

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2003

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2003 calendar year, or tax year beginning 2003, and ending 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization: Red Wing Minnesota Area United Way, Inc.
 Number and street (or P O box if mail is not delivered to street address) Room/suite: 413 West Third Street
 City or town, state or country, and ZIP + 4: Red Wing, MN. 55066

D Employer identification number: 41 6043633
E Telephone number: (651) 388-6309
F Accounting method: Cash Accrual
 Other (specify) ▶

H and **I** are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶
H(c) Are all affiliates included? Yes No
 (If "No," attach a list See instructions)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number ▶

G Website: ▶

J Organization type (check only one) ▶ 501(c) (3) ◀ (insert no) 4947(a)(1) or 527

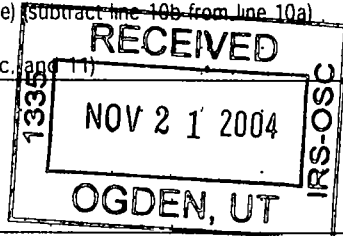
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

		1a	1b	1c	1d
Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Direct public support	458,327			
	b Indirect public support		1,597		
	c Government contributions (grants)			-	
	d Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)				459,924
	2 Program service revenue including government fees and contracts (from Part VII, line 93)				
	3 Membership dues and assessments				
	4 Interest on savings and temporary cash investments				
	5 Dividends and interest from securities				5,271
	6a Gross rents				
	b Less rental expenses				
	c Net rental income or (loss) (subtract line 6b from line 6a)				
7 Other investment income (describe <u>Unrealized Capital Gain</u>)				15,196	
8a Gross amount from sales of assets other than inventory	(A) Securities				
	(B) Other				
	8a				
	8b				
c Gain or (loss) (attach schedule)					
8c					
d Net gain or (loss) (combine line 8c, columns (A) and (B))					
8d					
9 Special events and activities (attach schedule) if any amount is from gaming, check here <input type="checkbox"/>					
a Gross revenue (not including \$ <u>-0-</u> of contributions reported on line 1a)					
9a		1,970			
b Less direct expenses other than fundraising expenses			0		
9b					
c Net income or (loss) from special events (subtract line 9b from line 9a)				1,970	
9c					
10a Gross sales of inventory, less returns and allowances					
10a					
b Less cost of goods sold					
10b					
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)					
10c					
11 Other revenue (from Part VII, line 103)					
11					
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)				482,361	
12					
Expenses	13 Program services (from line 44, column (B))				391,453
	13				
	14 Management and general (from line 44, column (C))				19,381
	14				
	15 Fundraising (from line 44, column (D))				54,504
15					
16 Payments to affiliates (attach schedule)					
16					
17 Total expenses (add lines 16 and 44, column (A))				465,338	
17					
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)				17,023
	18				
	19 Net assets or fund balances at beginning of year (from line 73, column (A))				161,423
	19				
20 Other changes in net assets or fund balances (attach explanation) <u>SCH D</u>				15,386	
20					
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)				193,832	
21					



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P 11

Part II Statement of Functional Expenses

All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See page 22 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) <i>Sch D</i> (cash \$ <u>377,914</u> noncash \$ <u>-0-</u>)	22 377,914	377,914		
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc	25			
26	Other salaries and wages	26 50,412	10,471	12,520	27,421
27	Pension plan contributions	27			
28	Other employee benefits	28 1,509	308	371	830
29	Payroll taxes	29 3,866	790	950	2,126
30	Professional fundraising fees	30			
31	Accounting fees	31 2,800	0	2,800	0
32	Legal fees	32			
33	Supplies	33 1,080	86	130	864
34	Telephone	34 1,391	111	167	1,113
35	Postage and shipping	35 1,024	82	123	819
36	Occupancy	36 3,600	288	432	2,880
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39			
40	Conferences, conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42 2,761	221	331	2,209
43	Other expenses not covered above (itemize). <i>Insurance</i>	43a 2,357	188	283	1,886
	<i>b Campaign Expenses</i>	43b 8,295	0	0	8,295
	<i>c Memberships & Dues</i>	43c 3,855	308	463	3,084
	<i>d Education</i>	43d 1,840	376	452	1,012
	<i>e Other</i>	43e 2,634	310	359	1,965
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44 465,338	391,453	19,381	54,504

Joint Costs. Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See page 25 of the instructions)

What is the organization's primary exempt purpose? *Raising & Distribution of Funds for Various Charities approved by the Board of Directors.*
 All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)

a	<i>Program Services consist entirely of the collection and distribution of funds to various charities approved by the UW Board of Directors.</i>	(Grants and allocations \$ _____)	465,338
b		(Grants and allocations \$ _____)	
c		(Grants and allocations \$ _____)	
d		(Grants and allocations \$ _____)	
e	Other program services (attach schedule)	(Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		465,338

Part IV Balance Sheets (See page 25 of the instructions)

