

SCOTT COUNTY FAMILY Y
Financial Statements
December 31, 2016 and 2015
(With Independent Auditor's
Report Thereon)

SCOTT COUNTY FAMILY Y

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Independent Auditor's Report

The Board of Directors
Scott County Family Y:

We have audited the accompanying financial statements of Scott County Family Y, which comprise the statements of financial position as of December 31, 2016 and 2015 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Scott County Family Y as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Anderson, Lower, Whitlow, P.C.

Bettendorf, Iowa
May 1, 2017

SCOTT COUNTY FAMILY Y
Statements of Financial Position
December 31, 2016 and 2015

<u>Assets (note 5)</u>	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and cash equivalents (note 10)	\$ 1,042,156	2,645,411
Certificate of deposit	20,927	20,924
Receivables:		
Pledges - current portion (note 2)	142,412	198,248
Daycare	81,848	82,327
United Way	96,224	125,277
Grants	251,760	143,000
Other	16,088	17,891
Investments (notes 3 and 4)	-	820,429
Prepaid expenses	19,297	20,439
Other assets	<u>28,600</u>	<u>28,600</u>
Total current assets	<u>1,699,312</u>	<u>4,102,546</u>
Property and equipment (note 9):		
Land	4,426,348	4,030,289
Building and improvements	21,433,391	17,104,996
Equipment and vehicles	5,723,055	5,008,589
Construction in progress	<u>228,956</u>	<u>1,640,972</u>
	31,811,750	27,784,846
Less accumulated depreciation	<u>12,093,516</u>	<u>11,285,954</u>
Net property and equipment	<u>19,718,234</u>	<u>16,498,892</u>
Pledges - net of current portion (note 2)	205,828	315,213
Investments (notes 3 and 4)	3,069,717	2,379,551
Temporarily restricted asset - Weinzweig Trusts (notes 3 and 4)	312,985	302,689
Other assets	<u>32,416</u>	<u>14,576</u>
Total assets	<u>\$25,038,492</u>	<u>23,613,467</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Current installments of long-term debt (note 5)	557,950	587,712
Accounts payable:		
Trade	402,058	184,066
Construction	-	378,441
Accrued expenses	341,234	289,585
Deferred revenue:		
Membership dues and program	278,723	249,547
Grants	380,981	485,825
Other (note 7)	<u>101,796</u>	<u>99,861</u>
Total current liabilities	<u>2,062,742</u>	<u>2,275,037</u>
Long-term debt, net of current installments (note 5)	<u>4,553,058</u>	<u>5,612,377</u>
Total liabilities	<u>6,615,800</u>	<u>7,887,414</u>
Net assets:		
Unrestricted:		
Undesignated	14,710,824	11,843,332
Board - designated for reserve	2,584,100	1,935,166
Board - designated for endowment	<u>485,617</u>	<u>444,385</u>
Total unrestricted	<u>17,780,541</u>	<u>14,222,883</u>
Temporarily restricted (note 6)	<u>642,151</u>	<u>1,503,170</u>
Total net assets	<u>18,422,692</u>	<u>15,726,053</u>
Total liabilities and net assets	<u>\$25,038,492</u>	<u>23,613,467</u>

See accompanying notes to financial statements.

SCOTT COUNTY FAMILY Y

Statements of Activities

Years Ended December 31, 2016 and 2015

	2016			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Operating activities:				
Public support:				
Contributions	\$ 602,343	-	-	602,343
United Way	62,443	96,225	-	158,668
Grants	392,428	-	-	392,428
In-kind contributions	53,000	-	-	53,000
Special events, net	89,002	-	-	89,002
Net assets released from restrictions	125,277	(125,277)	-	-
Total public support	<u>1,324,493</u>	<u>(29,052)</u>	<u>-</u>	<u>1,295,441</u>
Revenue:				
Membership fees, net (note 12)	6,586,598	-	-	6,586,598
Program fees, net (note 12)	3,862,585	-	-	3,862,585
Merchandise sales	55,596	-	-	55,596
Miscellaneous	276,694	-	-	276,694
Total revenue	<u>10,781,473</u>	<u>-</u>	<u>-</u>	<u>10,781,473</u>
Total public support and revenue	<u>12,105,966</u>	<u>(29,052)</u>	<u>-</u>	<u>12,076,914</u>
Operating expenses:				
Program services:				
Youth development	3,962,626	-	-	3,962,626
Healthy living	4,243,906	-	-	4,243,906
Social responsibility	119,672	-	-	119,672
Total program services	<u>8,326,204</u>	<u>-</u>	<u>-</u>	<u>8,326,204</u>
Support services:				
Management and general	1,264,276	-	-	1,264,276
Fundraising	52,737	-	-	52,737
Total support services	<u>1,317,013</u>	<u>-</u>	<u>-</u>	<u>1,317,013</u>
Total operating expenses	<u>9,643,217</u>	<u>-</u>	<u>-</u>	<u>9,643,217</u>
Changes in net assets from operations	<u>2,462,749</u>	<u>(29,052)</u>	<u>-</u>	<u>2,433,697</u>
Non-operating activities:				
Net realized and unrealized gain (loss)	130,939	12,807	-	143,746
Investment income	94,375	9,079	-	103,454
Contributions for endowment	5,911	-	-	5,911
Contributions and grants for capital assets	-	722,971	-	722,971
Gain on sale of property and equipment	-	94,422	-	94,422
Net assets released from restriction	1,671,246	(1,671,246)	-	-
Total non-operating activities	<u>1,902,471</u>	<u>(831,967)</u>	<u>-</u>	<u>1,070,504</u>
Changes in net assets, before depreciation	4,365,220	(861,019)	-	3,504,201
Depreciation	<u>807,562</u>	<u>-</u>	<u>-</u>	<u>807,562</u>
Changes in net assets	<u>3,557,658</u>	<u>(861,019)</u>	<u>-</u>	<u>2,696,639</u>
Net assets, beginning of year	<u>14,222,883</u>	<u>1,503,170</u>	<u>-</u>	<u>15,726,053</u>
Net assets, end of year	<u>\$17,780,541</u>	<u>642,151</u>	<u>-</u>	<u>18,422,692</u>

See accompanying notes to financial statements.

