

SCOTT COUNTY FAMILY Y
Financial Statements
December 31, 2018 and 2017
(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, 2018 and 2017 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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, 2018 and 2017, and the results of its operations, its functional expenses 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
April 24, 2019

SCOTT COUNTY FAMILY Y
Statements of Financial Position
December 31, 2018 and 2017

<u>Assets (note 6)</u>	<u>2018</u>	<u>2017</u>
Current assets:		
Cash and cash equivalents (notes 6 and 11)	\$ 1,034,876	1,100,829
Certificates of deposit	620,935	20,929
Receivables:		
Pledges - current portion (note 2)	1,793,628	109,662
Daycare	58,735	65,886
United Way	35,807	36,290
Grants	-	50,000
Other	11,748	33,568
Prepaid expenses	54,483	18,694
Other assets	<u>30,600</u>	<u>28,600</u>
Total current assets	<u>3,640,812</u>	<u>1,464,458</u>
Property and equipment (note 10):		
Land	4,826,506	4,526,366
Building and improvements	22,598,342	22,324,956
Equipment and vehicles	6,080,371	5,889,152
Construction in progress	<u>125,395</u>	<u>105,379</u>
	33,630,614	32,845,853
Less accumulated depreciation	<u>13,772,969</u>	<u>12,873,509</u>
Net property and equipment	<u>19,857,845</u>	<u>19,972,344</u>
Pledges - net of current portion (note 2)	1,860,090	69,928
Investments (notes 3 and 4)	4,949,641	3,886,283
Temporarily restricted asset - Weinzweig Trusts (notes 3 and 4)	312,291	340,285
Other assets	<u>94,925</u>	<u>51,501</u>
Total assets	<u>\$30,715,604</u>	<u>25,784,799</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Current installments of long-term debt (note 6)	675,191	3,075,528
Accounts payable	157,318	104,984
Accrued expenses (note 8)	401,808	365,749
Deferred revenue:		
Membership dues and program	278,893	265,606
Grants	123,178	163,457
Other	<u>117,907</u>	<u>136,240</u>
Total current liabilities	1,754,295	4,111,564
Long-term debt, net of current installments (note 6)	<u>518,778</u>	<u>-</u>
Total liabilities	<u>2,273,073</u>	<u>4,111,564</u>
Net assets:		
Without donor restrictions:		
Undesignated	18,949,867	17,270,519
Board - designated for reserve (note 3)	3,706,325	3,320,520
Board - designated for equipment – new facility	600,000	-
Board - designated for endowment (note 3)	<u>530,528</u>	<u>565,763</u>
Total without donor restrictions	23,786,720	21,156,802
With donor restrictions (notes 3 and 7)	<u>4,655,811</u>	<u>516,433</u>
Total net assets	<u>28,442,531</u>	<u>21,673,235</u>
Total liabilities and net assets	<u>\$30,715,604</u>	<u>25,784,799</u>

See accompanying notes to financial statements.

SCOTT COUNTY FAMILY Y

Statements of Activities

Years Ended December 31, 2018 and 2017

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating activities:			
Public support:			
Contributions	\$ 668,520	-	668,520
United Way	38,221	35,807	74,028
Grants	245,248	-	245,248
In-kind contributions	-	-	-
Special events, net	95,144	-	95,144
Net assets released from restrictions – satisfaction of program restrictions	<u>36,290</u>	<u>(36,290)</u>	<u>-</u>
Total public support	<u>1,083,423</u>	<u>(483)</u>	<u>1,082,940</u>
Revenue:			
Membership fees, net (note 12)	7,037,595	-	7,037,595
Program fees, net (note 12)	4,056,466	-	4,056,466
Merchandise sales	49,526	-	49,526
Miscellaneous	<u>282,252</u>	<u>-</u>	<u>282,252</u>
Total revenue	<u>11,425,839</u>	<u>-</u>	<u>11,425,839</u>
Total public support and revenue	<u>12,509,262</u>	<u>(483)</u>	<u>12,508,779</u>
Operating expenses:			
Program services:			
Youth development	4,218,314	-	4,218,314
Healthy living	4,489,938	-	4,489,938
Social responsibility	<u>132,921</u>	<u>-</u>	<u>132,921</u>
Total program services	<u>8,841,173</u>	<u>-</u>	<u>8,841,173</u>
Support services:			
Management and general	1,384,212	-	1,384,212
Fundraising	<u>66,890</u>	<u>-</u>	<u>66,890</u>
Total support services	<u>1,451,102</u>	<u>-</u>	<u>1,451,102</u>
Total operating expenses	<u>10,292,275</u>	<u>-</u>	<u>10,292,275</u>
Changes in net assets from operations	<u>2,216,987</u>	<u>(483)</u>	<u>2,216,504</u>
Non-operating activities:			
Net realized and unrealized gain (loss)	(425,754)	-	(425,754)
Investment income, net	128,644	-	128,644
Contributions for net endowment	27,680	-	27,680
Contributions for capital assets	26,802	4,795,420	4,822,222
Net assets released from restriction – satisfaction of purpose restriction	<u>655,559</u>	<u>(655,559)</u>	<u>-</u>
Total non-operating activities	<u>412,931</u>	<u>4,139,861</u>	<u>4,552,792</u>
Changes in net assets	2,629,918	4,139,378	6,769,296
Net assets, beginning of year	<u>21,156,802</u>	<u>516,433</u>	<u>21,673,235</u>
Net assets, end of year	<u>\$23,786,720</u>	<u>4,655,811</u>	<u>28,442,531</u>

