YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEARS ENDED DECEMBER 31, 2021 AND 2020

CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY
AND SUBSIDIARY
TABLE OF CONTENTS
DECEMBER 31, 2021 AND 2020

Page

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Young Men's Christian Association of Orange County and Subsidiary

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated statements of the Young Men's Christian Association of Orange County and subsidiary (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2021 and 2020, and the changes in its net assets and its cash flow for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Organization'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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Board of Directors
Young Men's Christian Association of Orange County and Subsidiary

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary consolidating information in Schedules I–IV is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
July 18, 2022

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

ASSETS

	2021	2020
Current Assets:		
Cash and cash equivalents	$ 9,449,527	$ 3,101,391
Investments	15,861,144	11,358,639
Receivables:		
Accounts receivable, net	1,859,088	1,488,259
Contribution receivable, current	93,172	93,172
Employee retention tax credit receivable	1,656,899	-
Pledges receivable, net	56,251	10,000
Prepaid expenses and other current assets	267,800	317,114
Total Current Assets	29,243,881	16,368,575
Property and Equipment, net	11,052,373	18,469,065
Other Assets:		
Deposits	2,200	2,200
Endowment investments	168,444	168,444
Contribution receivable, non-current	1,304,403	1,397,575
Total Other Assets	1,475,047	1,568,219
Total Assets	$ 41,771,301	$ 36,405,859

LIABILITIES AND NET ASSETS

	2021	2020
Current Liabilities:		
Accounts payable	$ 608,892	$ 636,578
Accrued payroll and employee benefits	1,901,004	2,190,526
Program fees received in advance	1,042,083	1,036,614
Accrued expenses	234,537	310,657
Current maturities of obligations held under capital leases	-	3,158
Credit Line	2,753,974	501,095
Paycheck Protection Program Loan	4,748,475	-
Notes payable, current portion	-	172,695
Total Current Liabilities	11,288,965	4,851,323
Long-Term Liabilities:		
Deposits payable	29,524	34,788
Notes payable, less current portion	-	4,017,965
Total Long-Term Liabilities	29,524	4,052,753
Total Liabilities	11,318,489	8,904,076
Net Assets:		
Without donor restrictions	24,701,893	24,234,215
With donor restrictions	5,750,919	3,267,568
Total Net Assets	30,452,812	27,501,783
Total Liabilities and Net Assets	$ 41,771,301	$ 36,405,859

The accompanying notes are an integral part of these consolidated financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	Total	Without Donor Restrictions	With Donor Restrictions
Operations			
Support, Revenue, and Gains:			
Fundraising Support:			
Contributions	$ 3,557,225	$ 787,977	$ 2,769,248
Special events, net of direct costs of $118,059	69,101	69,101	-
Total Fundraising Support	3,626,326	857,078	2,769,248
Program Revenue:			
Childcare fees	14,566,839	14,566,839	-
Membership fees	4,464,686	4,464,686	-
Health and fitness fees	1,671,784	1,671,784	-
Adventure guides fees	1,578,913	1,578,913	-
Government assistance	2,068,511	2,068,511	-
Camp fees	1,270,071	1,270,071	-
Community programs fees	371,298	371,298	-
Facility fees	103,768	103,768	-
Total Program Revenue	26,095,870	26,095,870	-
Other Income	2,838,570	2,838,570	-
Rental Income	238,995	238,995	-
Net Assets Released from Restrictions	-	364,896	(364,896)
Total Support, Revenue, and Gains	32,799,761	30,395,409	2,404,352
Operating Expenses:			
Program Services:			
Child and youth development	13,217,090	13,217,090	-
Health and fitness	6,620,434	6,620,434	-
Adventure guides activities	1,611,410	1,611,410	-
Camp	540,578	540,578	-
Other community services	3,071,929	3,071,929	-
Total Program Services	25,061,441	25,061,441	-
Supporting Services:			
Administrative and general	5,271,558	5,271,558	-
Fundraising	162,106	162,106	-
Total Supporting Services	5,433,664	5,433,664	-
Tipper, LLC Operating Expenses	604,366	604,366	-
Total Operating Expenses	31,099,471	31,099,471	-
Operating Margin	1,700,290	(704,062)	2,404,352
Nonoperating			
Investment Income, Net	1,977,249	1,898,250	78,999
Loss on Disposal of Property and Equipment	(726,510)	(726,510)	-
Total Nonoperating	1,250,739	1,171,740	78,999
Increase (Decrease) in Net Assets	2,951,029	467,678	2,483,351
Net Assets, Beginning of Year	27,501,783	24,234,215	3,267,568
Net Assets, End of Year	$ 30,452,812	$ 24,701,893	$ 5,750,919

The accompanying notes are an integral part of these consolidated financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020

	Total	Without Donor Restrictions	With Donor Restrictions
Operations			
Support, Revenue, and Gains:			
Fundraising Support:			
Contributions	$ 985,339	$ 779,590	$ 205,749
Total Fundraising Support	985,339	779,590	205,749
Program Revenue:			
Childcare fees	11,938,655	11,938,655	-
Membership fees	4,036,276	4,036,276	-
Health and fitness fees	767,060	767,060	-
Adventure guides fees	884,879	884,879	-
Government assistance	1,876,576	1,876,576	-
Camp fees	376,865	376,865	-
Community programs fees	375,149	375,149	-
Facility fees	103,278	103,278	-
Total Program Revenue	20,358,738	20,358,738	-
Contributions from other YMCAs	2,806	2,806	-
Other Income	2,193,527	2,193,527	-
Rental Income	267,275	267,275	-
Net Assets Released from Restrictions	-	396,189	(396,189)
Total Support, Revenue, and Gains	23,807,685	23,998,125	(190,440)
Operating Expenses:			
Program Services:			
Child and youth development	12,460,654	12,460,654	-
Health and fitness	6,312,163	6,312,163	-
Adventure guides activities	865,310	865,310	-
Camp	266,229	266,229	-
Other community services	2,611,782	2,611,782	-
Total Program Services	22,516,138	22,516,138	-
Supporting Services:			
Administrative and general	5,159,437	5,159,437	-
Fundraising	276,841	276,841	-
Total Supporting Services	5,436,278	5,436,278	-
Tipper, LLC Operating Expenses	572,038	572,038	-
Total Operating Expenses	28,524,454	28,524,454	-
Operating Margin	(4,716,769)	(4,526,329)	(190,440)
Nonoperating			
Investment Loss, Net	(138,906)	(138,906)	-
Loss on Disposal of Property and Equipment	(39,793)	(39,793)	-
Total Nonoperating	(178,699)	(178,699)	-
Decrease in Net Assets	(4,895,468)	(4,705,028)	(190,440)
Net Assets, Beginning of Year	32,397,251	28,939,243	3,458,008
Net Assets, End of Year	$ 27,501,783	$ 24,234,215	$ 3,267,568

