

**UNITED WAY SUNCOAST, INC.**

**Financial Statements**

**June 30, 2017 and 2016**  
**(With Independent Auditor's Report Thereon)**

**UNITED WAY SUNCOAST, INC.**

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**UNITED WAY SUNCOAST, INC.**


**Management Certification**



**United Way Suncoast, Inc.  
Management Certification  
Year Ended June 30, 2017**

I hereby certify that:

1. I have read the audited financial statements of United Way Suncoast, Inc. for the year ended June 30, 2017.
2. Based on my knowledge, the financial statements of United Way Suncoast, Inc. for the period ended June 30, 2017 do not contain any misstatement of a material fact or omission of a material fact that would make the statements misleading.
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present, in all material respects, the financial condition, results of operations and cash flows of United Way Suncoast, Inc. as of, and for the period ended, June 30, 2017.

  
\_\_\_\_\_  
Carrie Zeisse  
Chief Operating Officer

12.1.17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Mindy Forey  
VP, Finance & Operations

December 1, 2017  
\_\_\_\_\_  
Date

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## **Independent Auditor's Report**

Board of Directors  
United Way Suncoast, Inc.:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of United Way Suncoast, Inc. (United Way), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, the related statement of functional expenses for the year ended June 30, 2017 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 audits. We conducted our audits 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 of 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 Organization'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 Organization'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 Suncoast, Inc. as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended, and its functional expenses for the year ended June 30, 2017 in conformity with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited United Way of Suncoast, Inc.'s 2016 financial statements, and our report dated October 20, 2016, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Mayer Hoffman McCann P.C.*

December 1, 2017  
Tampa, Florida

**UNITED WAY SUNCOAST, INC.**

**Statements of Financial Position**

**June 30, 2017 and 2016**

<b>Assets</b>	<b>2017</b>	<b>2016</b>
Cash and cash equivalents	\$ 3,824,999	2,178,543
Pledges receivable, less allowance for uncollectible pledges of approximately \$1,482,000 and \$1,439,000 in 2017 and 2016, respectively	6,241,957	6,063,513
Accrued interest	41,577	40,169
Accounts receivable	151,948	93,746
Accrued bequests	-	9,375
Prepaid expenses	83,273	50,200
Community Foundation investments	1,228,943	1,095,234
Investments	22,695,119	23,585,813
Receivable under remainder trusts and other	468,379	571,964
Gifted facility	24,743	36,821
Property and equipment, net	567,571	699,281
Other	58,125	47,832
	<hr/>	<hr/>
Total assets	\$ <u>35,386,634</u>	<u>34,472,491</u>
<b>Liabilities and Net Assets</b>		
Allocations and designations payable	\$ 5,337,403	6,406,897
Other liabilities	1,115,726	994,311
Annuities payable	282,076	309,715
Obligation under remainder trust agreement	90,560	85,420
Deferred lease incentive	135,798	202,422
Capital lease obligations	67,379	42,211
Pension obligation	-	760,620
	<hr/>	<hr/>
Total liabilities	7,028,942	8,801,596
Net assets:		
Unrestricted:		
Operating reserves	4,557,515	4,800,629
Disaster relief reserves	1,000,000	1,000,000
Net investment in property and equipment	364,394	454,648
Board designated for endowment	10,612,486	9,860,251
Board designated for funding pension plan termination	-	300,000
Undesignated	1,011,212	-
	<hr/>	<hr/>
	17,545,607	16,415,528
Temporarily restricted	6,754,028	5,211,515
Permanently restricted	4,058,057	4,043,852
	<hr/>	<hr/>
Total net assets	28,357,692	25,670,895
	<hr/>	<hr/>
Total liabilities and net assets	\$ <u>35,386,634</u>	<u>34,472,491</u>

See accompanying independent auditor's report and notes to financial statements.

# UNITED WAY SUNCOAST, INC.

## Statement of Activities

**Year Ended June 30, 2017**  
**(With Comparative Totals for 2016)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2017	2016
Gross campaign contributions	\$ 18,000,930	2,407,044	-	20,407,974	20,223,862
Donor designations	(2,881,280)	-	-	(2,881,280)	(3,492,529)
Undesignated campaign contributions	15,119,650	2,407,044	-	17,526,694	16,731,333
Contributions recognized in a prior period	(82,285)	-	-	(82,285)	(46,586)
Unrestricted, undesignated campaign contributions	\$ 15,037,365	2,407,044	-	17,444,409	16,684,747
Public support and revenue:					
Public support:					
Contributions	\$ 15,037,365	2,407,044	-	17,444,409	16,684,747
Provision for uncollectible pledges	(1,236,146)	-	-	(1,236,146)	(1,264,322)
Annual campaign, net of uncollectible pledges	13,801,219	2,407,044	-	16,208,263	15,420,425
Bequests and trusts	40,726	-	10,000	50,726	225,652
Total public support	13,841,945	2,407,044	10,000	16,258,989	15,646,077
Revenue:					
Program revenues	1,385,378	501	-	1,385,879	1,204,380
Service fee income	226,840	-	-	226,840	260,733
Investment return	1,346,055	834,145	-	2,180,200	315,426
Miscellaneous income	295,846	-	-	295,846	305,983
Total revenue	3,254,119	834,646	-	4,088,765	2,086,522
Net assets released from donor restrictions	1,719,838	(1,719,838)	-	-	-
Total public support and revenue	18,815,902	1,521,852	10,000	20,347,754	17,732,599
Expenses:					
Program services:					
Gross funds awarded/distributed	12,933,110	-	-	12,933,110	14,795,794
Less donor designations	(2,881,280)	-	-	(2,881,280)	(3,492,529)
Net funds awarded/distributed to agencies	10,051,830	-	-	10,051,830	11,303,265
Program services	3,713,014	-	-	3,713,014	3,263,102
Total program services	13,764,844	-	-	13,764,844	14,566,367
Supporting services:					
Resource development	1,620,672	-	-	1,620,672	2,136,659
Administration	2,160,221	-	-	2,160,221	2,295,572
Total supporting services	3,780,893	-	-	3,780,893	4,432,231
Total expenses	17,545,737	-	-	17,545,737	18,998,598
Increase (decrease) in net assets before other changes	1,270,165	1,521,852	10,000	2,802,017	(1,265,999)
Other changes:					
Change in value of split-interest agreements	(49,832)	20,661	4,205	(24,966)	(6,569)
Previously unrecognized loss excluded from net periodic pension costs	(104,875)	-	-	(104,875)	(90,507)
Gain (loss) on sale of equipment	14,621	-	-	14,621	(16,565)
Increase (decrease) in net assets	1,130,079	1,542,513	14,205	2,686,797	(1,379,640)
Net assets, beginning of year	16,415,528	5,211,515	4,043,852	25,670,895	27,050,535
Net assets, end of year	\$ 17,545,607	6,754,028	4,058,057	28,357,692	25,670,895

