

United Way of
Greater Toledo



United Way
of Greater Toledo

Years Ended
June 30,
2025 and 2024

Financial
Statements

Rehmann

UNITED WAY OF GREATER TOLEDO

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements for the Years Ended June 30, 2025 and 2024	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9

INDEPENDENT AUDITORS' REPORT

February 6, 2026

Board of Directors
United Way of Greater Toledo
Toledo, Ohio

Opinion

We have audited the financial statements of ***United Way of Greater Toledo*** (the "Organization"), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ***United Way of Greater Toledo*** as of June 30, 2025 and 2024, and the changes in its net assets and 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 these 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 GAAS 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 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 GAAS, 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 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.

A handwritten signature in black ink that reads "Rehmann Lobson LLC". The signature is written in a cursive, flowing style.

UNITED WAY OF GREATER TOLEDO

Statements of Financial Position

	June 30	
	2025	2024
ASSETS		
Cash	\$ 237,931	\$ 291,871
Pledges receivable, less allowance for uncollectible pledges of \$183,823 in 2025 (\$249,036 in 2024)	1,327,137	1,696,345
Grant and other receivables	284,108	290,266
Prepaid expenses and other assets	67,248	67,322
Investments	24,947,841	23,287,708
Beneficial interest in perpetual trust	2,126,859	2,041,778
Net property and equipment	39,528	54,332
Net operating lease right-of-use assets	392,931	461,382
Total assets	\$ 29,423,583	\$ 28,191,004
LIABILITIES AND NET ASSETS		
Liabilities		
Line of credit	\$ 750,000	\$ 400,000
Accounts payable and other	451,552	375,453
Community investments payable	1,439,745	2,054,708
Designations payable	579,036	678,238
Operating lease obligations	392,931	461,382
Total liabilities	3,613,264	3,969,781
Net assets		
Without donor restrictions	20,298,075	18,930,088
With donor restrictions	5,512,244	5,291,135
Total net assets	25,810,319	24,221,223
Total liabilities and net assets	\$ 29,423,583	\$ 28,191,004

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

UNITED WAY OF GREATER TOLEDO

Statement of Activities

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Public support, revenue, and gains			
Gross campaign revenue	\$ 4,141,327	\$ 396,084	\$ 4,537,411
Grants	818,332	-	818,332
Gross revenue under management	4,959,659	396,084	5,355,743
Bequest - non-campaign	160,000	-	160,000
Pledges received for future campaigns	-	210,003	210,003
Less donor designations	(1,016,034)	-	(1,016,034)
Less provision for uncollectible pledges	(244,814)	-	(244,814)
Net revenue under management	3,858,811	606,087	4,464,898
Net investment return	2,348,482	202,076	2,550,558
Change in value of beneficial interest in perpetual trust	-	85,081	85,081
Net assets released from restrictions	672,135	(672,135)	-
Total public support, revenue, and gains	6,879,428	221,109	7,100,537
Community investments and expenses			
Program services			
Gross investments in community	2,700,544	-	2,700,544
Less donor designations	(1,016,034)	-	(1,016,034)
Net investments in community programs	1,684,510	-	1,684,510
Community support services	2,332,235	-	2,332,235
Total program services	4,016,745	-	4,016,745
Supporting services			
Resource development	894,280	-	894,280
Administration	600,416	-	600,416
Total supporting services	1,494,696	-	1,494,696
Total community investments and expenses	5,511,441	-	5,511,441
Changes in net assets	1,367,987	221,109	1,589,096
Net assets, beginning of year	18,930,088	5,291,135	24,221,223
Net assets, end of year	\$ 20,298,075	\$ 5,512,244	\$ 25,810,319

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

UNITED WAY OF GREATER TOLEDO

Statement of Activities

Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Public support, revenue, and gains			
Gross campaign revenue	\$ 5,270,271	\$ 238,229	\$ 5,508,500
Grants	708,302	-	708,302
	5,978,573	238,229	6,216,802
Pledges received for future campaigns	-	167,679	167,679
Less donor designations	(1,321,596)	-	(1,321,596)
Less provision for uncollectible pledges	(89,239)	-	(89,239)
	4,567,738	405,908	4,973,646
Net investment return	2,186,646	178,507	2,365,153
Change in value of beneficial interest in perpetual trust	-	46,847	46,847
Net assets released from restrictions	593,163	(593,163)	-
	7,347,547	38,099	7,385,646
Total public support, revenue, and gains			
Community investments and expenses			
Program services			
Gross investments in community	3,656,227	-	3,656,227
Less donor designations	(1,321,596)	-	(1,321,596)
Net investments in community programs	2,334,631	-	2,334,631
Community support services	2,618,596	-	2,618,596
	4,953,227	-	4,953,227
Supporting services			
Resource development	890,839	-	890,839
Administration	614,809	-	614,809
	1,505,648	-	1,505,648
Total community investments and expenses	6,458,875	-	6,458,875
Changes in net assets	888,672	38,099	926,771
Net assets, beginning of year	18,041,416	5,253,036	23,294,452
Net assets, end of year	\$ 18,930,088	\$ 5,291,135	\$ 24,221,223

