

**UNITED WAY OF MUSKINGUM, PERRY AND MORGAN COUNTIES, INC.**  
**ANNUAL REPORT**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

***WILSON, PHILLIPS & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD. BUILDING G  
ZANESVILLE, OHIO 43701***

**INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees  
United Way of Muskingum, Perry and Morgan Counties, Inc.  
526 Putnam Avenue  
Zanesville, Ohio 43701

**Opinion**

We have audited the accompanying statements of the United Way of Muskingum, Perry and Morgan Counties, Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2023 and 2022, and the related statements of activities, statement of 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 Muskingum, Perry and Morgan Counties, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flow for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audit 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 Muskingum, Perry and Morgan Counties, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 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 organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **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 it 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, misrepresentation, 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 misstatements 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 organization'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 organization'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.

*Wilson, Shelby & Co., CPAs, Inc.*

Zanesville, Ohio  
March 22, 2024

**UNITED WAY OF MUSKINGUM, PERRY AND MORGAN COUNTIES, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2023 and 2022**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 960,258	\$ 936,762
Trust endowment	85,097	77,766
Pledges receivable	486,295	212,048
Less allowance for uncollectible pledges	(32,607)	(36,737)
	453,688	175,311
Prepaid expenses	5,704	6,736
Furniture and equipment	29,131	25,984
Accumulated Depreciation - Furniture and Equipment	(12,131)	(7,038)
	17,000	18,946
Beneficial interest in Perpetual Trusts	3,675,626	3,367,051
<b>TOTAL ASSETS</b>	<b>\$ 5,197,373</b>	<b>\$ 4,582,572</b>

	<u>2023</u>	<u>2022</u>
<b>LIABILITIES AND NET ASSETS</b>		
Agency allocations payable	\$ 2,543	\$ 8,540
Specific designations payable	11,556	25,081
Accounts payable and accrued liabilities	16,928	17,338
<b>TOTAL LIABILITIES</b>	<u>31,027</u>	<u>50,959</u>
 <b>NET ASSETS</b>		
Without Donor Restrictions		
Board Discretion	326,624	326,624
Unappropriated	1,164,096	837,938
Permanently restricted	3,675,626	3,367,051
<b>TOTAL NET ASSETS</b>	<u>5,166,346</u>	<u>4,531,613</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <u>\$ 5,197,373</u>	 <u>\$ 4,582,572</u>

See notes to financial statements.

**UNITED WAY OF MUSKINGUM, PERRY AND MORGAN COUNTIES, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023 WITH COMPARATIVE TOTALS FOR 2022**

	<u>Unrestricted</u>	<u>Permanent Restricted</u>	<u>Totals</u>	<u>2022</u>
<b>PUBLIC SUPPORT AND REVENUE</b>				
Gross Campaign Results	\$ 748,711	\$ -	\$ 748,711	\$ 533,747
Less: Provision of uncollectible pledges	(18,721)	-	(18,721)	(13,886)
Less: Specific designations by donors	(13,352)	-	(13,352)	(20,464)
Recovery of prior year uncollectible pledges	3,019	-	3,019	6,693
<b>NET CAMPAIGN REVENUE</b>	<u>719,657</u>	<u>-</u>	<u>719,657</u>	<u>506,090</u>
Administrative fees	1,583	-	1,583	3,498
In-Kind Revenue	-	-	-	2,977
Bequests and Trusts	189,572	-	189,572	203,896
Miscellaneous Income	42,740	-	42,740	21,227
Tax Preparation Revenue	60	-	60	50
Realized Gains/(Losses)	44,740	-	44,740	(74,572)
Interest income	<u>26,867</u>	<u>-</u>	<u>26,867</u>	<u>2,048</u>
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	1,025,219	-	1,025,219	665,214
<b>EXPENSES</b>				
Program Services				
Gross Funds Awarded/Distributed	314,764	-	314,764	347,686
Net Funds Awarded	<u>314,764</u>	<u>-</u>	<u>314,764</u>	<u>347,686</u>
Program Services Allocated to Awards	131,181	-	131,181	172,277
Support Services	243,218	-	243,218	246,585
United Way of America Dues	6,584	-	6,584	10,271
Total supporting services	<u>249,802</u>	<u>-</u>	<u>249,802</u>	<u>256,856</u>
<b>TOTAL EXPENSES</b>	<u>695,747</u>	<u>-</u>	<u>695,747</u>	<u>776,819</u>
<b>Decrease in Operating Net Assets Without Donor Restrictions</b>	329,472	-	329,472	(111,605)
<b>NON-OPERATING INVESTMENT INCOME</b>				
Unrealized Gain (Loss) on Beneficial Interests	-	308,575	308,575	(919,011)
<b>TOTAL NON-OPERATING INVESTMENT INCOME</b>	<u>-</u>	<u>308,575</u>	<u>308,575</u>	<u>(919,011)</u>
<b>DECREASE IN NET ASSETS</b>	329,472	308,575	638,047	(1,030,616)
<b>NET ASSETS AT BEGINNING OF YEAR, restated</b>	<u>1,161,248</u>	<u>3,367,051</u>	<u>4,528,299</u>	<u>5,562,229</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 1,490,720</u>	<u>\$ 3,675,626</u>	<u>\$ 5,166,346</u>	<u>\$ 4,531,613</u>

