

UNITED WAY OF
COLLIER COUNTY, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

UNITED WAY OF COLLIER COUNTY, INC.

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PART I
Financial Statements

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
United Way of Collier County, Inc.
Naples, Florida

We have audited the accompanying financial statements of United Way of Collier County, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Collier County, Inc., as of December 31, 2013 and 2012, 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.

United Way of Collier County, Inc.
Naples, Florida

INDEPENDENT AUDITOR'S REPORT (continued)

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Grants Paid for the year ended December 31, 2013 and 2012 contained on page 15, is presented for purposes of additional analysis and is not a required part of 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.

Rogers Wood Hill Starman & Gustason, P.A.

ROGERS WOOD HILL STARMAN & GUSTASON, P.A.
Certified Public Accountants
July 8, 2014

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash and cash equivalents - undesignated	\$ 712,040	\$ 971,479
Cash and cash equivalents - designated - Note 6	393,593	277,370
Cash and cash equivalents - restricted - Note 7	<u>23,000</u>	<u>-</u>
Total cash and cash equivalents	1,128,633	1,248,849
Pledges receivable, net - Note 13	1,109,846	346,990
Collier 211 receivable - restricted - Note 7	138,000	-
Prepaid expenses	13,731	16,124
Investments - designated - Note 2 and Note 6	2,288,652	2,487,564
Deposits	2,613	2,500
Property and equipment, net - Note 5	<u>560,729</u>	<u>28,663</u>
Total	<u>\$ 5,242,204</u>	<u>\$ 4,130,690</u>
<u>LIABILITIES AND NET ASSETS</u>		
Accounts payable and accrued expenses	\$ 47,580	\$ 36,626
Community Development District debt	<u>25,507</u>	<u>-</u>
Total liabilities	<u>73,087</u>	<u>36,626</u>
Net assets:		
Unrestricted:		
Board Designated - Note 6	2,682,245	2,764,934
Undesignated - Note 6	<u>2,325,872</u>	<u>1,329,130</u>
Total unrestricted	5,008,117	4,094,064
Temporarily Restricted - Note 7	<u>161,000</u>	<u>-</u>
Total net assets	<u>5,169,117</u>	<u>4,094,064</u>
Total	<u>\$ 5,242,204</u>	<u>\$ 4,130,690</u>

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Unrestricted Undesignated</u>	<u>Unrestricted Designated</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:				
Campaign revenue	\$ 3,332,803	\$ -	\$ -	\$ 3,332,803
Less: provision for uncollectible pledges	(326,543)	-	-	(326,543)
Less: donor directed contributions	(183,401)	-	-	(183,401)
Net campaign revenue	2,822,859	-	-	2,822,859
Collier 211 grant	45,000	-	161,000	206,000
Special events - net	28,550	-	-	28,550
Investment income	1,085	332,741	-	333,826
Bequest received	-	580	-	580
Total revenues	2,897,494	333,321	161,000	3,391,815
Net assets released from restrictions	-	-	-	-
Total revenues and net assets released from restrictions	2,897,494	333,321	161,000	3,391,815
Expenses:				
Program services	1,919,251	-	-	1,919,251
Administrative and general	159,728	10,510	-	170,238
Fundraising	227,273	-	-	227,273
Total expenses	2,306,252	10,510	-	2,316,762
Increase in net assets	591,242	322,811	161,000	1,075,053
NET ASSETS - Beginning of year	1,329,130	2,764,934	-	4,094,064
Transfers	405,500	(405,500)	-	-
NET ASSETS - End of year	<u>\$ 2,325,872</u>	<u>\$ 2,682,245</u>	<u>\$ 161,000</u>	<u>\$ 5,169,117</u>

