

HEARTLAND UNITED WAY, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

December 31, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Heartland United Way, Inc.

Opinion

We have audited the accompanying financial statements of Heartland United Way, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Heartland United Way, Inc. as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Heartland United Way, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Heartland United Way, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Heartland United Way, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Heartland United Way, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Distribution of Campaign Funds is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Heartland United Way, Inc.'s 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 17, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Grand Island, Nebraska
March 20, 2026

HEARTLAND UNITED WAY, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

	<u>Office Fund</u>	<u>General Fund</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 109,312	\$ 533,879
Certificates of deposit (note B)	-	1,119,961
Investments (note C)	-	-
Prepaid expense	11,125	64,891
Interest receivable	-	6,330
Grants receivable (note M)	-	-
Pledges receivable (notes A4 and E)		
2024 - net of allowance for uncollectible pledges of \$83,122 in 2024	-	-
2025 - net of allowance for uncollectible pledges of \$90,143 in both 2025 and 2024	-	55,028
2026 - net of allowance for uncollectible pledges of \$90,583 in 2025	-	875,837
Total current assets	120,437	2,655,926
EQUIPMENT, AT COST (note A5)		
Equipment	201,063	-
Less accumulated depreciation	(128,600)	-
	72,463	-
OTHER ASSETS		
Financing lease right-of-use asset, net of accumulated amortization (note N)	8,724	-
Operating lease right-of-use assets (note N)	206,687	-
Total other assets	215,411	-
TOTAL ASSETS	\$ 408,311	\$ 2,655,926
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Allocations payable	\$ -	1,897,933
Donor designations payable (note A10)	-	524,170
Accrued payroll taxes	-	-
Accrued payroll and vacation	24,500	-
Accounts payable	58,097	-
Current portion of lease liabilities (note N)	16,229	-
Total current liabilities	98,826	2,422,103
LONG-TERM LIABILITIES		
Financing lease liabilities (note N)	6,903	-
Operating lease liabilities (note N)	192,407	-
Total long-term liabilities	199,310	-
TOTAL LIABILITIES	298,136	2,422,103
NET ASSETS		
Without donor restrictions	62,437	70,277
With donor restrictions (note F)	47,738	163,546
Total net assets	110,175	233,823
TOTAL LIABILITIES AND NET ASSETS	\$ 408,311	\$ 2,655,926

See notes to financial statements.

Contingency Fund	Investment Fund	Disaster/COVID Fund	Total All Funds	
			2025	2024
\$ 19,556	\$ -	\$ 95,823	\$ 758,570	\$ 956,675
244,975	-	-	1,364,936	1,157,032
528,662	1,281,684	-	1,810,346	1,572,556
-	-	-	76,016	78,643
1,664	-	-	7,994	13,417
-	-	-	-	39,405
-	-	-	-	101,616
-	-	-	55,028	816,382
-	-	-	875,837	-
<u>794,857</u>	<u>1,281,684</u>	<u>95,823</u>	<u>4,948,727</u>	<u>4,735,726</u>
-	-	-	201,063	165,103
-	-	-	(128,600)	(113,012)
-	-	-	72,463	52,091
-	-	-	8,724	-
-	-	-	206,687	226,492
-	-	-	215,411	226,492
<u>\$ 794,857</u>	<u>\$ 1,281,684</u>	<u>\$ 95,823</u>	<u>\$ 5,236,601</u>	<u>\$ 5,014,309</u>
\$ -	\$ -	\$ -	\$ 1,897,933	\$ 1,852,187
-	-	-	524,170	454,508
-	-	-	-	2,633
-	-	-	24,500	21,119
-	-	-	58,097	60,901
-	-	-	16,229	19,805
-	-	-	2,520,929	2,411,153
-	-	-	6,903	-
-	-	-	192,407	206,687
-	-	-	199,310	206,687
-	-	-	2,720,239	2,617,840
794,857	1,281,684	(14,631)	2,194,624	2,072,086
-	-	110,454	321,738	324,383
<u>794,857</u>	<u>1,281,684</u>	<u>95,823</u>	<u>2,516,362</u>	<u>2,396,469</u>
<u>\$ 794,857</u>	<u>\$ 1,281,684</u>	<u>\$ 95,823</u>	<u>\$ 5,236,601</u>	<u>\$ 5,014,309</u>