2015

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
502,811	-	-	502,811
72,286	125,277	-	197,563
246,172	-	-	246,172
53,000	-	-	53,000
71,512	-	-	71,512
<u>116,945</u>	<u>(116,945)</u>	<u>-</u>	<u>-</u>
<u>1,062,726</u>	<u>8,332</u>	<u>-</u>	<u>1,071,058</u>
5,990,066	-	-	5,990,066
3,553,468	-	-	3,553,468
68,705	-	-	68,705
<u>337,028</u>	<u>-</u>	<u>-</u>	<u>337,028</u>
<u>9,949,267</u>	<u>-</u>	<u>-</u>	<u>9,949,267</u>
<u>11,011,993</u>	<u>8,332</u>	<u>-</u>	<u>11,020,325</u>
3,800,011	-	-	3,800,011
3,947,609	-	-	3,947,609
<u>121,828</u>	<u>-</u>	<u>-</u>	<u>121,828</u>
<u>7,869,448</u>	<u>-</u>	<u>-</u>	<u>7,869,448</u>
1,191,464	-	-	1,191,464
59,070	-	-	59,070
<u>1,250,534</u>	<u>-</u>	<u>-</u>	<u>1,250,534</u>
<u>9,119,982</u>	<u>-</u>	<u>-</u>	<u>9,119,982</u>
<u>1,892,011</u>	<u>8,332</u>	<u>-</u>	<u>1,900,343</u>
(83,274)	(50,812)	-	(134,086)
33,888	17,583	-	51,471
15,701	-	-	15,701
-	1,581,056	-	1,581,056
-	-	-	-
<u>3,219,552</u>	<u>(3,219,552)</u>	<u>-</u>	<u>-</u>
<u>3,185,867</u>	<u>(1,671,725)</u>	<u>-</u>	<u>1,514,142</u>
5,077,878	(1,663,393)	-	3,414,485
<u>761,338</u>	<u>-</u>	<u>-</u>	<u>761,338</u>
<u>4,316,540</u>	<u>(1,663,393)</u>	<u>-</u>	<u>2,653,147</u>
<u>9,906,343</u>	<u>3,166,563</u>	<u>-</u>	<u>13,072,906</u>
<u>14,222,883</u>	<u>1,503,170</u>	<u>-</u>	<u>15,726,053</u>

SCOTT COUNTY FAMILY Y

Statements of Cash Flows

Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Increase in net assets	\$ 2,696,639	2,653,147
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	807,562	761,338
Net (appreciation) depreciation in fair value of investments and other assets	(167,886)	498,184
Gain on sale of property and equipment	(94,422)	-
Net realized (gain) loss on sale of investments	23,172	(374,407)
Net realized (gain) loss on Weinzweig Trusts	(10,296)	17,552
Contribution of property and equipment	(634,591)	-
Changes in assets and liabilities:		
Decrease in pledges receivable	165,221	378,837
Increase in daycare, United Way, grants and other receivables	(77,425)	(89,654)
Decrease in prepaid expenses	1,142	6,339
Increase in other current assets	-	(1,700)
Decrease in accounts payable	217,992	57,877
Increase (decrease) in accrued expenses	51,649	(187,238)
Increase (decrease) in deferred revenue	(73,733)	244,263
Net cash provided by operating activities	<u>2,905,024</u>	<u>3,964,538</u>
Cash flows from investing activities:		
Purchase of certificate of deposit	(3)	(2)
Purchase of investments	(3,048,721)	(4,118,581)
Proceeds from sale of property and equipment	301,118	-
Proceeds from sale of investments	3,322,730	1,256,249
Increase in other assets	(16,872)	(14,576)
Purchase of property and equipment	(3,977,450)	(3,906,227)
Net cash used in investing activities	<u>(3,419,198)</u>	<u>(6,783,137)</u>
Cash flows from financing activities:		
Principal payments on long-term debt	(1,089,081)	(291,814)
Proceeds from issuance of long-term debt	-	1,900,672
Net cash provided by (used in) financing activities	<u>(1,089,081)</u>	<u>1,608,858</u>
 Net decrease in cash and cash equivalents	 (1,603,255)	 (1,209,741)
 Cash and cash equivalents at beginning of year	 <u>2,645,411</u>	 <u>3,855,152</u>
 Cash and cash equivalents at end of year	 <u>\$ 1,042,156</u>	 <u>2,645,411</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ <u>258,445</u>	<u>199,388</u>
Supplemental disclosure of noncash investing and financing activities:		
Contribution of property and equipment	\$ <u>634,591</u>	<u>-</u>
Change in construction in progress costs included in accounts payable	\$ <u>(378,441)</u>	<u>(164,936)</u>

See accompanying notes to financial statements.

SCOTT COUNTY FAMILY Y
Notes to Financial Statements
December 31, 2016 and 2015

(1) Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization

Since 1858, the Scott County Family YMCA mission has worked to strengthen Eastern Iowa and the greater Quad Cities by providing the highest quality programs and services and ensuring they are available to everyone. Our cause is delivered through youth development, healthy living and social responsibility. Locally, nationally and across the world, we are a powerful association of men, women, and children committed to bringing about lasting personal and social change. With a focus on nurturing the potential of every child and teen, improving the nation's health and well-being and providing opportunities to give back and support neighbors, the YMCA enables youth, adults, families and communities to connect and engage to increase confidence, health and security.

Program Activities

Youth Development – Our YMCA is committed to nurturing the potential of every child and teen. We believe that all kids deserve the opportunity to discover who they are and what they can achieve. That is why we help young people cultivate the values, skills and relationships that lead to positive behaviors, better health and educational achievement. Our YMCA programs, from swim lessons and resident camp to basketball and quality child care offer a range of experiences that enrich cognitive, social, physical and emotional growth. In addition, we collaborate and strategically align with our community partners to identify, connect and engage with the most vulnerable and at-risk students to overcome their barriers and inspire them toward greater education, training, college and the workforce.

Healthy Living – The YMCA is a community leader in engaging and inspiring healthy living. Our intention is to provide the highest quality facilities and equipment, delivered with well-trained and nationally-certified staff, made available and accessible to everyone. Although we work to communicate out important, charitable intentions, we do not see this in any way as a substitute for quality. Therefore, we recruit great trainers and instructors then ensure all members receive access. This allows us to bring families closer together, encourage good health and foster connections through fitness, sports, guidance and resources they need to achieve greater health in spirit, mind and body. This is particularly important as our nation struggles with an obesity crisis, families struggle with work/life balance and individuals search for personal fulfillment.