		(A) Beginning of year		(B) End of year	
Note. Where required, attached schedules and amounts within the description column should be for end-of-year amounts only					
Assets	45	Cash—non-interest-bearing	100	45	33,875
	46	Savings and temporary cash investments	132,371	46	102,943
	47a	Accounts receivable			
	47b	Less allowance for doubtful accounts		47c	
	48a	Pledges receivable	392,689		
	48b	Less allowance for doubtful accounts	43,000	48c	349,689
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes and loans receivable (attach schedule)			
	51b	Less allowance for doubtful accounts		51c	
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	2,320	53	2,316
	54	Investments—securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55a	Investments—land, buildings, and equipment basis			
	55b	Less accumulated depreciation (attach schedule)		55c	
	56	Investments—other (attach schedule) Sch ②		56	
	57a	Land, buildings, and equipment basis	22,776		
	57b	Less accumulated depreciation (attach schedule)	16,449	57c	6,327
	58	Other assets (describe <input type="checkbox"/> Beneficial Interest in Assets held by others.)	82,514	58	97,709
59	Total assets (add lines 45 through 58) (must equal line 74)	578,113	59	592,859	
Liabilities	60	Accounts payable and accrued expenses	63,140	60	22,581
	61	Grants payable	353,550	61	376,446
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
	64b	Mortgages and other notes payable (attach schedule)		64b	
	65	Other liabilities (describe <input type="checkbox"/>)		65	
66	Total liabilities (add lines 60 through 65)	416,690	66	399,027	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted	71,423	67	103,832
	68	Temporarily restricted		68	
	69	Permanently restricted	90,000	69	90,000
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds		70	
	71	Paid-in or capital surplus, or land, building, and equipment fund		71	
	72	Retained earnings, endowment, accumulated income, or other funds		72	
	73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	161,423	73	193,832
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)	578,113	74	592,859

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions.)

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total revenue, gains, and other support per audited financial statements ▶	a	482,361
b	Amounts included on line a but not on line 12, Form 990	b	
	(1) Net unrealized gains on investments \$ _____		
	(2) Donated services and use of facilities \$ _____		
	(3) Recoveries of prior year grants \$ _____		
	(4) Other (specify) _____		
	\$ _____		
	Add amounts on lines (1) through (4) ▶	b	—
c	Line a minus line b ▶	c	482,361
d	Amounts included on line 12, Form 990 but not on line a:	d	
	(1) Investment expenses not included on line 6b, Form 990 \$ _____		
	(2) Other (specify) _____		
	\$ _____		
	Add amounts on lines (1) and (2) ▶	d	—
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	482,361

a	Total expenses and losses per audited financial statements ▶	a	465,338
b	Amounts included on line a but not on line 17, Form 990	b	
	(1) Donated services and use of facilities \$ _____		
	(2) Prior year adjustments reported on line 20, Form 990 \$ _____		
	(3) Losses reported on line 20, Form 990 \$ _____		
	(4) Other (specify): _____		
	\$ _____		
	Add amounts on lines (1) through (4) ▶	b	—
c	Line a minus line b ▶	c	465,338
d	Amounts included on line 17, Form 990 but not on line a:	d	
	(1) Investment expenses not included on line 6b, Form 990 \$ _____		
	(2) Other (specify) _____		
	\$ _____		
	Add amounts on lines (1) and (2) ▶	d	—
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	465,338

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Mary Plein Red Wing, Mn. 55066	Key Employee Executive Director 40 Hours per Week	29,917	896	—0—
Margaret Walsh Red Wing, Mn. 55066	Key Employee Admin Assistant 30 Hours per week	20,495	613	—0—
see schedule (3) for list of Board of Directors		—0—	—0—	—0—

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
If "Yes," attach schedule—see page 28 of the instructions

Part VI Other Information (See page 28 of the instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	✓
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77	✓
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	✓
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	✓
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	✓
b	If "Yes," enter the name of the organization ▶ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct and indirect political expenditures See line 81 instructions	81a	
b	Did the organization file Form 1120-POL for this year?	81b	✓
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? <i>Not measured</i>	82a	✓
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III.)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	✓
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	✓
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85	<i>501(c)(4), (5), or (6) organizations.</i> a Were substantially all dues nondeductible by members?	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b	N/A
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	-0-
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	<i>501(c)(7) orgs</i> Enter a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	<i>501(c)(12) orgs</i> Enter: a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	✓
89a	<i>501(c)(3) organizations</i> Enter Amount of tax imposed on the organization during the year under section 4911 ▶ <u>-0-</u> , section 4912 ▶ <u>-0-</u> ; section 4955 ▶ <u>-0-</u>		
b	<i>501(c)(3) and 501(c)(4) orgs</i> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	✓
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ <u>-0-</u>		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization ▶ <u>-0-</u>		
90a	List the states with which a copy of this return is filed ▶ <u>MINNESOTA</u>		
b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.)	90b	2
91	The books are in care of ▶ <u>United Way office</u> Telephone no ▶ <u>(651) 388-6309</u> Located at ▶ <u>413 W. 3rd St, Red Wing, MN.</u> ZIP + 4 ▶ <u>55066</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ <u>92</u> <u>N/A</u>		

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
Note: Enter gross amounts unless otherwise indicated					
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	5,271	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			14	15,196	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			14	1,970	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				22,437	
105 Total (add line 104, columns (B), (D), and (E))				22,437	

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	N/A

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Under penalties of perjury I declare that I have examined this return including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign

Signature of officer: Kay Kuhlman

Date: 11/15/04

dent

Date: 11-9-04

Check if self-employed:

Preparer's SSN or PTIN (See Gen. Inst. W): 90059072

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

OMB No 1545-0047

2003

Department of the Treasury
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization: Red Wing Minnesota Area United Way, Inc. Employer identification number: 41 6043633

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions List each one If there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000 ▶	NONE			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶	NONE	

Part III Statements About Activities (See page 2 of the instructions)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		✓
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a	Sale, exchange, or leasing of property?		✓
b	Lending of money or other extension of credit?		✓
c	Furnishing of goods, services, or facilities?		✓
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		✓
e	Transfer of any part of its income or assets?		✓
3a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)		✓
b	Do you have a section 403(b) annuity plan for your employees?		✓
4	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		✓

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

The organization is not a private foundation because it is (Please check only ONE applicable box)

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above
See Schedule Attached of Agencies Supported - Sch ④	12