HEARTLAND UNITED WAY, INC.
STATEMENTS OF ACTIVITIES
Years ended December 31, 2025 and 2024

	<u>Office Fund</u>	<u>General Fund</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenues		
Contributions and grants	\$ 1,714	\$ -
Interest and dividends	1,801	48,031
Administration fees	2,508	-
Gain on equipment disposal	9,514	-
Realized gain on investments	-	-
Unrealized gain on investments	-	-
Total unrestricted revenues	15,537	48,031
Net assets released from restrictions (note G)		
Satisfaction of program restrictions	2,645	464,735
Total unrestricted revenues and other support	18,182	512,766
Expenses		
Functional expenses	634,185	39,784
Depreciation expense	15,588	-
Total expenses	649,773	39,784
Increase (decrease) in unrestricted net assets before other adjustments	(631,591)	472,982
Other adjustments		
Interfund transfers	656,912	(545,216)
Increase (decrease) in net assets without donor restrictions	25,321	(72,234)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Total amount raised in campaign - net of uncollectible pledges of \$90,583 in 2025 and \$90,143 in 2024	-	1,721,083
Less: Amounts designated by donors for specific organizations	-	(434,582)
Total contributions	-	1,286,501
Funds allocated to agencies	-	(1,327,208)
Less: Allocations funded through donor designations	-	434,582
Allocations of campaign contributions to various agencies	-	(892,626)
Collection of prior year pledges in excess of estimated net collectible	-	21,169
Other restricted contributions	-	49,691
Net assets released from restrictions (note G)	(2,645)	(464,735)
Increase (decrease) in net assets with donor restrictions	(2,645)	-
INCREASE (DECREASE) IN NET ASSETS	22,676	(72,234)
Net assets at beginning of year	87,499	306,057
Net assets at end of year	\$ 110,175	\$ 233,823

See notes to financial statements.

Contingency Fund	Investment Fund	Disaster/COVID Fund	Total All Funds	
			2025	2024
\$ -	\$ -	\$ -	\$ 1,714	\$ 91
31,901	106,414	-	188,147	161,428
-	-	-	2,508	12,200
-	-	-	9,514	-
-	8,246	-	8,246	43,523
36,804	70,777	-	107,581	44,805
<u>68,705</u>	<u>185,437</u>	<u>-</u>	<u>317,710</u>	<u>262,047</u>
-	-	30,176	497,556	577,319
<u>68,705</u>	<u>185,437</u>	<u>30,176</u>	<u>815,266</u>	<u>839,366</u>
-	271	2,900	677,140	691,180
-	-	-	15,588	14,396
<u>-</u>	<u>271</u>	<u>2,900</u>	<u>692,728</u>	<u>705,576</u>
68,705	185,166	27,276	122,538	133,790
9,106	(16,082)	(104,720)	-	-
<u>77,811</u>	<u>169,084</u>	<u>(77,444)</u>	<u>122,538</u>	<u>133,790</u>
-	-	-	1,721,083	1,712,720
-	-	-	(434,582)	(374,680)
-	-	-	1,286,501	1,338,040
-	-	-	(1,327,208)	(1,300,526)
-	-	-	434,582	374,680
<u>-</u>	<u>-</u>	<u>-</u>	<u>(892,626)</u>	<u>(925,846)</u>
-	-	-	21,169	34,278
-	-	30,176	79,867	294,175
-	-	(30,176)	(497,556)	(577,319)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,645)</u>	<u>163,328</u>
77,811	169,084	(77,444)	119,893	297,118
<u>717,046</u>	<u>1,112,600</u>	<u>173,267</u>	<u>2,396,469</u>	<u>2,099,351</u>
<u>\$ 794,857</u>	<u>\$ 1,281,684</u>	<u>\$ 95,823</u>	<u>\$ 2,516,362</u>	<u>\$ 2,396,469</u>