See notes to financial statements.

UNITED WAY OF MUSKINGUM, FERRY AND MORGAN COUNTIES, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2023 WITH COMPARATIVE TOTALS FOR 2022

	Program Services		Support Services			2023 Total	2022 Total
	Allocation Services	Total	Organization Administrative	Fundraising	UWA		
					Dues		
	\$	\$	\$	\$	\$	\$	\$
Allocations/Awards	314,764	314,764	-	-	-	314,764	347,686
Salaries	75,898	75,898	94,873	40,057	-	210,828	218,558
Payroll Taxes	6,347	6,347	7,934	3,350	-	17,631	17,967
Employee Benefits	12,528	12,528	15,659	6,611	-	34,798	38,658
	94,773	94,773	118,466	50,018	-	263,257	275,183
Marketing and Events	3,008	3,008	3,760	1,588	-	8,356	3,835
Professional Fees	735	735	38,428	388	-	39,551	92,829
Consultants Fee	5,515	5,515	-	-	-	5,515	-
Office Supplies	340	340	425	179	-	944	1,612
Telephone/Internet	1,018	1,018	1,273	537	-	2,828	2,904
Postage and Printing	323	323	403	170	-	896	1,116
Web Page	-	-	-	-	-	-	840
In-Kind Expense	-	-	-	-	-	-	3,004
Copier Lease/Supplies	-	-	-	-	-	-	(15)
Kellogg Grant Expense	-	-	-	-	-	-	1,241
Insurance	655	655	819	346	-	1,820	3,687
Utilities	-	-	-	-	-	-	2,285
Repairs-Building	-	-	-	-	-	-	359
Equipment Rental and Maintenance	-	-	-	-	-	-	2,793
Investment Management Fee	-	-	3,367	-	-	3,367	-
Office Rent	6,300	6,300	7,875	3,325	-	17,500	7,500
Dues and Subscriptions	6,473	6,473	592	250	-	7,315	610
Depreciation	1,834	1,834	2,292	968	-	5,094	3,526
F. Dorsch Life Insurance	-	-	5,000	-	-	5,000	5,000
Trust Distribution	5,691	5,691	-	-	-	5,691	-
Staff Travel	11	11	13	6	-	30	240
Conference and Meetings	379	379	474	200	-	1,053	(1,520)
Miscellaneous	1,177	1,177	1,505	551	-	3,233	3,659
Tax Prep Expense	2,949	2,949	-	-	-	2,949	8,174
	36,408	36,408	66,226	8,508	-	111,142	143,679
United Way of America Dues	-	-	-	-	6,584	6,584	12,221
	445,945	445,945	184,692	58,526	6,584	695,747	778,769

See notes to financial statements.