See accompanying independent auditor's report and notes to financial statements.

**UNITED WAY SUNCOAST, INC.**

**Statement of Activities**

**Year Ended June 30, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Gross campaign contributions	\$ 18,850,177	1,373,685	-	20,223,862
Donor designations	<u>(3,492,529)</u>	<u>-</u>	<u>-</u>	<u>(3,492,529)</u>
Undesignated campaign contributions	15,357,648	1,373,685	-	16,731,333
Contributions recognized in a prior period	<u>(46,586)</u>	<u>-</u>	<u>-</u>	<u>(46,586)</u>
Unrestricted, undesignated campaign contributions	\$ <u>15,311,062</u>	<u>1,373,685</u>	<u>-</u>	<u>16,684,747</u>
Public support and revenue:				
Public support:				
Contributions	\$ 15,311,062	1,373,685	-	16,684,747
Provision for uncollectible pledges	<u>(1,264,322)</u>	<u>-</u>	<u>-</u>	<u>(1,264,322)</u>
Annual campaign, net of uncollectible pledges	14,046,740	1,373,685	-	15,420,425
Bequests and trusts	<u>201,645</u>	<u>24,007</u>	<u>-</u>	<u>225,652</u>
Total public support	14,248,385	1,397,692	-	15,646,077
Revenue:				
Program revenues	1,203,688	692	-	1,204,380
Service fee income	260,733	-	-	260,733
Investment return	291,818	13,608	10,000	315,426
Miscellaneous income	<u>305,983</u>	<u>-</u>	<u>-</u>	<u>305,983</u>
Total revenue	2,062,222	14,300	10,000	2,086,522
Net assets released from donor restrictions	<u>1,749,439</u>	<u>(1,749,439)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	18,060,046	(337,447)	10,000	17,732,599
Expenses:				
Program services:				
Gross funds awarded/distributed	14,795,794	-	-	14,795,794
Less donor designations	<u>(3,492,529)</u>	<u>-</u>	<u>-</u>	<u>(3,492,529)</u>
Net funds awarded/distributed to agencies	11,303,265	-	-	11,303,265
Program services	<u>3,263,102</u>	<u>-</u>	<u>-</u>	<u>3,263,102</u>
Total program services	14,566,367	-	-	14,566,367
Supporting services:				
Resource development	2,136,659	-	-	2,136,659
Administration	<u>2,295,572</u>	<u>-</u>	<u>-</u>	<u>2,295,572</u>
Total supporting services	4,432,231	-	-	4,432,231
Total expenses	<u>18,998,598</u>	<u>-</u>	<u>-</u>	<u>18,998,598</u>
Increase (decrease) in net assets before other changes	(938,552)	(337,447)	10,000	(1,265,999)
Other changes:				
Change in value of split-interest agreements	(29,645)	22,930	146	(6,569)
Previously unrecognized losses excluded from net periodic pension costs	<u>(90,507)</u>	<u>-</u>	<u>-</u>	<u>(90,507)</u>
Loss on sale of equipment	<u>(16,565)</u>	<u>-</u>	<u>-</u>	<u>(16,565)</u>
Increase (decrease) in net assets	(1,075,269)	(314,517)	10,146	(1,379,640)
Net assets, beginning of year	<u>17,490,797</u>	<u>5,526,032</u>	<u>4,033,706</u>	<u>27,050,535</u>
Net assets, end of year	\$ <u>16,415,528</u>	<u>5,211,515</u>	<u>4,043,852</u>	<u>25,670,895</u>

See accompanying independent auditor's report and notes to financial statements.



