



of Kennebec Valley

Financial Statements

Years Ended December 31, 2016 and 2015

UNITED WAY OF KENNEBEC VALLEY
Financial Statements
Years Ended December 31, 2016 and 2015

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Independent Auditor's Report

To the Board of Directors of
United Way of Kennebec Valley

We have audited the accompanying financial statements of United Way of Kennebec Valley (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016 and 2015, 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 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 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.

Board of Directors
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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 Kennebec Valley as of December 31, 2016 and 2015, 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.

Gibson Klein, LLC

Augusta, Maine
August 7, 2017

UNITED WAY OF KENNEBEC VALLEY
Statements of Financial Position
December 31, 2016 and 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 443,623	56,345	499,968	414,094	100,616	514,710
Promises to give:						
2014-2015 campaign, less provision for uncollectible promises to give of \$81,688		-	-	268,270	-	268,270
2015-2016 campaign, less provision for uncollectible promises to give of \$70,959	221,418	-	221,418	-	563,173	563,173
2016-2017 campaign, less provision for uncollectible promises to give of \$60,904	-	577,538	577,538	-	-	-
Other receivables	5,138	-	5,138	7,867	-	7,867
Prepaid expenses	6,354	-	6,354	10,447	-	10,447
Total current assets	676,533	633,883	1,310,416	700,678	663,789	1,364,467
Property and equipment:						
Leasehold improvements	2,200	-	2,200	2,200	-	2,200
Furniture and fixtures	71,183	-	71,183	54,983	-	54,983
Equipment	9,751	-	9,751	9,751	-	9,751
Less: accumulated depreciation	(61,948)	-	(61,948)	(58,306)	-	(58,306)
Total property and equipment, net	21,186	-	21,186	8,628	-	8,628
Other assets:						
Investments	-	211,039	211,039	-	204,725	204,725
Security deposits	2,000	-	2,000	2,000	-	2,000
Total other assets	2,000	211,039	213,039	2,000	204,725	206,725
Total assets	\$ 699,719	844,922	1,544,641	711,306	868,514	1,579,820
LIABILITIES AND NET ASSETS						
Current liabilities:						
Accounts payable	\$ 9,856	-	9,856	17,553	-	17,553
Amounts held on behalf of others	71,663	-	71,663	70,537	-	70,537
Due to designated agencies	192,155	-	192,155	184,753	-	184,753
Accrued expenses	13,250	-	13,250	11,846	-	11,846
Current portion of capital lease	3,240	-	3,240	-	-	-
Total current liabilities	290,164	-	290,164	284,689	-	284,689
Capital leases, net of current portion	12,960	-	12,960	-	-	-
Total liabilities	303,124	-	303,124	284,689	-	284,689
Total net assets	396,595	844,922	1,241,517	426,617	868,514	1,295,131
Total liabilities and net assets	\$ 699,719	844,922	1,544,641	711,306	868,514	1,579,820

See accompanying notes to financial statements.

UNITED WAY OF KENNEBEC VALLEY
Statements of Activities
Years Ended December 31, 2016 and 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues, gains and other support:						
Campaign applicable to current period:						
Contributions received	\$ 449,869	-	449,869	501,977	-	501,977
Campaign applicable to next period:						
Contributions received	-	1,095,057	1,095,057	-	1,125,651	1,125,651
Less donor designations	-	(165,860)	(165,860)	-	(151,467)	(151,467)
Less provision for uncollectible promises to give	-	(63,260)	(63,260)	-	(60,904)	(60,904)
Unrealized gain (loss) on marketable securities	-	8,353	8,353	-	(10,836)	(10,836)
Fuel assistance and Warming Center revenue	-	34,596	34,596	-	26,624	26,624
Community giving	-	2,250	2,250	-	3,000	3,000
Investment income	9,233	-	9,233	13,226	-	13,226
Administration fee revenue	9,902	-	9,902	9,414	-	9,414
Other revenue	13,693	-	13,693	68	15,584	15,652
Day of Caring revenue	26,750	-	26,750	32,500	-	32,500
Special events revenue (net of \$15,915 and \$17,224 expenses)	5,864	-	5,864	5,619	-	5,619
Non-cash contributions	45,442	-	45,442	46,808	-	46,808
Net assets released from restrictions:						
Expiration of time restrictions	934,728	(934,728)	-	1,037,125	(1,037,125)	-
Total revenues, gains, and other support	1,495,481	(23,592)	1,471,889	1,646,737	(89,473)	1,557,264
Allocations, other distributions and expenses:						
Allocations and other distributions	1,064,923	-	1,064,923	1,123,613	-	1,123,613
Less: allocations and other distributions funded through designations	(165,860)	-	(165,860)	(151,467)	-	(151,467)
Allocations and other distributions, net	899,063	-	899,063	972,146	-	972,146
Expenses:						
Program services	366,745	-	366,745	378,888	-	378,888
Management and general	138,889	-	138,889	126,719	-	126,719
Fundraising	106,835	-	106,835	97,475	-	97,475
Unallocated payments to affiliates	13,971	-	13,971	15,633	-	15,633
Total expenses	626,440	-	626,440	618,715	-	618,715
Change in net assets	(30,022)	(23,592)	(53,614)	55,876	(89,473)	(33,597)
Net assets, beginning of year	426,617	868,514	1,295,131	370,741	957,987	1,328,728
Net assets, end of year	\$ 396,595	844,922	1,241,517	426,617	868,514	1,295,131