See accompanying notes to financial statements.

2017		
<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
615,844	-	615,844
55,671	36,290	91,961
318,427	-	318,427
27,000	-	27,000
96,481	-	96,481
<u>96,225</u>	<u>(96,225)</u>	<u>-</u>
<u>1,209,648</u>	<u>(59,935)</u>	<u>1,149,713</u>
7,238,855	-	7,238,855
3,907,462	-	3,907,462
53,869	-	53,869
<u>251,302</u>	<u>-</u>	<u>251,302</u>
<u>11,451,488</u>	<u>-</u>	<u>11,451,488</u>
<u>12,661,136</u>	<u>(59,935)</u>	<u>12,601,201</u>
4,194,334	-	4,194,334
4,595,254	-	4,595,254
<u>139,905</u>	<u>-</u>	<u>139,905</u>
<u>8,929,493</u>	<u>-</u>	<u>8,929,493</u>
1,299,436	-	1,299,436
<u>76,863</u>	<u>-</u>	<u>76,863</u>
<u>1,376,299</u>	<u>-</u>	<u>1,376,299</u>
<u>10,305,792</u>	<u>-</u>	<u>10,305,792</u>
<u>2,355,344</u>	<u>(59,935)</u>	<u>2,295,409</u>
246,196	-	246,196
79,695	-	79,695
10,675	-	10,675
145,214	473,354	618,568
<u>539,137</u>	<u>(539,137)</u>	<u>-</u>
<u>1,020,917</u>	<u>(65,783)</u>	<u>955,134</u>
3,376,261	(125,718)	3,250,543
<u>17,780,541</u>	<u>642,151</u>	<u>18,422,692</u>
<u>21,156,802</u>	<u>516,433</u>	<u>21,673,235</u>

SCOTT COUNTY FAMILY Y
Statements of Functional Expenses
Year Ended December 31, 2018