**UNITED WAY SUNCOAST, INC.**

**Statements of Cash Flows**

**Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 2,686,797	(1,379,640)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation and amortization expense	248,085	214,483
Provision for uncollectible pledges	1,236,146	1,264,322
Loss (gain) on sale of equipment	(14,621)	16,565
Realized and unrealized losses (gains) on investments	(1,821,861)	70,656
Change in value of split-interest agreements	24,966	6,569
Decrease in gifted facility	12,078	11,886
Increase in pledges receivable	(1,414,590)	(1,177,009)
Decrease in other receivables	63,719	1,136,972
Decrease (increase) in prepaid expenses and other assets	(43,366)	26,539
Decrease in allocations and designations payable	(1,069,494)	(401,937)
Increase (decrease) in other current liabilities	54,791	(75,823)
Increase (decrease) in pension obligation	(760,620)	94,840
Net cash used in operating activities	<u>(797,970)</u>	<u>(191,577)</u>
Cash flows from investing activities:		
Capital expenditures	(59,455)	(84,171)
Purchases of investment securities	(8,066,073)	(6,340,461)
Proceeds from sale of investment securities	<u>10,644,919</u>	<u>4,966,426</u>
Net cash provided by (used in) investing activities	<u>2,519,391</u>	<u>(1,458,206)</u>
Cash flows from financing activities:		
Principal payments on capital lease obligations	(17,131)	(24,171)
Principal payments on gift annuity obligations	(44,497)	(40,802)
Principal payments on obligation under remainder trust	<u>(13,337)</u>	<u>(13,825)</u>
Net cash used in financing activities	<u>(74,965)</u>	<u>(78,798)</u>
Net increase (decrease) in cash and cash equivalents	1,646,456	(1,728,581)
Cash and cash equivalents, beginning of year	<u>2,178,543</u>	<u>3,907,124</u>
Cash and cash equivalents, end of year	<u>\$ 3,824,999</u>	<u>2,178,543</u>
Supplemental cash flow information:		
Cash paid for interest	<u>\$ 8,436</u>	<u>5,013</u>
Equipment acquired under capital lease obligation	<u>\$ 72,000</u>	<u>-</u>

**UNITED WAY SUNCOAST, INC.**

**Statement of Functional Expenses**

**Year Ended June 30, 2017  
(With Comparative Totals for 2016)**

	Program Services					Supporting Services			Total	
	Early Literacy	Youth Success	Financial Stability	Community Support Services	Total Programs	Resource Development	Administration	Total Supporting Services	2017	2016
Allocations/awards	\$ 4,312,120	923,349	2,362,121	5,335,520	12,933,110	-	-	-	12,933,110	14,795,794
Less donor designations	-	-	-	(2,881,280)	(2,881,280)	-	-	-	(2,881,280)	(3,492,529)
	<u>4,312,120</u>	<u>923,349</u>	<u>2,362,121</u>	<u>2,454,240</u>	<u>10,051,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,051,830</u>	<u>11,303,265</u>
Salaries	216,378	149,027	503,679	1,114,322	1,983,406	942,404	1,007,760	1,950,164	3,933,570	4,119,045
Payroll taxes/PEO fees	23,134	14,988	47,015	108,875	194,012	99,428	86,658	186,086	380,098	420,348
401(k) and pension	6,339	1,294	10,870	33,650	52,153	23,837	99,283	123,120	175,273	193,272
Other employee benefits	28,574	15,886	58,142	106,457	209,059	85,981	73,897	159,878	368,937	414,098
	<u>274,425</u>	<u>181,195</u>	<u>619,706</u>	<u>1,363,304</u>	<u>2,438,630</u>	<u>1,151,650</u>	<u>1,267,598</u>	<u>2,419,248</u>	<u>4,857,878</u>	<u>5,146,763</u>
Legal fees	173	349	1,373	1,629	3,524	-	56,426	56,426	59,950	5,938
Accounting and audit fees	2,797	2,371	8,047	13,092	26,307	11,107	16,977	28,084	54,391	58,585
Professional and consulting fees	13,758	4,667	24,252	24,131	66,808	18,133	37,321	55,454	122,262	111,258
Advertising and promotion	20	-	32,848	2,500	35,368	4,912	238,886	243,798	279,166	267,283
Office expense	5,119	5,928	21,290	27,233	59,570	26,258	59,455	85,713	145,283	156,418
Information technology	13,684	13,577	57,384	84,579	169,224	64,958	82,785	147,743	316,967	214,450
Occupancy	29,793	23,242	95,109	169,778	317,922	146,900	149,033	295,933	613,855	612,008
Travel	7,370	5,616	12,264	24,443	49,693	21,167	14,088	35,255	84,948	92,833
Conferences, conventions and meetings	3,802	42,007	9,849	12,964	68,622	26,039	48,312	74,351	142,973	150,480
Interest	-	205	811	381	1,397	638	6,401	7,039	8,436	5,013
UWW and UWFL dues	8,650	8,229	22,772	73,719	113,370	59,207	67,333	126,540	239,910	231,879
Depreciation and amortization	5,790	6,800	113,600	44,602	170,792	38,579	38,714	77,293	248,085	214,483
Insurance	1,227	1,190	4,141	9,325	15,883	5,662	5,083	10,745	26,628	25,694
Printing	1,077	2,313	7,532	522	11,444	31,637	11,144	42,781	54,225	107,221
Program and campaign supplies	38,741	11,833	30,225	67,344	148,143	5,318	884	6,202	154,345	118,135
Event sponsorship and attendance	32	1,955	1,264	9,215	12,466	5,023	22,463	27,486	39,952	94,843
Memberships and subscriptions	38	22	650	2,753	3,463	2,876	20,386	23,262	26,725	24,469
Other expenses	-	-	-	388	388	608	16,932	17,540	17,928	57,580
	<u>132,071</u>	<u>130,304</u>	<u>443,411</u>	<u>568,598</u>	<u>1,274,384</u>	<u>469,022</u>	<u>892,623</u>	<u>1,361,645</u>	<u>2,636,029</u>	<u>2,548,570</u>
Total expenses	\$ <u>4,718,616</u>	<u>1,234,848</u>	<u>3,425,238</u>	<u>4,386,142</u>	<u>13,764,844</u>	<u>1,620,672</u>	<u>2,160,221</u>	<u>3,780,893</u>	<u>17,545,737</u>	<u>18,998,598</u>

See accompanying independent auditor's report and notes to financial statements.