See accompanying notes to financial statements.

UNITED WAY OF KENNEBEC VALLEY
Statement of Functional Expenses
Year Ended December 31, 2016

		Support Services			Total
		Program services	Management and general	Fundraising	
Salaries	\$	125,686	60,516	46,550	232,752
Employee benefits and payroll taxes		31,215	15,029	11,561	57,805
Information and promotional materials		11,818	5,690	4,377	21,885
Professional services		10,727	5,165	3,973	19,865
In-kind expense - professional services		1,350	650	500	2,500
Supplies		5,422	2,611	2,008	10,041
Occupancy		15,855	7,634	5,872	29,361
In-kind expense - occupancy		8,100	3,900	3,000	15,000
Postage and printing		2,293	1,104	849	4,246
In-kind expense - printing		8,100	3,900	3,000	15,000
Communications expense		2,573	1,239	953	4,765
Travel and conferences		7,398	3,562	2,740	13,700
Insurance		4,156	2,001	1,539	7,696
Other		181	86	66	333
Dues		1,900	915	704	3,519
Uncollectible promises to give		49,721	23,940	18,415	92,076
Depreciation		1,967	947	728	3,642
Fuel assistance and Warming Center		14,419	-	-	14,419
Direct client benefits		6,137	-	-	6,137
In-kind expense - program supplies		12,942	-	-	12,942
Day of Caring		44,785	-	-	44,785
Total expenses	\$	366,745	138,889	106,835	612,469

See accompanying notes to financial statements.

UNITED WAY OF KENNEBEC VALLEY
Statement of Functional Expenses
Year Ended December 31, 2015

	Program services	Support Services		Total
		Management and general	Fundraising	
Salaries	\$ 122,550	59,006	45,389	226,945
Employee benefits and payroll taxes	33,140	15,957	12,274	61,371
Information and promotional materials	10,324	4,971	3,824	19,119
Professional services	11,221	5,403	4,156	20,780
In-kind expense - professional services	1,080	520	400	2,000
Supplies	3,047	1,467	1,129	5,643
Occupancy	15,653	7,537	5,797	28,987
In-kind expense - occupancy	8,100	3,900	3,000	15,000
Postage and printing	1,837	884	680	3,401
In-kind expense - printing	8,071	3,886	2,989	14,946
Communications expense	2,375	1,143	880	4,398
Travel and conferences	7,434	3,579	2,753	13,766
Insurance	3,274	1,576	1,213	6,063
Other	1,623	781	601	3,005
Dues	2,269	1,093	840	4,202
Uncollectible promises to give	29,155	14,038	10,798	53,991
Depreciation	2,031	978	752	3,761
Fuel assistance and Warming Center	16,750	-	-	16,750
Direct client benefits	35,224	-	-	35,224
In-kind expense - program supplies	14,861	-	-	14,861
Day of Caring	48,869	-	-	48,869
Total expenses	\$ 378,888	126,719	97,475	603,082

See accompanying notes to financial statements.

