

UNITED WAY OF COASTAL  
FAIRFIELD COUNTY, INC.  
Financial Statements  
and  
Supplementary Schedules  
(with Independent Auditor's Report thereon)  
YEAR ENDED JUNE 30, 2018  
(with comparative totals for 2017)

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

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## Independent Auditor's Report

The Board of Directors  
United Way of Coastal  
Fairfield County, Inc.  
Bridgeport, Connecticut

### *Report on the Financial Statements*

We have audited the accompanying financial statements of United Way of Coastal Fairfield County, Inc. (United Way) which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, cash flows, and functional expenses for the year 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 the 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 appropriate to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are relevant 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 materials respects, the financial position of United Way of Coastal Fairfield County, Inc. as of June 30, 2018 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Report on Summarized Comparative Information*

We have previously audited United Way's financial statements as of and for the year ended June 30, 2017 and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 3, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Other Matter*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary schedules as of June 30, 2018 and for the year then ended, as indicated in the Contents to the financial statements, 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.

*Cirone Friedberg, LLP*

October 18, 2018  
Bridgeport, Connecticut

**UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.****STATEMENTS OF FINANCIAL POSITION****JUNE 30, 2018****(with comparative totals for 2017)**

<b><u>ASSETS</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Cash and Cash Equivalents	\$ 3,104,889	\$ 3,936,271
Unrestricted Investments	1,388,495	1,029,251
Promises to Give, Net of Allowance for uncollectible promises of \$238,379 in 2018 and \$259,730 in 2017	699,213	999,090
Grants Receivable	216,051	134,589
Other Receivables	23,777	130,216
Prepaid Expenses	37,938	39,721
Security Deposits	11,111	11,111
Property and Equipment, Net	45,568	77,339
Beneficial Interest in Perpetual Trust	140,689	132,913
Assets Restricted for Long-Term Investments - Endowments	150,746	150,746
Agency Assets	<u>518,347</u>	<u>967,261</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 6,336,824</u></b>	<b><u>\$ 7,608,508</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<u>Liabilities</u>		
Accounts Payable and Accrued Expenses	\$ 363,905	\$ 426,222
Refundable Advances on Grants	16,671	27,335
Agency Liabilities	<u>518,347</u>	<u>967,261</u>
Total Liabilities	<u>898,923</u>	<u>1,420,818</u>
<u>Net Assets</u>		
<u>Unrestricted:</u>		
Net Investment in Property and Equipment	45,568	77,339
Board Designated	4,563,018	5,093,789
Undesignated - Available for Operations	<u>29,743</u>	<u>9,937</u>
Total Unrestricted	4,638,329	5,181,065
Temporarily Restricted	648,826	855,879
Permanently Restricted - Endowments	<u>150,746</u>	<u>150,746</u>
Total Net Assets	<u>5,437,901</u>	<u>6,187,690</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 6,336,824</u></b>	<b><u>\$ 7,608,508</u></b>

See notes to financial statements.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**  
(with comparative totals for 2017)

	2018			2017	
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Total</u>
<b><u>Revenues, Gains and Other Support</u></b>					
<b><u>Campaign Revenue</u></b>					
Total Amounts Raised in Campaigns	\$ 2,738,626	\$ 30,860	\$ -	\$ 2,769,486	\$ 4,167,229
Less: Amounts Raised on Behalf of Others - Designations, Net	(1,013,156)	-	-	(1,013,156)	(1,919,023)
Provision for Uncollectible Accounts	(99,600)	-	-	(99,600)	(128,400)
Sub-Total	1,625,870	30,860	-	1,656,730	2,119,806
Add: Collections of Prior Year Campaigns in Excess of Amounts Anticipated	104,594	-	-	104,594	27,672
Campaign Revenue, Net	1,730,464	30,860	-	1,761,324	2,147,478
Designations from Other United Ways	158,835	-	-	158,835	194,223
Other Contributions	365,789	36,724	-	402,513	540,247
Legacies and Bequests	13,992	-	-	13,992	24,273
Grant Revenue	1,096,991	-	-	1,096,991	851,894
Investment Income, Net	28,074	7,776	-	35,850	51,770
Administrative Fees and Other Income	97,059	-	-	97,059	140,588
In-kind and Non-Cash Contributions	980	-	-	980	21,150
Total	3,492,184	75,360	-	3,567,544	3,971,623
<b><u>Net Assets Released from Restrictions:</u></b>					
Satisfaction of Program Restrictions	237,413	(237,413)	-	-	-
Expiration of Time Restrictions	45,000	(45,000)	-	-	-
Total Net Assets Released from Restrictions	282,413	(282,413)	-	-	-
<b>Total Revenues, Gains and Other Support</b>	<b>3,774,597</b>	<b>(207,053)</b>	<b>-</b>	<b>3,567,544</b>	<b>3,971,623</b>
<b><u>Functional Expenses</u></b>					
<b><u>Community Services</u></b>					
Community Impact	2,459,307	-	-	2,459,307	2,058,279
Bridgeport Prospers	851,305	-	-	851,305	927,190
Total Community Services Expenses	3,310,612	-	-	3,310,612	2,985,469
<b><u>Supporting Services:</u></b>					
Resource Development and Marketing	663,605	-	-	663,605	469,746
Management and General	343,116	-	-	343,116	409,061
Total Supporting Services	1,006,721	-	-	1,006,721	878,807
<b>Total Functional Expenses</b>	<b>4,317,333</b>	<b>-</b>	<b>-</b>	<b>4,317,333</b>	<b>3,864,276</b>
<b>Change in Net Assets</b>	<b>(542,736)</b>	<b>(207,053)</b>	<b>-</b>	<b>(749,789)</b>	<b>107,347</b>
<b>Net Assets at Beginning of Year</b>	<b>5,181,065</b>	<b>855,879</b>	<b>150,746</b>	<b>6,187,690</b>	<b>6,080,343</b>
<b>Net Assets at End of Year</b>	<b>\$ 4,638,329</b>	<b>\$ 648,826</b>	<b>\$ 150,746</b>	<b>\$ 5,437,901</b>	<b>\$ 6,187,690</b>

See notes to financial statements.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

## STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2018

(with compative totals for 2017)

## Increase (Decrease) in Cash and Cash Equivalents

	<u>2018</u>	<u>2017</u>
<b><u>Cash Flows from Operating Activities</u></b>		
Change in Net Assets	\$ (749,789)	\$ 107,347
Adjustments to Reconcile Change in Net Assets to Net		
<u>Cash (Used) Provided by Operating Activities:</u>		
Depreciation	33,313	33,956
Provision for Uncollectible Accounts	99,600	128,400
Unrealized Depreciation (Appreciation) on Investments	982	(6,906)
Change in Beneficial Interest in Charitable Gift Annuity	-	(1,188)
Change in Perpetual Trust	(7,776)	(14,595)
<u>Changes in Assets and Liabilities:</u>		
Promises to Give	200,277	(38,697)
Grants Receivable	(81,462)	(9,609)
Other Receivables	106,439	(128,216)
Prepaid Expenses	1,783	(10,351)
Agency Assets	448,914	(38,913)
Accounts Payable and Accrued Expenses	(62,317)	(108,563)
Refundable Advances on Grants	(10,664)	(68,140)
Agency Liabilities	(448,914)	38,913
Total Adjustments	<u>280,175</u>	<u>(223,909)</u>
<b>Net Cash Used by Operating Activities</b>	<b><u>(469,614)</u></b>	<b><u>(116,562)</u></b>
<b><u>Cash Flows from Investing Activities</u></b>		
Proceeds from Sale/Maturity of Investments	833,712	178,143
Acquisition of Investments or Reinvestment of Interest	(1,193,938)	-
Additions to Property and Equipment	<u>(1,542)</u>	<u>(10,827)</u>
<b>Net Cash (Used) Provided by Investing Activities</b>	<b><u>(361,768)</u></b>	<b><u>167,316</u></b>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	<b>(831,382)</b>	<b>50,754</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b><u>3,936,271</u></b>	<b><u>3,885,517</u></b>
<b>Cash and Cash Equivalents - End of Year</b>	<b><u>\$ 3,104,889</u></b>	<b><u>\$ 3,936,271</u></b>

See notes to financial statements.

**UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.**

**EXHIBIT D**

**Page 1 of 2**

**STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2018**

	COMMUNITY SERVICES			SUPPORTING SERVICES			TOTAL
	Community Impact	Bridgeport Prospers	Total	Resource Development and Marketing	Management and General	Total	
Community Investment Awards	\$ 1,013,156	\$ -	\$ 1,013,156	\$ -	\$ -	\$ -	\$ 1,013,156
Less : Raised on Behalf of Others - Designations	(1,013,156)	-	(1,013,156)	-	-	-	(1,013,156)
Net Community Investment Awards	-	-	-	-	-	-	-
<b>Community Impact Initiatives-Direct (Including Non-Cash Expenses)</b>							
Cradle to Career Collective Impact	72,521	-	72,521	-	-	-	72,521
Changing the Odds for Children	442,370	-	442,370	-	-	-	442,370
Neighbors Helping Neighbors	321,189	-	321,189	-	-	-	321,189
Sub-total - Community Impact Initiatives-Direct	836,080	-	836,080	-	-	-	836,080
<b>Grant Programs - Direct</b>							
City of Bridgeport Rapid Re-housing Program, net	47,430	-	47,430	-	-	-	47,430
Housing and Urban Development-HMIS, ReHousing, Planning, net	966,060	-	966,060	-	-	-	966,060
National Audubon Society	15,867	-	15,867	-	-	-	15,867
William Caspar Graustein Memorial Fund	12,500	4,048	16,548	-	-	-	16,548
Working Cities Challenge Grant	-	10,000	10,000	-	-	-	10,000
Sub-total - Grant Programs-Direct	1,041,857	14,048	1,055,905	-	-	-	1,055,905
Net Community Investments	1,877,937	14,048	1,891,985	-	-	-	1,891,985
<b>Salaries and Related Benefits</b>							
Salaries	352,612	395,954	748,566	296,318	208,320	504,638	1,253,204
Payroll Taxes	28,941	31,799	60,740	24,025	16,891	40,916	101,656
Employee Benefits	52,028	53,193	105,221	45,127	31,724	76,851	182,072
Sub-total - Salaries and Related Benefits	433,581	480,946	914,527	365,470	256,935	622,405	1,536,932
<b>Other Expenses</b>							
Professional Fees and Contract Service Payments	74,181	185,338	259,519	163,517	28,724	192,241	451,760
Office Supplies and Rental Equipment and Maintenance	7,939	18,729	26,668	11,352	6,904	18,256	44,924
Telephone	1,600	4,748	6,348	1,993	1,401	3,394	9,742
Postage and Shipping	559	374	933	1,395	392	1,787	2,720
Direct Fund-raising Expenses	-	-	-	33,167	-	33,167	33,167
Printing	729	3,321	4,050	2,927	-	2,927	6,977
Community Events	2,102	5,715	7,817	8,092	1,841	9,933	17,750
Community Outreach, Programs and Supplies	2,035	8,560	10,595	969	206	1,175	11,770
Conferences, Meetings, Travel and Training	5,012	13,605	18,617	8,693	1,823	10,516	29,133
Dues and Subscriptions	4,589	2,973	7,562	3,925	2,338	6,263	13,825
Insurance	3,936	11,050	14,986	4,328	3,043	7,371	22,357
Utilities	1,333	3,955	5,288	1,660	1,167	2,827	8,115
Rent, Net of Sub-lease	21,678	64,337	86,015	27,011	18,990	46,001	132,016
Property Maintenance	1,594	4,732	6,326	1,986	1,397	3,383	9,709
Miscellaneous Expenses	2,573	2,218	4,791	3,799	2,253	6,052	10,843
Depreciation and Amortization	5,470	16,235	21,705	6,817	4,791	11,608	33,313
In-kind Expenses and Non-Cash Contributions	-	-	-	980	-	980	980
UWW Dues	12,459	10,421	22,880	15,524	10,911	26,435	49,315
Sub-total - Other Expenses	147,789	356,311	504,100	298,135	86,181	384,316	888,416
<b>Total Functional Expenses</b>	<b>\$ 2,459,307</b>	<b>\$ 851,305</b>	<b>\$ 3,310,612</b>	<b>\$ 663,605</b>	<b>\$ 343,116</b>	<b>\$ 1,006,721</b>	<b>\$ 4,317,333</b>

See notes to financial statements.



**UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.**

**EXHIBIT D**

**Page 2 of 2**

**STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2017**

	COMMUNITY SERVICES			SUPPORTING SERVICES			TOTAL
	Community Impact	Bridgeport Prospers	Total	Resource Development and Marketing	Management and General	Total	
Community Investment Awards	\$ 1,919,023	\$ -	\$ 1,919,023	\$ -	\$ -	\$ -	\$ 1,919,023
Less : Raised on Behalf of Others - Designations	(1,919,023)	-	(1,919,023)	-	-	-	(1,919,023)
Net Community Investment Awards	-	-	-	-	-	-	-
<b>Community Impact Initiatives-Direct</b>							
Cradle to Career Collective Impact	100,769	-	100,769	-	-	-	100,769
Changing the Odds for Children	414,670	-	414,670	-	-	-	414,670
Neighbors Helping Neighbors	433,749	-	433,749	-	-	-	433,749
Sub-total - Community Impact Initiatives-Direct	949,188	-	949,188	-	-	-	949,188
<b>Grant Programs - Direct</b>							
American National Red Cross	1,292	-	1,292	-	-	-	1,292
City of Bridgeport Rapid Rehousing Program	24,173	-	24,173	-	-	-	24,173
Federal Reserve Bank of Boston	-	5,000	5,000	-	-	-	5,000
Graustein Discovery and Early Literacy Programs	100,395	26,287	126,682	-	-	-	126,682
Housing and Urban Development	467,830	-	467,830	-	-	-	467,830
State of CT	16,228	188,030	204,258	-	-	-	204,258
Sub-total - Grant Programs-Direct	609,918	219,317	829,235	-	-	-	829,235
Net Community Investments	1,559,106	219,317	1,778,423	-	-	-	1,778,423
<b>Salaries and Related Benefits</b>							
Salaries	308,967	296,887	605,854	254,237	243,844	498,081	1,103,935
Payroll Taxes	29,159	26,001	55,160	21,466	20,589	42,055	97,215
Employee Benefits	46,308	39,834	86,142	36,727	35,226	71,953	158,095
Sub-total - Salaries and Related Benefits	384,434	362,722	747,156	312,430	299,659	612,089	1,359,245
<b>Other Expenses</b>							
Professional Fees and Contract Service Payments	33,046	188,347	221,393	55,169	37,235	92,404	313,797
Office Supplies and Rental Equipment and Maintenance	6,145	12,268	18,413	6,903	6,230	13,133	31,546
Telephone	2,116	5,602	7,718	2,217	2,126	4,343	12,061
Postage and Shipping	1,299	928	2,227	1,618	1,216	2,834	5,061
Direct Fund-raising Expenses	-	63	63	11,600	-	11,600	11,663
Printing	1,757	12,340	14,097	4,409	-	4,409	18,506
Community Events	2,753	6,580	9,333	3,234	2,766	6,000	15,333
Community Outreach, Programs and Supplies	2,227	1,865	4,092	5,107	837	5,944	10,036
Conferences, Meetings, Travel and Training	4,355	5,502	9,857	6,438	5,428	11,866	21,723
Dues and Subscriptions	2,806	1,371	4,177	3,480	1,626	5,106	9,283
Insurance	3,940	9,942	13,882	3,856	3,698	7,554	21,436
Utilities	1,010	2,673	3,683	1,058	1,014	2,072	5,755
Rent	24,020	63,587	87,607	25,159	24,131	49,290	136,897
Property Maintenance	1,637	4,334	5,971	1,714	1,644	3,358	9,329
Miscellaneous Expenses	3,009	2,356	5,365	3,233	235	3,468	8,833
Depreciation and Amortization	5,958	15,772	21,730	6,241	5,985	12,226	33,956
In-kind Expenses	3,500	-	3,500	-	-	-	3,500
UWW Dues	15,161	11,621	26,782	15,880	15,231	31,111	57,893
Sub-total - Other Expenses	114,739	345,151	459,890	157,316	109,402	266,718	726,608
<b>Total Functional Expenses</b>	<b>\$ 2,058,279</b>	<b>\$ 927,190</b>	<b>\$ 2,985,469</b>	<b>\$ 469,746</b>	<b>\$ 409,061</b>	<b>\$ 878,807</b>	<b>\$ 3,864,276</b>

See notes to financial statements

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 1 - NATURE OF OPERATIONS

Operations

United Way of Coastal Fairfield County, Inc. (United Way) serves the twelve communities of Bridgeport, Darien, Easton, Fairfield, Monroe, New Canaan, Norwalk, Stratford, Trumbull, Westport, Weston and Wilton, Connecticut. United Way's mission is: "Together, we mobilize our communities to improve people's lives". Its vision is to help all families in Coastal Fairfield County thrive, building stronger communities where everyone wants to work and live. It is committed to creating sustainable solutions, starting with the academic success and workplace readiness of the next generation.

Keeping collaboration at the core of its efforts, United Way is uniquely positioned to change the outcomes for the 40% of households in Connecticut living at or below the poverty line.

To break down barriers that lead to lasting change and not just manage chronic problems – United Way is engaging partners to build innovative solutions and creating transformative change for tangible results. This starts with a focus on the critical window of development – the first 1,000 days of a child's life and builds – creating communities where all families thrive and prosper.

By building partnerships with community and business leaders, educators, parents, and community and medical service providers we are changing the way our region's problems are solved.

- Improving and increasing developmental screenings, expanding support for parents of young children and broadening awareness of the impact of childhood trauma, which United Way refers to as "Birth to age 3 work;"
- Aligning efforts across sectors and organizations that touch all stages of a child's development toward adulthood, which United Way refers to as "Cradle to Career;"
- Preparing more children to be ready for school, reading at third-grade level and graduating high school, which United Way refers to as "Changing the Odds for Children;"
- Supporting stable homes for more families, reducing family homeless and increasing capacity and integration of community resources to assist families with basic needs, which United Way refers to as "Neighbors Helping Neighbors."

As we work to bring together members of the community, business leaders, nonprofit partners and educators to meet this goal, United Way has committed to the role of backbone organization for Bridgeport Prospers, Cradle to Career, collective impact work. Collective impact models use data and evidence to guide decisions and actions, course correcting as needed.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 1 - NATURE OF OPERATIONS (continued)

Operations (continued)

United Way accomplishes its mission through:

- Conducting an annual fund-raising campaign that results primarily in employee workplace donations, corporate and foundation gifts, individual direct-mail gifts, and grants;
- Bringing people together with passion, expertise, and resources around common causes and a common vision and providing leadership for those alliances as needed;
- Entering into strategic and diverse partnerships, both funded and unfunded, to effect change;

United Way also offers universal donor designation to its donors who wish to designate their Contributions to a particular charitable organization. The Designations are paid to the designated charitable organizations in quarterly installments based upon actual collections. An Administrative fee is deducted from the designated contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Net Asset Classes

The Net asset classes of United Way consist of the following:

Unrestricted Net Assets

Unrestricted net assets consist of net assets over which the governing board has control to use in carrying out the operations of United Way in accordance with its charter and by-laws and are neither Permanently restricted nor Temporarily restricted by donor-imposed restrictions.

The Net investment in Property and equipment consists of the Net book value of Property and equipment acquired with Unrestricted net assets or donated assets.

The Board of Directors has Designated certain Unrestricted net assets.

Temporarily Restricted Net Assets

Temporarily restricted net assets consist of net assets whose use is limited by donor-imposed restrictions which either expire with the passage of time (Time restriction) or can be fulfilled and removed by actions of United Way pursuant to the restrictions (Purpose restriction). If a restriction is fulfilled, however, in the same time period in which the Contribution is received, United Way reflects the Support as Unrestricted contributions.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Asset Classes (continued)

Temporarily Restricted Net Assets (continued)

When donor-imposed restrictions expire, that is when a stipulated Time restriction ends or Purpose restriction is accomplished, Temporarily restricted net assets are reclassified to Unrestricted net assets and reported in the accompanying Statements of activities as Net assets released from restrictions.

Permanently Restricted Net Assets - Endowments

Permanently restricted net assets - endowments consist of net assets whose use is limited by donor-imposed restrictions that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of United Way.

Contributions and Campaign Revenue

Contributions received or Promises to give without donor-imposed restrictions are reflected as Unrestricted support. Contributions received or Promises to give with donor-imposed restrictions are reflected as either Temporarily or Permanently restricted support in the accompanying financial statements. Contributions or Promises to give with donor-imposed conditions are not recognized as Contributions or Promises to give in the accompanying financial statements until the period when the conditions are met.

Promises to give that are expected to be received within one year of the financial statement date are reflected at their net realizable value (the gross amount of the Promises to give, net of an Allowance for uncollectible amounts). Promises to give that are expected to be collected more than one year after the financial statement date are reflected at the present value of their estimated future cash flows using a discount rate at the date the Promise to give is received commensurate with the risks involved.