The accompanying notes are an integral part of these consolidated financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program Services					
	Child and Youth Development	Health and Fitness	Adventure Guides Activities	Camp	Other Community Services	Subtotal
Salaries and wages	$ 8,181,157	$ 3,232,562	$ 200,838	$ 161,827	$ 1,898,836	$ 13,675,220
Employee benefits	845,506	254,653	27,804	22,180	216,779	1,366,922
Payroll taxes	651,218	252,503	14,662	11,849	153,752	1,083,984
Activity admissions	211,713	-	964,710	58,795	15,529	1,250,747
Bad debt expense	19,716	11,397	6,311	-	623	38,047
Credit card and bank fees	211,772	152,759	31,437	2,680	-	398,648
Depreciation	236,278	636,969	665	91,429	10,220	975,561
Employee and travel expense	7,681	2,067	1,089	194	7,141	18,172
Fair share	207,502	106,779	15,192	4,085	36,790	370,348
Fundraising campaign	-	-	-	-	-	-
Insurance	304,781	150,005	22,253	55,180	76,552	608,771
Interest	-	279	-	-	-	279
Meetings, training, and confere	63,459	42,912	11,191	5,487	18,833	141,882
Occupancy	716,324	1,316,834	8,384	73,392	29,698	2,144,632
Postage	1,238	615	232	52	1,078	3,215
Printing and promotion	148,043	52,489	16,246	6,680	29,957	253,415
Professional fees	229,672	23,280	6,297	3,280	21,213	283,742
Program materials	483,752	180,224	261,749	16,235	405,463	1,347,423
Recruitment and relocation	-	-	-	-	-	-
Small Equipment	232,901	95,132	11,191	4,314	48,397	391,935
Supplies	65,155	64,213	1,888	3,915	11,106	146,277
Telephone	295,130	44,693	9,186	5,649	59,032	413,690
Vehicle expense	104,092	69	85	13,355	30,930	148,531
Total Functional Expenses	$ 13,217,090	$ 6,620,434	$ 1,611,410	$ 540,578	$ 3,071,929	$ 25,061,441

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

	Supporting Services				
	Administrative and General	Fundraising	Subtotal	Tipper, LLC	Total
Salaries and wages	$ 3,086,329	$ 69,623	$ 3,155,952	$ -	$ 16,831,172
Employee benefits	289,674	4,485	294,159	-	1,661,081
Payroll taxes	-	6,218	6,218	-	1,090,202
Activity admissions	-	-	-	-	1,250,747
Bad debt expense	-	2,566	2,566	-	40,613
Credit card and bank fees	234,845	13,106	247,951	30,160	676,759
Depreciation	55,217	25	55,242	220,467	1,251,270
Employee and travel expense	4,539	327	4,866	-	23,038
Fair share	4,828	25,046	29,874	-	400,222
Fundraising campaign	-	28,954	28,954	-	28,954
Insurance	168,485	-	168,485	-	777,256
Interest	88,103	-	88,103	104,960	193,342
Meetings, training, and conference	122,173	2,134	124,307	-	266,189
Occupancy	10,690	61	10,751	230,937	2,386,320
Postage	10,162	6	10,168	755	14,138
Printing and promotion	3,000	3,106	6,106	1,765	261,286
Professional fees	834,423	4,339	838,762	4,671	1,127,175
Program materials	-	-	-	-	1,347,423
Recruitment and relocation	134,832	-	134,832	-	134,832
Small Equipment	60,093	1,035	61,128	-	453,063
Supplies	89,806	209	90,015	6,448	242,740
Telephone	64,656	866	65,522	4,203	483,415
Vehicle expense	9,703	-	9,703	-	158,234
Total Functional Expenses	$ 5,271,558	$ 162,106	$ 5,433,664	$ 604,366	$ 31,099,471

The accompanying notes are an integral part of these consolidated financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020

	Program Services					
	Child and Youth Development	Health and Fitness	Adventure Guides Activities	Camp	Other Community Services	Subtotal
Salaries and wages	$ 7,364,446	$ 2,712,220	$ 139,941	$ 74,081	$ 1,664,461	$ 11,955,149
Employee benefits	683,515	179,410	16,344	3,756	139,641	1,022,666
Payroll taxes	903,196	273,335	16,793	7,375	184,012	1,384,711
Activity admissions	60,976	1,383	421,682	400	67,194	551,635
Bad debt expense	55,709	44,101	2,275	-	4,873	106,958
Credit card and bank fees	628,176	246,444	33,892	3,977	37,480	949,969
Depreciation	257,507	932,496	263	95,174	15,149	1,300,589
Employee and travel expense	13,091	4,278	1,823	53	8,557	27,802
Fair share	164,090	82,256	10,508	2,765	23,430	283,049
Fundraising	-	-	-	-	-	-
Insurance	321,179	142,223	19,395	8,763	63,978	555,538
Interest	54	779	-	-	17	850
Meetings, training, and confere	51,170	32,164	3,091	507	23,304	110,236
Occupancy	800,327	1,206,943	24,454	40,984	59,314	2,132,022
Postage	2,755	1,678	170	507	881	5,991
Printing and promotion	118,917	50,216	7,311	367	22,620	199,431
Professional fees	121,278	40,245	5,420	1,345	28,580	196,868
Program materials	417,397	136,643	149,202	9,080	154,624	866,946
Recruitment and relocation	100	-	-	-	-	100
Small Equipment	122,711	81,871	5,812	2,359	29,717	242,470
Supplies	61,486	88,184	509	1,838	12,894	164,911
Telephone	285,709	53,830	6,252	5,505	52,108	403,404
Vehicle expense	26,865	1,464	173	7,393	18,948	54,843
Total Functional Expenses	$ 12,460,654	$ 6,312,163	$ 865,310	$ 266,229	$ 2,611,782	$ 22,516,138

The accompanying notes are an integral part of these consolidated financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

	Supporting Services				
	Administrative and General	Fundraising	Subtotal	Tipper, LLC	Total
Salaries and wages	$ 2,485,943	$ 79,646	$ 2,565,589	$ -	$ 14,520,738
Employee benefits	242,476	4,097	246,573	-	1,269,239
Payroll taxes	255,325	9,727	265,052	-	1,649,763
Activity admissions	-	-	-	-	551,635
Bad debt expense	-	80,773	80,773	-	187,731
Credit card and bank fees	454,692	19,824	474,516	10	1,424,495
Depreciation	69,131	36	69,167	220,467	1,590,223
Employee and travel expense	4,089	437	4,526	-	32,328
Fair share	2,174	7,613	9,787	-	292,836
Fundraising campaign	-	39,628	39,628	-	39,628
Insurance	117,466	257	117,723	-	673,261
Interest	38,169	-	38,169	108,343	147,362
Meetings, training, and conference	81,153	2,194	83,347	-	193,583
Occupancy	54,541	2,062	56,603	234,037	2,422,662
Postage	13,114	188	13,302	587	19,880
Printing and promotion	1,000	11,607	12,607	-	212,038
Professional fees	1,148,275	12,967	1,161,242	3,184	1,361,294
Program materials	-	-	-	-	866,946
Recruitment and relocation	64,315	-	64,315	-	64,415
Small Equipment	39,739	2,965	42,704	-	285,174
Supplies	14,397	1,098	15,495	2,730	183,136
Telephone	68,040	1,689	69,729	2,680	475,813
Vehicle expense	5,398	33	5,431	-	60,274
Total Functional Expenses	$ 5,159,437	$ 276,841	$ 5,436,278	$ 572,038	$ 28,524,454

The accompanying notes are an integral part of these consolidated financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Cash Flows from Operating Activities:		
Increase (Decrease) in Net Assets	$ 2,951,029	$ (4,895,468)
Noncash Reconciling Items:		
Depreciation	1,251,270	1,590,223
Occupancy expense for donated property and building	93,172	93,172
Amortization of deferred financing costs	8,023	1,175
Realized and unrealized (gain) loss on investments	(1,634,556)	505,866
Loss on disposal of property and equipment	726,510	39,793
Deferred Santa Ana project funding amortization	-	(250,000)
Allowance for doubtful accounts	(8,030)	10,843
Allowance for uncollectable pledges	6,607	(2,150)
Changes in:		
Accounts receivable	(362,799)	(548,490)
Employee retention tax credit receivable	(1,656,899)	-
Pledges receivable	(52,858)	15,888
Prepaid expenses and other current assets	49,314	271,993
Deposits	-	82,454
Accounts payable	(27,686)	135,793
Accrued payroll and employee benefits	(289,522)	319,483
Program fees received in advance	5,469	371,863
Accrued expenses	(76,120)	178,362
Deposits payable	(5,264)	4,898
Net Cash and Cash Equivalents Provided by (Used in) Operating Activities	977,660	(2,074,302)
Cash Flows from Investing Activities:		
Purchases of property and equipment	(554,978)	(308,988)
Proceeds from sale of property and equipment	5,993,890	37,805
Sales of investments	5,958,541	3,114,327
Purchases of investments	(8,826,490)	(3,041,777)
Net Cash and Cash Equivalents Provided by (Used) in Investing Activities	2,570,963	(198,633)
Cash Flows from Financing Activities:		
Principal payments on capital leases	(3,158)	(27,722)
Principal payments on notes payable	(4,198,683)	(82,425)
Proceeds from borrowing on Credit Line	2,252,879	501,095
Proceeds from Paycheck Protection Program Loan	4,748,475	-
Net Cash and Cash Equivalents Provided by Financing Activities	2,799,513	390,948
Net Increase (Decrease) in Cash and Cash Equivalents	6,348,136	(1,881,987)
Cash and Cash Equivalent, Beginning of Year	3,101,391	4,983,378
Cash and Cash Equivalents, End of Year	$ 9,449,527	$ 3,101,391