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

UNITED WAY OF GREATER TOLEDO

Statement of Functional Expenses

Year Ended June 30, 2025 (with comparative totals for 2024)

	Program Services			Support Services			2025 Total	2024 Comparative Totals	
	Community Impact, Leadership and Support	United Way 2-1-1 & Coordinated Assessment	Other	Total Program Services	Resource Development	Administration			Total Supporting Services
Community investments									
Gross investments in community	\$ 2,436,198	\$ -	\$ 264,346	\$ 2,700,544	\$ -	\$ -	\$ -	\$ 2,700,544	\$ 3,656,227
Less donor designations	(1,016,034)	-	-	(1,016,034)	-	-	-	(1,016,034)	(1,321,596)
Net investments in community programs	1,420,164	-	264,346	1,684,510	-	-	-	1,684,510	2,334,631
Salaries and employee benefits									
Salaries	632,834	62,565	9,634	705,033	564,147	234,055	798,202	1,503,235	1,899,963
Employee benefits	172,134	15,770	1,631	189,535	80,128	43,400	123,528	313,063	375,754
Payroll taxes and other	61,708	5,442	939	68,089	54,253	25,375	79,628	147,717	174,309
Total salaries and employee benefits	866,676	83,777	12,204	962,657	698,528	302,830	1,001,358	1,964,015	2,450,026
Other expenses									
Contract services	167,046	655,798	8,819	831,663	37,899	186,089	223,988	1,055,651	897,593
Professional services	3,373	4,468	3,351	11,192	11	44,725	44,736	55,928	54,130
Office and general	109,357	5,642	15,722	130,721	75,284	8,698	83,982	214,703	287,943
Occupancy	43,402	4,571	615	48,588	33,562	14,920	48,482	97,070	97,695
Property and casualty insurance	9,661	720	152	10,533	7,370	3,514	10,884	21,417	25,223
Mileage and meals	2,829	129	9	2,967	3,819	445	4,264	7,231	7,345
Professional development	6,523	1,020	18	7,561	5,631	2,297	7,928	15,489	22,112
Annual event and other meetings	5,352	715	-	6,067	6,069	1,600	7,669	13,736	19,199
Professional memberships and subscriptions	37,894	1,140	12	39,046	3,747	1,370	5,117	44,163	7,904
Credit card and bank charges	1,478	1,870	1,402	4,750	38	18,866	18,904	23,654	31,678
Equipment, repairs, and maintenance	28,210	2,698	-	30,908	5,262	3,149	8,411	39,319	34,612
United Way Worldwide dues	42,266	4,696	-	46,962	8,467	5,482	13,949	60,911	79,260
Interest	23,478	2,609	-	26,087	4,703	3,045	7,748	33,835	5,630
Depreciation	10,272	1,141	-	11,413	2,058	1,333	3,391	14,804	17,488
Specific assistance	9,009	83,366	65,285	157,660	-	-	-	157,660	81,560
Miscellaneous	3,021	295	144	3,460	1,832	2,053	3,885	7,345	4,846
Total other expenses	503,171	770,878	95,529	1,369,578	195,752	297,586	493,338	1,862,916	1,674,218
Total salaries and employee benefits and other expenses	1,369,847	854,655	107,733	2,332,235	894,280	600,416	1,494,696	3,826,931	4,124,244
Total community investments and expenses	\$ 2,790,011	\$ 854,655	\$ 372,079	\$ 4,016,745	\$ 894,280	\$ 600,416	\$ 1,494,696	\$ 5,511,441	\$ 6,458,875