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Unrestricted Undesignated</u>	<u>Unrestricted Designated</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:				
Campaign revenue	\$ 1,999,048	\$ -	\$ -	\$ 1,999,048
Less: provision for uncollectible pledges	(184,368)	-	-	(184,368)
Less: donor directed contributions	(81,588)	-	-	(81,588)
Net campaign revenue	1,733,092	-	-	1,733,092
Special events - net	41,368	-	-	41,368
Investment income	16	165,878	-	165,894
Increase in value of trust funds	700	-	-	700
Bequest received	-	1,965	-	1,965
Total revenues	1,775,176	167,843	-	1,943,019
Net assets released from restrictions	-	13,931	(13,931)	-
Total revenues and net assets released from restrictions	1,775,176	181,774	(13,931)	1,943,019
Expenses:				
Program services	1,720,704	-	-	1,720,704
Administrative and general	125,600	7,728	-	133,328
Fundraising	295,530	4,500	-	300,030
Total expenses	2,141,834	12,228	-	2,154,062
Increase (decrease) in net assets	(366,658)	169,546	(13,931)	(211,043)
NET ASSETS - Beginning of year	1,695,788	2,595,388	13,931	4,305,107
NET ASSETS - End of year	<u>\$ 1,329,130</u>	<u>\$ 2,764,934</u>	<u>\$ -</u>	<u>\$ 4,094,064</u>

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

	PROGRAM SERVICES	SUPPORTING SERVICES		TOTAL
		ADMINISTRATIVE & GENERAL	FUND RAISING	
Total grants and awards	\$ 1,733,401	\$ -	\$ -	\$ 1,733,401
Less: donor directed contributions	(183,401)	-	-	(183,401)
Grants and awards, net of donor directed contributions	1,550,000	-	-	1,550,000
Wages & benefits	249,225	95,428	140,251	484,904
Audit & professional fees	17,081	6,402	9,774	33,257
Bank charges	2,090	11,293	1,196	14,579
Campaign, promotion & volunteerism	-	-	16,669	16,669
Collier 211	26,204	-	-	26,204
Computer supplies & maintenance	6,688	2,507	3,827	13,022
Contract services	-	29,159	-	29,159
Convention & meeting expense	5,700	2,136	3,262	11,098
Depreciation	3,238	1,214	1,853	6,305
Dues - national & state	14,137	5,299	8,090	27,526
Dues & subscriptions	3,459	1,296	1,979	6,734
Insurance	1,573	590	900	3,063
Office supplies & expense	2,642	990	3,687	7,319
Printing & postage	1,078	404	14,611	16,093
Rent & other occupancy costs	31,347	11,749	17,938	61,034
Telephone	4,629	1,735	2,649	9,013
Miscellaneous expenses	160	36	587	783
Total	<u>\$ 1,919,251</u>	<u>\$ 170,238</u>	<u>\$ 227,273</u>	<u>\$ 2,316,762</u>

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012

	PROGRAM SERVICES	SUPPORTING SERVICES		TOTAL
		ADMINISTRATIVE & GENERAL	FUND RAISING	
Total grants and awards	\$ 1,523,988	\$ -	\$ -	\$ 1,523,988
Less: donor directed contributions	(81,588)	-	-	(81,588)
Grants and awards, net of donor directed contributions	1,442,400	-	-	1,442,400
Wages & benefits	206,033	85,188	193,579	484,800
Audit & professional fees	9,718	4,635	9,737	24,090
Bank charges	1,291	8,343	1,293	10,927
Campaign, promotion & volunteerism	-	-	24,953	24,953
Computer supplies & maintenance	9,175	4,376	9,194	22,745
Contract services	2,636	7,296	-	9,932
Convention & meeting expense	3,154	1,408	3,115	7,677
Depreciation & loss on disposal of assets	1,728	824	1,732	4,284
Dues - national & state	11,634	5,549	11,658	28,841
Dues & subscriptions	574	274	576	1,424
Insurance	1,061	507	1,063	2,631
Office supplies & expense	4,063	1,937	4,070	10,070
Printing & postage	402	192	12,173	12,767
Rent & other occupancy costs	23,548	11,231	23,594	58,373
Telephone	3,035	1,448	3,041	7,524
Miscellaneous expenses	252	120	252	624
Total	<u>\$ 1,720,704</u>	<u>\$ 133,328</u>	<u>\$ 300,030</u>	<u>\$ 2,154,062</u>