Social Responsibility – Our YMCA believes in connecting people and engaging them on critical needs in facing our community. Together, we work with our members, program participants, staff and donors to give back and support everyone, especially our most vulnerable and under-served. Since 1858, our Y has been convening, listening and responding to our community's most critical social needs that we deliver successfully in the same marketplace as businesses and services who are not concerned with accessibility for all people. YMCA programs, especially those focused on young children, students and teens are examples of how we deliver training, resources and support that empower our neighbors to effect change, bridge gaps and overcome obstacles. We engage YMCA members, participants and volunteers in activities that strengthen our community and pave the way for future generations to thrive. Our efforts are serving people from all backgrounds, religions, gender and socio-economic circumstances including adults affected by cancer, young people negatively influenced away from productive futures, young children not given complete educational opportunities, seniors disconnected from social environments and families faced with mounting economic obstacles.

As part of our mission, our programs are not only accessible, affordable and open to all faiths, backgrounds, abilities and income levels, but they are also delivered in a high-quality, innovative and market-competitive environment based on easy access for every child, adult, senior and family. We celebrate the spiritual strength that we create by working together.

SCOTT COUNTY FAMILY Y

Notes to Financial Statements

(1) Nature of Organization and Summary of Significant Accounting Policies, continued

Nature of Organization, continued

The Scott County Family Y consists of six locations with programs that include swim lessons, specialty aquatics, aquatic fitness, personal wellness and training, adult and youth fitness classes, family programs, community events, summer camps and youth sports sessions. The Organization is supported primarily through membership, program revenue and public contributions.

Summary of Significant Accounting Policies

(a) Accounting Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(b) Basis of Presentation

Resources are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets include all resources that are not subject to donor-imposed restrictions. Revenues received and expenses incurred in conducting the programs and services of the Organization are presented in the financial statements as unrestricted operating funds that increase or decrease unrestricted net assets. By action of the Board of the Organization (the Board), certain unrestricted net assets have been designated for long-term investment or other special purposes as follows:

Board - Designated for Reserve - Unrestricted net assets have been designated by the Board of Directors to establish a reserve.

Board-Designated for Endowment - Unrestricted net assets have been designated by the Board of Directors for endowment. The Organization's spending policy for endowment funds is based on the discretion of the Board of Directors. Currently, there are no specified limitations imposed, other than prior approval of the Board before use of funds.

Temporarily Restricted net assets carry specific, donor-imposed restrictions on the expenditure or other use of contributed funds. Temporary restrictions may expire either because of the passage of time or because the Organization has fulfilled the restrictions.

Permanently Restricted net assets are those that are subject to donor-imposed restrictions that will never lapse, thus requiring the assets to be maintained permanently as endowment funds.

The Organization evaluated subsequent events through May 1, 2017, which is the date the financial statements were available to be issued.

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(1) Nature of Organization and Summary of Significant Accounting Policies, continued

Summary of Significant Accounting Policies, continued

(c) Support and Expenses

Contributions received and unconditional promises to give are recognized as revenue in the period the contribution or the unconditional promise is received. The Organization reports contributions of cash or other assets as unrestricted, temporarily restricted or permanently restricted depending on the existence or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction or event occurs, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Unrestricted membership fees are recognized as revenue in the applicable membership period or when the fees become due. Program service fees are recognized as revenue when the service is performed. Fees paid in advance are recorded as deferred revenue until recognized as revenue in the applicable period.

Grants from government, state and local agencies are accounted for as exchange transactions whereby the revenue is recognized as funds are expended for approved program expenditures, as established by the government, state and local agencies.

Contributions of assets other than cash are recorded at their fair values at the date of the gift.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. Revenues, support and expenses are allocated directly to the programs to which they relate.

(d) Donated Services

The Organization receives a significant amount of volunteer time relating to clerical activities and program services that do not meet the criteria for recognition as a contribution since such services do not require specialized skills. The estimated value of these donated services is not included in the financial statements since they are not susceptible to objective measurement.

(e) In-Kind and Bartering Activities

The Organization receives the use of two childcare facilities at no cost. The value placed on these transactions was obtained by using local commercial lease values and was estimated by management to be approximately \$53,000 for each of the years ended December 31, 2016 and 2015. In addition, the Organization periodically provides membership trade outs to large local area employers or local sports teams which amounted to approximately \$272,000 and \$257,000 for the years ended December 31, 2016 and 2015, respectively. In exchange for the membership trade outs, the Organization received approximately \$64,000 and \$63,000 in advertising for the years ended December 31, 2016 and 2015, respectively. These transactions are recorded as contributions, expenses or reduced membership fees in the statement of activities and change in net assets.

(f) Cash and Cash Equivalents

Cash and cash equivalents include all cash accounts which are not subject to withdrawal restrictions or penalties and all highly liquid debt instruments purchased with an original maturity of six months or less to be cash equivalents.

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(1) Nature of Organization and Summary of Significant Accounting Policies, continued

Summary of Significant Accounting Policies, continued

(g) Contributions Receivable

The receipt of unconditional promises to give with payments due in future periods is reported as temporarily or permanently restricted support unless explicit donor stipulations or circumstances surrounding the receipt of the promise make clear that the donor intended it to be used to support activities of the current period. Unconditional promises to give are reported at the present value of estimated future cash flows, net of the allowance for uncollectible promises, using a discount rate that approximates the interest rate on government securities at the date the unconditional promise is received. Amortization of the discount is recorded as additional contribution revenue.

(h) Daycare Receivables

Daycare receivables are carried at original invoice amount less an estimate made for doubtful receivables. Management determines the allowance for doubtful accounts by identifying trouble accounts and by using historical experience applied to new billings. Daycare receivables are written off when deemed uncollectible. Recoveries of daycare receivables previously written off are recorded as revenue when received. There was no significant expense for uncollectible receivables for the years ended December 31, 2016 and 2015. A daycare receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 90 days.

(i) Inventories

Inventories amounted to \$28,400 at December 31, 2016 and 2015 and are stated at the lower of cost (first-in, first-out method) or market. Inventories are included in other current assets on the statement of financial position.

(j) Investments

Investments are stated at fair market value as determined by quoted market prices with unrealized gains and losses included in the statement of activities. The certificate of deposit is valued based on original cost plus accrued interest which approximates fair value. Gains and losses on sales of investments are determined by the specific-identification method. Realized and unrealized gains and losses in investments, interest and dividends are reported as increases and decreases in unrestricted net assets unless the income is restricted by donor or law.

(k) Property and Equipment

Property and equipment is stated at cost. Depreciation is computed by the straight-line method over the estimated useful lives. The amortization on assets acquired under capital leases is included with depreciation on owned assets.

The Organization's policy is to capitalize assets in excess of \$1,000 and to capitalize improvements to exhibits which are expected to benefit the Organization 20 years or more.

(l) Income Tax Status

The Organization has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and a similar section of the state statutes and, accordingly, is not subject to federal or state income taxes except on any unrelated business net income the Organization may have.