**UNITED WAY OF MUSKINGUM, PERRY AND MORGAN COUNTIES, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 638,047	\$ (1,030,616)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	5,094	2,259
Unrealized (gain) loss on beneficial interests	(308,575)	919,011
Realized (gain) loss on investments	(44,740)	74,572
(Increase) decrease in operating assets		
Pledges receivable	(278,377)	(4,287)
Prepaid expenses	1,032	(2,054)
Increase (decrease) in operating liabilities		
Agency allocations payable	(5,997)	6,083
Specific designations payable	(13,525)	(2,136)
Accounts payable and accrued liabilities	(410)	1,156
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(7,451)</b>	<b>(36,012)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(3,417)	(20,217)
Investment Proceeds	103,752	13,633
Investment Purchases	(62,057)	(99,246)
Trust endowment	(7,331)	18,183
<b>NET CASH (USED) BY INVESTING ACTIVITIES</b>	<b>30,947</b>	<b>(87,647)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>23,496</b>	<b>(123,659)</b>
<b>BEGINNING CASH AND CASH EQUIVALENTS</b>	<b>936,762</b>	<b>1,060,421</b>
<b>ENDING CASH AND CASH EQUIVALENTS</b>	<b>\$ 960,258</b>	<b>\$ 936,762</b>

See notes to financial statements.



**UNITED WAY OF MUSKINGUM, PERRY AND MORGAN COUNTIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Agency

The United Way of Muskingum, Perry and Morgan Counties, Inc., is a tax-exempt Agency under section 501(c)(3) of the Internal Revenue Code. The mission of the Agency is to mobilize the caring power of communities to create lasting changes in conditions that improve lives. It accomplishes this through continual assessment of the need for service programs, development of financial resources, and investment of these resources in community programs.

The largest single source of funding for the Agency is the annual campaign that is conducted in the fall. Proceeds from this initiative are distributed to programs in the community through an application process in the subsequent year. Campaign contributions are recognized as revenue in the year the contributions are designated to be used by the donor. Allocations are made to agencies monthly based on the board approved allocations. Cash designations are paid out by February, and all other designated funds are distributed quarterly starting in April. All contributions are considered unrestricted unless specifically restricted by the donor.

The Agency also receives additional sources of revenue through beneficial interest trusts, foundation awards, and grants.

Public Support, Revenue, and Promises To Give

Annual campaign contributions are generally available for unrestricted use in the related campaign year unless specifically restricted by the donor. Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Specific designations by donors are separately stated as a contra account and properly reflect the donor's restriction.

The Agency uses the allowance method to determine uncollectible pledges receivable. The allowance is based on prior years' experience and management's analysis.

Contributed Services

During the years ended December 31, 2023 and 2022, the value of contributed services meeting the requirement for recognition in the financial statements was \$0 and \$2,977, respectively.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**UNITED WAY OF MUSKINGUM, PERRY AND MORGAN COUNTIES, INC.  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONT'D)**

The Operating Fund

The Operating Fund, which includes unrestricted and restricted funds, is used to account for resources over which the Board of Directors has discretionary control which are used to carry out the operations of the Agency in accordance with its bylaws. Restricted funds, which are identified in the accompanying financial statements as appropriated for future allocations, and support designated for future periods, represent funds which have been designated by the Board of Directors as reserved specifically for future agency and non-agency allocations.

Income Taxes

The Agency is exempt from federal income taxes under Internal Revenue Code Section 501(C)(3) and has been recognized as non-profit by the State of Ohio. Therefore, no tax provisions have been made in the accompanying financial statements.

United Way of Muskingum, Perry and Morgan Counties, Inc.'s Form 990, Return of Organization Exempt from Income Tax, for the years ended December 31, 2023, 2022 and 2021 are subject to examination by the IRS, generally for three years after they were filed.

Uncertain Tax Positions

For the year ended December 31, 2023, the Organization has documented IRS consideration of FASB ASC 740-10, Income Taxes, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Cash and Cash Equivalents

The Agency considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents.

Net Assets with Donor Restrictions

The Agency has beneficial interests in Perpetual Trusts which are permanently restricted to its use. The United Way records its share of these trusts at market value also recorded as net assets with donor restrictions are contributions received for the next year's campaign.