The accompanying notes are an integral part of these consolidated financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Supplemental Disclosures:		
Interest paid	$ 193,342	$ 147,362
Income taxes	$ -	$ -

The accompanying notes are an integral part of these consolidated financial statements.

Note 1: Organization and Nature of Services

Organization

At the Young Men's Christian Association of Orange County (the YMCA or Y), strengthening community is its cause. With a focus on youth development, healthy living, and social responsibility, the Y serves Orange County, Riverside County, Pomona Valley, and East San Gabriel Valley through five Health & Wellness locations, two program centers, an aquatics and soccer complex, numerous community services and youth programs, and 77 Before & After School Program centers. YMCA programs celebrate and honor common values of respect, responsibility, honesty, and caring by infusing character development into the foundation and practice of all programs; from youth sports and group exercise classes to parent/child programs and community services - Y programs build healthy spirit, mind, and body for all. The YMCA of Orange County is a nonprofit, charitable organization that serves the entire community.

Tipper, LLC (Tipper) is a wholly owned subsidiary of the YMCA operated exclusively to further the charitable purposes of the Y. The activities of the limited liability company shall be limited to acquiring and holding title to property, collecting income therefrom, and remitting the entire amount of net income from such property to the member within the meaning of Section 23701b of the California Revenue and Taxation Code and in furtherance of the charitable purposes of the member.

The consolidated financial statements include the accounts of the YMCA and its wholly owned subsidiary, Tipper, which are collectively referred to as the Organization. Interorganizational transactions and balances have been eliminated in consolidation.

Nature of Services

The Y provides services for the following program areas:

- Child and Youth Development: The Y provides a safe and inclusive before-and-after-school care program, which supports the needs and priorities of the child, the family, and the school. YMCA programs facilitate the development of the whole child through meaningful experiences, programs, and collaborations that build relationships and a sense of community. Currently, the Y delivers curriculum-based programming at 81 locations throughout Orange County, Riverside County, and Pomona Valley. In addition, the Y provides year-round experiences through day camps and enrichment clubs. Youth experience curriculum through a variety of content areas, hands-on activities, clubs, service learning projects, and enrichment centers.

Note 1: Organization and Nature of Services (Continued)

Nature of Services (Continued)

- Health and Fitness: The Y provides comprehensive health and wellness programming to youth and adults. Through quality programs and partnerships that span across six locations and six cities, the community receives opportunities to engage in healthier habits, community involvement, giving back, and being connected. The Y is a place where everyone can work toward their own goals by challenging themselves to learn a new skill or hobby, fostering connections with friends, and bringing loved ones closer together through family-centered healthy activities. At the Y, it's not the activity as much as it is about the benefits of living healthier together as a community.

- Adventure Guides Activities: The Adventure Guides program was developed by the Y to help strengthen family relationships. The program fosters companionship and understanding and sets a foundation for positive, lifelong relationships between parent and child, ages 3-12. The program is designed to build a sense of self-esteem and personal worth through experiences in nature, at events, in play, and more. The program provides the framework to meet a mutual need of spending enjoyable, constructive, and quality time together.

- Camp: Y camp has been a tradition dating back to as early as 1885. The Y offers a variety of camps created to meet the needs of families. The Y camps include residential, summer day camps, winter day camps, and specialty camps. Each camp is designed with the Y's core values of caring, honesty, respect, and responsibility at the center of all activities. Y camp programs are educational and experiential; they foster cognitive development, physical well-being, social growth, character development, leadership skills, and a respect for the environment. Through a variety of engaging activities and the use of natural surroundings, Y camp programs encourage participants to explore and develop their interests and abilities in a safe and nurturing environment.

- Other Community Services: The Y's mission does not stop at traditional school or fitness settings, but extends beyond to meet the needs of those in the community. Through key programs, the Y offers all community members the ability to participate in programs, make new friends, build memories, and live life to their best.

  New Horizons is a program for adults living with developmental disabilities and special needs ages 18 and up. The New Horizons program provides safe and supervised recreational outings in the community that offer social interaction, skill building, and lifelong friendships. While participants are having fun, their full-time caregivers are provided with the "time-off" they need to better care for their loved ones.

Note 1: Organization and Nature of Services (Continued)

Nature of Services (Continued)

- Other Community Services (Continued)

  The Y Inclusion Program assists children with special needs or disabilities in becoming independent, engaged, and successful in their childcare setting. The Y's positive and supportive approach focuses on behavior management and play and social and self-care skills development.

  The Y is a proud supporter of the After School Education & Safety (ASES) Program for students. This program supports low-income families by providing a safe and educational after-school environment through state grants. The Y currently operates 20 ASES sites, 9 in Los Angeles County and 11 in Orange County. ASES students receive homework assistance and snacks and participate in activities that support Science, Technology, Engineering, Arts, Math (known as S.T.E.A.M.), leadership, sports, and other enrichment opportunities.

  The Youth & Government program is a six-month program in which high-school aged delegates (9th-12th grades) learn about California's government and the changes they can make in their communities. Students will role-play various positions of the California State Legislature and the state court systems. Students participate by joining their high school delegation and attending weekly meetings where they discuss issues facing California and the ways the legislative and judicial branches can effect change.

Note 2: Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). References to the ASC hereafter refer to the Accounting Standards Codification established by the Financial Accounting Standards Board (FASB) as the source of authoritative U.S. GAAP.

Accordingly, the accounts of the Organization are reported in the following net asset categories:

Net Assets without Donor Restrictions - Net assets of the Organization that are not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Net Assets with Donor Restrictions - Net assets of the Organization that are subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Note 2: Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include petty cash funds, bank checking accounts used for operating purposes, and investments with maturities of three months or less from the original purchase dates.

Investments

Investments consist of debt and equity securities plus certificates of deposits held by the Organization with a maturity over 90 days. Debt securities are carried at fair value with changes in fair value recognized in changes in net assets. Equity securities consisting of common stocks, mutual funds, exchange-traded products, and real estate investment trusts with readily determinable fair values are measured at fair value, with changes in fair value recognized in earnings. For equity investments that do not have readily determinable fair values the securities will be carried at cost and remeasured at fair value either upon the occurrence of an observable input of an observable price change or upon identification of an impairment.

Accounts Receivable

The Organization's accounts receivable are primarily fees for services provided and rent that is due. Accounts receivable are typically due net 30 days. Accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. The allowance for doubtful accounts is determined on the basis of loss experience, economic conditions in the industry, and the financial stability of customers.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation if purchased or at the estimated fair value if donated. Maintenance and repairs are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 10 to 40 years for buildings and improvements, 3 to 10 years for furniture and equipment, and 3 to 7 years for vehicles.