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

UNITED WAY OF GREATER TOLEDO

Statement of Functional Expenses

Year Ended June 30, 2024

	Program Services			Support Services			Total	
	Community Impact, Leadership and Support	United Way 2-1-1 & Coordinated Assessment	Other	Total Program Services	Resource Development	Administration		Total Supporting Services
Community investments								
Gross investments in community	\$ 3,332,523	\$ -	\$ 323,704	\$ 3,656,227	\$ -	\$ -	\$ -	\$ 3,656,227
Less donor designations	(1,321,596)	-	-	(1,321,596)	-	-	-	(1,321,596)
Net investments in community programs	2,010,927	-	323,704	2,334,631	-	-	-	2,334,631
Salaries and employee benefits								
Salaries	904,175	59,697	24,741	988,613	552,319	359,031	911,350	1,899,963
Employee benefits	204,205	15,825	3,863	223,893	85,462	66,399	151,861	375,754
Payroll taxes and other	80,164	6,488	2,133	88,785	53,823	31,701	85,524	174,309
Total salaries and employee benefits	1,188,544	82,010	30,737	1,301,291	691,604	457,131	1,148,735	2,450,026
Other expenses								
Contract services	177,936	642,151	799	820,886	38,418	38,289	76,707	897,593
Professional services	3,744	4,993	3,744	12,481	-	41,649	41,649	54,130
Office and general	157,070	4,643	38,530	200,243	78,414	9,286	87,700	287,943
Occupancy	39,620	5,138	728	45,486	34,444	17,765	52,209	97,695
Property and casualty insurance	12,065	849	251	13,165	7,594	4,464	12,058	25,223
Mileage and meals	2,343	161	3	2,507	4,348	490	4,838	7,345
Professional development	11,843	1,706	192	13,741	3,897	4,474	8,371	22,112
Annual event and other meetings	6,905	1,904	7	8,816	7,889	2,494	10,383	19,199
Professional memberships and subscriptions	2,528	482	389	3,399	2,523	1,982	4,505	7,904
Credit card and bank charges	2,191	2,920	2,191	7,302	-	24,376	24,376	31,678
Equipment, repairs, and maintenance	24,319	2,529	-	26,848	4,812	2,952	7,764	34,612
United Way Worldwide dues	54,999	6,111	-	61,110	11,017	7,133	18,150	79,260
Interest	3,907	434	-	4,341	782	507	1,289	5,630
Depreciation	12,135	1,348	-	13,483	2,431	1,574	4,005	17,488
Specific assistance	3,097	-	77,582	80,679	881	-	881	81,560
Miscellaneous	2,763	45	10	2,818	1,785	243	2,028	4,846
Total other expenses	517,465	675,414	124,426	1,317,305	199,235	157,678	356,913	1,674,218
Total salaries and employee benefits and other expenses	1,706,009	757,424	155,163	2,618,596	890,839	614,809	1,505,648	4,124,244
Total community investments and expenses	\$ 3,716,936	\$ 757,424	\$ 478,867	\$ 4,953,227	\$ 890,839	\$ 614,809	\$ 1,505,648	\$ 6,458,875

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

UNITED WAY OF GREATER TOLEDO

Statements of Cash Flows

	Year Ended June 30	
	2025	2024
Cash flows from operating activities		
Changes in net assets	\$ 1,589,096	\$ 926,771
Adjustments to reconcile changes in net assets to net cash from operating activities		
Net realized and unrealized gain on investments	(2,081,404)	(1,960,603)
Change in value of beneficial interest in perpetual trust	(85,081)	(46,847)
Provision for uncollectible pledges	244,814	89,239
Depreciation	14,804	17,488
Amortization of net operating lease right-of-use assets	68,451	87,021
Changes in operating assets and liabilities which provided (used) cash		
Pledges receivable	124,394	164,843
Grant and other receivables	6,158	(8,891)
Employee retention tax credit receivable	-	180,090
Employee retention tax credit interest receivable	-	8,080
Prepaid expenses and other assets	74	6,729
Accounts payable and other	76,099	72,696
Community investments payable and designations payable	(714,165)	(547,052)
Operating lease obligations	(68,451)	(87,021)
Net change in cash from operating activities	(825,211)	(1,097,457)
Cash flows from investing activities		
Purchases of property and equipment	-	(48,053)
Purchases of investments	(609,994)	(404,550)
Proceeds from sales of investments	1,031,265	1,031,265
Net change in cash from investing activities	421,271	578,662
Net change in cash from financing activities		
Net borrowings on line of credit	350,000	400,000
Net change in cash	(53,940)	(118,795)
Cash, beginning of the year	291,871	410,666
Cash, end of the year	\$ 237,931	\$ 291,871
Supplemental disclosures of cash flows information		
Interest paid	\$ 33,835	\$ 5,630

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

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

United Way of Greater Toledo (the "Organization") is a nonprofit charitable entity, incorporated in May 1918, governed by a volunteer Board of Directors (the "Board"). The Organization licenses its name and trademark from United Way Worldwide and operates autonomously. This means that funds raised stay in, and support, local programming, initiatives and efforts for Lucas, Ottawa, and Wood counties.

The purpose of United Way is to uncover root-cause issues that inhibit community members from utilizing and benefiting from programs that help them live more robust lives. This is accomplished via staff, partners, and volunteers working to discover community conditions that need improvement, accompanied with the designing and building of long-term solutions.

Through generous gifts from private donors and businesses and grants from foundations and government entities, United Way manages one of the largest 211 networks in Ohio and increases access by providing critical funding through its four pillars to over fifty programs across its three-county footprint. Every dollar United Way allocates is carefully measured for success. This allows staff to assess which programs generate impact and resonate most with those seeking help.

