

UNITED WAY OF LEE COUNTY, INC.

Financial Statements

December 31, 2017 and 2016

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LOCAL FIRM.
NATIONAL KNOWLEDGE.
GLOBAL REACH.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
United Way of Lee County, Inc.
Opelika, Alabama

We have audited the accompanying financial statements of United Way of Lee County, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016 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.

Auditors' 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 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 auditors' 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 Lee County, Inc. as of December 31, 2017 and 2016 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Barfield, Murphy, Shank & Smith, LLC

Opelika, Alabama
August 8, 2018

UNITED WAY OF LEE COUNTY, INC.
 Statements of Financial Position
 December 31, 2017 and 2016

	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 452,883	\$ 484,903
Designated cash	46,589	54,519
Certificates of deposit	177,497	-
Other current assets	2,627	2,627
Unconditional promises to give (less allowances of \$88,899 and \$114,948, respectively)	509,229	573,652
	1,188,825	1,115,701
Fixed Assets		
Buildings	231,338	231,338
Equipment	23,553	41,615
Land	35,000	35,000
Furniture and fixtures	39,876	39,877
	329,767	347,830
Less accumulated depreciation	(181,189)	(192,197)
Net fixed assets	148,578	155,633
Certificates of deposit maturing in more than one year	90,427	264,914
Investments	347,563	303,775
	437,990	568,689
	\$ 1,775,393	\$ 1,840,023
Liabilities and Net Assets		
Current Liabilities		
Accrued and other liabilities	\$ 3,722	\$ 4,136
Net Assets		
Unrestricted	1,574,099	1,474,549
Temporarily restricted	197,572	361,338
	1,771,671	1,835,887
	\$ 1,775,393	\$ 1,840,023

See notes to financial statements.

UNITED WAY OF LEE COUNTY, INC.
Statement of Activities
December 31, 2017

	Temporarily		Total
	Unrestricted	Restricted	
Revenues, Gains, and Other Support			
Campaign applicable to current period			
Contributions received in current period	\$ 113,383	\$ -	\$ 113,383
Contributions received in prior periods (released from restrictions)	826,736	(826,736)	-
Less bad debt for uncollectible pledges	(16,063)	-	(16,063)
	<u>970,285</u>	<u>(826,736)</u>	<u>143,549</u>
Campaign revenue received for next allocation period	-	662,970	662,970
Total campaign for next allocation period	<u>-</u>	<u>662,970</u>	<u>662,970</u>
Total campaign	970,285	(163,766)	806,519
Interest income	3,328	-	3,328
Rental income	7,330	-	7,330
Miscellaneous income	18,558	-	18,558
Unrealized gain on marketable securities	46,229	-	46,229
Realized gain on marketable securities	1,482	-	1,482
	<u>1,000,983</u>	<u>(163,766)</u>	<u>837,217</u>

See notes to financial statements.

UNITED WAY OF LEE COUNTY, INC.
Statement of Activities
December 31, 2017
(Continued)

	Unrestricted	Temporarily Restricted	Total
Allocations to Agencies, Programs, and Others			
Agency allocations	624,129	-	624,129
Special allocations to agencies and others	3,879	-	3,879
Total allocations to agencies, programs, and others	628,008	-	628,008
Functional Expenses	273,425	-	273,425
Total allocations and expenses	901,433	-	901,433
Change in net assets	99,550	(163,766)	(64,216)
Net assets, beginning of year	1,474,549	361,338	1,835,887
Net assets, end of year	<u>\$ 1,574,099</u>	<u>\$ 197,572</u>	<u>\$ 1,771,671</u>

See notes to financial statements.