Contributions raised on behalf of others designated by the donors to be paid to specific agencies or other United Ways (Designations) are considered Agency transactions. Such Designated Contributions are reflected, net of a Provision for uncollectible amounts, in the accompanying Statements of activities as part of Total amounts raised in campaigns, but are not considered to be part of the Campaign revenue of United Way and are therefore deducted to reflect United Way's Campaign revenue. United Way earns Administrative fees for the processing of designated Contributions. United Way has included in Total revenues amounts raised by other United Ways that were Designated by donors to be paid to United Way. In addition, United Way increases or reduces Campaign revenue for any excess or shortfall collections of amounts raised in prior year campaigns.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Community Impact Awards and Other Distributions

Under the Community impact investment framework, United Way enters into partnerships with various social service "Partnership agencies" that support its Community impact programs, primarily through contracts for community services. The expenses relating to these Community impact initiatives are charged to operations during the year in which the community services are performed by the Partnership agencies. At June 30, 2018 and 2017, respectively, the United Way Board has Designated \$800,000 and \$1,000,000 from Unrestricted net assets to support these initiatives. Specific contracts have been or are in the process of being entered into or extended from these Board designated net assets during the year ended June 30, 2018, and for future years.

Allowance for Uncollectible Promises to Give

An Allowance for uncollectible Promises to give has been established which is evaluated periodically for adequacy based upon Management's evaluation of past loss experience, known and inherent risks in its accounts plus other factors which could affect collectibility.

Investments

Investments are stated at fair value. Realized gains or losses and Unrealized appreciation or depreciation are included in Investment (Loss) Income, net in the accompanying Statements of activities. United Way reflects Net realized gains (losses), Net unrealized appreciation (depreciation) and Net income from Investments classified as Assets restricted for long-term investment as Unrestricted unless the donors have stipulated that the net gains (losses), appreciation (depreciation) or net income are restricted.

United Way reflects Net unrealized appreciation (depreciation) from Investments classified as Beneficial Interest in Charitable Trust and Perpetual Trust as Temporarily Restricted revenues until such time as assets are distributed to United Way as Unrestricted revenues.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

All acquisitions or donations of Property and Equipment are reflected at cost or their fair value at the date of gift. Depreciation and amortization are provided for over the estimated useful lives of the assets of five years, calculated on the straight-line basis. It is United Way's policy to remove fully depreciated assets from its financial records.

Income Taxes

Management of United Way has evaluated all significant tax positions as required by generally accepted accounting principles in the United States of America.

Management of United Way is of the opinion that the entity has not taken any material tax positions that would require the recording of any liability by United Way, nor is Management of United Way of the opinion that there were any unrealized tax benefits that would either increase or decrease materially within the next year. If required, it is United Way's policy to recognize any estimated interest and penalties.

Split-Interest Agreements

Under a split-interest agreement (Agreement), a donor has made an initial gift to a Trustee, with United Way having a remaining beneficial interest, but not the sole beneficial interest. United Way was the beneficiary of two Charitable gift annuities administered by United Way Worldwide. These Agreements provide for annuity payments to the donor for life. United Way has reflected its beneficial interest and a corresponding Temporarily restricted contribution for the present value of the estimated future benefit to be received when the Trust assets are distributed. During the term of the Agreements, changes in the value of the Agreements will occur and will be reflected in the accompanying Statements of activities as "Change in value of split-interest agreements", included in Investment (Loss) Income, Net.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed Goods and Services and Non-Cash Contributions

Goods or services have been provided by various organizations, and a number of unpaid volunteers have contributed their time and resources in United Way's planning, budgeting and awards activities and in the fund-raising campaigns.

Contributions are recognized if the goods or services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed goods or services that do not meet the above criteria are not recognized. The following Contributed goods and services and corresponding In-kind expenses were recognized in the accompanying financial statements during the years ended June 30:

<u>In-kind and Non-Cash Contributions</u>	<u>2018</u>	<u>2017</u>
Office Space for Fund Raising or Programs	\$ 980	\$ 3,500
Braces (a)	<u>      -</u>	<u>17,650</u>
Total	<u>\$ 980</u>	<u>\$21,150</u>

<u>In-kind and Non-Cash Expenses</u>	<u>2018</u>	<u>2017</u>
Office Space for Fund Raising or Programs	\$ 980	\$ 3,500
Community Impact Initiatives	<u>      -</u>	<u>17,650</u>
Total	<u>\$ 980</u>	<u>\$21,150</u>

(a) These items were distributed to Agencies, and are included in Community Impact Initiatives in the accompanying financial statements.

Cash Equivalents

United Way considers all highly liquid debt instruments purchased with an original maturity of three months or less, at the time of purchase, to be Cash equivalents.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Employees of United Way are entitled to paid time off, encompassing vacation, sick days and personal days, depending on job classifications, length of service and other factors. United Way's policy is to accrue Compensated absences, which is reflected in Accounts Payable and Accrued expenses in the accompanying Statements of financial position.

Advertising

Advertising costs are expensed as incurred.

Functional Expenses

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts 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.

Subsequent Events

Management has evaluated subsequent events through October 18, 2018, the date the financial statements were available to be issued. Through that date, there were no material events that would require recognition or additional disclosure in the financial statements.

Reclassifications

Certain amounts for 2017 have been reclassified, where appropriate, to conform to the 2018 presentation.

NOTE 3 - CONCENTRATION OF CASH CREDIT RISK

United Way maintains Cash and Money Market accounts at several Connecticut Banks and Investment accounts at local Brokerage firms. The Cash Accounts are insured up to \$250,000 per bank, by the Federal Deposit Insurance Corporation (FDIC). The Investment accounts are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000. At times during the year the Cash balances may have exceeded the insured limits.



UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 4 - INVESTMENTS

Generally accepted accounting principles in the United States of America (GAAP) have established a definition and framework for measuring fair value, and disclosure about fair value measurements. Fair value is the exchange price that would be received for an asset or liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy that prioritizes the inputs used to measure fair value, requiring entities to maximize the use of markets or observable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs generally require significant management judgment.

The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset such as quoted prices for similar assets or liabilities.
- Level 3 inputs are unobservable inputs for the assets or liability.

United Way's investments are in certificates of deposit and publicly traded securities. Fair value for these investments is based on quoted market prices and published net asset values. Investments at June 30, all of which are valued using Level 1 inputs, consisted of the following:

<u>2018</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Appreciation (Depreciation)</u>
<u>Held at Various Banks</u>			
Certificates of Deposit	\$ <u>1,297,089</u>	\$ <u>1,297,089</u>	\$ <u>-</u>
<u>Held at a Trust Company</u>			
Equities	<u>50,851</u>	<u>72,072</u>	<u>(21,221)</u>
<u>Held at Fairfield County Community Foundation (FCCF)</u>			
Ettlinger Fund	14,549	10,000	4,549
One Plus Fund	<u>56,882</u>	<u>30,876</u>	<u>26,006</u>
	<u>71,431</u>	<u>40,876</u>	<u>30,555</u>
Total	<u>\$1,419,371</u>	<u>\$1,410,037</u>	<u>\$ 9,334</u>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 4 - INVESTMENTS (continued)

<u>2017</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Appreciation (Depreciation)</u>
<u>Held at Various Banks</u>			
Certificates of Deposit	\$ <u>936,863</u>	\$ <u>936,863</u>	\$ _____
<u>Held at a Trust Company</u>			
Equities	<u>55,994</u>	<u>72,072</u>	<u>(16,078)</u>
<u>Held at Fairfield County Community Foundation (FCCF)</u>			
Ettlinger Fund	13,614	10,000	3,614
One Plus Fund	<u>53,656</u>	<u>30,876</u>	<u>22,780</u>
	<u>67,270</u>	<u>40,876</u>	<u>26,394</u>
Total	<u>\$1,060,127</u>	<u>\$1,049,811</u>	<u>\$ 10,316</u>

Certificates of deposit at June 30, 2018 will mature from August 2018 to February 2020 at interest rates ranging from .5% to 2.35%.

