, INC.

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Total Net Assets	\$ (32,377)	\$ (569,247)
Adjustments to Reconcile Change in Total Net Assets to		
Net Cash and Restricted Cash Used In Operating Activities:		
Reduction in the Carrying Amount of the Right-of-Use Assets -		
Operating Leases	108,536	111,669
Depreciation and Amortization	18,623	22,431
Noncash Transfers to Not-for-Profit	0	4,767
Change in Beneficial Interest in Trust	(13,466)	11,690
Gain on Investments	(528,664)	(502,189)
Stock Contributions	(15,105)	(16,757)
Change in Allowance for Uncollectible Pledges	(17,856)	11,910
(Increase) Decrease in Operating Assets:		
Campaign Pledges Receivable	(306,106)	505,841
Grants and Other Receivables	(386,667)	(38,125)
Prepaid Expenses and Other Assets	8,395	(8,094)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable and Accrued Expenses	543,712	28,878
Funds Held for Others	(87,568)	(176,087)
Donor Designations Payable	399,364	(89,001)
Undesignated Allocations Payable	61,644	(445,464)
Deferred Revenue	(44,051)	(13,335)
Refundable Advances	(15,014)	(2,754)
Operating Lease Liabilities	(114,252)	(117,395)
Net Cash Used In Operating Activities	(420,852)	(1,281,262)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(1,233,900)	(2,076,161)
Proceeds from Sale of Investments	1,265,195	2,627,157
Purchase of Property and Equipment	(3,777)	0
Net Cash Provided By Investing Activities	27,518	550,996
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Activity on Line-of-Credit	429,732	120,813
Net Cash Provided By Financing Activities	429,732	120,813
Net Change in Cash and Restricted Cash	36,398	(609,453)
Cash and Restricted Cash, Beginning of Year	770,973	1,380,426
Cash and Restricted Cash, End of Year	\$ 807,371	\$ 770,973
Supplemental Cash Flow Information:		
Right-of-Use Assets - Operating Leases Incurred with Operating		
Lease Liabilities at the Adoption of the Lease Standard	\$ 0	\$ 841,750

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 1 – NATURE OF OPERATIONS

The United Way of Central New York, Inc. (the Corporation) provides vital support to local human service programs, serves as fiscal agent for strategic community collaborations, and convenes community members to provide education and information about vital issues affecting people in Central New York. The Corporation conducts year-round fundraising efforts to support the programs, services, and agencies; working with companies and organizations to invite employees to donate directly and/or through payroll deductions. Community members volunteer in many capacities, including selection of the programs that receive funding.

Community Impact

By investing together, people in Onondaga County maximize their “buying power”. The Corporation’s local board of directors ensures that our community’s funds are utilized wisely and effectively. The Corporation monitors human needs in this community and provides funding for ongoing operating costs of local human service programs. The Corporation is one of the only funders, other than government, that provides consistent funding for ongoing operating costs.

Non-profit human service organizations that want to apply for funding first go through a fiscal and management review. If approved, the organization can then apply for program funding for services that address the areas of basic needs, education, or health.

After receiving the award, the Corporation monitors the organization and their funded programs to ensure that the funds are being spent as outlined and targeted outcomes achieved are consistent with the funding awards.

Housing and Homeless Coalition

This continuum of care for Onondaga, Oswego, and Cayuga counties is working to reduce and prevent homelessness in these areas.

Early Childhood Alliance

This community-based initiative came together eight years ago, bringing together a diverse group of stakeholders to address the fact that many local children were not prepared to be successful when they began kindergarten. A multi-faceted set of strategies was developed, and staff hired to implement them. The goal was to ensure that every child under age five in Onondaga County would reach kindergarten ready to succeed in school and in life. After eight years of growth, a decision was made that the Early Childhood Alliance should become an independent not-for-profit organization. See Note 14.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 1 – NATURE OF OPERATIONS – Continued

Literacy Coalition of Onondaga County

This initiative promotes literacy to Onondaga County residents of all ages.