UNITED WAY OF KENNEBEC VALLEY
Statements of Cash Flows
Years Ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ (53,614)	(33,597)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	3,642	3,761
Unrealized (gain) loss on investments	(8,353)	10,836
(Increase) decrease in:		
Promises to give, less provision for uncollectible promises	32,487	77,473
Other receivables	2,729	-
Prepaid expenses	4,093	1,107
Increase (decrease) in:		
Accounts payable	(7,697)	5,682
Amounts held on behalf of others	1,126	38,807
Deferred revenue	-	-
Due to designated agencies	7,402	687
Accrued expenses	1,404	3,251
Net cash provided by (used in) operating activities	(16,781)	108,007
Cash flows from investing activities:		
Purchase of property and equipment	-	(6,000)
(Purchase) sale of investments, net	2,039	(12,449)
Net cash provided by (used in) investing activities	2,039	(18,449)
Net increase (decrease) in cash	(14,742)	89,558
Cash and cash equivalents, beginning of year	514,710	425,152
Cash and cash equivalents, end of year	\$ 499,968	514,710
Supplemental information:		
Cash paid for interest	\$ -	-
Cash paid for income taxes	-	-
Non-cash investing activities:		
Cost of new equipment	16,200	-
Issuance of lease to purchase equipment	16,200	-

See accompanying notes to financial statements.

UNITED WAY OF KENNEBEC VALLEY
Notes to Financial Statements, Continued

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - The United Way of Kennebec Valley (UWKV) is a Maine nonprofit voluntary health and welfare organization, formed to assist the Kennebec Valley community in planning human services; accessing human needs programs; seeking solutions to human problems; and assisting with the development of new, or the expansion of existing, human services programs. The Organization conducts annual campaigns in the fall for contributions from the general public which are allocated among nonprofit organizations primarily within the Kennebec Valley area. Contributors making promises to give to the Organization are primarily from the Central Maine area.

Amounts raised through the annual campaign support the United Way's visions and include allocations and other distributions to health and human care services agencies. They are also used to fund the United Way's operating expenses and certain Community Impact programs managed by United Way. Allocations and other distributions are routinely made in the year subsequent to the beginning of the annual campaign.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation - The Organization is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or passage of time. At December 31, 2016 and 2015, \$844,922 and \$868,514 of the Organization's net assets were temporarily restricted.

Permanently restricted net assets - Net assets subject to donor imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of the assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. At December 31, 2016 and 2015, none of the Organization's net assets were permanently restricted.

Expense Allocation - The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Income Tax Status - The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Management believes it has no uncertain tax positions with the Internal Revenue Service that require disclosure in its financial statements. The Organization's federal Return of Organization Exempt from Income Tax (Form 990) for 2015, 2014, and 2013 are subject to examination by the IRS, generally for three years after they are filed.

UNITED WAY OF KENNEBEC VALLEY
Notes to Financial Statements, Continued

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Cash and Cash Equivalents - For financial statement purposes, the UWKV considers all highly liquid investments with an initial maturity of three months or less, and cash in checking, savings and certificates of deposit to be cash equivalents.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions and Campaign Revenue - Contributions received or promises to give without donor-imposed restrictions are reflected as unrestricted support. Contributions received or promises to give with donor-imposed restrictions are reflected as temporarily restricted support. When a donor-stipulated time restriction ends or a purpose restriction is accomplished, then the restricted net assets are reclassified to unrestricted net assets and are reported in the statements of activities as net assets released from restriction. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

Promises to give that are expected to be received within one year of the financial statement date are reflected at their net realizable value (the gross amount of the promise to give, net of a provision for uncollectible amount).

Contributions designated by the donors to be paid to specific agencies or other United Ways (Designations) are considered Agency transactions. Such designated contributions are reflected, net of a provision for uncollectible amounts, in the accompanying statements of activities as part of total amounts raised in campaigns, but are not considered to be part of the United Way's campaign revenue for financial reporting purposes and are, therefore, deducted to reflect United Way's campaign revenue. United Way has included in campaign revenue amounts raised by other United Ways that were designated by donors to be paid to United Way. In addition, United Way increases or decreases campaign revenue for any excess or shortfall collections of amounts raised in prior year's campaigns.

Included in campaign revenue are amounts contributed by certain members of the Board of Directors. In 2016 and 2015, those amounts totaled \$77,522 and \$90,435, respectively.

Net Allocations and Other Distributions - Allocations and other distributions are made to various Board of Directors' approved agencies and programs from funds raised in the annual campaign. United Way recognizes an expense and a related liability when amounts are communicated to the agencies in an award letter as an allocation pledge. United Way has reflected in the accompanying statements of activities gross allocations and other distributions with a reduction for allocations and other distributions funded through designations.