Investments were reflected on the accompanying Statements of financial position at June 30 as follows:

	<u>2018</u>	<u>2017</u>
Unrestricted Investments	\$1,388,495	\$1,029,251
Assets Restricted for Long-Term Investment - Endowments	<u>30,876</u>	<u>30,876</u>
Total	<u>\$1,419,371</u>	<u>\$1,060,127</u>

For the years ended June 30 Investment (loss) income, net included the following:

	<u>2018</u>	<u>2017</u>
Investment Income from Perpetual Trust	\$19,084	\$ 24,973
Interest and Dividend Income	17,748	19,891
Unrealized (Depreciation) Appreciation	<u>(982)</u>	<u>6,906</u>
Total	<u>\$35,850</u>	<u>\$ 51,770</u>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 4 - INVESTMENTS (continued)

Beneficial Interest in Perpetual Trust

United Way is the income beneficiary of a proportional beneficial interest in a Perpetual Trust whose assets are held and managed by a bank. As of June 30, 2018 and 2017, United Way's share of the fair value of the Trust was \$230,999 and \$223,223, respectively, of which \$90,310 represented the original Permanently restricted principal, and \$140,689 and \$132,913, respectively, represented undistributed income and was classified as Temporarily Restricted. During the years ended June 30, 2018 and 2017, the Trust distributed \$11,308 and \$10,378 and had Investment income of \$19,084 and \$24,973, respectively. As of June 30, 2018 and 2017, United Way's share of the Temporarily restricted assets held in the Trust was \$140,689 and \$132,913, which combined increase of \$7,776 and \$14,595, respectively, has been reflected as an increase of Temporarily restricted net assets for the years ended June 30, 2018 and 2017, respectively.

NOTE 5 - PROMISES TO GIVE, CAMPAIGN REVENUE AND  
CONCENTRATION OF RECEIVABLE CREDIT RISK

Donors solicited as part of United Way's annual campaigns are identified as either Local accounts or National accounts. Local accounts include various workplace campaigns in United Way's 12-community service area.

Concentrations of credit risk arise due to United Way's solicitation of Promises to give from companies and individuals located within the Coastal Fairfield County, Connecticut area. United Way does not obtain collateral for its Promises, but monitors the status of its past due receivables and provides an Allowance for Uncollectible Promises. United Way had one and three major corporate donors, including their employees, during the years ended June 30, 2018 and 2017, respectively, which accounted for approximately 28% and 50% of Total amounts raised in campaigns, and approximately 54% and 69% of Amounts raised on behalf of others, respectively.

Amounts due from these donors were approximately 55% and 39% of gross Promises to give and approximately 38% and 52% of Agency assets at June 30, 2018 and 2017, respectively.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 5 - PROMISES TO GIVE, CAMPAIGN REVENUE AND  
CONCENTRATION OF RECEIVABLE CREDIT RISK (continued)

Promises to give, net at June 30, 2018, consisted of the following:

<u>2017 – 2018 and Future Campaigns</u>	<u>Amount</u>
Local Accounts	\$691,769
Less: Allowance for Uncollectible Promises	<u>(99,000)</u>
Local Accounts, Net	<u>592,769</u>
National Accounts	1,795
Less: Allowance for Uncollectible Promises	<u>(600)</u>
National Accounts, Net	<u>1,195</u>
Designations from Other United Ways	87,589
Less: Allowance for Uncollectible Promises	<u>(2,865)</u>
Designations from Other United Ways, Net	<u>84,724</u>
Current Campaign, Net	<u>678,688</u>
<u>Prior Campaigns</u>	
Local Accounts – Due in Less Than One Year	130,259
Less: Allowance for Uncollectible Promises	<u>(109,734)</u>
Local Accounts, Net	<u>20,525</u>
Designations from Other United Ways	16,045
Less: Allowance for Uncollectible Promises	<u>(16,045)</u>
Designations from Other United Ways, Net	<u>-</u>
Prior Campaigns, Net	<u>20,525</u>
Promises to Give, Net of Allowances of \$238,379	<u>\$699,213</u>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 5 - PROMISES TO GIVE, CAMPAIGN REVENUE AND  
CONCENTRATION OF RECEIVABLE CREDIT RISK (continued)

Promises to give, net at June 30, 2017, consisted of the following:

<u>2016 – 2017 and Future Campaigns</u>	<u>Amount</u>
Local Accounts	\$1,006,103
Less: Allowance for Uncollectible Promises	<u>(127,800)</u>
Local Accounts, Net	<u>878,303</u>
National Accounts	2,876
Less: Allowance for Uncollectible Promises	<u>(600)</u>
National Accounts, Net	<u>2,276</u>
Designations from Other United Ways	97,829
Less: Allowance for Uncollectible Promises	<u>(17,000)</u>
Designations from Other United Ways, Net	<u>80,829</u>
Current Campaign, Net	<u>961,408</u>
<u>Prior Campaigns</u>	
Local Accounts – Due in Less Than One Year	86,069
Local Accounts – Due in One to Two Years (a)	<u>37,682</u>
Total	123,751
Less: Allowance for Uncollectible Promises	<u>(86,069)</u>
Local Accounts, Net	<u>37,682</u>
Designations from Other United Ways	28,261
Less: Allowance for Uncollectible Promises	<u>(28,261)</u>
Designations from Other United Ways, Net	<u>-</u>
Prior Campaigns, Net	<u>37,682</u>
Promises to Give, Net of Allowances of \$259,730	<u>\$ 999,090</u>

(a) Promises to give are reflected at the present value of the estimated future cash flows using a discount rate of 4%. The amounts are deemed fully collectible at June 30, 2017, and no Allowance for Uncollectible Promises has been established.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 5 - PROMISES TO GIVE, CAMPAIGN REVENUE AND  
CONCENTRATION OF RECEIVABLE CREDIT RISK (continued)

Campaign revenue, net for the year ended June 30, 2018, consisted of the following:

<u>2018 – 2019 Campaign</u>	<u>Amount</u>
Local Accounts	\$ <u>12,500</u>
 <u>2017 – 2018 Campaigns</u>	
Local Accounts	2,444,810
Less: Provision for Uncollectible Promises	(99,000)
Designations	<u>(706,092)</u>
Local Campaign, Net	<u>1,652,218</u>
 National Accounts	 312,176
Less: Provision for Uncollectible Promises	(600)
Designations	<u>(307,064)</u>
National Campaign, Net	<u>4,512</u>
2017 – 2018 Campaigns, Net	<u>1,656,730</u>
 <u>2016 – 2017 and Prior Campaigns</u>	
<u>Collections of Prior Campaigns in Excess of Amounts Anticipated</u>	
Local Campaigns	<u>104,594</u>
 Campaign Revenue, Net	 <u>\$1,761,324</u>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 5 - PROMISES TO GIVE, CAMPAIGN REVENUE AND  
CONCENTRATION OF RECEIVABLE CREDIT RISK (continued)