UNITED WAY OF LEE COUNTY, INC.
Statement of Activities
December 31, 2016

	Temporarily		Total
	Unrestricted	Restricted	
Revenues, Gains, and Other Support			
Campaign applicable to current period			
Contributions received in current period	\$ 73,522	\$ -	\$ 73,522
Contributions received in prior periods (released from restrictions)	839,913	(839,913)	-
Less bad debt for uncollectible pledges	(42,515)	-	(42,515)
	<u>870,920</u>	<u>(839,913)</u>	<u>31,007</u>
Campaign revenue received for next allocation period	-	826,736	826,736
Less bad debt for uncollectible pledges	-	(3,828)	(3,828)
Total campaign for next allocation period	<u>-</u>	<u>822,908</u>	<u>822,908</u>
Total campaign	870,920	(17,005)	853,915
Interest income	2,352	-	2,352
Rental income	7,435	-	7,435
Miscellaneous income	21,468	-	21,468
Unrealized gain on marketable securities	21,579	-	21,579
Realized gain on marketable securities	2,756	-	2,756
	<u>926,510</u>	<u>(17,005)</u>	<u>909,505</u>
Total revenues, gains, and other support	<u>926,510</u>	<u>(17,005)</u>	<u>909,505</u>

See notes to financial statements.

UNITED WAY OF LEE COUNTY, INC.
Statement of Activities
December 31, 2016
(Continued)

	Unrestricted	Temporarily Restricted	Total
Allocations to Agencies, Programs, and Others			
Agency allocations	604,352	-	604,352
Special allocations to agencies and others	1,295	-	1,295
Total allocations to agencies, programs, and others	605,647	-	605,647
Functional Expenses	263,237	-	263,237
Total allocations and expenses	868,884	-	868,884
Change in net assets	57,626	(17,005)	40,621
Net assets, beginning of year	1,416,923	378,343	1,795,266
Net assets, end of year	\$ 1,474,549	\$ 361,338	\$ 1,835,887

See notes to financial statements.

UNITED WAY OF LEE COUNTY, INC.
Statement of Functional Expenses
December 31, 2017

	Community Service	Fund Raising	Management and General	Total
Salaries and wages	\$ 95,744	\$ 54,711	\$ 20,517	\$ 170,972
Employee benefits	14,916	8,523	3,196	26,635
Total personnel costs	110,660	63,234	23,713	197,607
Supplies	4,860	17,000	1,909	23,769
Membership dues	-	-	10,575	10,575
Telephone and utilities	5,304	-	4,518	9,822
Professional fees	5,992	-	4,708	10,700
Insurance	2,054	-	1,613	3,667
Repairs and maintenance	228	-	1,827	2,055
Miscellaneous	-	-	4,688	4,688
Postage and shipping	2,505	-	-	2,505
Education and conferences	-	-	982	982
Total expenses before depreciation	131,603	80,234	54,533	266,370
Depreciation	3,951	-	3,104	7,055
Total expenses	\$ 135,554	\$ 80,234	\$ 57,637	\$ 273,425

See notes to financial statements.

UNITED WAY OF LEE COUNTY, INC.
Statement of Functional Expenses
December 31, 2016

	Community Service	Fund Raising	Management and General	Total
Salaries and wages	\$ 93,560	\$ 50,883	\$ 19,697	\$ 164,140
Employee benefits	12,311	6,696	2,592	21,599
Total personnel costs	105,871	57,579	22,289	185,739
Supplies	4,695	13,283	3,140	21,118
Membership dues	-	-	11,581	11,581
Telephone and utilities	5,438	-	4,633	10,071
Professional fees	6,783	-	5,117	11,900
Insurance	1,724	-	1,300	3,024
Repairs and maintenance	228	-	1,578	1,806
Direct service	1,550	-	-	1,550
Miscellaneous	-	-	4,148	4,148
Postage and shipping	2,027	-	-	2,027
Education and conferences	-	-	3,436	3,436
Total expenses before depreciation	128,316	70,862	57,222	256,400
Depreciation	3,692	-	3,145	6,837
Total expenses	\$ 132,008	\$ 70,862	\$ 60,367	\$ 263,237

See notes to financial statements.