	<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	\$2,574,441	1,859,736	85,029	4,519,206	758,238	26,307	784,545	5,303,751
Payroll related expenses and benefits	<u>500,105</u>	<u>429,857</u>	<u>23,082</u>	<u>953,044</u>	<u>180,079</u>	<u>6,455</u>	<u>186,534</u>	<u>1,139,578</u>
Total personnel costs	<u>3,074,546</u>	<u>2,289,593</u>	<u>108,111</u>	<u>5,472,250</u>	<u>938,317</u>	<u>32,762</u>	<u>971,079</u>	<u>6,443,329</u>
Non-personnel costs:								
Utilities	98,252	646,293	860	745,405	8,189	180	8,369	753,774
Maintenance supplies and equipment repairs	59,470	346,578	-	406,048	8,972	-	8,972	415,020
Contract services	63,090	173,486	-	236,576	36,092	491	36,583	273,159
Professional fees	-	-	520	520	23,555	-	23,555	24,075
Program supplies	172,116	35,808	8,445	216,369	-	-	-	216,369
Food	292,591	-	2,334	294,925	-	-	-	294,925
Advertising and promotion	1,224	88,837	190	90,251	39,000	21,051	60,051	150,302
Building, vehicle and liability insurance	27,900	106,455	-	134,355	8,700	-	8,700	143,055
Merchandise supplies	22,673	171	-	22,844	-	-	-	22,844
National dues	-	-	-	-	185,868	-	185,868	185,868
Rent	36,592	12,983	-	49,575	-	-	-	49,575
Equipment rental	471	1,616	-	2,087	-	-	-	2,087
Postage	1,154	3,006	40	4,200	8,397	2,140	10,537	14,737
Office supplies	6,030	10,504	487	17,021	5,896	654	6,550	23,571
Training and conference	16,532	11,296	110	27,938	10,392	155	10,547	38,485
Meetings	590	1,755	104	2,449	4,624	984	5,608	8,057
Recruitment	1,775	-	-	1,775	5,936	-	5,936	7,711
Mileage reimbursement	13,674	11,113	3,335	28,122	3,867	80	3,947	32,069
Bank charges	5,681	23,925	-	29,606	25,909	-	25,909	55,515
Other expense	22,189	52,567	6,385	81,141	34,498	6,393	40,891	122,032
Depreciation expense	301,764	557,496	2,000	861,260	36,000	2,000	38,000	899,260
Interest expense	-	116,456	-	116,456	-	-	-	116,456
Total non-personnel costs	<u>1,143,768</u>	<u>2,200,345</u>	<u>24,810</u>	<u>3,368,923</u>	<u>445,895</u>	<u>34,128</u>	<u>480,023</u>	<u>3,848,946</u>
Total expenses	<u>\$4,218,314</u>	<u>4,489,938</u>	<u>132,921</u>	<u>8,841,173</u>	<u>1,384,212</u>	<u>66,890</u>	<u>1,451,102</u>	<u>10,292,275</u>

SCOTT COUNTY FAMILY Y

Statements of Functional Expenses, continued

Year Ended December 31, 2017

	<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	\$2,589,807	1,855,099	89,243	4,534,149	742,761	24,108	766,869	5,301,018
Payroll related expenses and benefits	<u>520,076</u>	<u>446,223</u>	<u>24,179</u>	<u>990,478</u>	<u>124,368</u>	<u>7,855</u>	<u>132,223</u>	<u>1,122,701</u>
Total personnel costs	<u>3,109,883</u>	<u>2,301,322</u>	<u>113,422</u>	<u>5,524,627</u>	<u>867,129</u>	<u>31,963</u>	<u>899,092</u>	<u>6,423,719</u>
Non-personnel costs:								
Utilities	85,236	628,066	640	713,942	11,600	320	11,920	725,862
Maintenance supplies and equipment repairs	55,324	332,374	-	387,698	28,490	-	28,490	416,188
Contract services	61,708	138,524	-	200,232	35,286	488	35,774	236,006
Professional fees	-	-	-	-	22,394	17,693	40,087	40,087
Program supplies	168,309	43,357	3,251	214,917	-	-	-	214,917
Food	238,389	-	3,590	241,979	-	-	-	241,979
Advertising and promotion	3,164	96,850	25	100,039	59,000	7,624	66,624	166,663
Building, vehicle and liability insurance	24,330	89,490	-	113,820	10,803	-	10,803	124,623
Merchandise supplies	32,249	581	-	32,830	-	-	-	32,830
National dues	-	-	-	-	133,381	-	133,381	133,381
Rent	64,069	17,777	-	81,846	-	-	-	81,846
Equipment rental	2,395	5,223	-	7,618	(178)	-	(178)	7,440
Postage	1,667	3,590	-	5,257	8,776	1,475	10,251	15,508
Office supplies	4,875	10,078	642	15,595	3,732	181	3,913	19,508
Training and conference	13,670	6,119	72	19,861	21,280	502	21,782	41,643
Meetings	295	2,504	453	3,252	3,598	2,762	6,360	9,612
Recruitment	1,138	1,330	-	2,468	5,498	-	5,498	7,966
Mileage reimbursement	8,116	8,671	3,394	20,181	3,562	126	3,688	23,869
Bank charges	6,201	27,141	-	33,342	22,193	-	22,193	55,535
Other expense	22,558	107,901	12,416	142,875	26,892	11,729	38,621	181,496
Depreciation expense	290,758	570,775	2,000	863,533	36,000	2,000	38,000	901,533
Interest expense	-	203,581	-	203,581	-	-	-	203,581
Total non-personnel costs	<u>1,084,451</u>	<u>2,293,932</u>	<u>26,483</u>	<u>3,404,866</u>	<u>432,307</u>	<u>44,900</u>	<u>477,207</u>	<u>3,882,073</u>
Total expenses	<u>\$4,194,334</u>	<u>4,595,254</u>	<u>139,905</u>	<u>8,929,493</u>	<u>1,299,436</u>	<u>76,863</u>	<u>1,376,299</u>	<u>10,305,792</u>