HEARTLAND UNITED WAY, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

Years ended December 31, 2025 and 2024

	2025						
	<u>Community</u>	<u>Volunteer</u>	<u>Go</u>	<u>Admin.</u>	<u>Campaign</u>	<u>Investment</u>	<u>Total All</u>
	<u>Impact</u>	<u>Center</u>	<u>Big Give</u>				<u>Funds</u>
Salaries	\$ 147,437	\$ 73,718	\$ 58,975	\$ 29,487	\$ 58,975	\$ -	\$ 368,592
Employee benefits	20,925	10,463	8,370	4,185	8,370	-	52,313
Payroll taxes	10,800	5,400	4,320	2,160	4,320	-	27,000
Professional fees	16,614	2,769	-	2,769	5,538	271	27,961
Office supplies	2,527	506	1,085	1,447	1,664	-	7,229
Campaign supplies	-	1,099	1,399	-	42,493	-	44,991
Telephone	1,968	492	923	1,230	1,538	-	6,151
Postage	1,853	232	463	927	1,158	-	4,633
Occupancy	9,418	1,648	3,532	4,238	4,709	-	23,545
Equipment lease and repairs	3,568	714	1,338	892	2,408	-	8,920
Printing	-	-	-	-	-	-	-
Volunteer/marketing	-	5,066	-	-	-	-	5,066
Travel	1,264	225	281	337	702	-	2,809
Meetings	3,782	920	1,022	2,044	2,453	-	10,221
Dues	8,905	891	-	5,566	6,902	-	22,264
Insurance	2,807	1,872	1,404	1,404	1,872	-	9,359
Disaster/COVID grants and expenses	2,900	-	-	-	-	-	2,900
Holiday Program expenses	53,186	-	-	-	-	-	53,186
Discretionary funds	-	-	-	-	-	-	-
Total functional expenses	<u>\$ 287,954</u>	<u>\$ 106,015</u>	<u>\$ 83,112</u>	<u>\$ 56,686</u>	<u>\$ 143,102</u>	<u>\$ 271</u>	<u>\$ 677,140</u>

See notes to financial statements.

2024

Community				Total All
<u>Impact</u>	<u>Admin.</u>	<u>Campaign</u>	<u>Investment</u>	<u>Funds</u>
\$ 221,648	\$ 44,330	\$ 75,020	\$ -	\$ 340,998
31,930	6,386	10,807	-	49,123
16,587	3,317	5,614	-	25,518
21,338	3,048	6,097	268	30,751
5,000	2,500	2,917	-	10,417
1,205	-	71,162	-	72,367
2,546	1,432	1,326	-	5,304
1,541	856	1,028	-	3,425
11,526	4,611	6,916	-	23,053
6,574	2,739	4,383	-	13,696
168	51	118	-	337
5,066	-	-	-	5,066
1,621	611	825	-	3,057
9,198	3,471	4,686	-	17,355
7,991	4,814	5,752	-	18,557
8,548	2,564	3,134	-	14,246
10,551	-	-	-	10,551
47,334	-	-	-	47,334
25	-	-	-	25
\$ 410,397	\$ 80,730	\$ 199,785	\$ 268	\$ 691,180

HEARTLAND UNITED WAY, INC.

STATEMENTS OF CASH FLOWS

December 31, 2025 and 2024

	<u>Office</u> <u>Fund</u>	<u>General</u> <u>Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 22,676	\$ (72,234)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation expense	15,588	-
Realized gain on investments	-	-
Unrealized gain on investments	-	-
(Increase) decrease in:		
Prepaid expense	(608)	3,235
Accounts receivable - other	-	-
Interest receivable	-	5,143
Grants receivable	-	-
Pledges receivable	-	(12,867)
Increase (decrease) in:		
Allocations and donor designations payable	-	115,408
Accrued payroll and vacations	3,381	-
Accrued payroll taxes and payroll withholdings	(2,633)	-
Accounts payable	(2,804)	-
	35,600	38,685
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(34,421)	-
Purchase of certificates of deposit	-	(204,961)
Sale of investments	-	-
Purchase of investments	-	-
	(34,421)	(204,961)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Financing lease liability payments	(1,411)	-
	(232)	(166,276)
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents - beginning of year	109,544	700,155
Cash and cash equivalents - end of year	\$ 109,312	\$ 533,879
Supplemental cash flow information:		
Purchase of capital asset through issuance of financing lease	\$ 10,264	\$ -
Cash paid for interest	\$ 291	\$ -

See notes to financial statements.