Other Community Programs

At the same time, the Corporation looks at our community's most pressing issues and works with diverse stakeholders to develop strategies and implement initiatives that offer solutions. The Corporation currently partners in strategic community initiatives by serving as the coordinating entity for:

- **Book Buddies** – A tutoring program, in partnership with the Syracuse City School District, that trains and places volunteers in elementary schools to work with children in grades K-3.
- **2-1-1** – This program covers a five-county region and offers a 24-hour hotline and website that connects people with the services they need.
- **CASH Coalition** – This program offers free tax preparation assistance so working people can access their EITC and Child Care tax credits.
- **Work Train** – This program creates innovative workforce efforts around healthcare, manufacturing, construction, coding, and other industries that bring together employers with positions to fill and people who are un- or under-employed; addressing systemic issues that have prevented some people from accessing opportunities. Supporting the broader Syracuse Build and Pathways to Apprenticeship programs.
- **Syracuse Financial Empowerment Center** – The Corporation serves as the non-profit partner in this proven program created through the Cities for Financial Empowerment, providing intensive one-on-one financial counseling to individuals that reduces debt, establishes savings, and improves credit score.
- **Gifts in Kind** – This program collects new and gently used items and then distributes them to local non-profit organizations. This program ended in June 2024.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Financial Statement Presentation

The financial statements of the Corporation have been prepared in accordance with U.S. generally accepted accounting principles, which require the Corporation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Corporation. These net assets may be used at the discretion of the Corporation's management and the board of directors. The board of directors has established several designated funds as components of net assets without donor restrictions. See Note 10.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Corporation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. See Note 10.

Cash and Cash Equivalents

Cash and cash equivalents include bank demand deposit accounts, money market accounts and all highly liquid investments purchased with maturities of three months or less. There were no cash equivalents as of June 30, 2024 and 2023. Restricted cash is comprised of funds held for others or deposited with the Corporation that are restricted by donors and funders for future programing needs.

The following table provides a reconciliation of cash and restricted cash reported within the statements of financial position that sum to the total in the statements of cash flows as of June 30:

	2024	2023
Cash	\$ 54,488	\$ 54,841
Restricted Cash	<u>752,883</u>	<u>716,132</u>
Total	<u>\$ 807,371</u>	<u>\$ 770,973</u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents – Continued

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

Campaign Pledges Receivable

The Corporation records campaign pledges receivable and a related provision for uncollectibles for those pledges in the year that the pledges are solicited. The provision for uncollectible pledges is computed based upon management estimates of current economic factors applied to individual campaigns, including donor designations.

Investments and Investment Income

Investments are carried at fair value. Fair value is determined principally on the basis of quoted market prices. Investment income or loss (including realized and unrealized gain and losses on investments, interest and dividends) is included in the net change in net assets. Investment management fees are netted against investment income.

Property and Equipment

Property and equipment are recorded at cost at the date of acquisition or their fair market value at the date of donation in the case of gifts. It was the Corporation's policy to capitalize expenditures for these items in excess of \$2,500. Lesser amounts are expensed. Depreciation and amortization are recorded on the straight-line method over the estimated economic useful life of the respective asset.

When property and equipment are retired or otherwise disposed of, the related costs and accumulated depreciation and amortization are removed from the accounts and any gain or loss is recorded in the statements of activities.

Expenditures for repairs and maintenance not considered to substantially lengthen property life are charged to expense as incurred. Depreciation and amortization charged to expense was \$18,623 and \$22,431 for the years ended June 30, 2024 and 2023, respectively.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Property and Equipment – Continued

Property and equipment consists of the following as of June 30:

	2024	2023
Leasehold Improvements	\$ 38,630	\$ 38,630
Furniture and Equipment	<u>221,566</u>	<u>217,789</u>
	260,196	256,419
Less: Accumulated Depreciation and Amortization	<u>176,711</u>	<u>158,088</u>
Net Property and Equipment	<u><u>\$ 83,485</u></u>	<u><u>\$ 98,331</u></u>

Impairment of Long-Lived Assets

The Corporation reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recovered. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. The Corporation has determined that no impairment existed as of June 30, 2024 and 2023.

Funds Held for Others

The Corporation has been designated as a fiscal conduit for programs within the community. These activities are accounted for in the statements of financial position as both assets and offsetting liabilities and do not affect the Corporation’s statements of activities.

Donor Designations Payable

Donor designations payable includes funds earmarked by donors for the use of designated agencies and organizations. These agency transaction activities are accounted for in the statements of financial position as both assets and offsetting liabilities and do not affect the Corporation’s statements of activities.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Deferred Revenue

Deferred revenue represents advance payment of service fee income whose performance obligations were not satisfied prior to year-end.

Refundable Advances

Assets received from conditional government support and contributions are accounted as a refundable advance until the conditions have been substantially met.

Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as with donor restriction if they are received with donor stipulations that limit the use of the donated assets.

Contributions are considered available for general use unless specifically restricted by the donor and are recorded when received. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reflected as without donor restriction contributions in the accompanying financial statements.

Functional Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the statements of activities and statements of functional expenses. Organizational administration expenses are allocated to the various programs in the form of internal charges based on space occupied, time expended, budgeted allowable share of overhead, etc.

Allocations/Awards

The Board of Directors approved the timing of the funding cycle to be a calendar year cycle. Allocations and awards are approved in the fall and then paid out over the following calendar year.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Leases

The Corporation determines if an arrangement is or contains a lease at inception. Leases are included as right-of-use (ROU) assets and lease liabilities in the statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. In determining the present value of lease payments, the Corporation uses a risk free rate of a period comparable with that of the lease term. The Corporation does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less) or those leases with a present value of the lease payments less than \$2,500. Operating lease expense is recognized on a straight-line basis over the expected lease term. Operating variable lease payments are expensed as incurred.

Income Taxes

The Corporation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, and under similar provisions of New York State law, no provisions have been made for federal or state taxes.

Management is unaware of any unrelated business activities that may be subjected to unrelated business income tax or any activities that would jeopardize the Corporation's exempt status.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amount of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain 2023 amounts have been reclassified to conform to the 2024 presentation. These reclassifications had no impact on the total assets, liabilities, net assets or change in net assets.

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Corporation's financial assets, reduced by amounts that are not available to meet general expenditures within one year of the statements of financial position date because of donor restrictions, consist of the following as of June 30:

	2024	2023
Financial Assets:		
Cash	\$ 54,488	\$ 54,841
Restricted Cash	752,883	716,132
Campaign Pledges Receivable, Net	1,733,668	1,409,706
Grants and Other Receivables	789,796	403,129
Investments	5,926,327	5,413,853
Beneficial Interest in Trust	<u>150,044</u>	<u>136,578</u>
 Total Financial Assets	 9,407,206	 8,134,239
 Financial Assets Not Available Within One Year:		
Funds Held for Others	(119,716)	(207,284)
Donor Designations Payable	(1,008,736)	(609,372)
Note Payable to New York State	(86,375)	(86,375)
Board Designated Net Assets	(158,128)	(168,929)
Net Assets With Donor Restrictions	<u>(5,601,083)</u>	<u>(4,937,058)</u>
 Financial Assets Not Available Within One Year	 <u>(6,974,038)</u>	 <u>(6,009,018)</u>
 Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	 <u><u>\$ 2,433,168</u></u>	 <u><u>\$ 2,125,221</u></u>

Board designated net assets are not generally available for operations. If the board chooses, these designated net assets can be undesignated and become available for general operations. Net assets with donor restrictions can only be used in accordance with donor restrictions and are generally not available for operations. In addition to the financial assets above, the Corporation can utilize its lines-of-credit to fund any short-term funding needs. See Note 7.

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 4 – CAMPAIGN PLEDGES RECEIVABLE

Pledges receivable at June 30 were as follows:

	2024		
	Pledges Receivable	Estimated Provisions for Uncollectible Pledges	Net
Next Century Campaign	\$ 60,000	\$ 0	\$ 60,000
Fall 2024 Campaign	49,520	0	49,520
Fall 2023 Campaign	1,804,821	181,735	1,623,086
Fall 2022 Campaign	58,840	57,778	1,062
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 1,973,181</u>	<u>\$ 239,513</u>	<u>\$ 1,733,668</u>

	2023		
	Pledges Receivable	Estimated Provisions for Uncollectible Pledges	Net
Next Century Campaign	\$ 122,500	\$ 0	\$ 122,500
Fall 2023 Campaign	18,000	0	18,000
Fall 2022 Campaign	1,505,802	238,000	1,267,802
Fall 2021 Campaign	20,773	19,369	1,404
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 1,667,075</u>	<u>\$ 257,369</u>	<u>\$ 1,409,706</u>

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 4 – CAMPAIGN PLEDGES RECEIVABLE – Continued

Net pledges receivable balances for all campaign years have been analyzed and adjusted by management to an amount estimated to be collectible as of June 30, 2024 and 2023.