SCOTT COUNTY FAMILY Y

Statements of Cash Flows

Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Increase in net assets	\$6,769,296	3,250,543
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	899,260	901,533
Net (appreciation) depreciation in fair value of investments and other assets	516,305	(158,161)
Net realized gain on sale of investments	(85,475)	(86,436)
Net change in Weinzweig Trusts	27,994	(27,300)
Capital campaign pledges for future facility	(490,348)	-
Contribution of property and equipment	-	(370,800)
Debt forgiveness recorded as a contribution	(450,000)	-
Changes in assets and liabilities:		
(Increase) decrease in pledges receivable	(3,474,128)	168,650
Decrease in daycare, United Way, grants and other receivables	79,454	260,176
(Increase) decrease in prepaid expenses	(35,789)	603
Increase in other current assets	(2,000)	-
Increase (decrease) in accounts payable	52,334	(297,074)
Increase in accrued expenses	36,059	24,515
Decrease in deferred revenue	(45,325)	(196,197)
Net cash provided by operating activities	<u>3,797,637</u>	<u>3,470,052</u>
Cash flows from investing activities:		
Purchase of certificates of deposit	(600,006)	(2)
Purchase of investments	(3,053,198)	(1,595,412)
Proceeds from sale of investments	1,564,086	1,023,443
Increase in other assets	(48,500)	(19,085)
Purchase of property and equipment	(784,761)	(784,843)
Net cash used in investing activities	<u>(2,922,379)</u>	<u>(1,375,899)</u>
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	1,500,000	-
Capital campaign pledges for future facility	490,348	-
Principal payments on long-term debt	(2,931,559)	(2,035,480)
Net cash used in financing activities	<u>(941,211)</u>	<u>(2,035,480)</u>
 Net increase (decrease) in cash and cash equivalents	 (65,953)	 58,673
Cash and cash equivalents at beginning of year	<u>1,100,829</u>	<u>1,042,156</u>
Cash and cash equivalents at end of year	<u>\$1,034,876</u>	<u>1,100,829</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 126,595</u>	<u>207,386</u>
Supplemental disclosure of noncash investing and financing activities:		
Contribution of property and equipment	<u>\$ -</u>	<u>370,800</u>
Debt forgiveness recorded as a contribution	<u>\$ 450,000</u>	<u>-</u>

See accompanying notes to financial statements.

SCOTT COUNTY FAMILY Y
Notes to Financial Statements
December 31, 2018 and 2017

(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:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Revenues received and expenses incurred in conducting the programs and services of the Organization are presented in the financial statements as operating funds that increase or decrease net assets without donor restrictions. By action of the Board of the Organization (the Board), certain net assets without donor restrictions have been designated for long-term investment or other special purposes as follows:

Board - Designated for Reserve - Net assets without donor restrictions which have been designated by the Board of Directors to establish a reserve.

Board - Designated for Endowment - Net assets without donor restrictions 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.

Board - Designated for Equipment - Net assets without donor restrictions have been designated by the Board for equipment at the new facility.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The Organization evaluated subsequent events through April 24, 2019, which is the date the financial statements were available to be issued.

(c) Operating Activities

Operating activities reflect all transactions increasing or decreasing net assets except those items associated with long-term investment such as contributions for endowment and facilities and equipment and investment returns in excess of amounts designated for current operations.

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

(d) 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 without donor restrictions or with donor restrictions 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, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

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.

(e) 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.

(f) Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Certain costs have been allocated between program and supporting services classifications on the basis of time records, actual expense and/or on estimates made by the Organization's management.

(g) In-Kind and Bartering Activities

The Organization periodically provides membership trade outs to large local area employers or local sports teams which amounted to approximately \$226,000 and \$252,000 for the years ended December 31, 2018 and 2017, respectively. In exchange for the membership trade outs, the Organization received approximately \$39,000 and \$59,000 in advertising for the years ended December 31, 2018 and 2017, respectively. These transactions are recorded as contributions, expenses or reduced membership fees in the statement of activities.