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	423,498	569,964	426,197	392,960	1,812,619
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	5,749	10,492	6,618	3,334	26,193
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	429,247	580,456	432,815	396,294	1,838,812
24 Line 23 minus line 17	429,247	580,456	432,815	396,294	1,838,812
25 Enter 1% of line 23	4,292	5,805	4,328	3,963	
26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24				26a N/A
	b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a Do not file this list with your return. Enter the total of all these excess amounts				26b
	c Total support for section 509(a)(1) test Enter line 24, column (e)				26c
	d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____				26d
	e Public support (line 26c minus line 26d total)				26e
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f %
27 Organizations described on line 12:	a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" Do not file this list with your return. Enter the sum of such amounts for each year				
	(2002) -0-	(2001) -0-	(2000) -0-	(1999) -0-	
	b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year				
	(2002) -0-	(2001) -0-	(2000) -0-	(1999) -0-	
	c Add Amounts from column (e) for lines 15 <u>1,812,619</u> 16 <u>-0-</u> 17 <u>-0-</u> 20 <u>-0-</u> 21 <u>-0-</u>				27c 1,812,619
	d Add Line 27a total <u>-0-</u> and line 27b total <u>-0-</u>				27d -0-
	e Public support (line 27c total minus line 27d total)				27e 1,812,619
	f Total support for section 509(a)(2) test Enter amount from line 23, column (e)				27f 1,838,812
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27g 98.58 %
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27h 1.42 %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not file this list with your return. Do not include these grants in line 15					

Part V Private School Questionnaire (See page 7 of the instructions)
 (To be completed **ONLY** by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement.)		
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement		
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation		

NIA

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group Check **b** if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table— If the amount on line 40 is— The lobbying nontaxable amount is— Not over \$500,000 20% of the amount on line 40 Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000 Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000 Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000 \$1,000,000	41	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
 See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
45 Lobbying nontaxable amount <i>N/A</i>					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means

Total lobbying expenditures (Add lines c through h.)

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Yes	No	Amount

SCHEDULE ①

Red Wing MN Area United Way, Inc.
 990 12-31-03 Schedule

Date	Prepared By	Work Paper No
11-5-04	DJK	
	Reviewed By	

	1	2	3	4
1	990, Page 1, Line 18:			
2	other changes in net assets:			
3	Board Approved Reduction in Charitable Agency			
4	Commitments for 2002 due to fund			
5	raising shortage			
6			*15386	
7				
8				
9	990, Page 2, Line 22:			
10	Grants & Allocations:			
11	Payments and allocations to non-profit			
12	agencies approved by the UW Board			
13	of Directors			
14			*37714	
15				
16				
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40				

Red Wing Area United Way

Tax Asset Detail

1/1/03 - 12/31/03

F-1

Schedule (2)

Asset	Property Description	Date In Service	Cost	Sec 179 Exp Current=c	Salvage Value	Prior Deprec	Current Deprec	End Deprec	Net Book Value	Method	Period
1	File Cabinet & Desk	06/01/70	200.00	0.00	0.00	200.00	0.00	200.00	0.00	S/L	10
3	Two long tables	09/05/74	130.00	0.00	0.00	130.00	0.00	130.00	0.00	S/L	10
4	Six folding chairs	09/05/74	60.00	0.00	0.00	60.00	0.00	60.00	0.00	S/L	10
9	Paper cutter	06/30/83	30.00	0.00	0.00	30.00	0.00	30.00	0.00	S/L	10
14	Vinyl mat under desk	08/15/84	53.00	0.00	0.00	53.00	0.00	53.00	0.00	S/L	10
17	HP Laser III P Printer	06/23/92	1,098.00	0.00	0.00	1,098.00	0.00	1,098.00	0.00	S/L	7
19	Micro Soft Works	06/23/92	119.00	0.00	0.00	119.00	0.00	119.00	0.00	S/L	10
20	ML-321 Printer	06/23/92	594.00	0.00	0.00	594.00	0.00	594.00	0.00	S/L	7
21	IBM EduQuest 45 sys w/printer (donated)	07/18/96	2,400.00	0.00	0.00	2,400.00	0.00	2,400.00	0.00	S/L	7
22	Lotus Software (donated)	08/01/96	795.00	0.00	0.00	795.00	0.00	795.00	0.00	S/L	7
23	Gateway Computer	05/20/98	2,320.00	0.00	0.00	2,088.00	232.00	2,320.00	0.00	S/L	5
24	United Way software	07/31/98	4,515.00	0.00	0.00	4,063.50	451.50	4,515.00	0.00	S/L	5
25	Ricoh FT 5540 copier (received grant)	10/30/99	875.00	0.00	0.00	554.00	175.00	729.00	146.00	S/L	5
26	Lateral file (donated)	12/17/99	250.00	0.00	0.00	109.50	36.00	145.50	104.50	S/L	7
27	Panifax UF-550 fax machine (donated)	10/17/01	250.00	0.00	0.00	60.41	50.00	110.41	139.59	S/L	5
28	Dell Computer	03/20/02	1,566.95			245.25	313.00	558.25	1,008.70	S/L	5
29	Dell Computer	03/20/02	1,179.96			184.92	236.00	420.92	759.04	S/L	5
30	IKON Printer/Copier	04/25/02	6,340.00			903.23	1,268.00	2,171.23	4,168.77	S/L	5
	Office Equipment Total		22,775.91	0.00	0.00	13,687.81	2,761.50	16,449.31	6,326.60		
	Grand Total		22,775.91	0.00	0.00	13,687.81	2,761.50	16,449.31	6,326.60		

6

2003 BOARD OF DIRECTORS

TERM EXP. 1/2004
 Tris Danielson (*)
 Red Wing Chamber
 (W) 388-4719
 (H) 388-7891
tris@redwingchamber.com

Peggy Decker (2)
 Fairview RW Clinic
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 (H) 388-7561
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 Ellsworth Ambulance
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 Pierce Cty. PHS
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 Red Wing Shoe Co
 (W) 385-6612
 (H) 651-322-2224
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Neela Mollgaard
SECRETARY
 Community Volunteer
 (H) 388-9560
molgard@redwing.net