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements**

**June 30, 2017 and 2016**

**(1) Nature of Activities and Summary of Significant Accounting Policies**

**(a) Nature of Activities**

The United Way Suncoast, Inc. (the Organization or United Way) is a not-for-profit organization governed by a volunteer board of directors. United Way's mission is to provide leadership that improves lives and creates lasting community change by mobilizing the caring people of our communities to give, advocate and volunteer. United Way works with community partners, including a network of partner agencies, businesses, school systems, governments, and other funding sources to break the cycle of generational poverty through educational programs that give children the skills to succeed and help adults achieve long-term financial stability.

United Way leads collective impact programs that help change the story for individuals and families today and build a solid foundation for future success through a committed focus on:

*Early Literacy*

With targeted, holistic intervention in and out of school, children can overcome barriers and catch up to their less challenged peers. United Way provides that support for children 0-12 years old through programs that activate parent involvement, help more children attend enriched out-of-school programs, combat summer learning loss, increase school attendance, provide caregiver education, engage volunteer reading tutors and more.

*Youth Success*

United Way works to help young people graduate from high school ready to pursue college or career training that enables family-sustaining employment. This is accomplished through programs and services that create supportive learning environments, identify and intervene with at-risk students, connect students to careers, improve attendance and increase parental involvement so young people successfully complete high school.

*Financial Stability*

United Way helps adults develop and build the financial and employability skills they need to make informed financial decisions to achieve long-term financial stability. From budgeting to employment skills, to programs that help them save to buy a home or start a business, United Way supports individuals and families.

UNITED WAY SUNCOAST, INC.

Notes to Financial Statements - Continued

(1) **Nature of Activities and Summary of Significant Accounting Policies - Continued**

(b) **Support Services**

United Way supports a network of services to help individuals/families in crisis move past immediate need to participate fully in United Way's Collective Impact priorities. Programs include health, nutrition/food assistance, shelter and safety interventions.

(c) **Accounting Method**

The financial statements of the Organization have been prepared on the accrual basis. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined into similar categories as follows:

- (i) *Unrestricted*: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

Designations of unrestricted net assets are summarized as follows:

*Operating reserves* are used to fund special projects, emergencies and portions of the operating budget as approved by the Board of Directors in the budget process. The funded operating reserve goal is to achieve and maintain between three and six months of program funding and operating costs.

*Disaster relief reserves* are available for use in the event a major disaster strikes the Tampa Bay community. The funded disaster relief reserve goal is to maintain \$1 million.

*Capital reserves* fund the capital outlay needs of the Organization.

*Net investment in property and equipment* is equal to the net book value of property and equipment less related liabilities.

*Designated for endowment* is the level of investments designated by the Board to earn interest and appreciation with the long term goal of growth.

*Designated for funding of pension plan termination* represents the amount designated to fund termination of the Organization's defined benefit pension plan.

## UNITED WAY SUNCOAST, INC.

### Notes to Financial Statements - Continued

#### (1) Nature of Activities and Summary of Significant Accounting Policies - Continued

##### (c) Accounting Method - Continued

- (ii) *Temporarily Restricted:* Net assets whose use by the Organization is subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time.
- (iii) *Permanently Restricted:* Net assets whose use by the Organization is permanently restricted. Earnings on the investment of permanently restricted net assets include donor imposed restrictions for specific programs under certain named endowments as well as unrestricted earnings under various general endowments as more fully described in Note 10.

##### (d) Activities

Public support consists primarily of pledges promised and of payments on pledges made during annual fund-raising campaigns. All public support is considered to be available for unrestricted use unless specifically restricted by the donor. Pledge income is recognized when unconditional pledge commitments are received and allowances are provided for amounts estimated to be uncollectible.

Allocations expense is recognized when the commitment is made to pay allocations to participating agencies. The Organization's Board of Directors approves allocations for commitment two times a year.

Expenses are summarized on a functional basis. Salaries and related payroll expenses are allocated based on estimated proportions of time spent for each function. All other expenses are allocated based on management's estimate of various functional activities.

##### (e) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value in the statements of financial position. Investment income (including realized and unrealized gains and losses on investments, interest and dividends) is reflected in the statements of activities. Purchases and sales of investments are recorded on the trade date. The cost of investments sold is determined by the specific identification method.

##### (f) Cash and Cash Equivalents

Cash and cash equivalents include short-term investments with original maturities of three months or less.

UNITED WAY SUNCOAST, INC.

Notes to Financial Statements - Continued

(1) **Nature of Activities and Summary of Significant Accounting Policies - Continued**

(g) **Contributions and Allowance for Uncollectible Pledges**

Contributions received, including unconditional promises to give, are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire or are otherwise satisfied in the fiscal year in which the contributions are recognized.

The allowance for uncollectible pledges is computed based upon a three year historical average of campaign collections adjusted by management estimates of current economic factors, applied to individual campaigns, including donor designations. Management's estimate of the allowance is subject to a significant degree of uncertainty and actual collections experience may differ from projected campaign results.

(h) **Designations**

All pledges designated to 501(c)(3) agencies are sent directly to those agencies or to federations for future distribution to member agencies.

(i) **Property and Equipment**

Property and equipment are recorded at cost or, in the case of donated items used in operations, at fair value on the date received. The Organization capitalizes all purchases and donated items with a cost or fair value in excess of \$1,000.