Contingency Fund	Investment Fund	Disaster Fund	Total All Funds	
			2025	2024
\$ 77,811	\$ 169,084	\$ (77,444)	\$ 119,893	\$ 297,118
-	-	-	15,588	14,396
-	(8,246)	-	(8,246)	(43,523)
(36,804)	(70,777)	-	(107,581)	(44,805)
-	-	-	2,627	(44,449)
-	-	-	-	70
280	-	-	5,423	(4,114)
-	-	39,405	39,405	(28,281)
-	-	-	(12,867)	(13,914)
-	-	-	115,408	203,515
-	-	-	3,381	2,633
-	-	-	(2,633)	(12,449)
-	-	-	(2,804)	57,682
41,287	90,061	(38,039)	167,594	383,879
-	-	-	(34,421)	(1,879)
(2,943)	-	-	(207,904)	(52,032)
-	271	-	271	268
(31,902)	(90,332)	-	(122,234)	(87,127)
(34,845)	(90,061)	-	(364,288)	(140,770)
-	-	-	(1,411)	-
6,442	-	(38,039)	(198,105)	243,109
13,114	-	133,862	956,675	713,566
\$ 19,556	\$ -	\$ 95,823	\$ 758,570	\$ 956,675
\$ -	\$ -	\$ -	\$ 10,264	\$ -
\$ -	\$ -	\$ -	\$ 291	\$ -

HEARTLAND UNITED WAY, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Operations

Heartland United Way, Inc., is a nonprofit organization engaged primarily in soliciting and collecting contributions from individuals and businesses in the Hall, Hamilton, Howard, and Merrick county areas, which it then allocates as support to its member agencies and other organizations. Contributions received in the form of pledges are unsecured.

2. Basis of Accounting and Presentation

Heartland United Way, Inc., uses the accrual basis of accounting, in conformity with the recommendations of the American Institute of Certified Public Accountants for Voluntary Health and Welfare Organizations. Under this method of accounting, revenues and expenses are recorded as incurred, without regard to the date of receipt or payment of cash.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards Codification regarding *Financial Statements of Not-for-Profit Organizations*. Under SFAS Codification Standards, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

3. Fund Accounting

In order to ensure observance of limitations and restrictions placed on use of resources available to the Organization, fund accounting is used to classify resources in accordance with activities or objectives specified.

Office Fund - is used to account for the operations of the Heartland United Way, Inc., local office. The fund also includes other designated resources available for support of office operations.

General Fund - is used to account for annual campaign pledges, collections, and allocations.

Contingency Fund - includes certain funds that are designated by the board to be retained for use in the event of an emergency such as a local disaster or a reduced campaign response, etc.

HEARTLAND UNITED WAY, INC.
NOTES TO FINANCIAL STATEMENTS, Continued
December 31, 2025 and 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Fund Accounting, continued

Investment Fund - includes amounts of donor contributions and bequests the board has designated be put in the Investment Fund, where the principal remains intact, with the interest being currently reinvested in the Fund.

Disaster/COVID Fund – includes grants and donor contributions restricted for various disaster/COVID recovery efforts. The fund was established during 2019 after the March 2019 floods. The fund also accounts for the grants and donations received to address the COVID-19 pandemic which began during 2020.

4. Allowance for Uncollectible Pledges

The Organization provides an allowance for uncollectible pledges at the time campaign revenues are recorded. The allowance is estimated based on prior years' experience. At December 31, 2025, 5.0 percent of the 2026 general campaign revenues, or \$90,583, was recorded as an allowance for uncollectible pledges on the general campaign.

At December 31, 2024, 5.0 percent of the 2025 general campaign revenues, or \$90,143, was recorded as an allowance for uncollectible pledges on the general campaign.

5. Equipment

Property and equipment are stated at cost. Donated equipment is recorded at fair market value at the date of the donation. The Organization capitalizes equipment with a cost/value greater than \$1,000. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on a straight-line basis. The estimated lives used in determining depreciation on the equipment range from five to seven years.

6. Income Taxes

As a nonprofit organization, Heartland United Way, Inc., is exempt from income taxes in accordance with Internal Revenue Code Section 501(c)(3). As of December 31, 2025, the 2022, 2023, and 2024 tax years are open for examination by the IRS.

7. Cash and Cash Equivalents

The Organization considers all cash and certificates of deposit, excluding the investments in the Investment Fund, to be cash and cash equivalents.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

8. Donated Services

A substantial number of volunteers have donated significant amounts of their time in the Organization's program services and its fundraising campaigns. However, no amounts have been reflected in the statements for donated services, since no objective basis is available to measure the value of such services.