Campaign revenue, net for the year ended June 30, 2017, consisted of the following:

<u>2017 – 2018 Campaign</u>	<u>Amount</u>
Local Accounts	\$ <u>45,000</u>
 <u>2016 – 2017 Campaigns</u>	
Local Accounts	3,403,359
Less: Provision for Uncollectible Promises	(127,800)
Designations	(1,213,545)
Local Campaign, Net	<u>2,062,014</u>
Regional Accounts	300,000
Less: Designations	<u>(293,010)</u>
Regional Accounts, Net	<u>6,990</u>
National Accounts	418,870
Less: Provision for Uncollectible Promises	(600)
Designations	<u>(412,468)</u>
National Campaign, Net	<u>5,802</u>
2016 – 2017 Campaigns, Net	<u>2,119,806</u>
 <u>2015 – 2016 and Prior Campaigns</u>	
<u>Collections of Prior Campaigns in Excess of Amounts Anticipated</u>	
Local Campaigns	<u>27,672</u>
Campaign Revenue, Net	<u>\$2,147,478</u>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment at June 30 consisted of the following:

<u>2018</u>	<u>Cost</u>	<u>Accumulated Depreciation and Amortization</u>	<u>Net Book Value</u>
Leasehold Improvements	\$ 57,157	\$ 42,140	\$ 15,017
Furniture and Equipment	<u>105,961</u>	<u>75,410</u>	<u>30,551</u>
Total	<u>\$163,118</u>	<u>\$117,550</u>	<u>\$ 45,568</u>

<u>2017</u>	<u>Cost</u>	<u>Accumulated Depreciation and Amortization</u>	<u>Net Book Value</u>
Leasehold Improvements	\$ 57,157	\$30,707	\$ 26,450
Furniture and Equipment	<u>117,720</u>	<u>66,831</u>	<u>50,889</u>
Total	<u>\$174,877</u>	<u>\$97,538</u>	<u>\$ 77,339</u>

During the years ended June 30, 2018 and 2017, fully depreciated assets no longer in service with an approximate cost of \$13,300 and \$2,300, respectively, were written off.

NOTE 7 - AGENCY ASSETS AND LIABILITIES

Designations

United Way acts as an agent with respect to certain portions of its fund-raising campaigns for which Contributions are Designated by the donors to be paid to specific agencies or other United Ways. Agency assets consist primarily of Promises to give and Cash not yet remitted. Agency liabilities consist primarily of Designations payable to agencies and other United Ways.

National Processing Accounts

United Way acts as processing agent for certain companies' national fund-raising campaigns. The portion of these campaign pledges that are managed and processed by United Way, but are designated to other United Ways and their agencies, are considered Agency assets and liabilities. United Way recognizes Campaign revenue and an equal amount of Amounts raised on behalf of Others - Designation expense for amounts raised outside of the United Way solicitation area for National campaigns managed by United Way.



UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 7 - AGENCY ASSETS AND LIABILITIES (continued)

Other

United Way acts as a fiscal agent for Bridgeport Alliance for Young Children (BAYC). Agency assets consist of the excess of Cash Collected on behalf of this organization over disbursements made at the instruction of the organization.

Agency assets and liabilities consisted of cash and uncollected Promises to give of the following at June 30:

	<u>2018</u>	<u>2017</u>
Designations	\$246,036	\$581,481
National Processing Accounts	252,772	360,911
BAYC	<u>19,539</u>	<u>24,869</u>
Total	<u>\$518,347</u>	<u>\$967,261</u>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 8 - GRANTS

Grants Receivable, Refundable advances on Grants at June 30 and Grant revenue for the years ended June 30 consist of the following:

	<u>Grants Receivable</u>		<u>Refundable Advances on Grants</u>		<u>Grant Revenue</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
American National Red Cross	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,292
DHHS Two Gen Initiative (a)	-	36,700	-	-	-	159,584
City of Bridgeport - ESG Grant Pass-through from HUD	51,000	26,107	-	-	51,000	26,107
William Graustein Memorial Fund	-	-	-	7,850	16,548	126,682
HUD - HMIS and Rapid Re-Housing Program	36,927	23,057	16,671	-	466,476	66,547
Emergency Food and Shelter Program – Westport	-	-	-	67	-	-
HUD – Continuum of Care Planning	128,124	48,725	-	-	537,100	410,476
National Audubon Society	-	-	-	9,418	15,867	-
State of CT-Early Childhood	-	-	-	-	-	56,206
Working Cities Challenge Grant	-	-	-	10,000	10,000	5,000
<b>Total</b>	<b><u>\$216,051</u></b>	<b><u>\$134,589</u></b>	<b><u>\$16,671</u></b>	<b><u>\$27,335</u></b>	<b><u>\$1,096,991</u></b>	<b><u>\$851,894</u></b>

(a) Department of Health and Human Services Two-Generation Initiative

United Way earned Administrative fees to cover overhead expenses incurred which were charged to the Grants for the years ended June 30 as follows:

	<u>2018</u>	<u>2017</u>
DHHS Two Gen Initiative	\$ -	\$11,531
City of Bridgeport – ESG Grant	3,570	1,934
HUD – Rapid Re-Housing	26,311	-
HUD – HMIS and Rapid Re-Housing	<u>11,205</u>	<u>9,193</u>
<b>Total</b>	<b><u>\$41,086</u></b>	<b><u>\$22,658</u></b>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 9 - DESIGNATED UNRESTRICTED NET ASSETS

As of June 30 the Board of Directors has Designated the following amounts for the purposes indicated:

	<u>2018</u>	<u>2017</u>
Community Impact Awards (Partnership Awards) <u>Within the Following Impact Areas</u>		
Cradle to Career Collective Impact	\$ 465,000	\$ 520,000
Changing the Odds for Children	185,000	304,000
Neighbors Helping Neighbors	<u>150,000</u>	<u>176,000</u>
Sub-Total	800,000	1,000,000
Stabilization Reserve Fund (a)	1,250,000	1,250,000
Community Investments - Future (b)	2,250,000	2,250,000
Capital Improvements Fund (c)	33,515	35,057
Westport-Weston Fund (d)	29,503	58,732
Cradle to Career Collective Impact Reserve Fund (e)	<u>200,000</u>	<u>500,000</u>
Total Board Designated	<u>\$4,563,018</u>	<u>\$5,093,789</u>

- (a) To insure against unforeseen campaign, economic and organizational circumstances.
- (b) To fund future Community Impact Initiatives.
- (c) To fund anticipated Capital Improvement needs.
- (d) Unexpended net proceeds from the sale of the Westport Land lease and improvements in April 2010.
- (e) To fund future Collective Impact Initiatives.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 10 - RESTRICTED NET ASSETS

Temporarily Restricted

The activity in Temporarily restricted net assets for the year ended June 30, 2018 and the balances as of June 30, 2018 and 2017 are summarized as follows:

	Balance June 30, 2017	Contributions and Earnings	Released from Restriction	Balance June 30, 2018
<u>Purpose Restricted</u>				
Norwalk PELI Assessment Project	\$ -	\$31,129	\$ -	\$ 31,129
Project Graduation	27,699	-	6,000	21,699
Kids Backpack Friday	34,792	-	20,000	14,792
Westport Warm-Up	94,797	18,259	-	113,056
PT Partners	292,293	-	148,963	143,330
East Side Neighborhood Project	13,891	-	-	13,891
Pepperidge Farm Funds	81,765	-	16,000	65,765
Bridgeport Summer Youth Program	9,000	1,000	-	10,000
College Path Initiative/FAFSA	20,000	-	-	20,000
Commence! College Consulting	19,608	-	1,450	18,158
Norwalk Early Childhood Council	10,703	-	-	10,703
Bridgeport Prospers	35,000	-	35,000	-
Hunger Relief	12,414	-	10,000	2,414
Other Restricted Programs	<u>7,752</u>	<u>4,696</u>	<u>-</u>	<u>12,448</u>
	<u>659,714</u>	<u>55,084</u>	<u>237,413</u>	<u>477,385</u>
<u>Time Restricted</u>				
Support Restricted for Community				
In Subsequent Years	45,000	12,500	45,000	12,500
Beneficial Interest in Perpetual Trust	132,913	7,776	-	140,689
Accumulated Earnings on Permanently Restricted Net Assets Not Appropriated For Expenditure	<u>18,252</u>	<u>-</u>	<u>-</u>	<u>18,252</u>
	<u>196,165</u>	<u>20,276</u>	<u>45,000</u>	<u>171,441</u>
Total	<u>\$855,879</u>	<u>\$75,360</u>	<u>\$282,413</u>	<u>\$648,826</u>

Permanently Restricted - Endowments

Permanently restricted net assets at June 30, 2018 and 2017 consisted of the following Endowment Funds:

Hattie Auger	Benjamin B. Steiber	Logan Fund
Doris P. Guy	Marie Soules	
Perry Hurd	Jennie C. Walkley	
Norman Leeds		
One Plus Fund, Which is Held at FCCF		

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 10 - RESTRICTED NET ASSETS (continued)

Permanently Restricted Endowments (continued)

Assets restricted for long-term investment - endowments at June 30 consisted of the following:

	<u>2018</u>	<u>2017</u>
Cash and Cash Equivalents	\$119,870	\$119,870
Investments	<u>30,876</u>	<u>30,876</u>
Total	<u>\$150,746</u>	<u>\$150,746</u>

In addition, United Way is the remainder beneficiary of certain other trusts; the value of these interests is not determinable.

GAAP requires certain provisions relating to "Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institution Funds Act (UPMIFA), and Enhanced Disclosures for All Endowment Funds". The provisions provide disclosures about an organization's endowment funds to enable users of the financial statements to understand the Net asset classifications, Net asset composition, changes in Net asset composition, spending policy and related investment policy of an organization's endowment funds.

The Board of Directors of United Way has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the Endowment contributions unless there are explicit donor stipulations to the contrary. None of United Way's Endowment contributions have any such stipulations. As a result, there may be three classes of Permanently restricted net assets - endowments, which included: Permanently restricted amounts that are the original and any subsequent contributions; Temporarily restricted amounts that are the Total return portion on Permanently restricted net assets until those amounts are appropriated for expenditure; and unrestricted amounts that are net losses in excess of unexpended Appreciation of any Temporarily restricted amounts and include the unrealized net depreciation of Permanently restricted amounts resulting when the fair value of such amounts is less than the fair value of the original contributions.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 10 - RESTRICTED NET ASSETS (continued)

Permanently Restricted Endowments (continued)

Activity in United Way's Endowments for the years ended June 30, was as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Balance – July 1, 2016	\$ -	\$136,570	\$150,746	\$287,316
Unrealized Appreciation of Perpetual Trust	-	25,273	-	25,273
Distribution of Approved Spending from Endowment Total Return	<u>-</u>	<u>(10,678)</u>	<u>-</u>	<u>(10,678)</u>
Balance – June 30, 2017	-	151,165 (a)	150,746	301,911
Unrealized Appreciation Perpetual Trust	-	19,084	-	19,084
Distribution of Approved Spending from Endowment Total Return	<u>-</u>	<u>(11,308)</u>	<u>-</u>	<u>(11,308)</u>
Balance – June 30, 2018	<u>\$ -</u>	<u>\$158,941 (b)</u>	<u>\$150,746</u>	<u>\$309,687</u>

The Temporarily restricted Endowments at June 30 consisted of the following:

	<u>2018</u>	<u>2017</u>
Beneficial Interest in Perpetual Trust	\$140,689	\$132,913
Accumulated Earnings on Permanently Restricted Net Assets Not Appropriated for Expenditure	<u>18,252</u>	<u>18,252</u>
Total	<u>\$158,941 (b)</u>	<u>\$151,165 (a)</u>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 11 - RETIREMENT PLAN

United Way contributes 7% of gross pay to a retirement plan for eligible employees. The employee may make voluntary contributions up to 15% of gross pay. Retirement expense was approximately \$58,300 and \$69,100 for the years ended June 30, 2018 and 2017, respectively.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Leases – Operating

Facilities

United Way entered into a lease agreement for office space in Bridgeport, Connecticut for a period of five years effective July 2014 with an option to renew for an additional five-year period. The agreement provides for a security deposit of \$11,111 and minimum annual rent in the amount of \$133,332 for the initial five-year period. Additionally, United Way is required to reimburse the landlord, as additional rent, for their pro-rata share of operating expenses (CAM) and real estate taxes, commencing on January 1, 2017. If United Way chooses to exercise their option to renew the lease for an additional five-year period, the terms and conditions of the original lease will apply, and the minimum annual rent will increase to \$141,418.

In September 2017, United Way began sub-leasing a portion of their office space to a partner agency at \$1,000 per month. The agreement is on a month to month basis. Sub-lease income amounted to \$10,000 for the year ended June 30, 2018. For the years ended June 30, 2018 and 2017, United Way incurred Rent expense net, including CAM, of \$132,016 and \$136,897, respectively. Minimum annual rentals for the term of the lease at June, 2018 are as follows:

<u>Years Ending June 30,</u>	<u>Amount</u>
2019	\$133,336
2020	<u>11,111</u>
Totals	<u>\$144,447</u>

Office Equipment

United Way leases office equipment under various leases expiring at various dates to 2020 at an aggregate minimum monthly rental of approximately \$2,100.

Automobile

United Way leases an automobile for a thirty-six month period expiring in April 2020 at a monthly rental of approximately \$400.

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(with comparative totals for 2017)

NOTE 12 - COMMITMENTS AND CONTINGENCIES (continued)

Grants and Temporarily Restricted Contributions

Under the terms and conditions of grants from governmental and other agencies and certain Temporarily restricted contributions, compliance with the provisions of such arrangements are subject to audit by the grantors or donors. Management of United Way does not anticipate that there would be any material changes as a result of any such audits.

Shared Services – CFO

During the year ended June 30, 2018, United Way entered into an agreement with United Way of Greater New Haven (UWGNH) whereby the CFO of United Way would also perform the duties of the CFO of UWGNH. The agreement expires December 31, 2018. Income for these services amounted to \$5,928 for the year ended June 30, 2018, and is included in Administrative Fees and Other Income in the accompanying financial statements.