Sue Wolter
 Burnside Elementary
 (W) 385-5900
 (H) 388-6828
wolter6828@charter.net

23 Board Members

- (2) Second 3 yr. term
- * Filled vacancy
- (W) Office phone number
- (H) Home phone number
- (F) Fax phone number

TERM EXP. 1/2005
 Michael Murphy (2) -
 Xcel Energy - ABEW Local 949
 (W) 388-1121 x4253
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Tasha Kinney (2)
 SE Tech College
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VICE PRESIDENT
 City of Red Wing
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kay.kuhlman@ci.red-wing.mn.us

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Chrsty Rikli
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 (H) 267-0103

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 YMCA
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khassemer@redwingymca.org

EXECUTIVE DIRECTOR

Mary Plein
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 (H) 388-7771
 (F) 385-8104
rwauw@redwing.net

TERM EXP. 1/2006
Pierre Menard (*)
PRESIDENT
 Wells Fargo Bank
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 (H) 385-8042
pierre.menard@wellsfargo.com

Brett Elford (2)
TREASURER
 White Rock Bank
 (W) 267-3340
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brette@whiterockbank.com

Frank Hanford (2)
PAST PRESIDENT
 Community Volunteer
 (W) 388-7151
 (H) 385-9370
frankh@sbcradio.com

Dan Smith (2)
 UPS
 (W) 267-0512
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dpsmith@ups.com

Stephanie Fox (2)
 Treasure Island Resort and Casino
 (W) 385-2722
 (H) 715-381-5460
stephaniefox@tcasino.com

Cynthia Redman
 Community Volunteer
 (H) 267-0266

Brian Scott
 First Lutheran Church
 (W) 388-9311
 (H) 388-4329
bscott.flc@mcleodusa.net

Scott Wordelman
 Fairview Red Wing Health System
 (W) 267-5000
 (H) 385-9398
swordel1@fairview.org

CAMPAIGN DIRECTOR

Meg Walch
 (W) 388-6309
 (H) 385-0085
 (F) 385-8104
meg.walch@unitedway.org

United Way of Red Wing
 Payments to Agencies
 Year End 12/31/03

BB-2a

	3/31/2003	3/31/2003	6/30/2003	6/30/2003	10/15/2003	12/31/2003	2003 Total Payment	Confr #
Angels Unlimited Pre-school ✓	1,825 00	75 00					1,900 00	
ARC Southeastern Minnesota ✓	2,000 00		2,000 00		2,000 00	2,000 00	8,000 00	
ArtReach ✓	4,750 00						4,750 00	
Boy Scouts, Gamehaven Council ✓	0 00	1,500 00	508 20	991 80	1,500 00	1,500 00	6,000 00	
Catholic Charities-Counseling ✓	2,000 00						2,000 00	
Catholic Charities-Goodhue County ✓	1,918 00	207 00	2,125 00		2,125 00	2,125 00	8,500 00	
Children's Home Society ✓	873 00	127 00					1,000 00	
Colwil Kids Preschool ✓	1,771 00	104 00	1,875 00		1,875 00	1,875 00	7,500 00	
Courage Center ✓	1,188 50	811 50					2,000 00	
* Fairview Regional Community Services	1,380 00	120 00					1,500 00	
Fairview Seminary Home Delivered Meals ✓	2,272 00	728 00					3,000 00	
Faith in Action Program ✓	2,161 00	1,339 00	3,500 00		3,500 00	3,500 00	14,000 00	
Girl Scouts, Cannon Valley Council ✓	2,389 00	611 00					3,000 00	
Goodhue County American Red Cross ✓	2,658 00	2,467 00	5,125 00		5,125 00	5,125 00	20,500 00	
Goodhue County Education District ✓	2,500 00		2,500 00		2,500 00	2,500 00	10,000 00	
Goodhue County Habitat for Humanity ✓	2,898 00	102 00					3,000 00	
Goodhue County Historical Society - Diversity ✓	1,175 00	25 00					1,200 00	
Goodhue County Public Health ✓	500 00						500 00	
Goodhue/Wabasha Sexual Assault Services ✓	3,195 00	305 00	3,500 00		3,500 00	3,500 00	14,000 00	
His Little Lambs Preschool ✓	1,048 00	52 00					1,100 00	
KIDS Handle With Care ✓	2,260 00	490 00	2,750 00		2,750 00	2,750 00	11,000 00	
Lake City Environmental Learning Prog ✓	1,000 00						1,000 00	
LSS - Crossroads East Crisis Nursery ✓	2,795 00	205 00	3,000 00		3,000 00	3,000 00	12,000 00	
Mothers Against Drunk Driving ✓	865 00	135 00					1,000 00	
NAMI of Goodhue County ✓	1,765 00	235 00					2,000 00	
Proact, Inc ✓	8,013 00	487 00	8,500 00		8,500 00	8,500 00	34,000 00	
Red Wing Area Children First ✓	1,175 00	75 00	1,250 00		1,250 00	1,250 00	5,000 00	
Red Wing Area Coalition for Transitional Housing ✓	12,045 32	454 68	12,500 00		12,500 00	12,500 00	50,000 00	
Red Wing Area Food Shelf ✓	1,518 00	1,482 00					3,000 00	
Red Wing Area Seniors ✓	5,320 00	180 00	5,500 00		5,500 00	5,500 00	22,000 00	
Red Wing Environmental Learning Center ✓	1,273 00	102 00	1,375 00		1,375 00	1,375 00	5,500 00	
Red Wing Public Library ✓	1,000 00						1,000 00	
Red Wing Youth Outreach Program ✓	3,600 00	150 00	3,750 00		3,750 00	3,750 00	15,000 00	
Rideability ✓	1,000 00						1,000 00	
Salvation Army ✓	3,690 00	560 00					4,250 00	
SEMCAC Senior Dining Program ✓	2,320 00	180 00					2,500 00	
Southern MN Assisive & Rehab ✓	1,850 00						1,850 00	
Three Rivers Community Action Crisis Program ✓	3,750 00		3,750 00		3,750 00	3,750 00	15,000 00	
Three Rivers Community Action Caregiver Adv ✓	4,000 00						4,000 00	
YMCA Youth Programs ✓	11,164 50	1,085 50	12,250 00		12,250 00	12,250 00	49,000 00	