Depreciation of property and equipment is provided for by the use of the straight-line method. The estimated useful lives range from three to ten years for furniture and equipment. Leasehold improvements are amortized over the lesser of their estimated useful lives or the related lease term. Property and equipment and the allowance for depreciation are relieved upon retirement or sale and the related gain or loss is included in the statements of activities.

(j) **Income Taxes**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under the provisions of the Florida Statutes. The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Organization reports no unrelated business taxable income; however, such status is subject to final determination upon examination of the related income tax returns by the appropriate taxing authorities. The Organization has adopted the provisions of ASC 740 relating to *Accounting for Uncertainty in Income Taxes* and does not believe it has any material income tax exposure relating to uncertain tax positions. The Organization's income tax filings for the year ended June 30, 2014 and thereafter remain subject to examination.

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(1) Nature of Activities and Summary of Significant Accounting Policies - Continued**

**(k) Concentration of Credit Risk**

The Organization has no financial instruments which subject it to off-balance-sheet risk. Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents, investments in debt securities and pledges receivable. The Organization maintains its cash balances with what management believes to be high-credit quality financial institutions. Management considers the credit-worthiness of issuers of debt securities as part of its overall investment evaluation and monitoring process. Credit risk related to pledges receivable is alleviated due to the large number of individual donors.

**(l) Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of changes in net assets during the reporting period. Actual results could differ from those estimates.

**(m) Reclassifications**

Certain amounts in the 2016 financial statements have been reclassified to conform to the presentation of the 2017 financial statements.

**(2) Investments**

Investments, stated at market value, consist of the following at June 30, 2017 and 2016:

	<u>2017</u>		<u>2016</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Cash and money market funds	\$ 1,643,895	1,643,895	3,042,311	3,042,311
U.S. government and agency obligations	886,167	886,636	1,072,024	1,114,329
Mortgaged-backed securities	1,498,917	1,491,351	1,744,396	1,758,103
Corporate bonds	3,724,626	3,719,126	3,309,993	3,375,813
Equity mutual funds	764,340	859,828	747,128	705,759
Bond mutual funds	1,717,077	1,731,901	1,488,446	1,518,267
Exchange traded funds	11,121,591	12,362,382	11,143,210	12,071,231
	<u>\$ 21,356,613</u>	<u>22,695,119</u>	<u>22,547,508</u>	<u>23,585,813</u>

The Organization's investments in equity securities and corporate bonds are not concentrated in a single entity or in a few entities nor are there any specific industry concentrations. Investments include amounts, which have been permanently restricted by donors for endowment purposes.

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(2) Investments - Continued**

Investment return consists of the following for the years ended June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Interest and dividends	\$ 477,819	504,800
Realized and unrealized gains (losses)	<u>1,821,861</u>	<u>(70,656)</u>
	2,299,680	434,144
Less investment expenses	<u>(119,480)</u>	<u>(118,718)</u>
	<u>\$ 2,180,200</u>	<u>315,426</u>

Investment income includes earnings from certificates of deposit and the Community Foundation investment.

**(3) Community Foundation Investment**

The Organization has established a fund account with the Community Foundation of Tampa Bay, Inc. (Community Foundation) naming itself as the beneficiary. Under the terms of the fund agreement, the Community Foundation has not been granted variance power over the funds. Distributions may be made from the fund with approval from the United Way Board of Directors. The Organization did not receive any distributions from the fund in fiscal 2017 or 2016. Net investment income (loss) for the years ended June 30, 2017 and 2016 was \$133,709 and \$(32,196), respectively.

**(4) Charitable Remainder Trusts**

The Organization has been named as a remainder beneficiary under several charitable remainder trusts. Under one of the charitable remainder unitrust agreements, the Organization was also named the trustee. Under the terms of the trusts, quarterly distributions are paid to income beneficiaries over their lifetimes or over defined periods. Quarterly distributions range from actual earnings to fixed rates ranging from 6% to 7% of the fair market value of the trust assets as of the beginning of each year. Upon the death of income beneficiaries and donors, the remaining assets are available for the Organization's use. The portion of the trust attributable to the present value of the future benefits to be received by the Organization is recorded in the Statement of Activities as a temporarily restricted contribution in the period the trust is established and the Organization is notified of its existence. Assets held under the charitable remainder trust are included with investments in the accompanying Statements of Financial Position and are reported at their estimated fair value. Receivables under remainder trust agreements and the obligation under a remainder trust are also reported at their estimated fair values in the accompanying Statements of Financial Position.



**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(5) Property and Equipment**

Property and equipment at June 30, 2017 and 2016 consists of the following:

	<b>2017</b>	<b>2016</b>
Furniture and equipment	\$ 987,887	981,429
Leasehold improvements	956,107	956,107
	1,943,994	1,937,536
Less accumulated depreciation	(1,376,423)	(1,238,255)
	\$ 567,571	699,281

For the years ended June 30, 2017 and 2016, depreciation and amortization expense was \$248,085 and \$214,483, respectively.

**(6) Gifted Facility**

The Organization leases land from the School Board of Hillsborough County at a rental rate of \$1 per year. The lease was renewed during fiscal 2014 for a five year period. Gifted facility represents the present value of the excess of the aggregate fair rental value of the land lease over below market rent payments due over the remaining term of the lease.