Through its 2020 strategic plan, United Way adopted the national best practice Collective Impact Model to guide its leadership as a backbone organization in education, financial stability, health, and housing. The purpose of this model is to create a shared-community-vision, which will leverage funding, resources, and expertise from business, philanthropic and academic partners, and individuals with lived experience. Program investment is carefully monitored by the volunteer Community Impact Cabinet and program outcomes, as well as Collaboratives (network meetings of organizations within each pillar) are assessed using the Results-based Accountability Methodology™.

United Way's Community Analytics and Research Department analyzes program outcome data and community data, available freely to all community members and organizations to tell a more informed and thoughtful story about impact in northwest Ohio.

United Way prides itself on community engagement. Through volunteerism and advocacy, hundreds of individuals are mobilized and called-to-action each year for projects that are both timely and responsive to emergency needs.

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

Net Asset Classification

Net assets, public support, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: Net assets available for use in general operations and are not subject to donor (or certain grantor) restrictions or donor-imposed restrictions that have expired. The Board of Directors has designated a portion of net assets without donor restrictions as a quasi-endowment (an amount to be treated by management as if it were part of the donor-restricted endowment) for the purpose of securing the Organization's long-term financial viability.

Net Assets With Donor Restrictions: Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity but permit the Organization to use or expend all of the capital appreciation and income earned. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, and are reported as net assets released from restrictions in the statements of activities.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the year. Actual results could differ from those estimates.

Cash

The Organization maintains cash deposits with financial institutions in amounts, which at times, may exceed the federally insured limits. Management does not believe the Organization is exposed to any significant interest rate or other financial risk as a result of these deposits.

Fair Value Measurements

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants in the market in which the reporting entity transacts such sales or transfers based on the assumptions market participants would use when pricing an asset or liability. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3).

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

A description of each category in the fair value hierarchy is as follows:

- Level 1: Valuation is based upon quoted prices for identical instruments traded in active markets.
- Level 2: Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all-significant assumptions are observable in the market.
- Level 3: Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect the estimates of assumptions that market participants would use in pricing the asset or liability.

For a further discussion of fair value measurements, refer to Note 3 to the financial statements.

Pledges Receivable and Campaign Revenue Recognition

Annual campaigns are conducted each year to support community investments in participating local programs. All contributions are considered without donor restrictions unless specifically restricted by the donor. Campaign collections and pledge receivables related to future campaigns are reported as with donor restrictions. The Organization carries its unconditional promises to give at the amount the Organization expects to collect from balances outstanding at year-end. The Organization has recorded an allowance for uncollectible pledges equal to management's estimate of pledges which ultimately will not be collected. This estimate is based on historical collection experience and current economic conditions. It is reasonably possible that the Organization's estimate of the allowance for uncollectible pledges will change. Uncollectible amounts that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for uncollectible pledges and a reduction in pledges receivable. All pledges receivable are expected to be collected within one year.

Designations payable represent amounts received with specific donor designations to external organizations. These funds are reported in gross campaign revenues for the Organization, but are eliminated from net revenue under management. As required by GAAP, such amounts are reported as a liability until forwarded to the designated agency or other qualifying organization.

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give - that is, those with a measurable performance or other barrier and right of return - are not recognized until the conditions on which they depend on have met. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. However, the Organization reports conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period.

Revenue from Grants

Grants are considered conditional contributions and are recorded as revenue when all events and/or conditions thereof have been met as determined by the funding organization. Grant revenue is recognized directly into net assets without donor restrictions as the restrictions, if any, and conditions expire simultaneously in the reporting period. A refundable advance on conditional contribution is recorded if monies are received but not expended. A grant receivable is recorded if all events and/or conditions thereof have been met, but the related grant proceeds were not yet received at the end of the fiscal year. As of June 30, 2025, the Organization has been awarded approximately \$555,000 in grant funds for program activities that have not been recognized at June 30, 2025, because qualifying expenditures or matching requirements have not yet been incurred. No amounts have been received in advance under these contracts and grants.

Investments and Beneficial Interest in Perpetual Trust

Investments securities purchased are initially recorded at cost. Thereafter, the carrying values of such investments are adjusted to fair values which are determined using published exchange market quotations where applicable or estimated fair values provided by external investment managers or other sources. Net investment return is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, distributions from beneficial interest in perpetual trust, less external investment expenses.

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in these financial statements.

The Organization is the income beneficiary of a perpetual trust held and administered by an outside fiscal agent. Under the terms of the trust, the Organization has the irrevocable right to receive the income earned on the trust's assets in perpetuity, but will never receive the assets held in trust. The present value of the estimated future cash receipts from the trust was recognized as an asset and contributed support with donor restrictions at the date the trust was established. Distributions from the trust are recorded as net investment return, and the carrying value of the assets is adjusted annually for changes in the estimates of future receipts.

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

Property and Equipment and Depreciation

Property and equipment is stated at cost or, if donated, at estimated fair value at the date of donation. Major improvements and renewals which exceed \$1,000 are capitalized while ordinary maintenance and repairs are expensed. Management reviews these assets for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 7 years.