Campaign pledges receivable are due as follows:

	2024	2023
Due Within One Year	\$ 1,958,181	\$ 1,597,075
Due Within Two to Five Years	<u>15,000</u>	<u>70,000</u>
Total	<u>\$ 1,973,181</u>	<u>\$ 1,667,075</u>

NOTE 5 – GRANTS AND NON-CAMPAIGN CONTRIBUTIONS

Grants and other program receivables consists mainly of amounts due from government agencies as a result of providing services to the community and local foundations to support these services. Payments were not received by the Corporation at year-end. Grants and other receivables are all due within one year. The management of the Corporation reviews the collectability of these receivables on a monthly basis, and has determined that no reserve for doubtful accounts needs to be established.

The Corporation has \$777,824 and \$562,666 remaining on executed conditional federal, state, and foundation grants as of June 30, 2024 and 2023, respectively. These balances are not recognized as assets and revenue and are expected to be recognized as revenue in future years as the conditions of the agreements are met.

Significant program budget cuts by funding sources could have a potential impact on the funding of program services.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 6 – INVESTMENTS

Guidance provided by the FASB defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring fair value, a fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

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

Cash and Cash Equivalents – Valued at carrying cost, which approximates fair value (Level 1 inputs).

United States Treasury Notes, Preferred Stocks, Equity Securities, Exchange Traded Funds, Real Estate Investment Trust, and Other Investments – Valued at the closing price reported in the active market in which the individual investment is traded (Level 1 inputs).

Mutual Funds – Equity – Valued at quoted net asset values of the shares held on the last business day of the fiscal year (Level 1 inputs).

Corporate Obligations and Mortgage Backed Securities – Valued using pricing models, quoted prices of securities with similar characteristics or discounted cash flows (Level 2 inputs).

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 6 – INVESTMENTS – Continued

Beneficial Interest in Trust

Beneficial interest in trust was determined to be a Level 3 asset, as the Corporation does not have any control over the trust, the investments within the trust, or the timing and amount of distributions from the trust. The trust's fair value below was calculated using the Corporation's one-third interest in the assets held in the trust. The change in value of the beneficial interest of the trust as recorded in the statement of activities is calculated using the Corporation's interest in the change in the value of all the assets within the trust after distributions to the beneficiaries.

Assets measured at fair value on a recurring basis and cost as of June 30 are summarized below, by input level:

June 30, 2024

	Level 1	Level 2	Level 3	Total
Investments:				
Cash and Cash Equivalents	\$ 67,850	\$ 0	\$ 0	\$ 67,850
Corporate Obligations	0	158,130	0	158,130
Preferred Stock	8,505	0	0	8,505
United States Treasury Notes	724,931	0	0	724,931
Mortgage Backed Securities	0	53,950	0	53,950
Exchange Traded Funds	282,072	0	0	282,072
Mutual Funds - Equity	1,847,358	0	0	1,847,358
Equity Securities	2,698,533	0	0	2,698,533
Real Estate Investment Trust	37,817	0	0	37,817
Other Investments	47,181	0	0	47,181
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Investments	<u>\$ 5,714,247</u>	<u>\$ 212,080</u>	<u>\$ 0</u>	<u>\$ 5,926,327</u>
Beneficial Interest in Trust	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 150,044</u>	<u>\$ 150,044</u>

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 6 – INVESTMENTS – Continued

June 30, 2023

	Level 1	Level 2	Level 3	Total
Investments:				
Cash and Cash Equivalents	\$ 73,583	\$ 0	\$ 0	\$ 73,583
Corporate Obligations	0	164,920	0	164,920
United States Treasury Notes	623,893	0	0	623,893
Mortgage Backed Securities	0	60,886	0	60,886
Mutual Funds - Equity	2,136,306	0	0	2,136,306
Equity Securities	2,315,182	0	0	2,315,182
Other Investments	39,083	0	0	39,083
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Investments	<u>\$ 5,188,047</u>	<u>\$ 225,806</u>	<u>\$ 0</u>	<u>\$ 5,413,853</u>
Beneficial Interest in Trust	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 136,578</u>	<u>\$ 136,578</u>

The table below sets forth a summary of changes in the fair value for the Corporation's Level 3 assets for the year ended June 30:

	2024	2023
Beneficial Interest in Trust:		
Balance, Beginning of Year	\$ 136,578	\$ 148,268
Interest Income	6,932	7,284
Gain (Loss) on Investments	13,466	(11,690)
Distributions to the Corporation	(6,932)	(7,284)
	<u> </u>	<u> </u>
Balance, End of Year	<u>\$ 150,044</u>	<u>\$ 136,578</u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 7 – LINES-OF-CREDIT

The Corporation has a \$1,500,000 promissory note for a line-of-credit with a local bank, at a variable interest rate based on the bank's prime lending less 1.5%. The demand promissory note is secured by all of the Corporation's assets. The outstanding balance was \$1,421,061 and \$991,329 as of June 30, 2024 and 2023, respectively.