353,550

United Way of Red Wing
Payments to Agencies - Continued
Year End 12/31/03

	3/31/2003	3/31/2003	6/30/2003	6/30/2003	9/16/2003	10/15/2003	12/31/2003	2003 Total Payment	Confr #
Alzheimers Association			21 00					21 00	
American Parkinsons Disease			42 00					42 00	
Arthritis Foundation			63 00					63 00	
Cancer Society			255 36					255 36	
Cystic Fibrosis Foundation			109 20					109 20	
Diabetes Association			217 56					217 56	
Epilepsy Foundation of Minnesota			21 00					21 00	
Food Allergy & Anaphylaxis			80 64					80 64	
Higherself			151 20					151 20	
Hunger Prevention Council - Pierce Co			201 60					201 60	
Leukemia Society			306 60					306 60	
Lutheran Home Society			100 80					100 80	
Make A Wish Foundation			84 00					84 00	
Minnesota 4-H Foundation			25 20					25 20	
Lutheran Via de Cristo of M			100 80					100 80	
Multiple Sclerosis Society			547 68					547 68	
Kidney Foundation			63 00					63 00	
Natl Dysautonomia Rsch Foundation			426 72					426 72	
Proper Economic Resource			43 68					43 68	
RushfordCommunity Chest			668 77					668 77	
Southwest Area YMCA			840 00					840 00	
Spina Bifida Assoc Of MN			20 16					20 16	
Teen Challenge			43 68					43 68	
Turning Point			21 00					21 00	
United Way Cannon Falls			200 00					200 00	
United Way of Dunn County			130 00					130 00	
United Way of Farbaul			264 00					264 00	
United Way of Greater Twin Cities			87 36					87 36	
United Way of Hastings			390 00					390 00	
Northfield Area United Way			579 05					579 05	
United Way of Olmsted County			50 00					50 00	
United Way of River Falls			884 00					884 00	
Lanesboro Community Chest					850 92			850 92	
Total Acct #3030 Design Donations Pay		14,394 68	8,030 86	850 92	76,750 00	23,276 46			
Total Acct #3040 Payments to Agnc	108,905 32	81,258 20			71,250 00	338,163 52			
Total Acct # 5910 Emerging Needs						0 00			

7889.98

361,439.98

Red Wing Area United Way, Inc.
A Minnesota Non-Profit Organization

Financial Statements
Years Ended December 31, 2003 and 2002

Red Wing Area United Way, Inc.
413 West Third Street
P.O. Box 319
Red Wing, Minnesota 55066
Phone: 651/388-6309
Fax: 651/388-8104
rwauw@redwing.net

Red Wing Area United Way, Inc.
Financial Statements
December 31, 2003 and 2002

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Erickson, Rietmann, Roufs & Kiecker, Ltd.

519 Bush Street • P.O. Box 72 • Red Wing, Minnesota 55066 • (651) 388-2858 • Fax 388-6414

Certified Public Accountants

DAVID L. ERICKSON, C.P.A. • EUGENE T. RIETMANN, C.P.A. • KENNETH J. ROUFS, C.P.A. • CHRIS J. KIECKER, C.P.A.

CERTIFIED IN
Minnesota
Wisconsin

Members of
American Institution of C P A 's
Minnesota Society of C P A 's
Wisconsin Society of C P A 's

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS
RED WING AREA UNITED WAY, INC.
RED WING, MN 55066

We have audited the accompanying statements of financial position of Red Wing Area United Way, Inc. (a non-profit organization) as of December 31, 2003 and 2002, and the related statements of activity and cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Red Wing Area United Way, Inc., as of December 31, 2003 and 2002, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Erickson, Rietmann Roufs & Kiecker, Ltd.
ERICKSON, RIETMANN, ROUFS & KIECKER, LTD.
November 10, 2004

Red Wing Area United Way, Inc.
Statements of Financial Position
December 31, 2003 and 2002

	<u>December 31,</u> <u>2003</u>	<u>December 31,</u> <u>2002</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Petty cash	\$ 100	\$ 100
Cash in checking	33,775	0
Cash in money market savings	102,943	132,371
Pledges receivable - 2001-2002 campaign	0	67,476
Allowance for doubtful pledges	0	-34,000
Pledges receivable - 2002-2003 campaign	35,859	335,244
Allowance for doubtful pledges	-18,000	-17,000
Pledges receivable – 2003-2004 campaign	356,830	0
Allowance for doubtful pledges	-25,000	0
Prepaid insurance	1,488	1,308
Prepaid maintenance	522	712
Prepaid rent	300	300
Prepaid other expenses	6	0
Total Current Assets	<u>\$ 488,823</u>	<u>\$ 486,511</u>
<u>PROPERTY AND EQUIPMENT</u>		
Office and computer equipment	\$ 22,776	\$ 22,776
Accumulated depreciation	<u>-16,449</u>	<u>-13,688</u>
Net Property and Equipment	<u>\$ 6,327</u>	<u>\$ 9,088</u>
<u>OTHER ASSETS</u>		
Beneficial Interest in Assets Held by Others	\$ 97,709	\$ 82,514
Total Assets	<u>\$ 592,859</u>	<u>\$ 578,113</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Bank overdraft	\$ 0	\$ 39,614
Commitments to charitable agencies	376,446	338,164
Designated donations payable	<u>22,581</u>	<u>23,526</u>
Total Current Liabilities	<u>\$ 399,027</u>	<u>\$ 401,304</u>
<u>NET ASSETS</u>		
Unrestricted	\$ 103,832	\$ 86,809
Permanently restricted	<u>90,000</u>	<u>90,000</u>
Total Net Assets	<u>\$ 193,832</u>	<u>\$ 176,809</u>
Total Liabilities and Net Assets	<u>\$ 592,859</u>	<u>\$ 578,113</u>

See Notes to the Financial Statements.