Donated Services

A portion of the Organization's functions are conducted by unpaid board members and volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria necessary for recognition in accordance with GAAP.

Community Investments Payable

The Organization pays community investments related to each campaign based on a 12-month disbursement period, running from July 1 to June 30.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. Expenses are generally allocated between program services and supporting services based on specific identification, space utilized, or salaries, whichever is more appropriate. Although the methods of allocation used are considered reasonable, other methods could be used and produce different amounts.

Income Taxes

The Organization is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is exempt from similar state and local taxes. Although the Organization was granted an income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income." The Organization has been classified as not a private foundation.

The Organization analyzes its income tax filing positions in the federal and state jurisdictions where it is required to file income tax returns, for all open tax years in these jurisdictions, to identify potential uncertain tax positions.

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

The Organization has evaluated its income tax filing positions for fiscal years 2022 through 2025, the years which remain subject to examination as of June 30, 2025. The Organization concluded that there are no significant uncertain tax positions requiring recognition in the Organization's financial statements. The Organization does not expect the total amount of unrecognized tax benefits ("UTB") (e.g. tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Organization does not have any amounts accrued for interest and penalties related to UTBs at June 30, 2025 or 2024, and is not aware of any claims for such amounts by federal or state income tax authorities.

Leases

The Organization determines if an arrangement is a lease at inception and considers classification of leases as operating or finance. Operating leases are included in net operating lease right-of-use ("ROU") assets and operating lease obligations on the Organization's statements of financial position. The Organization does not have any finance leases.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most of the Organization's leases do not provide an implicit rate, the Organization uses the risk free rate based on the information available at commencement date in determining the present value of future payments. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

Management reviews these ROU assets for impairment whenever events or circumstances indicate that their carrying values may not be fully recoverable.

Subsequent Events

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to the most recent statement of financial position presented herein, through the date these financial statements were available to be issued.

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

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, comprise the following as of June 30:

	2025	2024
Pledges receivable, net, due within one year	\$ 701,559	\$ 916,715
Grants and other receivables	284,108	290,266
Investments	1,759,259	1,669,189
Board-designated endowment spending rate distributions and appropriations	1,205,754	1,187,234
Distribution from beneficial interest in perpetual trust	94,000	90,000
	<u> </u>	<u> </u>
Financial assets available for general use within one year	<u>\$ 4,044,680</u>	<u>\$ 4,153,404</u>

The endowment funds consist of donor-restricted endowments and funds designated by the Board as endowments. Accumulated investment gains from donor-restricted endowments are available for general use upon appropriation by the Organization's Board, unless restricted by the donor. Although the Organization does not intend to spend the accumulated investment gains from donor-restricted endowments whose accumulated gains are available for general expenditure (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary. Capital appreciation and income from donor-restricted endowments that is restricted by the donor remains restricted until appropriated in accordance with the underlying agreement. The portion of donor-restricted endowment funds that is to be maintained in perpetuity is not available for general expenditure.

The board-designated endowment and endowed accumulated investment gains without donor restriction of \$22,057,334 as of June 30, 2025 and \$20,599,277 as of June 30, 2024 is subject to an annual spending rate. Although the Organization does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

As part of the Organization's liquidity plan, net revenue under management is available for general expenditures, without donor or other restrictions limiting their use, within one year of the statement of financial position date. Additionally, to help manage seasonal liquidity needs, the Organization has a line of credit with maximum borrowings of \$3,000,000 (\$750,000 and \$400,000 outstanding as of June 30, 2025 and 2024, respectively), which it could draw upon. Note that the line of credit is secured by certain investment accounts (see Note 6).

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Organization uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Investments and the beneficial interest in perpetual trust are recorded at fair value on a recurring basis.

Following is a description of the valuation methodologies and key inputs used to measure financial assets recorded at fair value. For financial assets recorded at fair value, the description includes an indication of the level of the fair value hierarchy in which the assets are classified.

Investments

Cash and cash equivalents held for long-term purposes, mutual funds, U.S. stocks, brokered certificates of deposit, corporate bonds, and U.S. government agency bonds are recorded at fair value on a recurring basis. The carrying amounts of cash and cash equivalents approximate fair values and are included as Level 1 assets. Fair value measurement for mutual funds and U.S. stocks is based upon quoted prices. Level 1 securities include mutual funds and U.S. stocks traded on an active exchange, such as the New York Stock Exchange, that are traded by dealers or brokers in active over-the-counter markets. Level 2 investments include brokered certificates of deposit, corporate bonds, and U.S. government agency bonds whose values are provided by external investment advisors who use model-driven systems to calculate prices. More specifically, the models estimate the spread at which bonds of similar quality and maturity should be trading with respect to treasury securities of the same maturity. Based on their spread (yield difference versus treasury securities) the value is then calculated using the standard yield-to-maturity formula.