Recognition of the fair value of this lease as of and for the years ended June 30, 2017 and 2016 is summarized below:

Fair value of gifted facility at July 1, 2015	\$	48,707
Recognition of fair value of gifted land lease for the year ended June 30, 2016		693
Recognition of rent expense for the year ended June 30, 2016		(12,579)
Fair value of gifted facility at June 30, 2016		36,821
Recognition of fair value of gifted land lease for the year ended June 30, 2017		501
Recognition of rent expense for the year ended June 30, 2017		(12,579)
Fair value of gifted facility at June 30, 2017	\$	24,743

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(7) Annuities Payable**

The Organization is certified by the State of Florida to market and manage charitable gift annuity contracts. Under these contracts, a donor transfers assets to the Organization at the beginning of the contract and the Organization makes predetermined quarterly payments to the donor, or in certain cases donors' spouses, over their remaining lifetimes. Upon the donors' death, the remaining assets are available for the Organization's use. Annuities payable are stated at the actuarial present value of future cash flows expected to be paid to donors over their lifetimes. The discount rate used in computing the present value of annuities payable ranges from 1.89% to 2.31% as of June 30, 2017 and from .71% to 1.49% as of June 30, 2016.

State law requires that the Organization maintain a reserve fund in connection with its gift annuity program. The required amount to be maintained in the fund is based on a multiple of the actuarial present value of the related annuity obligations.

**(8) Retirement Plan Expenses**

In 2017, the Organization settled its obligation under a defined benefit pension plan which had been frozen effective June 30, 2006.

The following tables provide further information about the plan as of June 30, 2017 and 2016 and for the years then ended:

	<b>2017</b>	<b>2016</b>
Fair value of plan assets	\$ -	1,596,074
Benefit obligation	-	(2,356,694)
Funded status	\$ -	(760,620)
Prepaid (accrued) benefit costs recognized in statements of financial position	\$ -	(760,620)
Benefit cost	59,924	77,330
Employer contributions	925,419	73,000
Benefits paid	2,517,175	198,143

The accumulated benefit obligation for the defined benefit pension plan was \$0 and \$2,356,694 at June 30, 2017 and 2016, respectively.

For the years ended June 30, 2017 and 2016, net periodic pension cost totaled \$59,924 and \$77,330, respectively.

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(8) Retirement Plan Expenses - Continued**

*Cash Flows*

The Organization settled the plan in September 2016 and made a final contribution of approximately \$925,000 to its defined benefit pension plan. Participants were allowed to elect a lump sum payment or purchase an annuity. No plan assets were returned to the Organization upon settlement in September 2016. For the years ended June 30, 2017 and 2016, the Organization recognized losses of \$104,875 and \$90,507, respectively, for previously unrecognized losses excluded from net periodic pension costs.

The Organization has also adopted a defined contribution 401(k) plan for the benefit of employees who are at least 21 years old and who have completed at least ninety days of service. Employees may contribute to the plan to the extent allowable by law. Effective January 1, 2014, the 401(k) plan was amended to require employer safe harbor matching contributions of 4%. Prior to this amendment, the Organization provided up to a 4% discretionary matching contribution for all participants. For the years ended June 30, 2017 and 2016, employer contributions were approximately \$105,000 and \$96,000, respectively.

**(9) Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets at June 30, 2017 and 2016 consist of the following:

	<u>2017</u>	<u>2016</u>
Future campaign pledges	\$ 1,741	82,285
Remainder trusts and other	526,504	619,797
Gifted facility -		
Sulphur Springs Resource Center	24,743	36,821
Unappropriated endowment earnings	4,625,583	3,934,678
Emergency relief fund	94,021	112,528
Financial Stability Programs	<u>1,481,436</u>	<u>425,406</u>
	<u>\$ 6,754,028</u>	<u>5,211,515</u>

Permanently restricted net assets at June 30, 2017 and 2016 consist of the following:

Donor endowments	\$ 3,518,538	3,508,538
Donor advised fund	400,000	400,000
Charitable remainder unitrust	<u>139,519</u>	<u>135,314</u>
	<u>\$ 4,058,057</u>	<u>4,043,852</u>

At June 30, 2017, donor endowments include \$2,201,507 of general endowments with no restrictions on the use of earnings and \$1,317,031 of named endowments which restrict the use of endowment earnings for specific purposes.

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(10) Endowment Funds**

The Organization’s internally-controlled endowment net assets are comprised of investments held in various donor endowments, investments held under a donor advised fund, investments held under a charitable remainder trust agreement, and funds designated by the Board of Directors to function as endowments. 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 of the Organization has interpreted the wishes of donors and state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The Organization classifies investment earnings on endowments as a component of temporarily restricted net assets if not appropriated for expenditure in the period earned. Once investment earnings are appropriated for expenditure, the Organization reclassifies the amount appropriated as a component of unrestricted net assets.

*Investment Return Objectives, Risk Parameters and Strategies*

The Organization has adopted investment policies, approved by the Board of Directors. The policies stipulate that the endowment investments should be managed as a long-term goal designed to maximize the returns without exposure to undue risk, as defined herein. Whereas it is understood that fluctuating rates of return are characteristic of the securities markets, the greatest concern should be long-term appreciation of the assets and consistency of total portfolio returns. Recognizing that short-term market fluctuations may cause variations in the account performance, the Organization will pursue a strategy seeking to exceed a benchmark return of a target portfolio consisting of the following:

	<b>Cash and Equivalents</b>	<b>Fixed Income</b>	<b>Equities</b>
Operating reserves:			
Tampa area	9%	61%	30%
Sarasota area	7%	30%	63%
Named endowments	7%	30%	63%
Charitable gift annuities	15%	35%	50%
Donor advised fund	7%	30%	63%
Charitable remainder trusts	7%	30%	63%

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(10) Endowment Funds - Continued**

*Spending Policy*

The Organization's spending policies allow for the distribution of assets for operating expenses as follows:

<u>Investment Class</u>	<u>Spending Policy</u>
Operating and capital reserves	5% annually of the average fair value of investments at March 31st of each of the previous three years
Endowment assets:	
General and Board-Designated Named endowments	Prohibited until endowment assets reach a value of \$10 million Actual income net of a small administrative fee
Charitable gift annuity investments	Actuarially determined annuity payments due
Donor advised funds	Actual earnings thereon net of a small administrative fee
Charitable remainder unitrust assets	6% of fair value of investments as of each January 1st

Endowment net asset composition by type of fund as of June 30, 2017 follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Board-designated endowment funds	\$ 7,066,334	-	-	7,066,334
Donor advised fund	(40,582)	-	400,000	359,418
Charitable remainder unitrust	90,559	-	139,519	230,078
Donor-restricted endowment funds	<u>3,496,175</u>	<u>4,625,583</u>	<u>3,518,538</u>	<u>11,640,296</u>
	<u>\$ 10,612,486</u>	<u>4,625,583</u>	<u>4,058,057</u>	<u>19,296,126</u>

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(10) Endowment Funds - Continued**

Endowment net assets composition by type of fund as of June 30, 2016 follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Board-designated endowment funds	\$ 6,693,918	-	-	6,693,918
Donor advised fund	(77,443)	-	400,000	322,557
Charitable remainder unitrust	84,724	-	135,314	220,038
Donor-restricted endowment funds	<u>3,159,052</u>	<u>3,934,678</u>	<u>3,508,538</u>	<u>10,602,268</u>
	<u>\$ 9,860,251</u>	<u>3,934,678</u>	<u>4,043,852</u>	<u>17,838,781</u>

Changes in endowment net assets for the years ended June 30, 2017 and 2016 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Balance at July 1, 2015	\$ 9,829,776	4,062,790	4,033,706	17,926,272
Contributions	185,653	-	10,000	195,653
Net investment income	78,874	126,798	-	205,672
Net appreciation (depreciation)	16,378	(113,190)	146	(96,666)
Withdrawals	<u>(250,430)</u>	<u>(141,720)</u>	<u>-</u>	<u>(392,150)</u>
Balance at June 30, 2016	9,860,251	3,934,678	4,043,852	17,838,781
Contributions	30,726	-	10,000	40,726
Net investment income	259,854	114,899	-	374,753
Net appreciation	769,815	719,246	4,205	1,493,266
Withdrawals	<u>(308,160)</u>	<u>(143,240)</u>	<u>-</u>	<u>(451,400)</u>
Balance at June 30, 2017	<u>\$ 10,612,486</u>	<u>4,625,583</u>	<u>4,058,057</u>	<u>19,296,126</u>

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(11) Leases**

The Organization leases office facilities and certain equipment under various operating leases. Rent expense was approximately \$591,000 and \$587,000 for the years ended June 30, 2017 and 2016, respectively.

The Organization is also obligated under two capital leases for office equipment that expire over the next five years. The gross amount of office equipment and related accumulated amortization recorded under the capital leases as of June 30, 2017 were \$72,000 and \$6,857, respectively. The gross amount of office equipment and related accumulated amortization recorded under the capital leases as of June 30, 2016 were \$124,995 and \$86,107, respectively. Amortization of assets held under the capital leases is included in depreciation expense. Interest expense recorded under the capital leases for the years ended June 30, 2017 and 2016 was \$6,388 and \$2,704, respectively.

Future minimum lease payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year and the present value of minimum capital lease payments as of June 30, 2017 are as follows:

<u>Year Ending June 30,</u>	<u>Capital Leases</u>	<u>Operating Leases</u>	<u>Total</u>
2018	\$ 20,164	637,700	657,864
2019	20,164	648,300	668,464
2020	20,164	654,200	674,364
2021	20,164	671,300	691,464
2022	15,122	686,300	701,422
Thereafter	-	621,300	621,300
Total minimum lease payments	95,778	<u>3,919,100</u>	<u>4,014,878</u>
Less amount representing interest	<u>(28,399)</u>		
Present value of minimum capital lease payments	<u>\$ 67,379</u>		

**(12) Concentration of Credit Risk**

As stated previously, the Organization maintains its cash and cash equivalent balances with what management believes to be high credit quality financial institutions. The Organization's deposit balances exceeded federal deposit insurance limits by approximately \$3,449,000 and \$1,767,000 as of June 30, 2017 and 2016, respectively.

## UNITED WAY SUNCOAST, INC.

### Notes to Financial Statements - Continued

#### (13) Fair Value Measurements

Financial instruments measured at fair value are classified and disclosed in the following categories:

- Level 1: Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments included in Level 1 are equities, corporate bonds, U.S. Treasury notes, real estate investment trusts, mutual funds, and money market funds.
- Level 2: Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include agency obligations, mortgage backed securities, alternative investments, and certificates of deposit. The fair value of the Organization's beneficial interest in the Community Foundation of Tampa Bay (Community Foundation) is based on valuation information provided by the Community Foundation which is primarily derived from or corroborated by observable market data as it relates to the Community Foundation's underlying investments.
- Level 3: Valuation is based on unobservable inputs. The Organization's beneficial interest in charitable remainder trusts is considered a financial asset subject to the valuation hierarchy and has been classified as Level 3 since observable inputs are minimal. Fair values for annuities payable are determined by calculating the present value of expected cash flows over the expected term of the underlying agreements.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, a financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.