Red Wing Area United Way, Inc.

Statements of Activities

Years Ended December 31, 2003 and 2002

	December 31, 2003	December 31, 2002
<u>UNRESTRICTED NET ASSETS:</u>		
<u>SUPPORT:</u>		
Current year campaign pledges	\$ 474,569	\$ 437,576
Prior year campaign additions	13,278	3,572
Less: Designations by donors for specific organizations	-23,526	-24,488
Doubtful Pledges	-31,911	-34,530
Net campaign revenue	432,410	382,130
Other support:		
Contributions not pledged	25,917	14,788
Administrative fees retained on amounts designated by donors for specific organizations	1,018	962
Interest and dividend income	5,271	5,749
Bequests	0	7,835
Unrealized capital gains (losses)	15,196	-14,449
Raffle income	0	2,605
Special events income	1,970	
Miscellaneous	579	253
Total Unrestricted Support	\$ 482,361	\$ 399,873
 <u>EXPENSES:</u>		
<u>Program Services:</u>		
- Charitable agency commitments	\$ 376,446	\$ 345,531
Emerging needs and emergency needs grants	0	10,600
Community initiative expenses	1,468	1,746
Program expenses	13,540	4,005
<u>Support Services:</u>		
Management and general expenses	19,381	9,537
Fundraising expenses	54,503	66,487
Total Expenses	\$ 465,338	\$ 437,906
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$ 17,023	\$ -38,033
Net Assets - Beginning of Year	176,809	214,842
NET ASSETS - END OF YEAR	\$ 193,832	\$ 176,809

See Notes to the Financial Statements.

Red Wing Area United Way, Inc.
Statements of Cash Flows
Years Ended December 31, 2003 and 2002

	<u>December 31,</u> <u>2003</u>	<u>December 31,</u> <u>2002</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase (Decrease) in Total Net Assets	\$ 17,023	\$ -38,033
Adjustments to Reconcile Changes in Unrestricted Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	2,761	2,962
Decrease (Increase) in pledges receivable	2,031	-4,764
Decrease (Increase) in prepaid insurance	-180	-124
Decrease (Increase) in prepaid maintenance	190	-63
Decrease (Increase) in prepaid other expenses	-6	70
Increase (Decrease) in commitments to agencies	38,282	-26,055
Increase (Decrease) in accounts payable	-945	-342
Net cash provided from (used by) Operating Activities	<u>\$ 59,156</u>	<u>\$ -66,349</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Unrealized loss (gain) on beneficial interest in assets held by others	\$ -15,195	\$ 14,449
Purchase of equipment	0	-9,087
Net cash provided from (used by) Investing Activities	<u>\$ -15,195</u>	<u>\$ 5,362</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Endowment fund contributions	\$ 0	\$ 0
Net cash used by Financing Activities	<u>\$ 0</u>	<u>\$ 0</u>
Net Increase (Decrease) in cash	\$ 43,961	\$ -60,987
<u>CASH BALANCE - JANUARY 1</u>	<u>92,857</u>	<u>153,844</u>
<u>CASH BALANCE - DECEMBER 31</u>	<u>\$ 136,818</u>	<u>\$ 92,857</u>
<u>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</u>		
Cash paid during the year for:		
Interest	\$ 0	\$ 0
Income Taxes	0	0

See Notes to the Financial Statements.

Red Wing Area United Way, Inc.
Statements of Functional Expenses
Years Ended December 31, 2003 and 2002

	Year Ended December 31, 2003			Year Ended December 31, 2002				
	Program Services	Mgmt. & General	Fund - raising	Total	Program Services	Mgmt. & General	Fund- raising	Total
Payments to Agencies:								
Charitable agency commitments	\$376,446	\$ 0	\$ 0	\$376,446	\$345,531	\$ 0	\$ 0	\$345,531
Additional agency payments	0	0	0	0	10,600	0	0	10,600
Community initiative payments	1,468	0	0	1,468	1,746	0	0	1,746
Compensation & Related Expenses:								
Salaries	10,471	12,520	27,421	50,412	2,123	4,248	36,109	42,480
Payroll taxes	790	950	2,126	3,866	162	325	2,763	3,250
Employee benefits	308	371	830	1,509	64	127	1,083	1,274
Advertising	0	116	0	116	0	117	0	117
Occupancy	288	432	2,880	3,600	180	360	3,060	3,600
Telephone	111	167	1,113	1,391	53	107	908	1,068
Office supplies	86	130	864	1,080	48	95	811	954
Professional fees	0	2,800	0	2,800	0	2,750	0	2,750
Campaign expenses	0	0	8,295	8,295	0	0	9,885	9,885
Postage	82	123	819	1,024	84	165	1,405	1,654
Insurance & bond	188	283	1,886	2,357	94	188	1,603	1,885
Membership & dues	308	463	3,084	3,855	212	423	3,597	4,232
Education	376	452	1,012	1,840	40	80	675	795
Miscellaneous	193	68	798	1,059	678	18	51	747
Repairs & maintenance	117	175	1,167	1,459	119	238	2,020	2,377
Depreciation	221	331	2,209	2,761	148	296	2,517	2,961
Totals	<u>\$391,453</u>	<u>\$ 19,381</u>	<u>\$ 54,504</u>	<u>\$465,338</u>	<u>\$361,882</u>	<u>\$ 9,537</u>	<u>\$ 66,487</u>	<u>\$437,906</u>

See Notes to the Financial Statements.