9. Estimates

The preparation of these 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 reported period. Actual results could differ from those estimates.

10. Contributions

The Organization accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in the SFAS Codification Standards regarding *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS Codification Standards, contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization also follows the SFAS Codification Standard regarding *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*. Under this Statement, donations received with specific donor designations over which the Organization does not have variance power cannot be included in the revenue of Heartland United Way. These designated donor contributions are recorded as a liability until they are remitted to the designated beneficiaries.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

11. Promises To Give

Unconditional promises to give, less an allowance for uncollectible amounts, are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

12. Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations, and changes in fund balances in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Organization's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type) have not been presented since its inclusion would make the statements unduly complex and difficult to read.

13. Revenue Recognition

The Organization recognizes contribution revenue from donors when the donors make an unconditional pledge. An allowance for uncollectible pledges is recorded at that time, as described in Note A4. Also, allocations payable to partner agencies are recognized in conjunction with the contribution revenue.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE B – CERTIFICATES OF DEPOSIT

Certificates of deposit at December 31, 2025 and 2024 consisted of the following:

<u>Fund</u>	<u>Bank</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>12/31/2025 Balance</u>	<u>12/31/2024 Balance</u>
General	Five Points Bank	3.94%	1/8/2026	\$ 201,966	\$ 206,057
General	Home Federal	3.90%	4/2/2026	245,849	235,611
General	Home Federal	4.00%	2/2/2026	108,588	103,858
General	Pinnacle Bank	4.00%	9/3/2026	180,563	-
General	First National Bank	3.60%	2/19/2026	219,103	211,554
General	First National Bank	3.59%	2/14/2026	163,892	157,920
				<u>1,119,961</u>	<u>915,000</u>
Contingency	Equitable Bank	3.94%	5/3/2026	136,896	136,896
Contingency	Equitable Bank	3.94%	5/3/2026	108,079	105,136
				<u>244,975</u>	<u>242,032</u>
				<u>\$ 1,364,936</u>	<u>\$ 1,157,032</u>

NOTE C – INVESTMENTS

The Organization has been the beneficiary of bequest money, which the Board of Directors has voted to place in an Investment Fund. The Fund is invested with Edward Jones. The account holdings consist of bond funds and mutual funds. Interest earned in this Fund is to be used for the overall benefit of the member agencies. Each year the Board of Directors directs how those funds will be spent. In 2025 and 2024, the interest was reinvested back into the Fund.

During the year ended December 31, 1999, the Organization transferred \$5,000 of investments to the Grand Island Community Foundation. Investment income earned on this investment will be allocated to the Organization annually. The Community Foundation investment balance was \$14,613 and \$13,544 at December 31, 2025 and 2024, respectively.

The Contingency Fund also has assets invested with Edward Jones. The account holdings consist of bond funds and mutual funds. Interest earned in this Fund is to be reinvested for future contingencies. In 2025 and 2024, the interest was reinvested back into the Fund.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE C - INVESTMENT FUND, continued

The Organization values investments in accordance with Statement of Financial Accounting Codification Standards, which requires nonprofit organizations to value their investments at current market value, recognizing both realized and unrealized gains and losses.

	December 31, 2025			December 31, 2024		
	Cost	Market Value	Unrealized Gain (Loss)	Cost	Market Value	Unrealized Gain (Loss)
Edward Jones:						
American Balanced	\$ 164,988	\$ 263,913	\$ 98,925	\$ 144,617	\$ 222,768	\$ 78,151
Capital World						
Growth and Income	63,026	89,261	26,235	54,455	71,558	17,103
Corporate Bond	312,053	279,027	(33,026)	300,668	261,671	(38,997)
Money Market			-	38	38	-
Small Cap World Fund	135,742	173,041	37,299	127,742	151,763	24,021
New World Fund	41,820	54,816	12,996	38,865	42,794	3,929
New Perspective	41,897	48,573	6,676	38,903	40,062	1,159
Growth Fund of						
America	103,704	170,293	66,589	87,297	141,990	54,693
Intermediate Bond Fund	309,088	296,588	(12,500)	297,899	277,682	(20,217)
Investment Company of						
America	283,245	420,183	136,938	242,489	348,686	106,197
Cash	38	38	-	-	-	-
	1,455,601	1,795,733	340,132	1,332,973	1,559,012	226,039
Greater Grand Island						
Community Foundation	9,251	14,613	5,362	9,522	13,544	4,022
	\$ 1,464,852	\$ 1,810,346	\$ 345,494	\$ 1,342,495	\$ 1,572,556	\$ 230,061