In February 2024, the Corporation entered into a second promissory note for a \$750,000 line-of-credit with a local bank, at a variable rate based on the bank's prime lending rate plus 1.75%. The demand promissory note is also secured by all of the Corporation's assets. There were no outstanding balances on this line-of-credit as of June 30, 2024.

The bank's prime lending rate was 8.50% and 8.25% as of June 30, 2024 and 2023, respectively.

Interest paid on the line-of-credit was \$89,812 and \$72,544 for the years ended June 30, 2024 and 2023, respectively.

NOTE 8 – NOTE PAYABLE TO NEW YORK STATE

A revolving loan fund was established through a \$125,000 contract with the New York State Office of Children and Family Services. The contract operates through February 28, 2025, at which time the remaining balance will be paid to New York State in a lump sum, inclusive of any excess interest earned on these funds that had not been offset by loan administration costs, at the termination of the agreement. In accordance with the terms established in this revolving loan fund agreement, New York State bears the risk of loss from loan defaults as long as the Corporation adheres to the terms of the agreement. Loans totaling \$38,625 were deemed to be uncollectible in previous years, leaving a remaining balance of \$86,375 as of both June 30, 2024 and 2023.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 9 – ENDOWMENT

The Corporation has two donor designated endowment funds (Weisberg Fund and Next Century Endowment Fund) to support the general operations of the Corporation.

The Board of Directors has interpreted the relevant state laws under the New York Uniform Prudent Management of Institutional Funds Act (NYUPMIFA) and the New York Not-for-Profit Corporation Law Management of Institutional Funds Act as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. There were no such donor stipulations as of June 30, 2024 and 2023. As a result of this interpretation, the Corporation retains in perpetuity (a) the original value of initial and subsequent gift amounts 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 the Board of Directors in a manner consistent with the standard of prudence prescribed by NYUPMIFA.

The Corporation considered the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the funds.
2. The purposes of the Corporation and the donor-restricted endowment funds.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Corporation.
7. The investment policies of the Corporation.

Funds with Deficiencies

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Corporation has interpreted NYUPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. There was no deficiency reported in net assets without donor restrictions as of June 30, 2024 and 2023.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 9 – ENDOWMENT – Continued

Investment and Spending Policy

The Corporation’s Board of Directors has adopted an investment policy to set the investment philosophy of the Corporation. The Corporation’s overall investment objective is a “balanced return” which is defined as moderate income with capital appreciation. It is the expectation that a real rate of return in excess of inflation after providing for expenses, fees and charitable disbursements will be achieved. Quarterly investment reports will include industry benchmarks for comparative purposes, with returns being shown net of fees.

To satisfy its long-term rate-of-return objectives, the Corporation will rely on a total return strategy which includes interest, dividends and capital appreciation. The Corporation plans on targeting a conservative asset allocation to achieve its long-term return objectives within prudent risk constraints.

For the Weisberg Fund, the Corporation has a policy of appropriating the lesser of 4.5% of the twenty quarter rolling average or 4.5% of the fair market value as of March 31st. Amounts are withdrawn from the account on a monthly basis.

For the Next Century Endowment Fund, appropriations will not occur until the historical corpus reaches \$2,000,000. Upon reaching that threshold, appropriations will be based upon the lesser of 4.5% of the twenty quarter rolling average or 4.5% of the fair market value as of March 31st. The Corporation has not appropriated any funds from this fund since the inception of the fund.