**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(13) Fair Value Measurements - Continued**

Fair value of assets and liabilities measured on a recurring basis at June 30, 2017 are as follows:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>Assets:</b>				
Money market funds	\$ 1,643,895	1,643,895	-	-
Debt securities:				
Corporate and foreign bonds	3,719,126	3,719,126	-	-
Fixed income mutual funds	1,731,901	1,731,901	-	-
CMOs & mortgaged-backed securities	1,491,351	-	1,491,351	-
U.S. government & agency obligations	886,636	747,653	138,983	-
	<u>7,829,014</u>	<u>6,198,680</u>	<u>1,630,334</u>	<u>-</u>
Mutual funds - equities	859,828	859,828	-	-
Exchange traded funds:				
Emerging markets equity	347,175	347,175	-	-
Intermediate bond	666,183	666,183	-	-
International equity	1,964,218	1,964,218	-	-
Short term bond	110,175	110,175	-	-
US large cap core	3,183,415	3,183,415	-	-
US large cap growth	1,776,580	1,776,580	-	-
US large cap value	2,043,816	2,043,816	-	-
US mid cap blend	-	-	-	-
US mid cap core	933,230	933,230	-	-
US small cap core	1,337,590	1,337,590	-	-
	<u>12,362,382</u>	<u>12,362,382</u>	<u>-</u>	<u>-</u>
Community Foundation investments	1,228,943	-	1,228,943	-
Receivable under remainder trusts	468,379	-	-	468,379
	<u>\$ 24,392,441</u>	<u>21,064,785</u>	<u>2,859,277</u>	<u>468,379</u>
<b>Liabilities:</b>				
Annuities payable	\$ 282,076	-	-	282,076
Obligation under remainder trust agreement	90,560	-	-	90,560
	<u>\$ 372,636</u>	<u>-</u>	<u>-</u>	<u>372,636</u>

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(13) Fair Value Measurements - Continued**

Fair value of assets and liabilities measured on a recurring basis at June 30, 2016 are as follows:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>Assets:</b>				
Money market funds	\$ 3,042,311	3,042,311	-	-
Debt securities:				
Corporate and foreign bonds	3,375,813	3,375,813	-	-
Fixed income mutual funds	1,518,267	1,518,267	-	-
CMOs & mortgaged-backed securities	1,758,103	-	1,758,103	-
U.S. government & agency obligations	1,114,329	1,045,898	68,431	-
	7,766,512	5,939,978	1,826,534	-
Mutual funds - equities	705,759	705,759	-	-
Exchange traded funds:				
Emerging markets equity	304,194	304,194	-	-
Intermediate bond	765,113	765,113	-	-
International equity	1,978,031	1,978,031	-	-
Short term bond	111,257	111,257	-	-
US large cap core	2,465,210	2,465,210	-	-
US large cap growth	1,947,624	1,947,624	-	-
US large cap value	2,013,952	2,013,952	-	-
US mid cap blend	298,555	298,555	-	-
US mid cap core	887,896	887,896	-	-
US small cap core	1,299,399	1,299,399	-	-
	12,071,231	12,071,231	-	-
Community Foundation investments	1,095,234	-	1,095,234	-
Receivable under remainder trusts	571,964	-	-	571,964
	<u>\$ 25,253,011</u>	<u>21,759,279</u>	<u>2,921,768</u>	<u>571,964</u>
<b>Liabilities:</b>				
Annuities payable	\$ 309,715	-	-	309,715
Obligation under remainder trust agreement	85,420	-	-	85,420
	<u>\$ 395,135</u>	<u>-</u>	<u>-</u>	<u>395,135</u>

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(13) Fair Value Measurements - Continued**

The following table sets forth a summary of changes in fair value for the years ended June 30, 2017 and 2016 for which the Organization has used Level 3 inputs to determine fair value:

	<b>Receivable under Remainder Trusts</b>	<b>Annuities Payable</b>	<b>Obligation under Remainder Trust</b>
Balance at July 1, 2015	\$ 915,147	324,841	99,055
Total gains/(losses) included in changes in net assets	19,297	25,676	190
Contributions	36,201	-	-
Settlements	<u>(398,681)</u>	<u>(40,802)</u>	<u>(13,825)</u>
Balance at June 30, 2016	571,964	309,715	85,420
Total gains/(losses) included in changes in net assets	10,369	16,858	18,477
Contributions	50,726	-	-
Settlements	<u>(164,680)</u>	<u>(44,497)</u>	<u>(13,337)</u>
Balance at June 30, 2017	<u>\$ 468,379</u>	<u>282,076</u>	<u>90,560</u>

*Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements*

The Organization utilizes discounted cash flow methods to estimate the fair value of the receivable under remainder trusts, annuities payable and the obligation under remainder trust. Significant unobservable inputs as of June 30, 2017 include using discount rates ranging from 1.89% to 2.31% and life expectancy estimates for income beneficiaries which range from 4 to 9 years. Significant unobservable inputs as of June 30, 2016 include using discount rates ranging from .71% to 1.49% and life expectancy estimates for income beneficiaries which range from 2 to 9 years.

**UNITED WAY SUNCOAST, INC.**

**Notes to Financial Statements - Continued**

**(14) Subsequent Events**

The Organization has evaluated subsequent events through December 1, 2017, the date the financial statements were available for issuance. Effective July 1, 2017, the Organization merged with the United Way of Manatee County, Inc. and its affiliate, United Way Foundation of Manatee County. The new entity which has retained the name, United Way Suncoast, Inc. will serve the Pinellas, Hillsborough, DeSoto, Sarasota, and Manatee Counties. Effective August 2017, the Sarasota Area Board approved a motion to transfer a \$400,000 donor advised fund to the Gulf Coast Community Foundation.