Concentrations

The Agency's operational fund receives the majority of its revenue from the public support of the communities of Muskingum, Perry, and Morgan counties. The Agency relies on and continues to need the support of the public.

Federal Filings

The Agency files a Form 990 each year and a copy can be retrieved from the IRS ([www.irs.gov](http://www.irs.gov)) or the Agency's website ([www.unitedwayofmpm.org](http://www.unitedwayofmpm.org)).

**UNITED WAY OF MUSKINGUM, PERRY AND MORGAN COUNTIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONT'D)**

**Subsequent Events**

The Agency has evaluated subsequent events through March 22, 2024, the date that the financial statements were available to be issued.

**Fair Value Measurements**

FASB ASC 820-10-65 establishes a framework for measuring fair value under generally accepted accounting principles, clarifies the definition of fair value within that framework, and expands financial statement disclosures about the use of fair value statements issued for annual period beginning after November 15, 2007. Accordingly, the Organization values its investments at fair value.

The Organization has adopted FASB Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*, as of November 1, 2010. This standard requires new disclosures on the amount and reason for transfers in and out of Level 1 and 2 recurring fair value measurements. The standard also requires disclosure of activities, on gross basis, including purchases, sales, issuances and settlements, in the reconciliation of Level 3 fair value recurring measurements. The standard clarifies existing disclosure requirements on the levels of disaggregation and disclosures about inputs and valuation techniques.

**NOTE 2 - FURNITURE AND EQUIPMENT**

Office furniture and fixtures are stated at cost or, if acquired by gift or donation, at the estimated fair value at the date of receipt of the gift or donation, or if financed by capital lease agreements, at the present value of future minimum lease payments. Depreciation is provided over the estimated useful lives of the related assets ranging from 5 years to 7 years, using the straight-line method.

**NOTE 3 - EMPLOYEE PENSION PLAN**

The United Way offers a Simple IRA so eligible employees have an opportunity to save for retirement. An employee is eligible to participate in the plan provided the employee is reasonably expected at least \$5,000 in compensation for the calendar year. Participation in the Plan is voluntary.

For each calendar year, the United Way will contribute a matching contribution to each employee's SIMPLE IRA account, equal to the employee's salary deduction contributions but not to exceed up to a limit of 3% of the employee's compensation for the calendar year. The expense associated with this plan was \$7,687 and \$6,238 for the years ended December 31, 2023 and 2022, respectively.

**NOTE 4 - RELATED PARTY TRANSACTIONS**

During the audit, consideration was given to the existence of related party transactions requiring disclosure in accordance with Statement of Financial Accounting Standards (SFAS) number 57. Accordingly, the following related party transactions are disclosed. The Agency provides contributions to the United Way of America and Ohio. Contributions for the years ended December 31, 2023 and 2022 was \$6,584 and \$10,271, respectively.

**UNITED WAY OF MUSKINGUM, PERRY AND MORGAN COUNTIES, INC.  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 - BENEFICIAL INTEREST IN PERPETUAL TRUST**

The Agency has a partial interest in the assets of the following trusts: Littick Charitable Trust, M. Findeiss Trust, R. Findeiss Trust, Hagar Residual Trust, Lewis Trust, Sulsberger Trust and the Emmitt France Trust. These trusts are made up of investments in marketable securities. The trusts are administered by local financial institutions. The Agency will receive annually the following percentage of income generated by these trusts in perpetuity: 2% of the Littick Charitable Trust, 12.5% of the M. Findeiss and R. Findeiss Trusts, 20% of the Hagar Residual Trust, 10% of the Sulsberger Trust, 8.0325% of the Emmitt France Trust and 100% of the Lewis Trust. The Agency may not invade the principal of the trust. These trusts have been recorded at the percentages stated above of the market value as of December 31, 2023 and 2022, respectively.

**NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization’s financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are as follows:

	2023	2022
Cash	\$ 960,258	\$ 936,762
Accounts Receivable	453,688	175,311
Financial Assets available to Meet general expenditures (1yr)	\$ 1,413,946	\$ 1,112,073

As part of the Organization’s liquidity management, it invests cash in excess of daily requirements in certificates of deposits and money market accounts.