The following schedule represents the endowment net assets composition by type of fund as of June 30:

	2024	2023
Original Donor Restricted Gift	\$ 586,398	\$ 503,898
Accumulated Unspent Earnings	<u>88,835</u>	<u>37,853</u>
Total Endowment Fund	<u><u>\$ 675,233</u></u>	<u><u>\$ 541,751</u></u>

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 9 – ENDOWMENT – Continued

Changes in endowment net assets were as follows for the year ended June 30:

	2024	2023
Endowment Net Assets, Beginning of Year	\$ 541,751	\$ 374,861
Contributions	82,500	134,584
Investment Income, Net	11,555	6,830
Investment Gain	43,268	29,044
Appropriations	<u>(3,841)</u>	<u>(3,568)</u>
Endowment Net Assets, End of Year	<u>\$ 675,233</u>	<u>\$ 541,751</u>

NOTE 10 – NET ASSETS

Net assets without donor restriction consists of the following:

	2024	2023
Board Designated:		
Forever Fund - Operating	\$ 158,128	\$ 168,929
Property and Equipment	<u>83,485</u>	<u>98,331</u>
Total Board Designated Net Assets	241,613	267,260
Undesignated Net Assets (Deficit)	<u>(1,246,624)</u>	<u>(575,869)</u>
Total Net Assets (Deficit)		
Without Donor Restrictions	<u>\$ (1,005,011)</u>	<u>\$ (308,609)</u>

A description of board designated net assets is as follows:

- **Forever Fund – Operating** – This fund includes dollars from the Forever Fund that have been released from restriction and are earmarked for the subsequent fiscal year operations.
- **Property and Equipment** – This fund is the net book value of property and equipment owned by the Corporation.

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 10 – NET ASSETS – Continued

Net assets with donor restriction consists of the following:

	2024	2023
Undesignated Future Campaign	\$ 26,500	\$ 2,500
Events	204,315	164,065
Book Buddies	51,592	53,491
Literacy Coalition of Onondaga County	419,542	451,490
211 Central New York Fund	66,313	73,943
Housing and Homeless Coalition	35,530	15,479
LeadSafe CNY	204,025	0
Other	55,877	28,012
Forever Fund	3,652,112	3,347,249
Beneficial Interest in Trust	150,044	136,578
Next Century Endowment Pledges	60,000	122,500
Weisberg Fund	99,037	89,649
Next Century Endowment	<u>576,196</u>	<u>452,102</u>
Total Net Assets With Donor Restrictions	<u><u>\$ 5,601,083</u></u>	<u><u>\$ 4,937,058</u></u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 10 – NET ASSETS – Continued

Net assets with donor restrictions consist of the following:

- ***Undesignated Future Campaign*** – This fund represents funds received for future campaigns.
- ***Events, Book Buddies, Literacy Coalition of Onondaga County, 211 Central New York Fund, Housing and Homeless Coalition, LeadSafe CNY, and Other*** – These funds consist of donor restricted donations to support the programs of their respective initiatives.
- ***Forever Fund*** – This fund has been restricted by donors to provide a continual influx of funds to support the operations of the Corporation.
- ***Beneficial Interest in Trust*** – A donor established a perpetual trust and named the Corporation as a one-third beneficiary. Proceeds from the trust do not have restrictions.
- ***Next Century Endowment Pledges*** – This fund represents pledges made that will be transferred to the Next Century Endowment fund once they are paid.
- ***Weisberg Fund and Next Century Endowment*** – These funds are restricted by a donor to be held in perpetuity. Earnings from this are limited to the general operations of the Corporation. See Note 9.

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 10 – NET ASSETS – Continued

Net assets were released from donor restrictions by the passage of time, incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by the donors. Net assets released from restriction as of June 30 consist of the following:

	2024	2023
Time Restrictions:		
Net Campaign Contributions Received in Prior Period	\$ 3,085,784	\$ 3,615,667
Forever Fund	158,128	543,929
Weisberg Fund	3,841	3,568
Purpose Restrictions:		
Events	151,250	0
Early Childhood Alliance	0	714,653
Book Buddies	70,910	17,458
Literacy Coalition of Onondaga County	42,025	12,735
211 Central New York Fund	208,880	354,560
Housing and Homeless Coalition	72,049	0
LeadSafe CNY	45,975	0
Other	<u>35,292</u>	<u>57,478</u>
Total	<u>\$ 3,874,134</u>	<u>\$ 5,320,048</u>

NOTE 11 – RETIREMENT BENEFITS

The Corporation has a 401(k) profit sharing retirement plan, which covers all employees who have met the age requirements and who aren't part of an excludable class. The Corporation contributed an amount equal to 4.0% of participants' compensation for both years ended June 30, 2024 and 2023. In 2023, the Corporation also added a 403(b) plan for certain employees with contributions equal to 4.0% of participants' compensation.

Retirement expense was \$71,340 and \$87,248 for the years ended June 30, 2024 and 2023, respectively.