All investments at December 31, 2025 and 2024, consist of Level 1 investments which have quoted prices in active markets for identical assets. The Organization does not hold any Level 2 (measured using significant other observable inputs) nor Level 3 (measured using significant unobservable inputs) investments.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE D - DESIGNATION OF INTEREST INCOME

The Board has designated that the interest earned in the General Fund and Contingency Fund accounts be accumulated to be used for the purchase of office equipment, furniture, and other Board-directed expenses. Interest earned during 2025 was \$48,031 on the General Fund and \$31,901 on the Contingency Fund. Interest earned during 2024 was \$52,064 on the General Fund and \$43,645 on the Contingency Fund.

NOTE E - PROMISES TO GIVE

Unconditional promises to give at December 31, 2025 and 2024, are as follows:

	<u>2025</u>	<u>2024</u>
2026 campaign pledges receivable	\$ 966,420	\$ -
2025 campaign pledges receivable	145,171	906,525
2024 campaign pledges receivable	<u>-</u>	<u>184,738</u>
Total campaign pledges receivable	1,111,591	1,091,263
Less allowance for uncollectible pledges receivable	(<u>180,726</u>)	(<u>173,265</u>)
Net unconditional pledges receivable at December 31,	\$ <u>930,865</u>	\$ <u>917,998</u>

As of December 31, 2025, these pledges receivable are expected to be collected as follows:

Receivable in less than one year	\$ 930,865
Receivable between one and five years	-
Receivable after five years	<u>-</u>
Net pledges receivable at December 31, 2025	\$ <u>930,865</u>

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE F - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2025 and 2024, were available for the following purposes or periods:

	<u>2025</u>	<u>2024</u>
Refugee Assistance	\$ 3,828	\$ 3,828
Heartland United Way Disaster donations	67,288	67,288
Disaster Construction	1,399	1,399
Diversity Outreach Coordinator	12,845	12,845
COVID-19 Compassion	25,094	25,094
Government Shutdown	370	370
Toys for Tots	32,310	34,654
Christmas Cheer	163,546	163,546
Adopt a Family	<u>15,058</u>	<u>15,359</u>
	<u>\$ 321,738</u>	<u>\$ 324,383</u>

There were no endowed net assets with donor restrictions as of December 31, 2025 and 2024. The Investment Fund comprises only board-designated funds.

NOTE G - RELEASE OF DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by donors.

	<u>2025</u>	<u>2024</u>
Purpose restrictions accomplished:		
General allocations to agencies	\$ 415,044	\$ 446,472
Disaster/COVID grants and expenses	30,176	83,514
Holiday programs	<u>52,336</u>	<u>47,333</u>
Total purpose restrictions released	<u>\$ 497,556</u>	<u>\$ 577,319</u>

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE H - RETIREMENT PLAN

In January 2001, the Organization established a 403(b) Plan, which was updated in 2011. Under the plan, the Organization contributes 4.5 percent of each qualified employee's gross income to the plan. Qualified employees are full-time employees who have completed their 90-day introductory period. The employees can also elect to contribute a portion of their salary to the plan. During the years ended December 31, 2025 and 2024, retirement expense was \$14,898 and \$13,964, respectively.

NOTE I - OVERHEAD RATIO

The overhead ratio is equal to fundraising, management, and general expenses divided by total campaign support and other revenue sources.

		<u>2025</u>	<u>2024</u>
A. Numerator:	Administrative expenses	\$ 56,686	\$ 80,730
	Campaign expense	143,102	199,785
	Investment expense	<u>271</u>	<u>268</u>
	Total Supporting Service expenses	<u>\$ 200,059</u>	<u>\$ 280,783</u>
B. Denominator:	Campaign Contributions	\$ 1,307,670	\$ 1,338,040
	Add: Amounts designated for specific agencies	434,582	374,680
	Prior year campaign contributions	-	34,278
	Other restricted contributions	79,867	83,514
	Other revenue sources	<u>317,710</u>	<u>344,024</u>
		<u>\$ 2,139,829</u>	<u>\$ 2,174,536</u>
	Overhead Ratio (A÷B)	<u>9.3%</u>	<u>12.9%</u>

Overhead Ratio by Expense Category:

Administrative expense	2.6%	3.7%
Campaign expense	6.7	9.2
Investment expense	<u>-</u>	<u>-</u>
	<u>9.3%</u>	<u>12.9%</u>

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE J – CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at several financial institutions located in Grand Island, Nebraska. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2025, bank deposits exceeded FDIC coverage and pledged collateral at one financial institution by \$7,001. At December 31, 2024, bank deposits exceeded FDIC coverage and pledged collateral at three financial institutions by \$293,009.