UNITED WAY OF LEE COUNTY, INC.
 Statements of Cash Flows
 December 31, 2017 and 2016

	2017	2016
Operating Activities		
Change in net assets	\$ (64,216)	\$ 40,621
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	7,055	6,837
Bad debt for uncollectible pledges	16,063	46,343
Net unrealized gain on marketable securities	(46,229)	(21,579)
Realized gain on marketable securities	(1,482)	(2,756)
Changes in operating assets and liabilities:		
Unconditional promises to give	48,360	(6,303)
Other current assets	-	4,042
Accounts payable	-	(2,503)
Accrued and other liabilities	(414)	921
	(40,863)	65,623
 Net cash (used in) provided by operating activities	 (40,863)	 65,623
 Investing Activities		
Purchase of fixed assets	-	(14,500)
Changes in certificates of deposit	(3,010)	(2,251)
Changes in designated cash	7,930	2,821
Changes in marketable securities	3,923	3,538
	8,843	(10,392)
 Net cash provided by (used in) investing activities	 8,843	 (10,392)
 Net (decrease) increase in cash and cash equivalents	 (32,020)	 55,231
 Cash and cash equivalents, beginning of year	 484,903	 429,672
 Cash and cash equivalents, end of year	 \$ 452,883	 \$ 484,903

See notes to financial statements.

UNITED WAY OF LEE COUNTY, INC.
Notes to Financial Statements
December 31, 2017 and 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activity

The United Way of Lee County, Inc. (the “Organization”) is a non-profit, voluntary health agency.

The Board of Directors and management employees of the Organization acknowledge that, to the best of their ability, all assets received have been used for the purpose for which they were contributed, or have been accumulated to allow management to conduct the operations of the Organization as effectively and efficiently as possible.

In 1988, the Auburn United Fund and the Community Chest of Opelika, Inc. merged to form the Organization. The purpose of this merger was to enable the Organization to serve the community in a more efficient manner and to combine the talents of both organizations.

Basis of Accounting

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America. In preparing the financial statements, management evaluated subsequent events through August 8, 2018, the date the financial statements were available to be issued.

Estimates

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, which require that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Consequently, actual results could differ from those estimates.

Financial Statement Presentation

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 those net assets not subject to donor-imposed stipulations and that have no time restrictions. Such resources are available for support of the Organization’s operations over which the Board of Directors has discretionary control.

Temporarily Restricted Net Assets are those net assets subject to donor-imposed stipulations that will be met by Organization actions or by passage of time. When a stipulated time restriction ends or purpose restriction is accomplished, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions.

UNITED WAY OF LEE COUNTY, INC.

Notes to Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Financial Statement Presentation - Continued

Permanently Restricted Net Assets are those net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for unrestricted or donor-specified purposes. At December 31, 2017 and 2016, the Organization did not have any permanently restricted net assets.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to unrestricted net assets and are reported in the Statements of Activities as net assets released from restriction.

Donated Inventory and Services

Donated inventory, services and gifts in kind have not been reflected in the accompanying financial statements since no objective basis is available to measure the value of such inventory and services. Nevertheless, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and in its fund-raising campaigns.

Cash and Cash Equivalents

The Organization considers all instruments with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents consist of money market securities stated at fair value which approximates cost. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. These amounts represent actual account balances held by financial institutions at the end of the period, and unlike the balances reported in the financial statements, the account balances do not reflect timing delays inherent in reconciling items such as outstanding checks and deposits in transit. The Organization has never experienced any losses related to these balances.

Unconditional Promises to Give

Unconditional promises to give are recognized as revenues in the period the promise is received. Conditional contribution receivables are recognized when the conditions on which they depend are substantially met. The Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

UNITED WAY OF LEE COUNTY, INC.

Notes to Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fixed Assets

Fixed assets are recorded at cost and include buildings, equipment, land and furniture and fixtures. Buildings, equipment, and furniture and fixtures are depreciated using the straight-line method over the assets' estimated lives. The Organization capitalizes all assets with estimated useful lives exceeding one year. Estimated lives are generally as follows:

Buildings	- 40 years
Equipment	- 5 to 7 years
Furniture and fixtures	- 5 to 7 years

Investments

Investments are carried at fair value. Net appreciation/(depreciation) in the fair value of investments, which includes realized gains and losses and unrealized gains and losses on those investments, is reported in the Statements of Activities. Investment income is presented net of investment advisory and custodial fees. Expenses relating to investment income, including investment advisory and custodial fees, totaled \$3,923 and \$3,538 during the years ended December 31, 2017 and 2016, respectively and are recorded within the caption Miscellaneous on the Organization's Statements of Activities. Cost basis is determined on the date of purchase. Securities received as gifts are recorded at fair value at the date of the gift. Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level or risk associated with certain investment securities and the level of uncertainty related to changes in value of investment securities, it is at least possible that changes in risks in the near term could materially affect investment balances.