NOTE 13 - PRIOR YEAR INFORMATION

The financial statements include certain prior year summarized comparative information in total, but not by asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with United Way's financial statements at June 30, 2017 and for the year then ended, from which the summarized information was derived.



UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

SCHEDULE OF BOARD DESIGNATED PARTNERSHIP AWARDS  
JUNE 30, 2018

<u>Agency/Program</u>	<u>Amount</u>
 <b><u>Cradle to Career Collective Impact</u></b>	
Bridgeport Prospers	\$ 425,000
Norwalk ACTS	40,000
 <b>Subtotal</b>	 <b><u>465,000</u></b>
 <b><u>Changing the Odds for Children</u></b>	
Birth to 3 and K-readiness to 3rd Grade - Bridgeport	10,000
Birth to 8th Grade Initiative - Norwalk	15,000
Bridgeport Public School - Early Literacy	40,000
Bridgeport Public School - Ready for Kindergarten	20,000
Norwalk Early Childhood Council - All Norwalk Children Ready for Kindergarten	15,000
Read to Grow, Inc.	18,000
Schools of Hope - Cooperative Educational Services	3,000
Schools of Hope - Franklin Elementary School	18,000
Schools of Hope - McKinley Elementary School	18,000
Social Justice - Bridgeport	10,000
Stratford Public Schools - Parent's Place - Family, Friends, and Neighbors	18,000
 <b>Subtotal</b>	 <b><u>185,000</u></b>
 <b><u>Neighbors Helping Neighbors</u></b>	
Neighbors Helping Neighbors	130,000
Supportive Housing Works, Inc. - Bridgeport Housing First	15,000
Volunteer Income Tax Assistance (VITA) - Free Tax Preparation	5,000
 <b>Subtotal</b>	 <b><u>150,000</u></b>
 <b>Total</b>	 <b><u>\$ 800,000</u></b>

**UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.**

**SCHEDULE OF COMMUNITY IMPACT INITIATIVES - DIRECT  
BY PRINCIPAL COLLABORATIVE AGENCIES  
YEAR ENDED JUNE 30, 2018**

<b>Agency</b>	<b>Cradle to Career Collective Impact</b>	<b>Changing the Odds for Children</b>	<b>Neighbors Helping Neighbors</b>	<b>Total</b>
2-1-1 Infoline	\$ -	\$ 1,500	\$ 47,124	\$ 48,624
ABCD	-	-	10,000	10,000
Alpha Community Services	-	-	10,000	10,000
Bridgeport Rescue Mission	-	-	6,000	6,000
Catholic Charities of Fairfield County	-	-	10,000	10,000
Children's Community Development Center	-	9,000	-	9,000
City of Bridgeport	-	31,941	-	31,941
City of Norwalk	-	1,638	-	1,638
Cooperative Educational Services	-	3,500	-	3,500
Connect Us	-	180,595	-	180,595
Council of Churches of Greater Bridgeport	-	-	18,000	18,000
CT Association for Human Services	-	-	4,500	4,500
CT Coalition to End Homelessness	-	-	11,535	11,535
CT Food Bank	-	-	30,000	30,000
Fairfield Department of Human Services	-	-	5,000	5,000
Family & Children's Agency	-	-	10,515	10,515
Fox Run Elementary School	-	7,000	-	7,000
Franklin Elementary School	-	20,000	-	20,000
Geraldine Johnson Elementary School	-	37,000	-	37,000
Green Village Initiative, Inc.	-	-	6,500	6,500
Homes with Hope	-	-	6,500	6,500
James J. Curiale Elementary School	-	8,000	-	8,000
LifeBridge Community Services	-	-	38,518	38,518
McKinley Elementary School	-	14,000	-	14,000
Mid-Fairfield County of Child Guidance Center	-	5,000	-	5,000
Norwalk ACTS	40,000	-	-	40,000
Norwalk Community Health Center	-	-	3,000	3,000
Norwalk Early Childhood Council	-	25,294	-	25,294
Norwalk Health Department	-	28,000	-	28,000
Norwalk PELI Assessment Project	32,521	-	-	32,521
Operation Hope	-	-	7,000	7,000
The Open Door Shelter	-	-	8,000	8,000
Park City Initiative Corp.	-	-	6,000	6,000
Person - to - Person	-	-	19,000	19,000
Read to Grow - Books for Kids	-	20,000	-	20,000
School Volunteer Association of Bridgeport Inc.	-	1,000	-	1,000
Sterling House Community Center	-	-	9,500	9,500
Stratford Public Schools	-	20,000	-	20,000
Summerfield United Methodist Church	-	-	4,500	4,500
Supportive Housing Works, Inc.	-	-	20,358	20,358
Town of Monroe	-	-	6,000	6,000
Warm - Up Funds	-	-	6,889	6,889
Westport - Weston YMCA	-	14,429	-	14,429
Direct Program Expenses	-	14,473	16,750	31,223
<b>Total Direct Program Awards</b>	<b>\$ 72,521</b>	<b>\$ 442,370</b>	<b>\$ 321,189</b>	<b>\$ 836,080</b>

UNITED WAY OF COASTAL FAIRFIELD COUNTY, INC.

**SCHEDULE OF GRANT PROGRAMS - DIRECT  
BY PRINCIPAL COLLABORATIVE AGENCIES  
YEAR ENDED JUNE 30, 2018**

	<u>City of Bridgeport Rapid Re-housing Program</u>	<u>HUD HMIS and Planning</u>	<u>HUD Rapid Re-housing Program</u>	<u>Total HUD</u>	<u>National Audubon Society</u>	<u>William Caspar Graustein Memorial Fund</u>	<u>Working Cities Challenge Grant</u>	<u>Total</u>
Bridgeport Housing Authority	\$ -	\$ -	\$ 2,644	\$ 2,644	\$ -	\$ -	\$ -	\$ 2,644
Bridgeport Prospers	-	-	-	-	-	4,048	10,000	14,048
Catholic Charities of Fairfield County	20,450	-	29,750	29,750	-	-	-	50,200
City of Bridgeport - Lighthouse Program	-	-	-	-	15,867	-	-	15,867
CT Coalition to End Homelessness	-	263,439	-	263,439	-	-	-	263,439
Homes With Hope	-	-	4,400	4,400	-	-	-	4,400
Housing Authority City of Bridgeport	-	-	984	984	-	-	-	984
Housing Authority of the City of Norwalk	-	-	1,639	1,639	-	-	-	1,639
Mutual Housing Association of SWCT	3,000	-	480	480	-	-	-	3,480
Open Door Shelter	525	-	2,536	2,536	-	-	-	3,061
Operation Hope	-	-	57,275	57,275	-	-	-	57,275
PT Partners	-	-	-	-	-	12,500	-	12,500
Supportive Housing Works, Inc.	-	127,055	-	127,055	-	-	-	127,055
Direct Program Expenses	<u>23,455</u>	<u>135,401</u>	<u>340,457</u>	<u>475,858</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>499,313</u>
<b>Total</b>	<b>\$ 47,430</b>	<b>\$ 525,895</b>	<b>\$ 440,165</b>	<b>\$ 966,060</b>	<b>\$ 15,867</b>	<b>\$ 16,548</b>	<b>\$ 10,000</b>	<b>\$ 1,055,905</b>