Long-Lived Assets and Asset Impairment

The Organization accounts for impairment and disposition of long-lived assets in accordance with the FASB ASC 360-10, *Property, Plant, and Equipment*. FASB ASC 360-10 requires that impairment losses be recognized for long-lived assets used in operations when indicators of impairment are present and the undiscounted future cash flows are not sufficient to recover the assets' carrying amounts. For the years ended December 31, 2021 and 2020, there was no impairment of the value of such assets.

Note 2: Summary of Significant Accounting Policies (Continued)

Donated Materials, Services, and Facilities

Donated materials and other noncash contributions are reflected in the accompanying consolidated financial statements at their estimated fair market value at the date of receipt.

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteer services that do not meet these criteria are not recognized in the consolidated financial statements, as there is no objective basis of deriving their value.

Donated use of facilities/land during each of the years ended December 31, 2021 and 2020, included 3.57 acres of land from the U.S. Army, a 20,455 square-foot building, and 23,655 square feet of land from the City of Laguna Niguel. In addition, the Organization occupies 4 acres of land, as well as a 27,327 square-foot building donated by the City of Mission Viejo. The donated use of facilities/land for the Laguna Niguel and Fullerton locations is considered an exchange transaction. The donated use of the Mission Viejo location resulted in a contribution receivable as of January 1, 2019.

Accrued Vacation

As of December 31, 2021 and 2020, the accrued vacation liability was $569,945 and $498,893, respectively, and is included as a component of accrued payroll and employee benefits in the accompanying consolidated statements of financial position.

Revenue Recognition

Contributions

In accordance with FASB ASC 958-605, *Revenue Recognition*, contributions received, including donated use of facilities and land, are recorded as contributions without donor restrictions or contributions with donor restrictions depending on the existence and/or nature of any donor restrictions. Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases in 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.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other support that is restricted by the donor is reported as an increase in net assets with donor restrictions. 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 statements of activities as net assets released from restrictions.

Note 2: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Contributions (Continued)

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization does not have any cost-reimbursable grants that have been recognized at December 31, 2021 and 2020 because qualifying expenditures have not been incurred.

Exchange Transactions

The Organization recognizes revenue from contracts with customers in accordance with FASB Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic ASC 606)*. The Organization records exchange transaction revenue in its consolidated statements of activities for the years ended December 31, 2021 and 2020, as stated below.

- Childcare: For childcare, the performance obligation is the delivery of childcare services to the customer. Most childcare contracts are month to month with revenue recognized over the length of the contract. The transaction price is established by the Organization. Fees include program supplies, meals, staffing, and facility costs. As is customary, these items are not separately priced and are therefore considered to be one performance obligation.

- Membership: For membership, the performance obligation is providing access to health and fitness facilities and classes to members. Most memberships are month to month with revenue recognized over the monthly membership contract. The transaction price is established by the Organization. Fees include program supplies, staffing, and facility costs. As is customary, these items are not separately priced and are therefore considered to be one performance obligation.

- Health and Fitness: For health and fitness, the performance obligation is providing health and fitness services to members. Revenue is recognized over the period of time when the purchased services are provided. The transaction price is established by the Organization based on individual services provided. As each item is individually priced, no allocation of the transaction price is necessary.

Note 2: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Exchange Transactions (Continued)

- Adventure Guides: For Adventure Guides, the performance obligation is the delivery of Adventure Guide programs to the customer. Adventure Guide programs are for one calendar-year period with revenue recognized evenly throughout the period. The transaction price is established by the Organization. Fees include program supplies, meals, staffing, and facility costs. As is customary, these items are not separately priced and are therefore considered to be one performance obligation. In addition, the Adventure Guide program includes events with transaction prices established by the Organization. Adventure Guide event revenue is recognized over the period of time an event occurs. As each event is individually priced, no allocation of the transaction price is necessary.

- Camp: For camp, the performance obligation is holding the camp. Revenue is recognized over the period of time a camp is held. The transaction price is established by the Organization. Fees include program supplies, meals, staffing, and facility costs. As is customary, these items are not separately priced and are therefore considered to be one performance obligation.

- Community-Based Programs: For community-based programs, the performance obligation is the delivery of community programs to program participants. Revenue is recognized over time as programs are held. The transaction price is established by the Organization. Fees include program supplies, meals, staffing, and facility costs. As is customary, these items are not separately priced and are therefore considered to be one performance obligation.

- Special Fundraising Event Revenue: The Y conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event (the exchange component) and a portion represents a contribution to the Y. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Y. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs of the special events, which ultimately benefit the donor rather than the Y, are recorded as costs of direct donor benefits in the consolidated statements of activities.

  The performance obligation is holding the event, which is usually accompanied by a presentation. The event fees are set by the Y. ASC 606 requires allocation of the transaction price to the performance obligation. Accordingly, the Y separately presents in its notes to consolidated financial statements the exchange and contribution components of the gross proceeds from special events. Special event fees collected by the Y in advance of the events are initially recognized as liabilities (deferred income) and are recognized as special event revenue after the event. For special event fees received before year-end, for an event to occur after year-end, the Y follows American Institute of Public Accounting guidance (if this is the case) where the inherent contribution is conditioned on the event taking place and is therefore treated as a refundable advance along with the exchange component.

Note 2: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Exchange Transactions (Continued)

- Facility Fees and Rental Income: The Organization generates revenues from facility rental fees and office space rental income in accordance with FASB ASC 840, Leases, on a straight-line basis over the period of the rental contract. Rental contract terms can range from daily to multiyear. Because the term of a contract can extend across more than one financial reporting period, the Organization records unearned and unbilled rental revenue at the end of each reporting period to ensure that the rental revenue earned is appropriately stated in the period presented.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the consolidated statements of functional expenses. Certain categories of expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. Expenses to advertise programs, which include salaries and wages of marketing employees and other expenses, such as printing and promotion, are based on actual expenses incurred for each program. Additionally, the costs of the subsidiary, Tipper, have been summarized on a functional basis in the consolidated statements of functional expenses.

Use of Estimates

The process of preparing consolidated financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the consolidated financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Income Taxes

The YMCA is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code and the corresponding state code as a charitable organization whereby only unrelated business income is subject to income tax. The YMCA had no unrelated business income during the years ended December 31, 2021 and 2020. Accordingly, there is no provision for income taxes in the accompanying consolidated financial statements.

Note 2: Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

In accordance with FASB ASC 740-10-25, *Income Taxes*, an organization must recognize the tax benefit associated with tax taken for tax return purposes when it is more likely than not that the position will be sustained. The YMCA does not believe that there are any material uncertain tax positions, and accordingly, it has not recognized any liability for unrecognized tax benefits or any related interest or penalties at December 31, 2021 and 2020. The YMCA's tax years from 2018 to 2021 are open to review for federal tax purposes, and tax years from 2017 to 2021 are open to review for state income tax purposes.

Tipper is a limited liability company that was granted tax-exempt status under the Franchise Tax Board Revenue and Taxation Code Section 23701h. Accordingly, there is no provision for income taxes in the accompanying consolidated financial statements. For federal tax purposes, Tipper is considered a disregarded entity and files on a consolidated basis with the YMCA.

Recent Accounting Pronouncements – Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), with subsequently issued improvements and corrections. ASU 2016-02 amends a number of aspects of lease accounting, including requiring lessees to recognize on their balance sheet a right-of-use asset and a lease liability for all operating leases with a term of more than 12 months. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of asset not to recognize the right-of-use asset and lease liability. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021; however, early adoption is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-02 on the presentation of its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*, with subsequently issued improvements, which requires that credit losses on most financial assets measured at amortized cost and certain other instruments be measured using an expected credit loss model. The ASU also replaces the current accounting model for purchased credit-impaired loans and debt securities. Further, ASU 2016-13 makes certain targeted amendments to the existing impairment model for available-for-sale debt securities. For nonpublic entities, the amendments are effective for fiscal years beginning after December 15, 2022. The Organization is currently evaluating the impact of the provisions of this pronouncement on the presentation of its consolidated financial statements.