Investments also consist of certificates of deposit which have original maturities ranging from thirty-six to sixty months and are carried at cost plus accrued interest which approximates fair value.

Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limits prescribed by the code. The Organization recognizes all tax positions that it does not believe will be sustained upon examination by the tax authorities. As of December 31, 2017 and 2016, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements based on an assessment of many factors including experience and interpretations of tax laws applied to the facts of each matter for all open tax years.

UNITED WAY OF LEE COUNTY, INC.

Notes to Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist primarily of unconditional promises to give, substantially all of which are from individuals, businesses, or non-profit foundations in the Lee County area. Concentrations of credit risk are material since the Organization has a small number of very large donors. As of December 31, 2017 and 2016, the Organization received approximately 16% of its annual revenues from a single donor.

Donor-Imposed Restrictions

All current campaign contributions (2018 Campaign) are considered temporarily restricted because they are subject to a time restriction. The Organization does not release current campaign contributions until the first quarter of the following year. Campaign contributions, other than time-restricted contributions, are considered to be available for unrestricted use unless specifically restricted by the donor for a specific program or time period. Amounts received that are designated for future periods or are restricted by the donor for a specific purpose are reported as temporarily restricted or permanently restricted, as appropriate. Donor-restricted contributions whose restrictions are met in the current reporting period are recorded as unrestricted support. When a donor restriction or time restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the Statements of Activities as net assets released from restrictions.

Functional Expenses

The costs of providing the program and related supporting services have been summarized on the functional basis in the Statements of Activities and Statements of Functional Expenses. Accordingly, certain costs have been allocated to the appropriate functions.

Fair Value

The established framework for measuring fair value provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is the price the Company would expect to receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

UNITED WAY OF LEE COUNTY, INC.
Notes to Financial Statements
December 31, 2017 and 2016
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Level 1- Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2- Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets.

Quoted prices for identical or similar assets or liabilities in inactive markets.

Inputs other than quoted prices that are observable for the asset or liability.

Inputs which are derived principally from or corroborated by observable market data by correlation or other means.

If the assets or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3- Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

Reclassifications

Certain prior year balances have been reclassified to conform to the current year presentation. The reclassifications had no effect on net assets or changes in net assets as of and for the year ended December 31, 2016, as previously reported.

UNITED WAY OF LEE COUNTY, INC.
Notes to Financial Statements
December 31, 2017 and 2016
(Continued)

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at December 31, 2017:

	2017	2016
Regions bank	\$ 19,781	\$ 14,982
Transfer and savings	134,647	127,242
Money market	128,915	128,673
Active campaign account	178	178
Old campaign account	10,050	8,772
New active campaign account	159,312	205,056
	\$ 452,883	\$ 484,903

As of December 31, 2017, the Organization is in compliance with United Way National’s recommendation that two quarters’ of agency payments be kept in reserve in case of disaster. Included in the Organization’s reserve are cash and cash equivalents (listed above) and the certificates of deposit listed in Note 5 totaling \$267,925 and \$264,914 at December 31, 2017 and 2016, respectively. In January of 2017 and 2016, the Organization’s Board budgeted to allocate approximately \$653,600 and \$656,100 to its various agencies during the years ended December 31, 2017 and 2016, respectively.

NOTE 3 - DESIGNATED CASH

The Board has designated specific accounts to hold unrestricted funds that act as reserve accounts for use toward special needs, venture grants, and the William Mason Emergency fund. As of December 31, 2017 and 2016, the Organization had \$46,589 and \$54,519 in designated cash, respectively.

NOTE 4 - FAIR VALUE

The following is a description of the valuation methodology used for assets measured at fair value. There were no changes in the methodologies used during the years ended December 31, 2017 and 2016.

- *Cash Investments and Money Market Funds:* Valued at amortized cost which approximates fair value.
- *Debt and Equity Securities:* Valued based on quoted market prices, when available, or market prices provided by recognized broker dealers. Securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are stated at the last quoted bid price. Government-sponsored enterprises and commercial paper are stated at cost plus accrued interest, which approximates fair value.
- *Donated Land:* Valued based upon an estimated value where limited market comparisons are available.