Beneficial Interest in Perpetual Trust

The Organization classifies the beneficial interest in perpetual trust as Level 3 in the fair value hierarchy. The underlying trust assets cannot be liquidated or redeemed by the Organization. As such, no quoted prices or active markets are available for this asset. The Organization measures the fair value of the trust based on a discounted cash flow analysis of the expected income derived from its interest in the trust (an income approach). The Organization used the current fiscal year distribution amount and a discount rate of approximately 4.44% and 4.41% at June 30, 2025 and 2024, respectively, which is based on historical return and is representative of long-term treasury rates, to calculate the fair value of the trust at June 30, 2025 and 2024.

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

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

Assets Recorded at Fair Value on a Recurring Basis

The following tables set forth by level, within the fair value hierarchy, the recorded amount of the assets measured at fair value on a recurring basis as of June 30:

2025	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 140,943	\$ -	\$ -	\$ 140,943
Mutual funds				
Money market	394,775	-	-	394,775
Equity				
Large-cap	2,570,257	-	-	2,570,257
Mid-cap	3,117,173	-	-	3,117,173
Developed International	3,858,151	-	-	3,858,151
Emerging market	778,862	-	-	778,862
U.S. real estate	1,218,879	-	-	1,218,879
Energy/commodity	446,404	-	-	446,404
Precious metal	803,166	-	-	803,166
Fixed income				
Intermediate-term bonds	1,679,420	-	-	1,679,420
Short-term bond	1,055,988	-	-	1,055,988
International bond	1,111,773	-	-	1,111,773
U.S. stocks	5,478,802	-	-	5,478,802
Certificates of deposits	-	350,334	-	350,334
Corporate bonds	-	297,506	-	297,506
U.S. government agency bonds	-	1,645,408	-	1,645,408
Total investments carried at fair value	22,654,593	2,293,248	-	24,947,841
Beneficial interest in perpetual trust	\$ -	\$ -	\$ 2,126,859	\$ 2,126,859

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

2024	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 134,285	\$ -	\$ -	\$ 134,285
Mutual funds				
Money market	280,932	-	-	280,932
Equity				
Large-cap	2,200,886	-	-	2,200,886
Mid-cap	2,990,369	-	-	2,990,369
Developed International	2,866,415	-	-	2,866,415
Emerging market	1,295,664	-	-	1,295,664
U.S. real estate	1,134,458	-	-	1,134,458
Energy/commodity	431,518	-	-	431,518
Precious metal	565,832	-	-	565,832
Fixed income				
Intermediate-term bonds	1,605,490	-	-	1,605,490
Short-term bond	659,174	-	-	659,174
International bond	1,039,930	-	-	1,039,930
U.S. stocks	5,909,618	-	-	5,909,618
Certificates of deposit	-	342,803	-	342,803
Corporate bonds	-	288,123	-	288,123
U.S. government agency bonds	-	1,542,211	-	1,542,211
Total investments carried at fair value	21,114,571	2,173,137	-	23,287,708
Beneficial interest in perpetual trust	\$ -	\$ -	\$ 2,041,778	\$ 2,041,778

Certain investments are pledged as collateral for the Organization's line of credit (see Note 6).

4. BENEFICIAL INTEREST IN PERPETUAL TRUST

The Organization is one of the beneficiaries of a trust held by a local foundation. Under the trust agreement, the Organization is entitled to receive 25% of the income generated from this trust. As the trust is irrevocable, the Organization has recorded a beneficial interest in perpetual trust (net assets with donor restrictions). The Organization received approximately \$94,000 of income from the trust during fiscal 2025 and approximately \$90,000 during fiscal 2024. This revenue has been included as net investment return in these financial statements.

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

5. PROPERTY AND EQUIPMENT

Net property and equipment consists of the following at June 30:

	2025	2024
Property and equipment		
Leasehold improvements	\$ 9,300	\$ 9,300
Furniture and equipment	164,823	164,823
Total	174,123	174,123
Less accumulated depreciation	134,595	119,791
Net property and equipment	\$ 39,528	\$ 54,332

6. LINE OF CREDIT

The Organization has a \$3,000,000 demand revolving line of credit with a bank for working capital purposes which bears interest at the prime rate minus 1.8% (5.70% and 6.70% at June 30, 2025 and 2024, respectively). The amount outstanding under this line of credit agreement was \$750,000 and \$400,000 at June 30, 2025 and 2024, respectively. The line of credit is subject to review annually and is secured by a portfolio of certain investment accounts of the Organization (\$17,133,885 and \$16,584,649 at June 30, 2025 and 2024, respectively). The agreement requires the Organization to maintain a loan (outstanding principal and interest owed) to collateral value not to exceed 65% of the investment market value.