Provision for Uncollectible Promises to Give - A provision for uncollectible promises to give has been established which is evaluated periodically for adequacy based upon management's evaluation of past loss experience, known and inherent risks in its accounts plus other factors which could affect collectability.

UNITED WAY OF KENNEBEC VALLEY
Notes to Financial Statements, Continued

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Property and equipment - Acquisitions of property and equipment with useful lives of more than one year and a cost in excess of \$1,000 are capitalized at cost. United Way of Kennebec Valley uses the straight-line method to compute depreciation expense and assumes useful lives of three to five years for equipment, seven years for furniture, and fifteen years for leasehold improvements. Depreciation expense for the years ended December 31, 2016 and 2015 amounted to \$3,642 and \$3,761, respectively.

Investments - The UWKV carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Reclassifications - Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements. There was no effect on the change in net assets.

CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of promises to give. Concentrations of credit risk with respect to promises to give are limited due to the large number of contributors comprising the UWKV's contributor base and their dispersion across different industries. As of December 31, 2016 and 2015, the UWKV had no significant concentrations of credit risk.

The Organization maintains cash balances at two financial institutions located in the area. The balances are fully insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2016 and 2015, the Organization's uninsured cash balance totaled \$327,546 and \$359,956, respectively.

BOARD DESIGNATED CASH

The Board of Directors in prior years directed that a reserve not to exceed \$100,000 be set aside as an operating reserve. The reserve is intended as a contingency for community disasters, campaign shortfalls, major capital expenditures or loss of a major contributor. The balance in the reserve is to be used to maintain routine operating cash flows. The available reserve account balance at December 31, 2016 and 2015 was \$100,000, and is included in unrestricted cash on the statements of financial position.

INVESTMENTS AND FAIR VALUE MEASUREMENTS

The FASB defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the UWKV's principal or most advantageous market in an orderly transaction between market participants on the measurement date.

UNITED WAY OF KENNEBEC VALLEY
Notes to Financial Statements, Continued

INVESTMENTS AND FAIR VALUE MEASUREMENTS, CONTINUED

The standard establishes a fair value hierarchy which requires the UWKV to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the UWKV has the ability to access as of the measurement date.
- Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect the UWKV's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following is a description of the valuation method and assumptions used by the UWKV to estimate the fair values of certain financial instruments

Equity Securities and Mutual Funds: consist of mutual funds which are primarily invested in equity securities. The fair value of mutual funds, which are readily marketable, is determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs).

Investments measured at fair value at December 31, 2016 and 2015, are summarized below:

Level 1 unrestricted investments at December 31, 2016 are composed of the following:

	<u>Cost</u>	<u>Market</u>	<u>Unrealized Gain/(Loss)</u>
Mutual funds	\$ 170,704	211,039	40,335
Total	\$ 170,704	211,039	40,335

Level 1 unrestricted investments at December 31, 2015 are composed of the following:

	<u>Cost</u>	<u>Market</u>	<u>Unrealized Gain/(Loss)</u>
Mutual funds	\$ 169,871	204,725	34,854
Total	\$ 169,871	204,725	34,854

UNITED WAY OF KENNEBEC VALLEY
Notes to Financial Statements, Continued

INVESTMENTS AND FAIR VALUE MEASUREMENTS, CONTINUED

Investment return is summarized as follows:

	<u>2016</u>	<u>2015</u>
Dividend income	\$ 8,452	12,450
Unrealized gains (loss)	8,353	(10,836)
<u>Total</u>	<u>\$ 16,805</u>	<u>1,614</u>

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Organization has a number of financial instruments, none of which are held for trading purposes. The Organization estimates that the fair value of all financial instruments at December 31, 2016 and 2015 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statements of financial position.

AMOUNTS RAISED ON BEHALF OF OTHERS

United Way acts as an agent with respect to certain portions of its fund-raising campaigns for which contributions are designated by the donors to be paid to specific agencies or other United Ways. Amounts raised on behalf of others, which are considered agency transactions, consist primarily of promises to give and related liabilities consist of designations payable to agencies and other United Ways. Amounts raised on behalf of others as of December 31, 2016 and 2015 was \$192,155 and \$184,753 respectively.

LINE OF CREDIT

United Way of Kennebec Valley has a line of credit with a local bank. The line of credit has an available amount of \$50,000 with interest of prime rate plus one (1%) percent. There was no outstanding balance under the line of credit at December 31, 2016 and 2015.