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(1) **Nature of Organization and Summary of Significant Accounting Policies, continued**

Summary of Significant Accounting Policies, continued

(l) **Income Tax Status, continued**

The Organization evaluates the tax benefits of a tax position using the “more likely than not” threshold. As of December 31, 2016, management is not aware of any uncertain tax positions and related tax benefits which would be material to the Organization’s financial statements. The Organization files U.S. Federal tax returns which for years subsequent to 2012 are subject to examination by taxing authorities.

(m) **Advertising Costs**

Advertising costs are expensed as incurred and amounted to \$181,520 and \$146,584 for the years ended December 31, 2016 and 2015, respectively.

(2) **Contributions Receivable**

Unconditional promises at December 31, 2016 and 2015 are expected to be collected as follows:

	<u>2016</u>	<u>2015</u>
Gross amounts due in:		
Less than one year	\$142,412	198,248
One to five years	<u>205,828</u>	<u>315,213</u>
Total contributions receivable	348,240	513,461
Less current portion	<u>142,412</u>	<u>198,248</u>
Long-term portion	<u>\$205,828</u>	<u>315,213</u>

Management has determined that an allowance for uncollectible contributions is not required based on regular evaluations of the collectability of individual contributions receivable. Bad debts arising from contributions charged to expense amounted to \$5,900 and \$75,720 for the years ended December 31, 2016 and 2015, respectively.

The contributions receivable relate to two capital campaigns being conducted by the Organization relating to the upgrade of current facilities and also to acquire land and build a child care center in downtown Davenport.

(3) **Investments**

The Organization maintains investments in the following funds as of December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Current assets - Capital Campaign fund	\$ <u> -</u>	<u>820,429</u>
Noncurrent assets:		
Board designated fund	2,584,100	1,935,166
Endowment fund	<u>485,617</u>	<u>444,385</u>
Total	<u>3,069,717</u>	<u>2,379,551</u>
Total	<u>\$3,069,717</u>	<u>3,199,980</u>

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(3) Investments, continued

The composition of investments, at fair value, as of December 31, 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 63,158	799,553
Equity Securities	1,055,454	548,898
Fixed income securities	1,801,971	1,720,662
Mutual funds - real estate	38,009	28,177
Pooled investments	<u>111,125</u>	<u>102,690</u>
	<u>\$3,069,717</u>	<u>3,199,980</u>

Gross unrealized gains (losses) relating to investments amounted to \$77,972 and \$(49,705), respectively, as of December 31, 2016 and \$1,630 and \$(140,288), respectively, as of December 31, 2015.

The Organization is a 1/8 beneficiary of two Weinzweig Trusts, which are considered to be temporarily restricted net assets. As of January 1, 2011, one of the trusts began paying 5% of the trust corpus to the beneficiaries each year. Annually, the asset is adjusted to 1/8 of the fair value of the assets held in the trust accounts. The fair value of the Trusts as of December 31, 2016 and 2015 amounted to \$312,985 and \$302,689, respectively. Changes in the fair value of the underlying assets in the trusts are reported as unrealized gains (losses) on the statement of activities and change in net assets.

The Community Foundation of the Great River Bend holds funds in the name of the Organization that have an original cost of \$80,827. This amount can be released at the request of the Organization and approval of Community Foundation's board. Annually, the asset is adjusted based on the statement value to the fair value held in the fund. Funds held by the Community Foundation in the name of the Organization amounted to \$107,044 and \$99,710 as of December 31, 2016 and 2015, respectively. Changes in the fair value of the underlying assets are reported as miscellaneous revenue on the statement of activities.

The Organization's investments are exposed to various risks such as interest rate, market and credit. Due to the level of risk associated with such investments and the level or uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

(4) Fair Value Measurements

The fair values of investments consist of the following as of December 31, 2016 and 2015:

	<u>Fair Value</u>	<u>Fair Value Measurements Using:</u>	
		<u>Quoted Market Prices (Level 1)</u>	<u>Significant Other Observable Inputs (Level 3)</u>
<u>December 31, 2016:</u>			
Cash and cash equivalents	\$ 63,158	63,158	-
Equity securities	1,055,454	1,055,454	-
Fixed income securities	1,801,971	1,801,971	-
Mutual funds - real estate	38,009	38,009	-
Pooled investments	111,125	-	111,125
Weinzweig Trusts	<u>312,985</u>	-	<u>312,985</u>
	<u>\$3,382,702</u>	<u>2,958,592</u>	<u>424,110</u>

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(4) Fair Value Measurements, continued

	<u>Fair Value</u>	<u>Fair Value Measurements Using:</u>	
		<u>Quoted Market Prices (Level 1)</u>	<u>Significant Other Observable Inputs (Level 3)</u>
<u>December 31, 2015:</u>			
Cash and cash equivalents	\$ 799,553	799,553	-
Equity securities	548,898	548,898	-
Fixed income securities	1,720,662	1,720,662	-
Mutual funds - real estate	28,177	28,177	-
Pooled investments	102,690	-	102,690
Weinzweig Trusts	<u>302,689</u>	-	<u>302,689</u>
	<u>\$3,502,669</u>	<u>3,097,290</u>	<u>405,379</u>

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of quoted prices in active markets of similar assets for assets in non-active markets and Level 3 inputs consist of other valuation techniques which have the lowest priority. The Organization uses appropriate valuation techniques based on the availability of inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Level 1 Fair Value Measurements:

The fair value of all investments, except the pooled investments and the Weinzweig Trusts, are based on quoted market prices in active markets.

Level 3 Fair Value Measurements:

The fair value of the Weinzweig Trusts is based on values reported to the Organization on an annual basis. The underlying assets in the Trusts consist of fixed income and equity securities.

The pooled investments primarily consist of funds held by the Community Foundation of the Great River Bend which are maintained in a pooled separate account in which the underlying assets of the accounts are publically traded investments with quoted market prices. Thus, the fair value of the Organization's investment is based on the quoted market prices of the investments within the pooled separate accounts.

A summary of activity relating to investments valued using Level 3 inputs is as follows:

	<u>2016</u>	<u>2015</u>
Balance at beginning of year	\$405,379	415,519
Contributions received by Community Foundation	5,911	15,701
Grants awarded from Community Foundation	(3,550)	(2,800)
Interest and dividends	2,999	3,478
Fees	(1,547)	(1,446)
Change in value	<u>14,918</u>	<u>(25,073)</u>
Balance at end of year	<u>\$424,110</u>	<u>405,379</u>

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(5) Indebtedness

The Organization has a \$500,000 line of credit with a bank with interest at prime (prime plus 0.5% in 2015) and a floor of 4.25% (effective rate of 4.25% at December 31, 2016 and 2015). Borrowings on this line of credit are secured by substantially all assets of the Organization. The line of credit matures November 30, 2017. There were no outstanding borrowings on this line of credit as of December 31, 2016 and 2015.