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENTS OF CASH FLOWS
December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from contributions	\$ 2,118,428	\$ 2,087,233
Special events	28,550	41,368
Grants paid	(1,550,000)	(1,442,400)
Cash paid to suppliers and employees	(737,301)	(662,929)
Interest reinvested as undesignated	738	16
Net cash provided/(used) by operating activities	<u>(139,585)</u>	<u>23,288</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	1,641,504	2,507,021
Purchase of investments	(1,148,238)	(2,435,741)
Purchase of property and equipment	(538,371)	(18,511)
Net cash provided/(used) by investing activities	<u>(45,105)</u>	<u>52,769</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Assumption of Community Development District debt	30,102	-
Payment on Community Development District debt	(4,595)	-
Cash received from bequests and trusts	580	15,897
Interest and dividends reinvested as designated	38,387	85,345
Net cash provided by financing activities	<u>64,474</u>	<u>101,242</u>
NET INCREASE/(DECREASE) IN CASH	(120,216)	177,299
CASH - Beginning of year	<u>1,248,849</u>	<u>1,071,550</u>
CASH - End of year	<u>\$ 1,128,633</u>	<u>\$ 1,248,849</u>
RECONCILIATION OF INCREASE/(DECREASE) IN NET ASSETS TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:		
Increase/(Decrease) in net assets	\$ 1,075,053	\$ (211,043)
Contributions designated by Board of Directors	(580)	(15,897)
Interest and dividends designated by Board of Directors	(38,387)	(85,345)
Depreciation	6,305	4,284
Realized gains on sale of investments	(104,841)	(195,332)
Unrealized (gains)/losses on investments	(189,512)	114,799
Changes in assets and liabilities:		
Pledges receivable, net	(745,104)	354,141
Prepaid expenses	2,393	(5,946)
Other assets	(138,113)	13,943
Accounts payable and accrued expenses	(6,799)	49,684
Net cash provided/(used) by operating activities	<u>\$ (139,585)</u>	<u>\$ 23,288</u>

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2013 AND 2012

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The United Way of Collier County, Inc. ("UWCC"), a nonprofit organization, is committed to improving lives in Collier County by mobilizing the caring power of the community. UWCC works to advance the common good by focusing on the building blocks for a good quality of life – education, income, health, and safety net services. UWCC envisions the Collier County community as a place where all individuals and families achieve their full potential.

UWCC solicits and receives contributions during its annual campaign. Funds raised during the campaign are used to fund approved Collier County not-for-profit agencies that must meet requirements established by UWCC. Grants to these agencies are based on evaluations and recommendations made by independent panels comprised of area business professionals and other community leaders.

UWCC partners with agencies to distribute resources and support to children, families, and the elderly of Collier County, including in times of crisis. UWCC also supports safe housing environments along with developmental and nutritional programs that help youth and all individuals build life skills and character to advance our community's future.

In October 2013, UWCC assumed operational responsibility for Collier 211, a 24 hours a day, 7 days a week, human services help line providing information and referrals to Collier County residents in need.

Basis of Accounting

The financial statement have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Financial Statements

The financial statement and notes are a representation of UWCC's management who is responsible for their integrity and objectivity. The accounting policies conform to the basis of accounting defined above and have been consistently applied in the preparation of the financial statements.

Contributions and Promises to Give

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Allowance for Doubtful Accounts

UWCC uses the allowance method to determine uncollectible unconditional promises or pledges receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Donated Services

A substantial number of volunteers have donated time to UWCC's annual fundraising campaign; however, these donated services are not recognized in the financial statements because the criteria for recognition of such volunteer efforts under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, have not been satisfied.