Note 3: Revenue from Contracts with Customers

The following table disaggregates the Organization's revenue based on the timing of satisfaction of performance obligations for the years ended December 31, 2021 and 2020:

	2021	2020
Performance obligations satisfied over time:		
Childcare fees	$ 14,566,839	$ 11,938,655
Membership fees	4,464,686	4,036,276
Health and fitness fees	1,671,784	767,060
Adventure guide fees	1,578,913	884,879
Government assistance	2,068,511	1,876,576
Camp	1,270,071	376,865
Special events - exchange component	69,101	-
Community programs fees	371,298	375,149
Other income	1,181,671	2,193,527
Total Revenue from Contracts with Customers	$ 27,242,874	$ 22,448,987

Note 4: Liquidity

The Organization's financial assets available for general expenditure (that is, without donor or other restrictions limiting their use), within one year of the consolidated statement of financial position date, are as follows as of December 31, 2021 and 2020:

	2021	2020
Cash and cash equivalents	$ 9,236,487	$ 3,101,391
Investments	13,090,411	11,358,639
Accounts receivable	1,859,088	1,488,259
Employee retention credit tax receivable	1,656,899	-
Pledges receivable	56,251	10,000
Total Financial Assets Available to Meet General Expenditures within One Year	$ 25,899,136	$ 15,958,289

As part of its liquidity management plan, the Organization invests cash in excess of daily requirements in various investments and money market funds as more fully described in Note 6 for which the Organization would not incur penalties if sold.

Note 5: Cash and Cash Equivalents

Cash and cash equivalents consist of the following as of December 31, 2021 and 2020:

	2021	2020
Petty cash	$ 1,419	$ 1,519
Checking accounts	1,301,149	2,272,330
Money market accounts	8,146,959	827,542
Total Cash and Cash Equivalents	$ 9,449,527	$ 3,101,391

The Organization maintains cash and cash equivalent balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation for up to $250,000. The Organization regularly has deposits with banks in excess of federally insured limits.

Tipper engaged a property management company to manage rental lease contracts and building maintenance. As part of the agreement, the property management company established a trust account for which Tipper is the beneficiary.

Note 6: Investments

The fair value of investments at December 31, 2021 and 2020, is as follows:

	2021	2020
Common stock	$ 6,653,280	$ 4,822,177
Corporate bonds	1,897,486	1,691,694
Mutual funds	4,075,873	3,184,437
Exchange-traded products	904,318	254,311
Real estate investment trust	2,308,927	1,384,798
Certificates of deposit	189,704	189,666
Total Investments	$ 16,029,588	$ 11,527,083

Investment income (loss), net consists of the following for the years ended December 31, 2021 and 2020:

	2021	2020
Interest and dividend income	$ 385,639	$ 405,262
Net realized gains (losses)	346,528	(320,258)
Net unrealized gains (losses)	1,288,028	(185,608)
Management fees	(42,946)	(38,302)
Investment Income (Loss), Net	$ 1,977,249	$ (138,906)

Note 7: Accounts Receivable

Accounts receivable are composed of the following at December 31, 2021 and 2020:

	2021	2020
Grants (governmental/foundation)	$ 730,568	$ 451,853
Program	1,079,702	1,044,095
Other	62,773	14,296
Less: Allowance for doubtful accounts	(13,955)	(21,985)
Total Accounts Receivable, Net	$ 1,859,088	$ 1,488,259

The Organization has a contribution receivable balance from the City of Mission Viejo related to the use of donated land and building through April 2037. The balance of the contribution receivable as of December 31, 2021 and 2020, is $1,397,575 and $1,490,747, respectively.

Note 8: Property and Equipment

Property and equipment consist of the following at December 31, 2021 and 2020:

	2021	2020
Land	$ 2,280,743	$ 7,123,743
Buildings and improvements	19,630,144	23,678,312
Furniture and equipment	4,427,102	4,357,894
Vehicles	361,753	361,753
Construction in process	53,217	9,527
	26,752,959	35,531,229
Less: Accumulated depreciation	(15,700,586)	(17,062,164)
Property and Equipment, Net	$ 11,052,373	$ 18,469,065

Depreciation expense for the years ended December 31, 2021 and 2020, was $1,251,270 and $1,557,267, respectively, not inclusive of depreciation expense on capital leases.

The Organization completed a project in Santa Ana in November 2010, which was the site of a new YMCA facility. The project included two recreational pools, a soccer arena, sports field, a health and nutrition modular facility, and an office modular, along with an Olympic-size pool with lockers and shower facilities on the Segerstrom High School campus that is adjacent to the YMCA site. The majority of the project was funded by the Children and Families Commission of Orange County (the Commission).

Note 8: Property and Equipment (Continued)

The grant is considered to be an exchange transaction pursuant to the YMCA contract with the Commission to provide certain community services at the site over a specified 10-year period. Accordingly, the Commission funding is not recognized as revenue upon incurrence of the related construction costs. Funding from the Commission is recorded as deferred revenue to be recognized ratably over the 10-year service period stipulated in the contract with the Commission. Revenue recognition commenced January 2012 and continued through December 2020 at a rate of $250,000 per year. Deferred Santa Ana project funding as of December 31, 2020, was $250,000. The funding was completed at December 31, 2020.

Note 9: Lease Rental Income

Tipper leases office space to various tenants under rental lease agreements expiring in years through 2025. Rental income during the years ended December 31, 2021 and 2020, totaled $238,995 and $267,275, respectively.

Minimum future lease payments to be received as of December 31, 2021, are as follows:

2022	$ 192,630
2023	102,214
2024	52,063
2025	17,203
Total	$ 364,110

Note 10: Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Note 10: Fair Value Measurements (Continued)

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; or
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

The following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

Equity Securities and Exchange-Traded Products: Valued at the closing price reported on the active market on which the individual securities are traded.

Municipal and Corporate Bonds: Valued at prices obtained from independent pricing services, without adjustment.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by a retirement plan are deemed to be actively traded.

Real Estate Investment Trust: Valued at prices obtained from independent appraisal services of underlying assets.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 10: Fair Value Measurements (Continued)

The following table provides fair value measurement information for financial assets measured at fair value on a recurring basis as of December 31, 2021:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities:				
Consumer discretionary	$ 785,275	$ 785,275	$ -	$ -
Consumer goods	1,063,321	1,063,321	-	-
Energy	830,349	830,349	-	-
Financials	1,270,095	1,270,095	-	-
Health care	846,540	846,540	-	-
Industrials	442,010	442,010	-	-
Information technology	875,965	875,965	-	-
Utilities	539,725	539,725	-	-
Corporate bonds	1,897,486	-	1,897,486	-
Mutual funds	4,075,873	4,075,873	-	-
Exchange-traded products	904,318	904,318	-	-
Real estate investment trusts	2,308,927	-	2,308,927	-
	15,839,884	$ 11,633,471	$ 4,206,413	$ -
Certificates of deposit (1)	189,704			
Total Investments	$ 16,029,588			

(1) Not subject to fair value hierarchy measurements.