Long term debt at December 31, 2016 and 2015 consists of the following:

	<u>2016</u>	<u>2015</u>
Note payable to a bank, due in monthly installments of \$45,460, including interest at 4.39%, through November 2021; secured by substantially all assets of the Organization and the guaranty of the Harold Bechtel Trust	\$2,385,044	3,300,000
Note payable to an organization, due in monthly installments of \$17,000, including interest at 4.75%, through November 2018, with a balloon payment of \$2,556,879; secured by property and equipment	2,701,541	2,775,306
Capital lease obligations for equipment; due in various monthly installments through 2019	<u>24,423</u>	<u>124,783</u>
Total long-term debt	5,111,008	6,200,089
Less current installments	<u>557,950</u>	<u>587,712</u>
Long-term debt, net of current installments	<u>\$4,553,058</u>	<u>5,612,377</u>

The terms of the note payable to a bank includes a financial covenant relating to the maintenance of a minimum fixed charge coverage ratio which the Organization was in compliance with for the years ended December 31, 2016 and 2015.

The future aggregate maturities of long-term debt are as follows:

<u>Year Ending December 31,</u>	
2017	\$ 557,950
2018	3,097,766
2019	491,150
2020	509,379
2021	<u>454,763</u>
	<u>\$5,111,008</u>

(6) Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following as of December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Program services	\$ 96,224	125,277
Capital campaign	232,942	1,075,204
Weinzweig trusts	<u>312,985</u>	<u>302,689</u>
	<u>\$ 642,151</u>	<u>1,503,170</u>

SCOTT COUNTY FAMILY Y

Notes to Financial Statements

(7) **Employee Insurance and Retirement Benefits**

The Organization self-insures the cost of its unemployment compensation expenses. The Organization has accrued an estimated liability for unemployment compensation claims of \$15,000 and \$20,000 as of December 31, 2016 and 2015, respectively, which is included in accrued expenses on the statement of financial position.

Scott County Family Y is a participant in the National Council of Young Men's Christian Association Retirement Plan, which covers all employees over 21 years of age and who have been employed a minimum of two years. The annual contribution to this plan is based on 12% of each participant's yearly compensation. Total contributions to the plan for the years ended December 31, 2016 and 2015 amounted to approximately \$350,600 and \$317,000, respectively.

(8) **Contingent Liabilities**

The Organization has claims pending that generally involve minor accidents occurring at their facilities. These claims have been submitted to the Organization's insurance company. It is not possible at this time to determine the ultimate amount, if any, that will not be covered by the liability insurance.

(9) **Commitments**

The Organization has two 25-year shared use agreements with Davenport Community School District (DCSD) whereby the Organization is responsible for operation of the recreational facilities and for the repair, replacement and maintenance of the interior of the facilities and all furnishings, fixtures and equipment used in the facilities at Davenport North High School (North) and Davenport West High School (West). Per these agreements, the Organization purchased or reimbursed DCSD for certain building improvements, furnishings, fixtures and equipment at these facilities that are currently included with property and equipment on the Organization's statement of financial position and has a total depreciated cost of approximately \$166,340 and \$168,500 as of December 31, 2016 and 2015, respectively. The North facility opened in November 2002 and the West facility opened in September 2003. The shared use agreement was amended September 1, 2014 whereby DCSD assumed full responsibility for the operation of the swimming pool at the West facility with the Organization paying a rental fee for usage in accordance with an agreed-upon rent schedule.

The Organization has a facility management agreement with the City of Maquoketa, Iowa (City), for operating the Maquoketa Area Recreation Center (ARC) as a YMCA branch through June 30, 2020. Per this agreement, YMCA membership dues, program revenues and local fundraising, coupled with targeted operating and startup costs provided by the City are intended to cover the costs of operating the ARC/YMCA branch. To the extent that the costs of operating the ARC/YMCA branch exceed the branch revenues and targeted City funding, the City is obligated under the agreement to make up the shortfall. Therefore, the risk to the Organization is limited to the risk that the City would be unable to perform its obligations under the agreement.

Under the agreement, the City pays the Organization \$7,000 monthly intended to reimburse the Organization for its administrative cost incurred by its corporate staff supporting the ARC/YMCA branch. The revenues and expenses related to this agreement are included in unrestricted Program Service Fees on the statement of activities and change in net assets.

(10) **Concentration of Credit Risk**

The Organization maintains its cash and cash equivalent accounts in local commercial banks. Deposits may at times exceed the amount insured by the Federal Deposit Insurance Corporation (FDIC). Uninsured cash balances amounted to approximately \$784,000 and \$3,225,000 as of December 31, 2016 and 2015, respectively. Management believes that the credit risk related to these deposits is minimal.

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(11) Payments to Affiliates

The Organization made payments to the National YMCA designed for dues and services for the years ended December 31, 2016 and 2015 of \$135,959 and \$119,322, respectively.

(12) Financial Assistance Provided

The Organization provides financial assistance, through contributions and other fundraising, to help defray the costs of membership and program and other fees for individuals with need. Membership dues and program fees are recorded net of such assistance in the accompanying statements of activities. Such amounts were as follows for the years ended December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Membership	\$7,170,693	6,399,479
Less membership financial assistance	(584,095)	(409,413)
Membership, net	<u>\$6,586,598</u>	<u>5,990,066</u>
Program fees	\$4,479,845	4,042,425
Less program financial assistance	(617,260)	(488,957)
Program fees, net	<u>\$3,862,585</u>	<u>3,553,468</u>

(13) Conditional Promise to Give

The Organization has been notified that they are a 1/3 beneficiary of an estate. Receipt of the proceeds is conditional on the death of the one remaining income beneficiary. The total value of the estate at December 31, 2016 and 2015 was approximately \$1,752,000 and \$1,726,000, respectively. The asset and revenue will not be recorded until the donor restrictions have been met.

Independent Auditor's Report on Supplementary Information

The Board of Directors
Scott County Family Y:

We have audited the financial statements of Scott County Family Y as of and for the years ended December 31, 2016 and 2015, and our report thereon dated May 1, 2017, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole.

The supplementary information included in the schedules is presented for purposes of additional analysis of the financial statements and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Anderson, Lower, Whitlow, P.C.