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 12 – LEASES

In August 2018, the Corporation entered into a ten and one-half year lease for office and storage space. The lease commenced on May 1, 2019. In March 2020, the lease was amended to include additional office space. The new lease agreement requires monthly payments of \$10,808 through November 2029. The Corporation also leased office space on a short-term basis that ended in June 2023.

The Corporation has also entered into several equipment operating leases that mature at various times through September 2026. Some of these leases require overage payments based upon the actual use of the machine. There are also short-term equipment leases.

As of both June 30, 2024 and 2023 the weighted-average discount rate applied to calculating operating lease liabilities was 2.50%. The weighted-average remaining lease term for the Corporation's operating leases was approximately 5.3 years and 6.3 years as of June 30, 2024 and 2023, respectively.

The following is a summary of lease cost and other required information for the year ended June 30:

Lease Cost	Classification	2024	2023
Operating Lease - Rent	Occupancy	\$ 123,974	\$ 123,974
Short-Term Operating Lease - Rent	Occupancy	<u>0</u>	<u>12,096</u>
Total Real Estate Lease Expense		123,974	136,070
Operating Leases - Equipment	Small Equipment Purchases, Leases and Maintenance	2,448	8,473
Variable Leases - Equipment	Small Equipment Purchases, Leases and Maintenance	1,306	5,086
Short Term Leases - Equipment	Small Equipment Purchases, Leases and Maintenance	<u>6,024</u>	<u>0</u>
Total Equipment Leases		<u>9,778</u>	<u>13,559</u>
Total Lease Expense		<u><u>\$ 133,752</u></u>	<u><u>\$ 149,629</u></u>

THE UNITED WAY OF CENTRAL NEW YORK, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 12 – LEASES – Continued

Cash paid for lease expense was \$139,469 and \$155,346 for the years ended June 30, 2024 and 2023, respectively.

Future minimum operating lease payments and reconciliation to the statements of financial position as of June 30, 2024, are as follows:

	Operating Leases
2025	\$ 132,139
2026	132,139
2027	130,303
2028	129,691
2029	129,691
Remaining	<u>43,231</u>
Total Future Undiscounted Lease Payments	697,194
Less: Imputed Interest	<u>(45,160)</u>
Present Value of Lease Liabilities	<u><u>\$ 652,034</u></u>

NOTE 13 – NONFINANCIAL CONTRIBUTIONS

The Corporation received the following nonfinancial contributions in the years ending June 30:

	2024	2023
Professional Services	\$ 50,024	\$ 45,107
Printing and Artwork	22,223	12,385
Special Events	12,000	6,000
Other Community Program Support	<u>7,810</u>	<u>206,864</u>
Total Nonfinancial Contributions	<u><u>\$ 92,057</u></u>	<u><u>\$ 270,356</u></u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 13 – NONFINANCIAL CONTRIBUTIONS – Continued

Professional services are contributed and valued at the price set by the service provider, less any compensation paid. Printing and artwork include advertising in-kind which is valued at the current advertising rates, less any compensation paid. Special events and other community program support include contributions of supplies and equipment. Supplies and equipment are valued at retail prices at the time of donation. There are no donor restrictions on these items. These donations of nonfinancial contributions have been recorded in the statements as both revenue and expense.

A substantial number of volunteers have donated significant amounts of their time to the activities of the Corporation, however no amounts have been reflected in the statements for these donated services, as they do not meet the criteria for recognition under generally accepted accounting principles.

NOTE 14 – CONTRIBUTION TO NOT-FOR-PROFIT

In January 2023, the initiative known as Early Childhood Alliance became its own not-for-profit organization, Early Childhood Alliance Onondaga (ECA). The Corporation has no ownership or control over the new not-for-profit. From January 2023 through June 2023, the Corporation worked to transfer grants and contracts to ECA. During the year ended June 30, 2023, the Corporation contributed \$4,767 of net assets without donor restrictions and \$1,075,118 of net assets with donor restrictions to ECA.

NOTE 15 – SUBSEQUENT EVENTS

In July 2024, the initiative known as Housing and Homeless Coalition announced it is working to become its own not-for-profit organization. It is anticipated that the transfers of existing grants and contracts to the new not-for-profit will be completed by June 2025. The transfer is not anticipated to materially impact the assets, liabilities, and net assets of the Corporation.

Management has evaluated subsequent events through November 22, 2024, which is the date the financial statements were available to be issued.