Red Wing Area United Way, Inc.
Notes to the Financial Statements
December 31, 2003 and 2002

NOTE 1- NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

The Red Wing Area United Way, Inc. (the "Corporation") is a Minnesota non-profit organization incorporated for the purpose of raising community funds to distribute to various non-profit agencies each year. The Corporation conducts an annual fund raising campaign during the months of September through November. The Corporation obtains pledges which are to be paid in full by December 31 of the following year. The corporation distributes the funds collected to the various agencies on a quarterly basis during the following year payable on March 31, June 30, September 30, and December 31. The corporation budgets on an annual basis for the campaign and administrative costs.

Promises to Give (Pledges Receivable):

Contributions are recognized when the donor makes a pledge to give to the organization, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. All the pledges receivable are from individuals or companies located in the Red Wing, Minnesota, area.

Contributed Services:

During the years ended December 31, 2003 or 2002, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Methods of Accounting:

The financial statements of the Red Wing Area United Way, Inc. have been prepared using the accrual basis of accounting.

Property and Equipment:

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Corporation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Corporation reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Red Wing Area United Way, Inc.

Notes to the Financial Statements

December 31, 2003 and 2002

NOTE 1- NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Property and equipment consists of office equipment owned by the Corporation. These assets are stated at cost, or estimated historical cost if the actual cost was unavailable. Fixed assets are being depreciated over a five to ten year life using the straight line method of depreciation. Depreciation for the periods applies 100% to assets carried at historical cost. It is the policy of the Corporation to expense small equipment items costing under \$100.00.

Using the above valuation and depreciation methods, the following disclosures are made:

	Dec. 31, 2003	Dec. 31, 2002
Major classes of depreciable assets:		
Computer equipment	\$ 21,178	\$ 21,178
Office equipment	1,598	1,598
Accumulated depreciation	<u>-16,449</u>	<u>-13,688</u>
Net property and equipment	<u>\$ 6,327</u>	<u>\$ 9,088</u>
Current year depreciation	<u>\$ 2,761</u>	<u>\$ 2,962</u>

Cash and Cash Equivalents:

Cash consists of petty cash, cash in checking, and cash in a money market savings account. All accounts are stated at cost which equals market. For purposes of the Statements of Cash Flows, the Corporation considers the money market savings account to be cash.

Beneficial Interest in Assets Held by Others:

During 2001, the Corporation received a bequest of \$90,000 from a donor. The proceeds were used to establish the Red Wing Area United Way Endowment Fund (the "Fund") with The St. Paul Foundation (the "Foundation"), St. Paul, Minnesota. All contributions to the Fund are irrevocable. The Foundation has ultimate authority and control over the Fund and all distributions from the Fund. The Foundation will distribute to the Corporation such amounts of the Fund's net income or principal or both as determined by the spending policy adopted by the Foundation and amended from time to time, at such times as the Foundation deems appropriate.

Distributions are made to the Company from the Fund annually. Half of the distribution is paid in May and the second half in October. The Foundation has adopted a method for the distribution from permanent endowment funds by using a spending policy factor to convert the current market value into a 16 quarter average market value. The payout calculation seeks to provide a consistent and predictable flow of income for charitable distribution while protecting principal.

Red Wing Area United Way, Inc.

Notes to the Financial Statements

December 31, 2003 and 2002

NOTE 1- NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Beneficial Interest in Assets Held by Others, CONTINUED:

As of December 31, 2003 and 2002, the Corporation recognized an asset of \$97,709 and \$82,514, respectively, as a beneficial interest in assets held by others. This included the initial donation of \$90,000, less realized gains paid to the Corporation, and a market adjustment for unrealized gains and losses.

Commitment to Charitable Agencies:

Commitment to charitable agencies represent the commitments made to agencies by December 31, but paid during the following calendar year.

Net Assets:

Net assets represent the excess of assets of the Corporation on December 31 including pledges receivable, over liabilities. The Corporation maintains the net assets as a reserve to meet all charitable agency payments, and administrative costs. At December 31, 2003, net assets consisted of \$103,832 in unrestricted funds and \$90,000 in permanently restricted funds. At December 31, 2002, net assets consisted of \$86,809 in unrestricted funds and \$90,000 in permanently restricted funds. The Corporation bylaws state that net assets shall be maintained at no lower than 15% of the current fiscal year's budget of expenditures.

Income Taxes:

The Corporation is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. All non-profit organization returns have been filed with the Internal Revenue Service (Form 990) and with the State of Minnesota. The Corporation has been classified as a publicly supported organization that is not a private foundation under Internal Revenue Code Section 509(a).

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles required management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial Instruments:

The fair values of the Corporation's financial instruments approximates carrying values.

Red Wing Area United Way, Inc.

Notes to the Financial Statements

December 31, 2003 and 2004

NOTE 1- NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Allocation of Costs:

In the "Statements of Functional Expenses," joint costs for 2003 for Program Services, Management and General, and Fundraising have been allocated eight-percent (8%) to Program Services, twelve-percent (12%) to Management and General, and eighty-percent (80%) to Fundraising. In 2002, joint costs for were allocated five-percent (5%) to Program Services, ten-percent (10%) to Management and General, and eighty-five-percent (85%) to Fundraising. This has resulted in an allocation of joint costs as follows:

	<u>Program Services</u>	<u>Mgmt. & General</u>	<u>Fund- raising</u>	<u>Total</u>
Year Ended December 31, 2003	\$ 1,401	\$ 2,104	\$ 14,022	\$ 17,527
Year Ended December 31, 2002	\$ 3,327	\$ 6,652	\$ 56,551	\$ 66,530

The total cost of fundraising activities was \$54,504 for 2003 and \$66,487 for 2002.