NOTE K – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditure are as follows as of December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Total assets at year-end	\$ 5,236,601	\$ 5,014,309
Less non-financial assets		
Prepaid expenses	(76,016)	(78,643)
Net property and equipment	(72,463)	(52,091)
Right-of-use assets	<u>(215,411)</u>	<u>(226,492)</u>
Financial assets	4,872,711	4,657,083
Less financial assets unavailable for general expenditures within one year:		
Assets held for allocations to agencies	(2,591,035)	(2,544,626)
Assets held for disaster/COVID recovery	(110,454)	(173,267)
Assets held for contingencies	(794,857)	(717,046)
Board designated investment funds	<u>(1,281,684)</u>	<u>(1,112,600)</u>
Financial assets available for general expenditures within one year	\$ <u>94,681</u>	\$ <u>109,544</u>

As part of its liquidity management, the Organization has a goal to maintain financial assets on hand to meet three months of normal operating expense (excluding grants and expenses paid out of restricted funds), which would be approximately \$155,300 based on the actual expenditures for the year ended December 31, 2025. Upon board approval, the contingency reserve funds of \$794,857 would also be available to meet emergency cash flow needs.

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE L – COST ALLOCATION

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The Organization allocates expenses based on annual budget allocations approved by the Board.

NOTE M – GRANTS RECEIVABLE

At December 31, 2025 and 2024, the Organization had recognized grants receivable totaling \$0 and \$39,405, respectively, for program expenses incurred during the year ended December 31, 2025 that were to be reimbursed by grant programs. The grants receivable consisted of amounts due from Department of Health and Human Services grants.

NOTE N – LEASING ACTIVITIES

The Organization has an operating lease for office space and a financing lease for a copier. These leases have remaining lease terms of 4.4 to 10.5 years, including options to extend the office space lease for two additional 5 year terms.

Right-of-use assets consist of the following at December 31, 2025 and 2024:

	2025			2024		
	Operating	Financing	Total	Operating	Financing	Total
Wedgewood, Inc.	\$ 206,687	\$ -	\$ 206,687	\$ 220,012	\$ -	\$ 220,012
Eakes Office Solutions	-	8,724	8,724	-	-	-
Hyundai Finance	-	-	-	6,480	-	6,480
	<u>\$ 206,687</u>	<u>\$ 8,724</u>	<u>\$ 215,411</u>	<u>\$ 226,492</u>	<u>\$ -</u>	<u>\$ 226,492</u>

Lease liabilities consist of the following at December 31, 2025 and 2024:

	2025			2024		
	Operating	Financing	Total	Operating	Financing	Total
Wedgewood, Inc.	\$ 206,687	\$ -	\$ 206,687	\$ 220,012	\$ -	\$ 220,012
Eakes Office Solutions	-	8,852	8,852	-	-	-
Hyundai Finance	-	-	-	6,480	-	6,480
	<u>\$ 206,687</u>	<u>\$ 8,852</u>	<u>\$ 215,539</u>	<u>\$ 226,492</u>	<u>\$ -</u>	<u>\$ 226,492</u>
Current portion	\$ 14,280	\$ 1,949	\$ 16,229	\$ 19,805	\$ -	\$ 19,805
Noncurrent portion	192,407	6,903	199,310	206,687	-	206,687
	<u>\$ 206,687</u>	<u>\$ 8,852</u>	<u>\$ 215,539</u>	<u>\$ 226,492</u>	<u>\$ -</u>	<u>\$ 226,492</u>

HEARTLAND UNITED WAY, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2025 and 2024

NOTE N – LEASING ACTIVITIES, continued

The maturities of lease liabilities as of December 31, 2025 were as follows:

	<u>Total</u>	<u>Less Interest</u>	<u>Present Value</u>
Year Ending December 31:			
2026	\$ 16,229	\$ 6,829	\$ 9,400
2027	17,307	6,270	11,037
2028	18,435	5,675	12,760
2029	19,614	5,042	14,572
2030	19,122	4,392	14,730
Thereafter	124,832	11,933	112,899
	<u>\$ 215,539</u>	<u>\$ 40,141</u>	<u>\$ 175,398</u>

The following summarizes the line items in the statements of functional expenses which include the components of lease expense for the years ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Occupancy	\$ 20,322	\$ 19,878
Equipment lease and repairs	6,804	11,766
	<u>\$ 27,126</u>	<u>\$ 31,644</u>

NOTE O – GO BIG GIVE

Heartland United Way, in collaboration with Greater Grand Island Community Foundation, conducts the Go Big Give day of giving fundraiser each year. Because the revenues are designated by donors to the 100+ nonprofit organizations who participate in Go Big Give, the funds raised and related expenses of this program are not included in the revenues and expenses on the accompanying Statements of Activities. During the years ended December 31, 2025 and 2024, Go Big Give raised \$2,014,080 and \$1,507,261, respectively, for the participating nonprofit organizations. At December 31, 2025 and 2024, the Organization had a balance of \$23,087 and \$21,715, respectively, included in allocations payable for Go Big Give funds remaining to be paid out to participating non-profits.

NOTE P – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 20, 2026, the date on which the financial statements were available for issue.

SUPPLEMENTAL INFORMATION

HEARTLAND UNITED WAY, INC.
DISTRIBUTION OF CAMPAIGN FUNDS

	Budgeted for the Year Ending December 31, 2026		Actual Distribution For The Year Ended December 31, 2025	
	Amount	%	Amount	%
CONTRIBUTIONS RECEIVED/PLEDGED	\$ 1,811,666	100.0 %	\$ 1,802,863	100.0 %
Allowance for uncollectible pledges	(90,583)	(5.0)	(90,143)	(5.0)
Administration, volunteer engagement and fundraising	(223,873)	(12.3)	(217,100)	(12.0)
Campaign expenses - car giveaway	(35,000)	(1.9)	(60,135)	(3.3)
Community impact and community investment process	(135,000)	(7.5)	(134,959)	(7.6)
Designations - United Way agencies	(389,240)	(21.4)	(328,052)	(18.2)
Designations - Non-United Way agencies	(45,342)	(2.5)	(46,628)	(2.6)
AVAILABLE FOR DISTRIBUTION	\$ 892,628	49.4 %	\$ 925,846	51.3 %
 PARTNER AGENCY ALLOCATIONS THROUGH COMMUNITY INVESTMENT DISTRIBUTION				
Partner Agencies:				
Adult Education	\$ 52,640	2.9 %	\$ 51,700	2.9 %
American Red Cross - Central Plains	9,520	0.5	13,200	0.7
Big Brothers/Big Sisters	75,712	4.2	74,360	4.1
Boy Scouts of America - Overland Trails Council	67,760	3.7	66,550	3.7
Central Nebraska Council on Alcoholism	83,060	4.6	81,576	4.5
Crossroads Mission	17,290	1.0	10,000	0.6
First Light	33,600	1.9	39,600	2.2
Girl Scouts - Spirit of Nebraska	12,434	0.7	15,400	0.9
Heartland CASA	67,200	3.7	65,010	3.6
Hope Harbor	106,200	5.9	104,500	5.8
Legal Aid	11,200	0.6	11,000	0.6
Literacy Council	39,200	2.2	38,500	2.1
Lutheran Family Services	28,000	1.5	37,400	2.1
Midland Area Agency on Aging	17,290	1.0	11,000	0.6
Multicultural Coalition	50,400	2.8	49,500	2.7
TeamMates of Grand Island	17,920	1.0	17,600	1.0
Third City Community Clinic	72,800	4.0	71,500	4.0
Willow Rising	27,400	1.5	36,850	2.0
YMCA	28,000	1.5	27,500	1.5
Community programs and services:				
Imagination Library	30,000	1.7	30,000	1.7
Area counties and schools	20,000	1.1	33,100	1.8
Community impact/community response	25,000	1.4	40,000	2.2
TOTAL	\$ 892,626	49.4 %	\$ 925,846	51.3 %