Bettendorf, Iowa
May 1, 2017

SCOTT COUNTY FAMILY Y

Individual Fund Schedules of Financial Position

December 31, 2016

<u>Assets</u>	<u>Operating</u>	<u>Land, Buildings and Equipment</u>	<u>Capital Campaign</u>	<u>Endowment</u>	<u>Capital Campaign Land</u>	<u>Total</u>
Current assets:						
Cash and cash equivalents	\$ 770,642	20,000	23,710	-	227,804	1,042,156
Certificates of deposit	20,927	-	-	-	-	20,927
Receivables	445,920	-	-	-	-	445,920
Pledge receivable - current portion	-	-	142,412	-	-	142,412
Other assets	28,600	-	-	-	-	28,600
Prepaid expenses	19,297	-	-	-	-	19,297
Total current assets	<u>1,285,386</u>	<u>20,000</u>	<u>166,122</u>	<u>-</u>	<u>227,804</u>	<u>1,699,312</u>
Property and equipment	-	23,926,586	3,011,059	-	4,874,105	31,811,750
Transfer of assets	-	7,885,164	(3,011,059)	-	(4,874,105)	-
Less accumulated depreciation	-	(12,093,516)	-	-	-	(12,093,516)
Net property and equipment	<u>-</u>	<u>19,718,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,718,234</u>
Pledges receivable, net of current portion	-	-	205,828	-	-	205,828
Investments	312,985	2,584,100	-	485,617	-	3,382,702
Other assets	32,416	-	-	-	-	32,416
Total assets	<u>\$1,630,787</u>	<u>22,322,334</u>	<u>371,950</u>	<u>485,617</u>	<u>227,804</u>	<u>25,038,492</u>
<u>Liabilities and Net Assets</u>						
Current liabilities:						
Accounts payable, including construction	402,058	-	-	-	-	402,058
Accrued expense	326,413	14,821	-	-	-	341,234
Deferred revenue membership/program	380,519	-	-	-	-	380,519
Deferred revenue grants	380,981	-	-	-	-	380,981
Current portion of long-term debt	-	557,950	-	-	-	557,950
Total current liabilities	<u>1,489,971</u>	<u>572,771</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,062,742</u>
Long-term debt, net of current installments	-	4,553,058	-	-	-	4,553,058
Total liabilities	<u>1,489,971</u>	<u>5,125,829</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,615,800</u>
Net assets:						
Unrestricted	(268,393)	17,196,505	139,008	485,617	227,804	17,780,541
Temporarily restricted	409,209	-	232,942	-	-	642,151
Total net assets	<u>140,816</u>	<u>17,196,505</u>	<u>371,950</u>	<u>485,617</u>	<u>227,804</u>	<u>18,422,692</u>
Total liabilities and net assets	<u>\$1,630,787</u>	<u>22,322,334</u>	<u>371,950</u>	<u>485,617</u>	<u>227,804</u>	<u>25,038,492</u>

SCOTT COUNTY FAMILY Y

Individual Fund Schedules of Financial Position, continued

December 31, 2015

<u>Assets</u>	<u>Operating</u>	<u>Land, Buildings and Equipment</u>	<u>Capital Campaign</u>	<u>Endowment</u>	<u>Capital Campaign Land</u>	<u>Total</u>
Current assets:						
Cash and cash equivalents	\$2,517,284	20,000	108,127	-	-	2,645,411
Certificates of deposit	20,924	-	-	-	-	20,924
Interfund balance due	-	-	63,058	-	(63,058)	-
Receivables	368,495	-	-	-	-	368,495
Pledge receivable - current portion	-	-	198,248	-	-	198,248
Investments	-	-	820,429	-	-	820,429
Other assets	28,600	-	-	-	-	28,600
Prepaid expenses	20,439	-	-	-	-	20,439
Total current assets	<u>2,955,742</u>	<u>20,000</u>	<u>1,189,862</u>	<u>-</u>	<u>(63,058)</u>	<u>4,102,546</u>
Property and equipment	-	21,638,874	1,872,139	-	4,273,833	27,784,846
Transfer of assets	-	6,145,972	(1,872,139)	-	(4,273,833)	-
Less accumulated depreciation	-	(11,285,954)	-	-	-	(11,285,954)
Net property and equipment	<u>-</u>	<u>16,498,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,498,892</u>
Pledges receivable, net of current portion	-	-	315,213	-	-	315,213
Investments	302,689	1,935,166	-	444,385	-	2,682,240
Other assets	14,576	-	-	-	-	14,576
Total assets	<u>\$3,273,007</u>	<u>18,454,058</u>	<u>1,505,075</u>	<u>444,385</u>	<u>(63,058)</u>	<u>23,613,467</u>
<u>Liabilities and Net Assets</u>						
Current liabilities:						
Accounts payable, including construction	562,507	-	-	-	-	562,507
Accrued expense	272,838	16,747	-	-	-	289,585
Deferred revenue membership/program	349,408	-	-	-	-	349,408
Deferred revenue grants	485,825	-	-	-	-	485,825
Current portion of long-term debt	-	587,712	-	-	-	587,712
Total current liabilities	<u>1,670,578</u>	<u>604,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,275,037</u>
Long-term debt, net of current installments	-	5,612,377	-	-	-	5,612,377
Total liabilities	<u>1,670,578</u>	<u>6,216,836</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,887,414</u>
Net assets:						
Unrestricted	1,174,463	12,237,222	429,871	444,385	(63,058)	14,222,883
Temporarily restricted	427,966	-	1,075,204	-	-	1,503,170
Total net assets	<u>1,602,429</u>	<u>12,237,222</u>	<u>1,505,075</u>	<u>444,385</u>	<u>(63,058)</u>	<u>15,726,053</u>
Total liabilities and net assets	<u>\$3,273,007</u>	<u>18,454,058</u>	<u>1,505,075</u>	<u>444,385</u>	<u>(63,058)</u>	<u>23,613,467</u>