Overhead Ratio:

The overhead ratio is equal to management and general and fundraising expenses divided by net campaign revenue plus designations plus doubtful pledges plus other income. The ratio is calculated below using the standardized overhead ratio as defined by United Way of America.

Numerator:	Management and general expenses	\$ 19,381
	Fundraising expenses	54,503
	Total numerator	<u>\$ 73,884</u>
Denominator:	Net campaign revenue	\$ 432,410
	Add: Designations	23,526
	Doubtful pledges	31,911
	Other income	49,951
	Total denominator	<u>\$ 537,798</u>
	Numerator/Denominator expressed as a percent	<u>13.74%</u>

Red Wing Area United Way, Inc.

Notes to the Financial Statements

December 31, 2003 and 2004

Reclassifications:

The Corporation reclassified some figures in prior year financial statements and footnotes to conform with the 2003 presentation.

NOTE 2 - PROMISES TO GIVE (PLEDGES RECEIVABLE)

The amount due from Pledges Receivable consists of the following:

	Dec. 31, 2003	Dec. 31, 2002
2001-02 campaign	\$ 0	\$ 67,476
Allowance for doubtful pledges	<u>0</u>	<u>-34,000</u>
Net Pledges Receivable	<u>\$ 0</u>	<u>\$ 33,476</u>
2002-03 campaign	\$ 35,859	\$ 335,244
Allowance for doubtful pledges	<u>-18,000</u>	<u>-17,000</u>
Net Pledges Receivable	<u>\$ 17,859</u>	<u>\$ 318,244</u>
2003-04 campaign	\$ 356,830	\$ 0
Allowance for doubtful pledges	<u>-25,000</u>	<u>0</u>
Net Pledges Receivable	<u>\$ 331,830</u>	<u>\$ 0</u>
Total campaigns	\$ 392,689	\$ 402,720
Allowance for doubtful pledges	<u>-43,000</u>	<u>-51,000</u>
Net Pledges Receivable	<u>\$ 349,689</u>	<u>\$ 351,720</u>

Donor designated pledges were recorded as Designated Donations Payable for the years 2003 and 2002.

All pledges receivable at December 31, 2003 and 2002 are due in less than twelve months. The Corporation maintains an allowance for doubtful pledges, the amount of which is based on past history of pledge collections. The fair value of the promises to give (pledges receivable) is considered to be the net values shown above at December 31, 2003 and 2002.

NOTE 3 - CLAIMS AND JUDGEMENTS

The Red Wing Area United Way, Inc. had no outstanding claims, litigation or judgements at December 31, 2003 or 2002.

Red Wing Area United Way, Inc.
Notes to the Financial Statements
December 31, 2003 and 2002

NOTE 4 – CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS

The Corporation maintains cash balances at the Associated Bank of Red Wing, Minnesota. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 2003, the Corporation's uninsured cash balances totaled \$40,052.

NOTE 5 – OPERATING LEASE

The Corporation leases its office space located at 413 West Third Street, Red Wing, Minnesota. As of December 31, 2003, either party to the lease for the year 2004 can cancel the agreement by giving a 90-day notice of cancellation.

The following is a schedule of future minimum lease payments required under the above operating lease as of December 31, 2003:

<u>Year Ending</u>	<u>Amount</u>
12/31/2003	\$ 900.00

Office lease costs for the years ending December 31, 2003 and 2002 was \$3,300 per year.

NOTE 6 – DEFINED CONTRIBUTION PLAN

The Corporation sponsors a saving incentive match plan (S.I.M.P.L.E.) for employees covering substantially all of its employees. Contributions are determined by a 3% company matching of participating employees' compensation, and totaled \$1,509 and \$1,274 in 2003 and 2002, respectively.

NOTE 7 – NET ASSET ADJUSTMENT

The Net Assets shown on this statement as of December 31, 2002 have been restated as follows:

Net Assets December 31, 2002 audit statement	\$161,423
Adjustment to exclude designation agency commitments	<u>15,386</u>
Restated Net Asset balance at December 31, 2002	<u>\$176,809</u>

- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box **Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868**
- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time—Must File Original and One Copy.

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization Red Wing Minnesota Area United Way, Inc	Employer identification number 41 : 6043633
	Number, street, and room or suite no. If a P O box, see instructions 413 West Third Street	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions Red Wing, MN 55066	

Check type of return to be filed (File a separate application for each return)

- Form 990
 Form 990-EZ
 Form 990-T (sec 401(a) or 408(a) trust)
 Form 1041-A
 Form 5227
 Form 8870
 Form 990-BL
 Form 990-PF
 Form 990-T (trust other than above)
 Form 4720
 Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for

- 4 I request an additional 3-month extension of time until November 15, 2004.
- 5 For calendar year 03, or other tax year beginning _____, 20... and ending _____, 20....
- 6 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period
- 7 State in detail why you need the extension
We are waiting for the certified audit to be completed

- 8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____
- b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____
- c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions \$ _____

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature [Handwritten Signature] Title CPA Date 8-4-04

Notice to Applicant—To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested
- Other _____

EXTENSION APPROVED
 AUG 11 2004

Director _____ By _____ **SUBMISSION PROCESSING CENTER** FIELD DIRECTOR

Alternate Mailing Address — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name
	Number and street (include suite, room, or apt. no.) Or a P O box number
	City or town, province or state, and country (including postal or ZIP code)