UNITED WAY OF LEE COUNTY, INC.

Notes to Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 4 - FAIR VALUE - Continued

The preceding methods described may produce a fair value calculation that may not be indicative of net realized value or reflective of future fair values. Furthermore, although management 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.

The following table sets forth, by level with the fair value hierarchy, the Organization's investment assets at fair value, as of December 31, 2017 and 2016:

	Fair Value	Quoted Prices in Active Markets for Identical (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2017				
Money markets	\$ 128,915	\$ 128,915	\$ -	\$ -
Cash investments	4,413	4,413	-	-
Debt securities	131,504	131,504	-	-
Equity securities	208,642	208,642	-	-
Donated land	3,004	-	3,004	-
	\$ 347,563	\$ 344,559	\$ 3,004	\$ -
December 31, 2016				
Money markets	\$ 128,673	\$ 128,673	\$ -	\$ -
Cash investments	6,009	6,009	-	-
Debt securities	115,702	115,702	-	-
Equity securities	179,060	179,060	-	-
Donated land	3,004	-	3,004	-
	\$ 303,775	\$ 300,771	\$ 3,004	\$ -

UNITED WAY OF LEE COUNTY, INC.
Notes to Financial Statements
December 31, 2017 and 2016
(Continued)

NOTE 5 - CERTIFICATES OF DEPOSIT

Below is a summary of the Organization's certificates of deposit as of December 31:

	2017	2016
BBVA Compass Bank	\$ 88,531	\$ 87,301
National Bank of Commerce	179,393	177,613
	\$ 267,924	\$ 264,914

NOTE 6 - INVESTMENTS

Below is a summary of the Organization's investments and donated property, at fair market value, as of December 31:

	2017	2016
Cash investments	\$ 4,413	\$ 6,009
Equity securities	208,642	179,060
Donated land	3,004	3,004
Debt securities	131,504	115,702
Total fair value	347,563	303,775
Less: accumulated unrealized gain	(90,171)	(43,942)
Total cost/donated value	\$ 257,392	\$ 259,833

UNITED WAY OF LEE COUNTY, INC.
Notes to Financial Statements
December 31, 2017 and 2016
(Continued)

NOTE 7 - CONTRIBUTIONS

Contributions for the calendar years 2017 and 2016 consisted of the following:

	2017	2016
From 2016 Campaign	\$ -	\$ 73,522
From 2017 Campaign	113,383	826,736
From 2018 Campaign	662,970	-
Less allowance for uncollectible pledges	(16,063)	(46,343)
	\$ 760,290	\$ 853,915

NOTE 8 - RESTRICTIONS RELEASED & TEMPORARY RESTRICTIONS

Contributions with time restrictions are to be classified as temporarily restricted contributions. Accordingly, the Organization’s contributions for the current campaign (the 2018 Campaign) are not distributed until the end of the first quarter of the following year. Therefore, current campaign contributions are temporarily restricted. Also, temporary restrictions from the prior year contributions must be reclassified to unrestricted contributions. At December 31, 2017 and 2016, temporarily restricted contributions totaled \$662,970 and \$826,736, respectively. During the years ended December 31, 2017 and 2016, the Organization released \$826,736 and \$839,913 from temporarily restricted net assets to unrestricted net assets, respectively.

NOTE 9 - TAX DEFERRED PENSION

In 1989, the Organization enrolled in a tax deferred annuity plan with Mutual of America for its employees. As the annuity assets belong to the plan, the balances are not shown on the Organization’s Statements of Financial Position. Employer contributions to the plan totaled \$4,979 and \$3,284 for the years ended December 31, 2017 and 2016, respectively.

UNITED WAY OF LEE COUNTY, INC.
Notes to Financial Statements
December 31, 2017 and 2016
(Continued)

NOTE 10 - LEASES

The Organization has a lease agreement on its copy machine. In August of 2016, the Organization entered into a lease for a copier with a payment of \$129 per month for 36 months. Rent expense paid under the lease agreement during the year ended December 31, 2017 totaled \$1,548. At December 31, 2017, future amounts due under the noncancelable operating lease agreement for the next two years are as follows:

2018	1,548
2019	<u>903</u>
	<u>\$ 2,451</u>