7. LEASES

The following table summarizes the composition of net lease cost during the years ended June 30:

	2025	2024
Operating lease cost	\$ 108,201	\$ 105,616
Short-term lease cost	-	8,400
Total lease cost	\$ 108,201	\$ 114,016

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

The following table summarizes other information related to the Organization's leases during the years ended June 30:

	2025	2024
Cash paid for amounts included in the measurement of lease obligations		
Operating cash flows from operating leases	\$ 105,138	\$ 105,616
Right-of-use assets obtained in exchange for new operating lease obligations	\$ -	\$ -
Weighted-average remaining lease term - operating leases	4.41	5.32
Weighted-average discount rate - operating leases	2.92%	2.92%

The following table presents a maturity analysis summary of the Organization's lease obligations recorded on the statement of financial position as of June 30, 2025:

Year	Operating Leases
2026	\$ 99,304
2027	93,118
2028	91,678
2029	91,678
2030	42,776
	<hr/>
Total lease payments	418,554
Less present value discount	25,623
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Total lease obligations	\$ 392,931
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8. RETIREMENT PLANS

The Organization and 37 nonprofit agencies in the Greater Toledo area, of which 21 are active, participate in The Defined Benefit Pension Plan of United Way of Greater Toledo and Affiliated Agencies (the "Plan"), a defined benefit retirement plan which is accounted for as a multiemployer plan. The Plan covers eligible employees twenty-one years of age or older who had completed one year of continuous employment prior to December 31, 2003.

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

In September 2003, the Board approved an amendment to the Plan which provided that benefit accrual service ceased to accrue for any participant as of December 31, 2003, and that final average earnings will not include any compensation earned by any participant after that date. The frozen Plan and corresponding trust will remain in existence as long as necessary to pay accumulated Plan benefits.

Since the Plan is an Eligible Charity Plan ("ECP"), the Plan is not subject to the minimum funding standards contained in the Pension Protection Act of 2006 until the first plan year for which the Plan ceases to be an ECP. The Board has established a funding policy which requires contributions to meet or exceed the minimum funding requirement.

At January 1, 2025, the value of the Plan's assets are less than the current liability of \$35,126,861. The current liability represents the present value of accumulated plan benefits computed using certain interest rate assumptions that are prescribed by Pension Protection Act ("PPA"). The funding is determined by the actuary and is allocated based on employee liability among United Way and the participating agencies. In the event of nonpayment by a participating agency, the remaining participating agencies of the Plan may be liable to meet the minimum contribution required by the PPA.

The actuarial present value of accumulated Plan benefits was \$32,641,989 as of the January 1, 2025 valuation date, the most recent information available. The fair value of the Plan's investments was \$34,242,087 as of December 31, 2024. Plan assets are invested based on a long-term investment strategy and held approximately 43% in fixed income securities and 57% in equity accounts as of December 31, 2024.

As of December 31, 2024, 61 of the 1,000 total participants were from the Organization. Contributions were required to be made to the Plan for fiscal 2025 and 2024. The Organization's share of the required contributions was approximately \$106,000 in fiscal 2025 and \$15,000 in fiscal 2024, which represents more than 5% of the total Plan contributions for each of those years.

On April 1, 2015, the Organization executed a new retirement savings plan exclusive to its eligible employees twenty-one years of age or older who have completed one year of service. The Organization makes biweekly contributions equal to 2% of an eligible employee's salary. In addition, employee voluntary contributions are matched dollar for dollar by the Organization up to 3%. Total expense related to the plan amounted to approximately \$69,000 in fiscal 2025 and \$82,000 in fiscal 2024.

9. RELATED PARTY TRANSACTIONS

The Organization is a member of United Way Worldwide. Membership dues paid to this organization amounted to \$60,911 in fiscal 2025 and \$79,260 in fiscal 2024.

The Organization utilizes certain information technology, human resource, executive management support and accounting services provided by a shared service provider to United Way organizations. Fees paid to this service provider amounted to \$387,996 in fiscal 2025 and \$199,532 in fiscal 2024. In fiscal 2024, there was an additional \$47,304 paid to the service provider for the purchase of property and equipment.

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at June 30:

	2025	2024
Subject to expenditure for specified purpose		
Imagination Library	\$ 13,804	\$ 19,280
Emergency Response Fund	-	168,151
Aspire	63,284	107,020
Ride United	47,545	28,229
Mission Investment Trust	108,462	-
Other specific community programs	51,780	70,567
	<hr/>	<hr/>
Total	284,875	393,247
Subject to the passage of time		
Pledges received for future campaigns	210,003	167,679
Endowments: unappropriated investment gains (losses); subject to appropriation and expenditure in accordance with donor agreement	91,679	(110,397)
Endowments: perpetual in nature, earnings from which are subject to endowment spending policy and appropriation:		
Fund for the Future - operations	80,981	80,981
William Winkle - operations	704,602	704,602
John and Hope Eastman Fund - operations	100,000	100,000
Silverman - utility assistance	1,913,245	1,913,245
	<hr/>	<hr/>
Total	2,798,828	2,798,828
Perpetual in nature, not subject to spending policy or appropriation		
Beneficial interest in perpetual trust	2,126,859	2,041,778
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Total net assets with donor restrictions	\$ 5,512,244	\$ 5,291,135