Note 10: Fair Value Measurements (Continued)

The following table provides fair value measurement information for financial assets measured at fair value on a recurring basis as of December 31, 2020:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities:				
Consumer discretionary	$ 539,347	$ 539,347	$ -	$ -
Consumer goods	867,849	867,849	-	-
Energy	521,975	521,975	-	-
Financials	954,430	954,430	-	-
Health care	450,209	450,209	-	-
Industrials	516,411	516,411	-	-
Information technology	580,498	580,498	-	-
Utilities	391,459	391,459	-	-
Corporate bonds	1,691,694	-	1,691,694	-
Mutual funds	3,184,436	3,184,437	-	-
Exchange-traded products	254,311	254,311	-	-
Real estate investment trusts	1,384,798	-	1,384,798	-
	11,337,417	$ 8,260,925	$ 3,076,492	$ -
Certificates of deposit [(1)]	189,666			
Total Investments	$ 11,527,083			

Note 11: Notes Payable

YMCA had a note payable of $2,300,000 with Bank of America, N.A. The note payable had a fixed interest rate of 4.43%, with monthly payments of $12,856 due through maturity, and an estimated $1,261,914 balloon payment originally due at maturity on January 1, 2022. This note was secured by the Fullerton Family YMCA facility. The outstanding balance as of December 31, 2020 was $1,382,964. During 2021, the note payable was paid in full.

Tipper had a note payable of $3,000,000 with HomeStreet Bank. The note payable had a fixed interest rate of 4.08%, with monthly payments of $16,063 due through maturity, with an estimated $2,167,201 balloon payment originally due at maturity on October 1, 2027. The note was guaranteed by the assets of the YMCA and secured by the Tustin building. The outstanding balance as of December 31, 2020 was $2,807,696. During 2021, the note payable was paid in full.

The loan agreements for YMCA and Tipper, noted above, contain certain financial and nonfinancial covenants. At December 31, 2020, the Organization was in compliance with these financial and nonfinancial covenants.

Note 12: Credit Line

In April 2020, the Organization entered into an agreement providing a credit line on a margin account with a financial institution. The credit line provides for borrowings up to 50% of the Organization's eligible investment balance with the financial institution. Monthly interest payments are made at 0.75% above the federal funds rate. The credit line is collateralized by the Organization's investments with the financial institution and has an open maturity date. At December 31, 2021 and 2020, the balance borrowed against the investment account was $2,753,974 and $501,095, respectively.

Note 13: Paycheck Protection Program Loan

On February 27, 2021, the Organization received a loan from Farmers & Merchants Bank of Long Beach in the amount of $4,748,475 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The PPP Loan bears interest at a fixed rate of 1.0% per annum, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration (SBA). Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the Company fails to apply for forgiveness within 10 months after the covered period, payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. The outstanding balance as of December 31, 2021 is $4,748,475.

The Organization is following ASC 470, Debt, to account for the initial receipt related to the PPP loan. The Company had classified the loan as long-term in accordance with the terms of the law during 2021. On May 19, 2022, the Organization received notification from the SBA that the Organization has been granted forgiveness of the full amount of the loan and all corresponding interest totaling $4,802,465. The SBA has the right to and may review/audit funding eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any subsequent review/audit will not have a material adverse impact on the Organization's financial position.

Note 14: Endowment Funds

The Organization's Endowment Funds include a donor-restricted endowment. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization has interpreted the State of California Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the original gift amount of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as donor-restricted endowment funds (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time accumulation is added to the fund.

Note 14: Endowment Funds (Continued)

The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as net assets without donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

The Organization's investments are governed by a written investment policy, the principal objectives of which are to preserve the long-term, real purchasing power of the Organization's assets and generate a predictable and growing stream of annual distributions that will support the Organization's needs. Oversight of the investment portfolio is the responsibility of the Investment Committee whose members are composed of two or more directors of the Board of Directors and other such persons as the Board of Directors shall determine. The Chairman of the Board of Directors and the President of the Association shall be ex officio members of the Investment Committee. The Investment Committee shall administer the investment portfolio in compliance with all written policies approved by the Board of Directors.

The Investment Committee has contracted with an independent trust company for the purpose of managing the investment and reinvestment of fund assets in a manner consistent with the overall investment policy as approved by the Board of Directors.

The following are the investment objectives of the Organization:

- Preserve the investment portfolio's corpus over the long term
- Ensure the investment portfolio's long-term ability to distribute income

The following is the endowment net asset composition by type of fund as of December 31, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds, perpetual in duration - original gift amount	$ -	$ 168,444	$ 168,444

Note 14: Endowment Funds (Continued)

The following is the endowment net asset composition by type of fund as of December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds, perpetual in duration - original gift amount	$ -	$ 168,444	$ 168,444

Changes in the endowment fund net assets for the years ended December 31, 2021 and 2020, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment fund net assets, December 31, 2019	$ -	$ 168,444	$ 168,444
Contributions	-	-	-
Investment return	-	1,918	1,918
Appropriation of endowment assets for expenditure	-	(1,918)	(1,918)
Endowment fund net assets, December 31, 2020	-	168,444	168,444
Contributions	-	-	-
Investment return	-	38	38
Appropriation of endowment assets for expenditure	-	(38)	(38)
Endowment Fund Net Assets, December 31, 2021	$ -	$ 168,444	$ 168,444

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or applicable state law requires the Organization to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. There were no such deficiencies as of December 31, 2021 and 2020. The Organization has interpreted the SPMIFA and applicable state trust law to permit spending from underwater endowments in accordance with prudent measures required under law.

Note 15: Net Assets Released from Restrictions

Net assets released from restrictions for the years ended December 31, 2021 and 2020, consist of the following:

	2021	2020
Satisfaction of time restriction	$ 121,897	$ 186,748
Satisfaction of purpose restriction	242,999	209,441
Total Net Assets Released from Restrictions	$ 364,896	$ 396,189

Note 16: Net Assets

Net assets consist of the following at December 31, 2021 and 2020:

	2021	2020
Net Assets without Donor Restrictions:		
Investment in property and equipment, net of related debt	$ 11,052,373	$ 13,774,152
Available for operations	13,649,520	10,460,063
Total net assets without donor restrictions	24,701,893	24,234,215
Net Assets with Donor Restrictions:		
Subject to expenditures for specific purposes:		
Adventure guide activities	-	75,147
Health and wellness program activities	6,800	-
Camping	8,642	10,827
Capital campaign for Newport facility	2,602,289	-
Program activities - Orange service area	1,369,570	1,402,293
Total purpose restrictions	3,987,301	1,488,267
Subject to passage of time:		
Use of donated land and facilities	$ 1,397,575	$ 1,490,747
Campaign donations	197,599	120,110
Total time restrictions	1,595,174	1,610,857
Endowment:		
Subject to endowment spending policy and appropriation:		
Program activities	168,444	168,444
Total net assets with donor restrictions	5,750,919	3,267,568
Total Net Assets	$ 30,452,812	$ 27,501,783

Note 17: Deferred Income

The activity and balances for deposits and deferred income from contracts with customers are shown in the following table:

	Santa Ana Project Funding	Child Care	Other	Total
Balance - December 31, 2019	$ 250,000	$ 289,280	$ 375,471	$ 914,751
Revenue recognized	(250,000)	(1,414,510)	(3,008,806)	(4,673,316)
Payments received for future performance obligations	-	1,299,664	3,530,303	4,829,967
Balance - December 31, 2020	-	174,434	896,968	1,071,402
Revenue recognized	-	(1,397,822)	(3,957,004)	(5,354,826)
Payments received for future performance obligations	-	2,018,279	3,336,752	5,355,031
Balance - December 31, 2021	$ -	$ 794,891	$ 276,716	$ 1,071,607

Note 18: Commitments and Contingencies

a) Obligations Held under Capital Leases

The Organization was the lessee of various equipment under capital leases expiring in years through 2020. The assets and liabilities held under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets are depreciated over the lower of the related lease terms or their estimated productive lives. Depreciation of assets under capital leases is included in depreciation expense for the year ended December 31, 2020.

The following is a summary of property held under capital leases at December 31, 2020:

	2020
Machinery and equipment	$ 584,208
Less: Accumulated depreciation	(584,208)
Property Held under Capital Leases, Net	$ -

Note 18: Commitments and Contingencies (Continued)

a) Obligations Held under Capital Leases (Continued)

Depreciation of assets held under capital leases charged to expense for the year ended December 31, 2020 was $32,956.