SCOTT COUNTY FAMILY Y

Individual Fund Schedules of Activities and Change in Net Assets

Year Ended December 31, 2016

	Operating						Capital	
	Scott County Family Y	Maquoketa	Total	Land, Buildings and Equipment	Capital Campaign	Endowment	Campaign Land	Total
Revenue:								
Grants and contributions	\$ 1,132,197	163,246	1,295,443	-	(4,600)	5,911	600,000	1,896,754
Membership services	6,245,349	341,250	6,586,599	-	-	-	-	6,586,599
Program revenue	3,782,897	79,686	3,862,583	-	-	-	-	3,862,583
Other revenue	<u>184,516</u>	<u>158,069</u>	<u>342,585</u>	<u>185,068</u>	<u>11,591</u>	<u>40,246</u>	<u>94,421</u>	<u>673,911</u>
Total revenue	<u>11,344,959</u>	<u>742,251</u>	<u>12,087,210</u>	<u>185,068</u>	<u>6,991</u>	<u>46,157</u>	<u>694,421</u>	<u>13,019,847</u>
Expenses:								
Salaries and payroll related expenses	6,027,861	386,323	6,414,184	-	-	-	-	6,414,184
Operating expenses	2,586,830	355,928	2,942,758	16,134	1,196	4,925	7,500	2,972,513
Interest expense	-	-	-	256,520	-	-	-	256,520
Total expenses	<u>8,614,691</u>	<u>742,251</u>	<u>9,356,942</u>	<u>272,654</u>	<u>1,196</u>	<u>4,925</u>	<u>7,500</u>	<u>9,643,217</u>
Change in net assets before grants, depreciation and transfers	<u>2,730,268</u>	<u>-</u>	<u>2,730,268</u>	<u>(87,586)</u>	<u>5,795</u>	<u>41,232</u>	<u>686,921</u>	<u>3,376,630</u>
Grants:								
Capital grants	127,571	-	127,571	-	-	-	-	127,571
Property and equipment acquired	<u>(127,571)</u>	<u>-</u>	<u>(127,571)</u>	<u>127,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,571</u>
Interfund transfers:								
Current fixed asset purchases	(2,364,354)	-	(2,364,354)	4,103,546	(1,138,920)	-	(600,272)	-
Fixed assets sold	-	-	-	(204,213)	-	-	204,213	-
Debt repayment - US Bank note	(1,043,167)	-	(1,043,167)	1,043,167	-	-	-	-
Debt repayment - finance lease	(100,360)	-	(100,360)	100,360	-	-	-	-
Debt repayment - Fitness Prof	(204,000)	-	(204,000)	204,000	-	-	-	-
Board reserve funding	<u>(480,000)</u>	<u>-</u>	<u>(480,000)</u>	<u>480,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total interfund transfers	<u>(4,191,881)</u>	<u>-</u>	<u>(4,191,881)</u>	<u>5,726,860</u>	<u>(1,138,920)</u>	<u>-</u>	<u>(396,059)</u>	<u>-</u>
Increase (decrease) in net assets before depreciation	(1,461,613)	-	(1,461,613)	5,766,845	(1,133,125)	41,232	290,862	3,504,201
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>807,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>807,562</u>
Increase (decrease) in net assets	(1,461,613)	-	(1,461,613)	4,959,283	(1,133,125)	41,232	290,862	2,696,639
Net assets, beginning of year	<u>1,602,429</u>	<u>-</u>	<u>1,602,429</u>	<u>12,237,222</u>	<u>1,505,075</u>	<u>444,385</u>	<u>(63,058)</u>	<u>15,726,053</u>
Net assets, end of year	<u>\$ 140,816</u>	<u>-</u>	<u>140,816</u>	<u>17,196,505</u>	<u>371,950</u>	<u>485,617</u>	<u>227,804</u>	<u>18,422,692</u>

SCOTT COUNTY FAMILY Y

Individual Fund Schedules of Activities and Change in Net Assets, continued

Year Ended December 31, 2015

	Operating						Capital	
	Scott County Family Y	Maquoketa	Total	Land, Buildings and Equipment	Capital Campaign	Endowment	Campaign Land	Total
Revenue:								
Grants and contributions	\$ 982,601	88,457	1,071,058	-	342,797	15,701	1,238,259	2,667,815
Membership services	5,664,431	325,635	5,990,066	-	-	-	-	5,990,066
Program revenue	3,473,348	80,120	3,553,468	-	-	-	-	3,553,468
Other revenue	<u>232,062</u>	<u>173,671</u>	<u>405,733</u>	(37,411)	(15,677)	(29,527)	-	<u>323,118</u>
Total revenue	<u>10,352,442</u>	<u>667,883</u>	<u>11,020,325</u>	<u>(37,411)</u>	<u>327,120</u>	<u>(13,826)</u>	<u>1,238,259</u>	<u>12,534,467</u>
Expenses:								
Salaries and payroll related expenses	5,697,995	384,710	6,082,705	-	1,810	-	1,810	6,086,325
Operating expenses	2,533,420	283,173	2,816,593	7,423	2,895	3,214	2,503	2,832,628
Interest expense	-	-	-	201,029	-	-	-	201,029
Total expenses	<u>8,231,415</u>	<u>667,883</u>	<u>8,899,298</u>	<u>208,452</u>	<u>4,705</u>	<u>3,214</u>	<u>4,313</u>	<u>9,119,982</u>
Change in net assets before depreciation and transfers	<u>2,121,027</u>	<u>-</u>	<u>2,121,027</u>	<u>(245,863)</u>	<u>322,415</u>	<u>(17,040)</u>	<u>1,233,946</u>	<u>3,414,485</u>
Interfund transfers:								
Current fixed asset purchases	(1,074,133)	-	(1,074,133)	4,284,668	(1,128,414)	-	(2,082,121)	-
Debt repayment - US Bank note	(144,957)	-	(144,957)	144,957	-	-	-	-
Debt repayment - finance lease	(142,246)	-	(142,246)	142,246	-	-	-	-
Debt repayment - Fitness Prof	(204,000)	-	(204,000)	204,000	-	-	-	-
Debt proceeds - US Bank note	1,900,672	-	1,900,672	(1,900,672)	-	-	-	-
Board reserve funding	(1,000,000)	-	(1,000,000)	1,000,000	-	-	-	-
Total interfund transfers	<u>(664,664)</u>	<u>-</u>	<u>(664,664)</u>	<u>3,875,199</u>	<u>(1,128,414)</u>	<u>-</u>	<u>(2,082,121)</u>	<u>-</u>
Increase (decrease) in net assets before depreciation	<u>1,456,363</u>	<u>-</u>	<u>1,456,363</u>	<u>3,629,336</u>	<u>(805,999)</u>	<u>(17,040)</u>	<u>(848,175)</u>	<u>3,414,485</u>
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>761,338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>761,338</u>
Increase (decrease) in net assets	<u>1,456,363</u>	<u>-</u>	<u>1,456,363</u>	<u>2,867,998</u>	<u>(805,999)</u>	<u>(17,040)</u>	<u>(848,175)</u>	<u>2,653,147</u>
Net assets, beginning of year	<u>146,066</u>	<u>-</u>	<u>146,066</u>	<u>9,369,224</u>	<u>2,311,074</u>	<u>461,425</u>	<u>785,117</u>	<u>13,072,906</u>
Net assets, end of year	<u>\$1,602,429</u>	<u>-</u>	<u>1,602,429</u>	<u>12,237,222</u>	<u>1,505,075</u>	<u>444,385</u>	<u>(63,058)</u>	<u>15,726,053</u>