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

11. ENDOWMENT FUNDS

The Organization's endowment funds consist of multiple individual funds established for a variety of purposes. They include both donor-restricted funds and funds designated by the Board of Directors to serve as endowment funds. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors considers donor restrictions on endowments to be the relevant law underlying the net asset classification of donor-restricted endowment funds. Accordingly, the Organization classifies the original value of the gift donated as net assets with donor restrictions. The remaining portion of the endowment fund is classified as net assets without donor restrictions or net assets with donor restrictions depending on the terms of the donor agreement.

The following is a summary of the Organization's endowment and changes therein during each of the two years ended June 30, 2025 and 2024:

Endowment Net Asset Composition by Type of Fund as of June 30, 2025:

2025	Without Donor Restriction	With Donor Restriction	Total
Board-designated endowment funds	\$ 21,945,464	\$ -	\$ 21,945,464
Donor restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	2,798,828	2,798,828
Accumulated investment gains	111,870	91,679	203,549
Total funds before adjustment	22,057,334	2,890,507	24,947,841
Amount in excess of available net assets without donor restrictions	(1,759,259)	-	(1,759,259)
Total funds	\$ 20,298,075	\$ 2,890,507	\$ 23,188,582

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

Changes in Endowment Assets for the Year Ended June 30, 2025:

2025	Without Donor Restriction	With Donor Restriction	Total
Changes in endowment net assets for the year ended June 30, 2025			
Net investment return	\$ 2,348,482	\$ 202,076	\$ 2,550,558
Appropriation of endowment assets pursuant to spending rate policy	(890,425)	-	(890,425)
Changes in endowment net assets	1,458,057	202,076	1,660,133
Endowment net assets			
Beginning of year	20,599,277	2,688,431	23,287,708
End of year	22,057,334	2,890,507	24,947,841
Amount in excess of available net assets without donor restrictions	(1,759,259)	-	(1,759,259)
Total funds	\$ 20,298,075	\$ 2,890,507	\$ 23,188,582

Endowment Net Asset Composition by Type of Fund as of June 30, 2024:

2024	Without Donor Restriction	With Donor Restriction	Total
Board-designated endowment funds	\$ 20,507,331	\$ -	\$ 20,507,331
Donor restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	2,798,828	2,798,828
Accumulated investment gains (losses)	91,946	(110,397)	(18,451)
Total funds before adjustment	20,599,277	2,688,431	23,287,708
Amount in excess of available net assets without donor restrictions	(1,669,189)	-	(1,669,189)
Total funds	\$ 18,930,088	\$ 2,688,431	\$ 21,618,519

UNITED WAY OF GREATER TOLEDO

Notes to Financial Statements

Changes in Endowment Assets for the Year Ended June 30, 2024:

2024	Without Donor Restriction	With Donor Restriction	Total
Changes in endowment net assets for the year ended June 30, 2024			
Net investment return	\$ 2,186,646	\$ 178,507	\$ 2,365,153
Appropriation of endowment assets pursuant to spending rate policy	(1,031,265)	-	(1,031,265)
Changes in endowment net assets	1,155,381	178,507	1,333,888
Endowment net assets			
Beginning of year	19,443,896	2,509,924	21,953,820
End of year	20,599,277	2,688,431	23,287,708
Amount in excess of available net assets without donor restrictions	(1,669,189)	-	(1,669,189)
Total funds	\$ 18,930,088	\$ 2,688,431	\$ 21,618,519

Investment Return Objectives, Risk Parameters and Strategies

The Organization has adopted investment and spending policies, approved by the Board, to preserve capital while at the same time making the maximum prudent portion of the earnings and appreciation of the corpus of the endowment funds available to support current activities. The Board has charged the Audit/Finance Committee with overseeing the investment of the endowment funds and balancing the goals of capital preservation and income to support current activities.

Spending Policy

The annual spending policy of the Organization is to provide 3% - 6% of the average endowed market value for the trailing twelve quarters ending December 31 of the prior year, less debt and funds otherwise restricted (endowed) by a donor.

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 Organization's policy is to cease the spending from underwater funds until they recovered. At June 30, 2025, the Organization did not have any underwater endowments. The Organization had one underwater fund at June 30, 2024, which had an original gift value of \$1,913,245, a fair value of \$1,802,848, and a deficiency of \$110,397, which is reported in net assets with donor restrictions. The related donor agreement for this fund does not limit spending from underwater funds.