Cash and Cash Equivalents

UWCC considers as cash and cash equivalents all highly liquid investments with an initial maturity of three months or less. Excluded from this definition of cash equivalents are such amounts that represent funds that have been designated by the Board of Directors for investment.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2013 AND 2012

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - continued

Investments

Investments are carried at fair value based on quoted market prices.

Property and Equipment

UWCC capitalizes all expenditures for property, equipment and leasehold improvements in excess of \$1,000 and uses the straight-line method of depreciation calculated over the estimated useful lives of the assets, ranging from 5-11 years.

Income Taxes

UWCC is a qualified tax exempt organization under Code Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes, except on net income derived from unrelated business activities. The organization has no revenues derived from unrelated business activities. Accordingly, no provision for income taxes has been made.

The Organization follows the income tax standard for uncertain tax positions and, as a result, has evaluated its tax positions and determined it has no uncertain tax positions as of December 31, 2013.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its FASB Accounting Standards Codification ("ASC") 958-205, "Financial Statements of Not-for-Profit Organizations." Under FASB ASC 958-205, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets are defined as assets that are free of donor-imposed restrictions, and include all investment income and appreciation not subject to donor-imposed restrictions.

NOTE 2 - INVESTMENTS

Investments, at fair value, consist of the following:

	<u>Cost</u> <u>2013</u>	<u>Fair Market Value</u> <u>2013</u>	<u>Fair Market Value</u> <u>2012</u>
Board-designated Investment Account			
Common stocks	\$ 192,796	\$ 211,742	\$ -
Mutual funds	1,910,704	2,065,758	1,925,947
Cash equivalents	11,152	11,152	42,014
Subtotal	<u>2,114,652</u>	<u>2,288,652</u>	<u>1,967,961</u>
Other Investments			
Certificates of deposit	-	-	519,603
Total	<u>\$ 2,114,652</u>	<u>\$ 2,288,652</u>	<u>\$ 2,487,564</u>

All investments listed above have been designated by the Board for future operations (See Note 6). Investment fees associated with managing the account were \$10,510 in 2013 and \$7,728 in 2012. The fees have been included in the statement of activities as an administrative expense.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2013 AND 2012

NOTE 3 - FAIR VALUE MEASUREMENTS

The Organization measures fair value as set forth in the Statement of Financial Accounting Standard FASB ASC 820, "Fair Value Measurements." FASB ASC 820 applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. FASB ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The following are the major categories of assets measured at fair value on a recurring basis during the year ended December 31, 2013:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
Mutual Funds	\$ 2,065,758	\$ 2,065,758	\$ -
Cash Equivalents	11,152	11,152	-
Common Stock	211,742	211,742	-
	<u>\$ 2,288,652</u>	<u>\$ 2,288,652</u>	<u>\$ -</u>

NOTE 4 - INVESTMENT RETURN

Investment return for the year ended December 31, 2013 and 2012, consists of the following:

	<u>2013</u>	<u>2012</u>
Interest income	\$ 26,885	\$ 28,802
Dividend income	12,240	58,022
Net realized gains (losses)	105,188	193,869
Net unrealized gains (losses)	189,513	(114,799)
Total	<u>\$ 333,826</u>	<u>\$ 165,894</u>

NOTE 5 - PROPERTY AND EQUIPMENT, NET

Property and equipment at December 31, 2013 and 2012, consist of the following:

	<u>2013</u>	<u>2012</u>
Furniture and fixtures	\$ 38,394	\$ 36,899
Leasehold improvements	14,811	14,811
Work in progress-Galleria office	536,876	-
	<u>590,081</u>	<u>51,710</u>
Less accumulated depreciation	(29,352)	(23,047)
Total	<u>\$ 560,729</u>	<u>\$ 28,663</u>

Depreciation expense for 2013 and 2012 was \$6,305 and \$4,284, respectively.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2013 AND 2012

NOTE 6 - DESIGNATED NET ASSETS

The Board of Directors has designated funds to be used as they deem necessary, which could include emergency allocations, supplemental allocations or venture grants. Additionally, the Board of Directors has designated that all contributions received from bequests be invested separately for the long-term plans of the organization. Investment earnings in these funds are re-invested as designated funds. In 2013, the Board authorized \$405,500 to be transferred to undesignated assets; \$400,000 to acquire space for a new UWCC office and \$5,500 for other operational initiatives.