There are no minimum future lease payments under capital leases as of December 31, 2021.

b) Operating Leases

The Organization leases various facilities and equipment pursuant to lease agreements that expire through 2026. The Organization's facility leases provide for annual escalations, common area maintenance charges, and renewal options. The Organization is liable for insurance for both the facilities and equipment leases.

Future minimum payments under noncancelable operating leases with an initial term of one year or more are as follows for years ending December 31:

	Facility	Equipment	Total
2022	611,111	125,755	736,866
2023	48,160	67,755	115,915
2024	38,171	48,924	87,095
2025	39,316	48,924	88,240
2026	26,730	28,539	55,269
Total	$ 763,488	$ 319,897	$ 1,083,385

Total rental expense for the operating leases described above was $923,121 and $933,683 for the years ended December 31, 2021 and 2020, respectively.

c) Employment Agreement

The Organization is engaged in an employment agreement with an individual to provide executive management and leadership services. The agreement provides for a minimum base salary that is subject to merit increase as approved by the compensation committee of the Organization's Board of Directors. This individual will also receive an annual retention bonus equal to 10% of the executive's minimum base salary. The agreement's initial term expires on December 31, 2022. The initial term shall automatically extend up to three additional years, in one-year increments, at the will of the executive.

d) Litigation

The Organization experiences litigation in the normal course of its business. Management does not believe that any pending or threatened litigation will have a material adverse effect on its consolidated financial statements.

Note 19: Related-Party Transactions

The Organization is a member of the National Council of Young Men's Christian Association of the United States of America (National Council). The Organization must meet annual certification requirements to remain a member. Support related to the National Council totaled $400,222 and $292,836, respectively, for the years ended December 31, 2021 and 2020.

The Organization participates in a defined contribution, individual account, and money purchase retirement plan, which is administered by the Young Men's Christian Association Retirement Fund (Retirement Fund), a separate corporation. The Retirement Fund is for the benefit of all eligible employees of the Organization who qualify under participation requirements.

In accordance with the Retirement Fund agreement, a percentage of the participating employee's qualified compensation is paid for by the Organization and is to be remitted to the Retirement Fund monthly. Total contributions made by the Organization that are charged to retirement costs for the years ended December 31, 2021 and 2020, aggregated $942,197 and $467,543, respectively. Unpaid contributions were $3,868 and $7,337, respectively, at December 31, 2021 and 2020, which represent December contributions.

The Retirement Fund is operated as a church pension plan and is a nonprofit tax-exempt New York State corporation, which was established in 1922. Participation is available to all duly organized and reorganized YMCAs in the United States. As a defined contribution plan, the Retirement Fund has no unfunded benefit obligation.

The Organization has a money market account Farmers & Merchants Bank at December 31, 2021 and 2020. There is an Organization board member who is an employee of Farmers & Merchants Bank. This board member abstains from decisions made concerning matters that would be a conflict of interest.

HighTower Advisors, LLC provides investment advisory services to the Organization for most of the Organization's investments. There is an Organization board member who is a partner at HighTower Advisors, LLC. This board member abstains from decisions made concerning matters that would be a conflict of interest.

The Organization is a member of Y Purchasing Group, LLC (YPG). Membership in YPG requires the Organization to make certain purchases of supplies and equipment through YPG. The Organization's chief executive officer is a board member of YPG. The Organization guarantees a line of credit for YPG. As of December 31, 2021, there is no outstanding balance; the total amount of credit available is $350,000.

Note 20: Special Events

The YMCA has various operating branches, each of which organizes its own special event activities. Special events held by the various branches for the year ended December 31, 2021, were as follows:

	Gross Revenue	Direct Expenses	Net Revenue
Dinners/breakfast	$ -	$ (1,511)	$ (1,511)
Golf tournaments	187,160	(114,107)	73,053
5/10k runs	-	(2,441)	(2,441)
Total	$ 187,160	$ (118,059)	$ 69,101

Note 21: Concentration of Risk and Uncertainties

For the years ended December 31, 2021 and 2020, the Organization received approximately 32% and 34%, respectively, of its total support and revenues (excluding capital campaign, endowment, and other) from childcare fees associated with childcare services performed on the premises of facilities owned by the Capistrano Unified School District (CUSD). The Organization relies heavily upon these childcare fees to continue the related child and youth development programs. If the Organization's relationship with CUSD were to be terminated, it would likely cause a significant reduction in the Organization's operations.

In March 2020, the World Health Organization declared the spread of coronavirus (COVID-19) a worldwide pandemic. The pandemic is having significant effects on global markets, supply chains, businesses, and communities. Management is actively monitoring the global situation on the Organization's financial condition, liquidity, operations, industry, and workforce. Management believes that the Organization is taking the appropriate actions to mitigate the negative impact of the pandemic. The full impact however of COVID-19 is unknown and cannot be reasonably estimated as of the date of this report.

Note 22: Federal Grants and Credits

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. During 2021, the Organization complied with the conditions of Employee Retention Credits (ERC) from respective federal agencies in the amount of approximately $1,657,000 which is outstanding as of December 31, 2021 and recorded as a receivable in the accompanying consolidated statement of financial position. Grants related to this program are included in other income in the accompanying consolidated statement of activities.

Eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors are subject to review. The amount of liability, if any, from potential non-compliance cannot be determined with certainty: however, management is of the opinion that any review will not have a material adverse impact on the Organization's financial position.

Note 23: Subsequent Events

Events occurring after December 31, 2021, have been evaluated for possible adjustment to the consolidated financial statements or disclosure as of July 18, 2022, which is the date the consolidated financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

	YMCA	Tipper, LLC	Eliminations	Total
Current Assets:				
Cash and cash equivalents	$ 9,370,506	$ 79,021	$ -	$ 9,449,527
Investments	15,861,144	-	-	15,861,144
Receivables:				
Accounts receivable, net	1,859,088	-	-	1,859,088
Contribution receivable, current	93,172	-	-	93,172
Employee retention tax credit	1,656,899	-	-	1,656,899
Pledges receivable, net	56,251	-	-	56,251
Prepaid expense and other current assets	244,463	23,337	-	267,800
Total Current Assets	29,141,523	102,358	-	29,243,881
Property and Equipment, net	6,363,296	4,689,077		11,052,373
Other Assets:				
Deposits	2,200	-	-	2,200
Deficit in subsidiary	(475,426)	-	475,426	-
Endowment investments	168,444	-	-	168,444
Contribution receivable, non-current	1,304,403	-	-	1,304,403
Due to YMCA	5,214,350	(5,214,350)	-	-
Total Other Assets	6,213,971	(5,214,350)	475,426	1,475,047
Total Assets	$ 41,718,790	$ (422,915)	$ 475,426	$ 41,771,301

LIABILITIES AND NET ASSETS

	YMCA	Tipper, LLC	Eliminations	Total
Current Liabilities:				
Accounts payable	$ 585,905	$ 22,987	$ -	$ 608,892
Accrued payroll and employee benefits	1,901,004	-	-	1,901,004
Program fees received in advance	1,042,083	-	-	1,042,083
Accrued expenses	234,537	-	-	234,537
Credit Line	2,753,974	-	-	2,753,974
Paycheck Protection Program Loan	4,748,475			4,748,475
Total Current Liabilities	11,265,978	22,987	-	11,288,965
Long-Term Liabilities:				
Deposits payable	-	29,524	-	29,524
Total Long-Term Liabilities	-	29,524	-	29,524
Total Liabilities	11,265,978	52,511	-	11,318,489
Net Assets (Deficit):				
Without donor restrictions	24,701,893	(475,426)	475,426	24,701,893
With donor restrictions	5,750,919	-	-	5,750,919
Total Net Assets (Deficit)	30,452,812	(475,426)	475,426	30,452,812
Total Liabilities and Net Assets	$ 41,718,790	$ (422,915)	$ 475,426	$ 41,771,301