LEASES

Operating Leases: The Organization leases office space, a warming center, and a postage meter under the terms of operating leases expiring at various dates through December 31, 2018. Rental expense for the years ended December 31, 2016 and 2015 amounted to \$30,030 and \$29,066, respectively. Future minimum payments required under these agreements are as follows:

2017	\$ 27,962	
2018	27,652	
<u>Total</u>	<u>\$ 55,614</u>	

Capital Leases: The Organization leases a copier under the terms of a capital lease expiring December 31, 2021. Future minimum lease payments required under this agreement are as follows:

UNITED WAY OF KENNEBEC VALLEY
Notes to Financial Statements, Continued

LEASES, CONTINUED

2017	\$	3,240
2018		3,240
2019		3,240
2020		3,240
2021		3,240
Total		\$ 16,200

SPECIAL EVENTS

As part of its fundraising efforts, the UWKV holds periodic special events. Revenue for special events is recognized in the period in which the event is held. Direct expenses associated with special events are netted against such revenue as follows:

		<u>2016</u>	<u>2015</u>
Special event revenue	\$	24,271	21,534
Special event direct expenses		(18,407)	(15,915)
Special event revenue, net		\$ 5,864	5,619

DONATED FACILITIES, SERVICES AND SUPPLIES

The value of nonprofessional donated services is not reflected in the accompanying financial statements as these services do not meet the criteria outlined in authoritative guidance on contributions received and contributions made. However, a substantial number of nonprofessional volunteers have donated significant amounts of their time in support of United Way of Kennebec Valley's programs. In addition, non-cash contributions have been recognized in the 2016 and 2015 financial statements for the value of office space that is being leased to the UWKV below market value, as well as for the value of various professional services and contributions of program supplies provided to the Organization.

TEMPORARILY RESTRICTED NET ASSETS

The UWKV's temporarily restricted net assets consist of the following at December 31:

		<u>2016</u>	<u>2015</u>
Annual campaign	\$	756,169	783,851
Community giving		1,827	1,022
Heat Helpers		9,329	9,755
Keep Winthrop Warm		44,084	40,863
Warming Center		7,652	7,162
Augusta Fire Victims		25,861	25,861
Totals		\$ 844,922	868,514

UNITED WAY OF KENNEBEC VALLEY
Notes to Financial Statements, Continued

NET ASSETS RELEASED FROM RESTRICTIONS

The sources of net assets released from temporary donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors for the years ended December 31, 2016 and 2015 were as follows:

	<u>2016</u>	<u>2015</u>
Annual campaign	\$ 902,444	974,692
Community giving	1,445	2,969
Heat Helpers	3,280	-
Keep Winthrop Warm	258	2,827
Warming Center	27,301	26,378
Augusta Fire Victims	-	30,259
Total	\$ 934,728	1,037,125

OVERHEAD RATIO

In accordance with the *Functional Expense and Overhead Reporting Standards for United Ways* effective July 1, 2004, the UWKV has calculated its Overhead Ratio for the year ended December 31, 2016 and 2015 at 17.16% and 14.90%, respectively. The ratio is calculated by dividing the supporting services expenses (management and general, fundraising, and National dues unallocated expense) excluding in-kind expenses, by total campaign and all other revenues, excluding in-kind contributions. Total supporting services expenses excluding in-kind for the years ended December 31, 2016 and 2015, totaled \$244,745 and \$225,131, respectively, and total revenues excluding in-kind for the years ended December 31, 2016 and 2015, totaled \$1,426,447 and \$1,510,456, respectively.

PAYMENTS TO AFFILIATES/DUES

In accordance with UWKV's agreement with the National United Way organization, a portion of the unrestricted support from the public is remitted to the National organization as Dues. Dues paid to National during 2016 and 2015 totaled \$13,971 and \$15,633, respectively, and are considered separate supporting services and are reflected in the statements of activities as "unallocated payments to affiliates".

TAX-DEFERRED ANNUITY PLAN

The Organization has a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers full-time and part-time employees of the Organization. A contribution of seven percent (7%) of each employee's gross wages is made to the plan by the Organization. Employees may also make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. For the years ended December 31, 2016 and 2015, total pension expense was \$11,136 and \$11,020, respectively.

UNITED WAY OF KENNEBEC VALLEY
Notes to Financial Statements, Continued

SUBSEQUENT EVENTS

Subsequent events were evaluated through August 7, 2017, which is the date the financial statements were available to be issued.