Changes in unrestricted net assets are as follows:

	<u>Designated</u>	<u>Undesignated</u>
Balance December 31, 2011	\$ 2,595,388	\$ 1,709,719
Increase (decrease) in unrestricted net assets	<u>169,546</u>	<u>(380,589)</u>
Balance December 31, 2012	2,764,934	1,329,130
Increase (decrease) in unrestricted net assets	322,811	591,242
Transfer of funds	<u>(405,500)</u>	<u>405,500</u>
Balance December 31, 2013	<u><u>\$ 2,682,245</u></u>	<u><u>\$ 2,325,872</u></u>

Unrestricted funds consist of the following:

Cash and cash equivalents	\$ 393,593	\$ 712,040
Pledges receivable	-	1,109,846
Prepaid expenses	-	13,731
Investments	2,288,652	-
Deposits	-	2,613
Property and equipment	-	560,729
Accounts payable	-	(47,580)
Community Development District Debt	-	(25,507)
Balance December 31, 2013	<u><u>\$ 2,682,245</u></u>	<u><u>\$ 2,325,872</u></u>

NOTE 7 - RESTRICTED NET ASSETS

Restricted net assets consist of the following:

	<u>2013</u>	<u>2012</u>
Cash and cash equivalents unspent from Collier 211	\$ 23,000	\$ -
Accounts receivable from Collier 211	<u>138,000</u>	<u>-</u>
Balance at December 31, 2013	<u><u>\$ 161,000</u></u>	<u><u>\$ -</u></u>

On October 1, 2013, UWCC received a grant from the Community Foundation of Collier County for \$206,000 to be used as transitional funding for the operation of the Collier 211 Information & Referral Service. As of December 31, 2013, \$45,000 of these funds had been expended.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2013 AND 2012

NOTE 8 - CONCENTRATIONS OF CREDIT RISK

At year-end and throughout the year, UWCC's cash balances were invested in several financial institutions. At December 31, 2013, deposits in excess of FDIC insurance coverage amounted to \$239,462. Management believes the organization is not exposed to any significant credit risk on cash balances.

Approximately 36% of UWCC's annual support is provided by contributions from one corporation and its employees.

NOTE 9 - COMMITMENTS

Leases

UWCC leases its office space at a monthly rate of \$4,826 in 2013 and \$4,774 in 2012. Total lease expense was \$58,364 in 2013 and \$55,737 in 2012. The lease expires at the end of June 2014.

Minimum future annual rental payments under this lease are as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 28,953

Grants

The Organization has committed \$1,525,000 to member agency allocations for 2014.

NOTE 10 - SPECIAL EVENTS, NET

UWCC conducts several special events each year. Special event revenues and expenses consisted of the following during December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Revenue	\$ 29,134	\$ 60,463
Revenue- in kind	65,447	20,981
Total Revenues	<u>94,581</u>	<u>81,444</u>
Expenses	(1,473)	(21,985)
Expenses- in kind	(64,558)	(18,091)
Total Expenses	<u>(66,031)</u>	<u>(40,076)</u>
Net total	<u>\$ 28,550</u>	<u>\$ 41,368</u>

NOTE 11 - CONTINGENCY

In June 2013, UWCC submitted a BP Oil Spill Claim. If the claim is approved, UWCC could expect to receive approximately \$250,000. However, BP is vigorously contesting the terms of the settlement. UWCC is unable to determine what amount, if any, it will receive from the BP settlement fund.