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

(h) 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.

(i) Contributions Receivable

The receipt of unconditional promises to give with payments due in future periods is reported as donor 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.

(j) 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, 2018 and 2017. A daycare receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 90 days.

(k) Inventories

Inventories amounted to \$30,600 and \$28,400 at December 31, 2018 and 2017, respectively, 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.

(l) 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 certificates of deposit are 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 net assets without donor restrictions unless the income is restricted by donor or law.

Investment income is reported in the statement of activities net of related advisory fees which amounted to \$33,158 and \$27,705 for the years ended December 31, 2018 and 2017, respectively.

(m) 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.

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

(n) 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.

The Organization evaluates the tax benefits of a tax position using the “more likely than not” threshold. As of December 31, 2018, 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 2014 are subject to examination by taxing authorities.

(o) Advertising Costs

Advertising costs are expensed as incurred and amounted to \$150,510 and \$166,664 for the years ended December 31, 2018 and 2017, respectively.

(p) Reclassifications

The Organization adopted the provisions of ASU 2016-14 “Not-for-Profit Entities – Presentation of Financial Statements of Not-for-Profit Entities” in 2018. In accordance with the pronouncement, net assets have been classified as without donor restrictions and with donor restrictions. The pronouncement also requires a statement of function expenses and additional disclosures relating to liquidity, financial performance and cash flows. Certain accounts for 2017 have been reclassified to conform with the presentation for 2018.

(2) Pledges Receivable

Unconditional pledges at December 31, 2018 and 2017 are expected to be collected as follows:

	<u>2018</u>	<u>2017</u>
Gross amounts due in:		
Less than one year	\$1,840,998	109,662
One to five years	<u>1,961,016</u>	<u>69,928</u>
Total pledges receivable	3,802,014	179,590
Less net present value discount	<u>148,293</u>	-
Net pledges receivable	3,653,718	179,590
Less current portion	<u>1,793,628</u>	<u>109,662</u>
Long-term portion	<u>\$1,860,090</u>	<u>69,928</u>

Management has determined that an allowance for uncollectible pledges is not required based on regular evaluations of the collectability of individual pledges receivable. Bad debts arising from pledges charged to expense amounted to \$3,300 and \$27,400 for the years ended December 31, 2018 and 2017, respectively.

The pledges receivable relate to two capital campaigns being conducted by the Organization relating to the upgrade of current facilities and the construction of a new facility in downtown Davenport. The new facility is expected to cost \$20 million which will be funded through both contributions and bank financing. Management anticipates beginning the project in the fall of 2019 with an expected completion date in 2020.

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(3) Investments

The Organization maintains investments in the following funds as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Board designated:		
Reserve fund	\$3,706,325	3,320,520
Endowment fund	530,528	565,763
Donor restricted - capital campaign	<u>712,788</u>	-
	<u>\$4,949,641</u>	<u>3,886,283</u>

The composition of investments, at fair value, as of December 31, 2018 and 2017 is as follows:

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 765,783	93,248
Equity Securities	1,475,795	1,304,537
Fixed income securities	2,516,840	2,309,133
Mutual funds - real estate	69,740	47,994
Pooled investments	<u>121,483</u>	<u>131,371</u>
	<u>\$4,949,641</u>	<u>3,886,283</u>

Gross unrealized gains and (losses) relating to investments amounted to \$40,285 and \$(365,085), respectively, as of December 31, 2018 and \$224,603 and \$(36,576), respectively, as of December 31, 2017.

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, 2018 and 2017 amounted to \$312,291 and \$340,285, respectively. Changes in the fair value of the underlying assets in the trusts are reported as unrealized gains (losses) on the statement of activities.

The Quad Cities Community Foundation 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 \$112,073 and \$126,490 as of December 31, 2018 and 2017, respectively. The Community Foundation of Dubuque also holds funds in the name of the Organization which amounted to \$9,410 and \$4,881 at December 31, 2018 and 2017, respectively, which is also adjusted annually based on the reported statement value. Changes in the fair value of the underlying assets of these funds 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.