See accompanying independent auditors' report.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
SCHEDULE II - CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN MEMBER'S EQUITY
YEAR ENDED DECEMBER 31, 2021

	YMCA	Tipper, LLC	Eliminations	Total
Operations				
Support, Revenue, and Gains:				
Fundraising Support:				
Contributions	$ 3,557,225	$ -	$ -	$ 3,557,225
Special events, net of direct costs of $118,059	69,101	-	-	69,101
Total Fundraising Support	3,626,326	-	-	3,626,326
Program Revenue:				
Childcare fees	14,566,839	-	-	14,566,839
Membership fees	4,464,686	-	-	4,464,686
Health and fitness fees	1,671,784	-	-	1,671,784
Adventure guides fees	1,578,913	-	-	1,578,913
Government assistance	2,068,511	-	-	2,068,511
Camp fees	1,270,071	-	-	1,270,071
Community programs fees	371,298	-	-	371,298
Facility fees	103,768	-	-	103,768
Total Program Revenue	26,095,870	-	-	26,095,870
Other Income	2,850,570	-	(12,000)	2,838,570
Rental Income	-	514,238	(275,243)	238,995
Total Support, Revenue, and Gains	32,572,766	514,238	(287,243)	32,799,761
Operating Expenses:				
Program Services:				
Child and youth development	13,217,090	-	-	13,217,090
Health and fitness	6,620,434	-	-	6,620,434
Adventure guides activities	1,611,410	-	-	1,611,410
Camp	540,578	-	-	540,578
Other community services	3,071,929	-	-	3,071,929
Total Program Services	25,061,441	-	-	25,061,441
Supporting Services:				
Administrative and general	5,546,801	-	(275,243)	5,271,558
Fundraising	162,106	-	-	162,106
Total Supporting Services	5,708,907	-	(275,243)	5,433,664
Tipper, LLC Operating Expenses	-	616,366	(12,000)	604,366
Total Operating Expenses	30,770,348	616,366	(287,243)	31,099,471
Operating Margin	1,802,418	(102,128)	-	1,700,290
Nonoperating				
Investment Income, Net	1,875,121	-	102,128	1,977,249
Loss on Disposal of Property and Equipment	(726,510)	-	-	(726,510)
Total Nonoperating	1,148,611	-	102,128	1,250,739
Increase (Decrease) in Net Assets	2,951,029	(102,128)	102,128	2,951,029
Net Assets (Deficit), Beginning of Year	27,501,783	(373,298)	373,298	27,501,783
Net Assets (Deficit), End of Year	$ 30,452,812	$ (475,426)	$ 475,426	$ 30,452,812

See accompanying independent auditors' report.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
SCHEDULE III - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

ASSETS

	YMCA	Tipper, LLC	Eliminations	Total
Current Assets:				
Cash and cash equivalents	$ 3,067,221	$ 34,170	$ -	$ 3,101,391
Investments	11,358,639	-	-	11,358,639
Receivables:				
Accounts receivable, net	1,488,239	20	-	1,488,259
Contribution receivable, current	93,172	-	-	93,172
Pledges receivable, net	10,000	-	-	10,000
Prepaid expense and other current assets	317,114	-	-	317,114
Total Current Assets	16,334,385	34,190	-	16,368,575
Property and Equipment, Net	13,559,522	4,909,543		18,469,065
Other Assets:				
Deposits	2,200	-	-	2,200
Deficit in subsidiary	(373,298)	-	373,298	-
Endowment investments	168,444	-	-	168,444
Contribution receivable, non-current	1,397,575	-	-	1,397,575
Due to YMCA	2,474,547	(2,474,547)	-	-
Total Other Assets	3,669,468	(2,474,547)	373,298	1,568,219
Total Assets	$ 33,563,375	$ 2,469,186	$ 373,298	$ 36,405,859

LIABILITIES AND NET ASSETS

	YMCA	Tipper, LLC	Eliminations	Total
Current Liabilities:				
Accounts payable	$ 636,578	$ -	$ -	$ 636,578
Accrued payroll and employee benefits	2,190,526	-	-	2,190,526
Program fees received in advance	1,036,614	-	-	1,036,614
Accrued expenses	310,657	-	-	310,657
Current maturities of obligations held under capital leases	3,158	-	-	3,158
Credit Line	501,095	-	-	501,095
Notes payable, current portion	94,108	78,587	-	172,695
Total Current Liabilities	4,772,736	78,587	-	4,851,323
Long-Term Liabilities:				
Deposits payable	-	34,788	-	34,788
Notes payable, less current portion	1,288,856	2,729,109	-	4,017,965
Total Long-Term Liabilities	1,288,856	2,763,897	-	4,052,753
Total Liabilities	6,061,592	2,842,484	-	8,904,076
Net Assets (Deficit):				
Without donor restrictions	24,234,215	(373,298)	373,298	24,234,215
With donor restrictions	3,267,568	-	-	3,267,568
Total Net Assets (Deficit)	27,501,783	(373,298)	373,298	27,501,783
Total Liabilities and Net Assets	$ 33,563,375	$ 2,469,186	$ 373,298	$ 36,405,859

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
SCHEDULE IV - CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN MEMBER'S EQUITY
YEAR ENDED DECEMBER 31, 2020

	YMCA	Tipper, LLC	Eliminations	Total
Operations				
Support, Revenue, and Gains:				
Fundraising Support:				
Contributions	$ 985,339	$ -	$ -	$ 985,339
Total Fundraising Support	985,339	-	-	985,339
Program Revenue:				
Childcare fees	11,938,655	-	-	11,938,655
Membership fees	4,036,276	-	-	4,036,276
Health and fitness fees	767,060	-	-	767,060
Adventure guides fees	884,879	-	-	884,879
Government assistance	1,876,576	-	-	1,876,576
Camp fees	376,865	-	-	376,865
Community programs fees	375,149	-	-	375,149
Facility fees	103,278	-	-	103,278
Total Program Revenue	20,358,738	-	-	20,358,738
Contributions from other YMCAs	2,806	-	-	2,806
Other Income	2,203,127		(9,600)	2,193,527
Rental Income	-	496,645	(229,370)	267,275
Total Support, Revenue, and Gains	23,550,010	496,645	(238,970)	23,807,685
Operating Expenses:				
Program Services:				
Child and youth development	12,460,654	-	-	12,460,654
Health and fitness	6,312,163	-	-	6,312,163
Adventure guides activities	865,310	-	-	865,310
Camp	266,229	-	-	266,229
Other community services	2,611,782	-	-	2,611,782
Total Program Services	22,516,138	-	-	22,516,138
Supporting Services:				
Administrative and general	5,388,807	-	(229,370)	5,159,437
Fundraising	276,841	-	-	276,841
Total Supporting Services	5,665,648	-	(229,370)	5,436,278
Tipper, LLC Operating Expenses	-	581,638	(9,600)	572,038
Total Operating Expenses	28,181,786	581,638	(238,970)	28,524,454
Operating Margin	(4,631,776)	(84,993)	-	(4,716,769)
Nonoperating				
Investment Loss, Net	(223,899)	-	84,993	(138,906)
Loss on Disposal of Property and Equipment	(39,793)	-	-	(39,793)
Total Nonoperating	(263,692)	-	84,993	(178,699)
Increase (Decrease) in Net Assets	(4,895,468)	(84,993)	84,993	(4,895,468)
Net Assets (Deficit), Beginning of Year	32,397,251	(288,305)	288,305	32,397,251
Net Assets (Deficit), End of Year	$ 27,501,783	$ (373,298)	$ 373,298	$ 27,501,783

See accompanying independent auditors' report.

Global
INDEPENDENT
NETWORK MEMBER

CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAglobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.