NOTE 12 - EMPLOYEE BENEFIT PLANS

UWCC provides a salary reduction simplified employee pension (SARSEP) for all employees that have met certain age requirements. The organization contributes 5.3% of compensation to each participant's individual account which vests immediately. Participants can also make tax deferred contributions of their own, up to 25% of compensation, less amounts contributed by the employer. Employer contributions totaled \$19,679 in 2013 and \$19,954 in 2012.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2013 AND 2012

NOTE 13 - PLEDGES RECEIVABLE

Unconditional promises to give consist of the following at December 31, 2013 and 2012, respectively:

	<u>2013</u>	<u>2012</u>
Campaign pledges	\$ 1,578,497	\$ 680,744
Less: allowance for uncollectible pledges	(424,405)	(316,000)
Less: allowance for designations and fees	(44,246)	(17,754)
Pledges receivable, net	<u>\$ 1,109,846</u>	<u>\$ 346,990</u>

NOTE 14 - RELATED PARTY TRANSACTIONS

Legal services were provided by two law firms, one that employs a former board member and the other employs a current board member. In the first instance, the firm was paid \$1,200 to assist in drafting new human resources policies. In the latter, the firm assisted UWCC with the negotiation and contract for purchase of the Galleria office. A title company owned by the second firm received \$2,371 for providing the title insurance.

UWCC maintains a number of bank accounts at various local financial institutions, five of which employ UWCC board members. Although fees charged by these institutions for normal banking services are considered nominal, one of these institutions received \$10,510 in fees for managing the UWCC investment account. When voting to open or close accounts at financial institutions, UWCC board members who have a conflict of interest recuse themselves.

NOTE 15 - SUBSEQUENT EVENTS

On January 27, 2014, UWCC entered into a mortgage agreement of \$450,000 with Well Fargo Bank, NA to finance the acquisition and build-out of new office space. The secured loan matures on June 15, 2024. The loan requires interest only payments through construction and is secured by a condominium office valued at \$536,876 at 12/31/13.

In March 2014, UWCC's Board of Directors approved to change from a calendar year to a fiscal year ending March 31st.

Subsequent events were evaluated through July 8, 2014, the date the financial statements were available to be issued.

PART II
Supplementary Information

UNITED WAY OF COLLIER COUNTY, INC.
SCHEDULES OF GRANTS PAID
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
American Red Cross	\$ 50,000	\$ 50,000
Boy Scouts of America	62,500	60,000
Cancer Alliance of Naples	30,000	25,000
Care Club of Collier County	15,000	15,000
Catholic Social Services	130,000	130,000
Children's Advocacy Center	95,000	95,000
Children's Home Society	17,000	17,000
Collier Child Care Resources	40,000	40,000
Community Foundation of Collier County	25,000	25,000
Friendship Health Center	22,500	20,000
Fun Time Early Childhood Academy	90,000	90,000
Grace Place	50,000	50,000
Guadalupe Center	21,000	20,000
Gulf Coast Girl Scout Council	42,500	42,500
Harry Chapin Food Bank	50,000	48,400
Healthcare Network of Southwest Florida	32,750	-
Hunger & Homeless Coalition	44,000	42,000
Immokalee Child Care Center	95,000	95,000
Legal Aid Services of Collier County	75,000	75,000
Lighthouse of Collier, Inc.	10,000	-
Naples Alliance for Children	15,000	15,000
Naples Equestrian Center	-	15,000
National Alliance for the Mentally Ill	72,500	70,000
Neighborhood Health Clinic	42,750	-
Parkinson's Association	17,500	10,000
Physician Led Access Network of Collier County	10,000	-
Redlands Christian Migrant Association	60,000	60,000
Shelter for Abused Women & Children	110,000	110,000
United Cerebral Palsy of SW Florida	82,500	82,500
Voices for Kids	30,000	30,000
Y.M.C.A. of Marco Island	62,500	60,000
Youth Haven	50,000	50,000
Directed by Donors	<u>183,401</u>	<u>81,588</u>
Total	<u>\$ 1,733,401</u>	<u>\$ 1,523,988</u>