SCOTT COUNTY FAMILY Y
Functional Expense Information
Year Ended December 31, 2016

	<u>Program Services</u>			<u>Support Services</u>			<u>Totals</u>	
	<u>Youth Development</u>	<u>Healthy Living</u>	<u>Social Responsibility</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>		<u>Total Support Services</u>
Personnel costs:								
Salaries and wages	\$2,565,870	1,930,669	67,668	4,564,207	735,718	23,425	759,143	5,323,350
Payroll related expenses and benefits	<u>497,253</u>	<u>436,045</u>	<u>17,529</u>	<u>950,827</u>	<u>132,716</u>	<u>7,288</u>	<u>140,004</u>	<u>1,090,831</u>
Total personnel costs	<u>3,063,123</u>	<u>2,366,714</u>	<u>85,197</u>	<u>5,515,034</u>	<u>868,434</u>	<u>30,713</u>	<u>899,147</u>	<u>6,414,181</u>
Non-personnel costs:								
Utilities	90,199	676,184	640	767,023	4,920	320	5,240	772,263
Maintenance supplies and equipment repairs	47,511	314,112	-	361,623	13,432	-	13,432	375,055
Contract services	77,416	190,986	-	268,402	39,910	498	40,408	308,810
Professional fees	-	16,134	7,810	23,944	25,643	13,621	39,264	63,208
Program supplies	211,991	52,357	2,856	267,204	-	-	-	267,204
Food	245,192	-	3,925	249,117	-	-	-	249,117
Advertising and promotion	6,031	106,642	163	112,836	64,000	4,684	68,684	181,520
Building, vehicle and liability insurance	23,145	88,515	-	111,660	8,690	-	8,690	120,350
Merchandise supplies	26,481	1,687	-	28,168	-	-	-	28,168
National dues	-	-	-	-	135,959	-	135,959	135,959
Rent	89,462	23,431	-	112,893	-	-	-	112,893
Equipment rental	1,194	5,007	-	6,201	572	-	572	6,773
Postage	1,535	2,866	-	4,401	6,778	1,746	8,524	12,925
Office supplies	6,239	12,515	762	19,516	6,830	523	7,353	26,869
Training and conference	30,899	8,375	967	40,241	18,427	243	18,670	58,911
Meetings	1,674	2,438	603	4,715	5,276	195	5,471	10,186
Recruitment	4,388	235	-	4,623	3,791	-	3,791	8,414
Mileage reimbursement	10,961	9,480	3,382	23,823	3,179	130	3,309	27,132
Bank charges	4,812	26,888	-	31,700	21,713	-	21,713	53,413
Other expense	20,373	82,820	13,367	116,560	36,722	64	36,786	153,346
Interest expense	-	<u>256,520</u>	-	<u>256,520</u>	-	-	-	<u>256,520</u>
Total non-personnel costs	<u>899,503</u>	<u>1,877,192</u>	<u>34,475</u>	<u>2,811,170</u>	<u>395,842</u>	<u>22,024</u>	<u>417,866</u>	<u>3,229,036</u>
Total expenses	<u>\$3,962,626</u>	<u>4,243,906</u>	<u>119,672</u>	<u>8,326,204</u>	<u>1,264,276</u>	<u>52,737</u>	<u>1,317,013</u>	<u>9,643,217</u>

SCOTT COUNTY FAMILY Y

Functional Expense Information, continued

Year Ended December 31, 2015

	<u>Program Services</u>			<u>Support Services</u>			<u>Totals</u>
	<u>Youth Development</u>	<u>Healthy Living</u>	<u>Social Responsibility</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	
Personnel costs:							
Salaries and wages	\$2,430,405	1,836,054	77,085	4,343,544	676,410	28,926	5,048,880
Payroll related expenses and benefits	<u>467,355</u>	<u>384,981</u>	<u>21,005</u>	<u>873,341</u>	<u>155,434</u>	<u>8,670</u>	<u>1,037,445</u>
Total personnel costs	<u>2,897,760</u>	<u>2,221,035</u>	<u>98,090</u>	<u>5,216,885</u>	<u>831,844</u>	<u>37,596</u>	<u>6,086,325</u>
Non-personnel costs:							
Utilities	80,753	655,195	960	736,908	4,834	2,021	743,763
Maintenance supplies and equipment repairs	55,743	322,277	-	378,020	13,595	-	391,615
Contract services	72,610	194,508	-	267,118	36,204	1,031	304,352
Professional fees	-	7,423	184	7,607	22,931	6,109	36,646
Program supplies	226,316	54,026	3,009	283,351	-	-	283,351
Food	229,005	-	2,479	231,484	-	-	231,484
Advertising and promotion	5,502	70,981	-	76,483	63,000	7,101	146,584
Building, vehicle and liability insurance	21,090	88,795	-	109,885	8,995	-	118,880
Merchandise supplies	35,885	297	-	36,182	-	-	36,182
National dues	-	-	-	-	119,322	-	119,322
Rent	93,950	23,293	-	117,243	-	-	117,243
Equipment rental	597	2,565	6	3,168	773	-	3,941
Postage	1,427	1,353	-	2,780	7,533	3,376	13,689
Office supplies	8,468	14,749	207	23,424	6,516	613	30,553
Training and conference	15,368	8,747	1,572	25,687	12,050	135	37,872
Meetings	2,011	3,715	-	5,726	6,505	417	12,648
Recruitment	2,114	995	-	3,109	3,197	-	6,306
Mileage reimbursement	18,072	11,635	4,450	34,157	4,081	103	38,341
Bank charges	4,864	30,037	-	34,901	17,984	260	53,145
Other expense	28,476	34,954	10,871	74,301	32,100	308	106,711
Interest expense	-	<u>201,029</u>	-	<u>201,029</u>	-	-	<u>201,029</u>
Total non-personnel costs	<u>902,251</u>	<u>1,726,574</u>	<u>23,738</u>	<u>2,652,563</u>	<u>359,620</u>	<u>21,474</u>	<u>3,033,657</u>
Total expenses	<u>\$3,800,011</u>	<u>3,947,609</u>	<u>121,828</u>	<u>7,869,448</u>	<u>1,191,464</u>	<u>59,070</u>	<u>9,119,982</u>