SCOTT COUNTY FAMILY Y

Notes to Financial Statements

(4) Fair Value Measurements

The fair values of investments consist of the following as of December 31, 2018 and 2017:

	<u>Fair Value</u>	<u>Fair Value Measurements Using:</u>	
		Quoted Market Prices (Level 1)	Significant Other Observable Inputs (Level 3)
<u>December 31, 2018:</u>			
Cash and cash equivalents	\$ 765,783	765,783	-
Equity securities	1,475,795	1,475,795	-
Fixed income securities	2,516,840	2,516,840	-
Mutual funds - real estate	69,740	69,740	-
Pooled investments	121,483	-	121,483
Weinzweig Trusts	312,291	-	312,291
	<u>\$5,261,932</u>	<u>4,828,158</u>	<u>433,774</u>
<u>December 31, 2017:</u>			
Cash and cash equivalents	\$ 93,248	93,248	-
Equity securities	1,304,537	1,304,537	-
Fixed income securities	2,309,133	2,309,133	-
Mutual funds - real estate	47,994	47,994	-
Pooled investments	131,371	-	131,371
Weinzweig Trusts	340,285	-	340,285
	<u>\$4,226,568</u>	<u>3,754,912</u>	<u>471,656</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 Quad Cities Community Foundation 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.

SCOTT COUNTY FAMILY Y

Notes to Financial Statements

(5) Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations. Amounts not available include amounts set aside for long-term investing in the board designated funds that could be drawn upon if the governing board approves that action.

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 1,034,876	1,100,829
Certificates of deposit	620,935	20,929
Receivables	3,760,008	365,334
Investments	4,949,641	3,886,283
Trusts	<u>312,291</u>	<u>340,285</u>
Total financial assets	10,677,751	5,713,660
Contractual or donor-imposed restrictions:		
Trusts	(312,291)	(340,285)
Donor restrictions - capital campaign	(4,307,713)	(139,858)
Program restrictions	(35,807)	(36,290)
Board designated:		
Equipment fund	(600,000)	-
Board reserve fund	(3,706,325)	(3,320,520)
Endowment fund	<u>(530,528)</u>	<u>(565,763)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,185,087</u>	<u>1,310,944</u>

In the event of unanticipated liquidity need, the Organization could also draw up a \$500,000 line of credit described in note 6.

(6) Indebtedness

The Organization has a \$500,000 line of credit with a bank with interest at the *Wall Street Journal* prime rate and a floor of 4.25% (effective rate of 5.50% and 4.50% at December 31, 2018 and 2017, respectively). Borrowings on this line of credit are secured by substantially all assets of the Organization. The line of credit matures November 30, 2019. There were no outstanding borrowings on this line of credit as of December 31, 2018 and 2017.

Long term debt at December 31, 2018 and 2017 consists of the following:

	<u>2018</u>	<u>2017</u>
Note payable to a bank, due in monthly installments of \$11,470, including interest at 4.3% through November 2021; secured by property and equipment (a)	\$1,193,969	-
Note payable to a bank, due in monthly installments of \$44,675, including interest at 3.65%, through November 2021; secured by substantially all assets of the Organization and the guaranty of the Harold Bechtel Trust; repaid in 2018	-	451,333
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 (b)	<u>-</u>	<u>2,624,195</u>
Total long-term debt	1,193,969	3,075,528
Less current installments	<u>675,191</u>	<u>3,075,528</u>
Long-term debt, net of current installments	<u>\$ 518,778</u>	<u>-</u>

SCOTT COUNTY FAMILY Y

Notes to Financial Statements

(6) Indebtedness, continued

- (a) The Organization has increased the scheduled monthly payments by \$50,000 in order to fully payoff the note by 2020 rather than the November 2021 maturity date. The aggregate maturities shown below are based on the Organization's anticipated principal payments. Additionally, management of the Organization approved an unscheduled principal payment of \$250,000 as of December 31, 2018 which has been reflected as a reduction of cash and the note payable.
- (b) In connection with the repayment of this note, the lender agreed to reduce the final balloon payment by \$450,000 as debt forgiveness which has been recognized by the Organization as contribution revenue in the statement of activities for the year ended December 31, 2018.

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, 2018 and 2017.

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

Year Ending December 31,

2019	\$ 675,191
2020	<u>518,778</u>
	<u>\$1,193,969</u>

(7) Net Assets With Donor Restrictions

Temporarily restricted net assets are available for the following as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Program services	\$ 35,807	36,290
Capital campaign	4,307,713	139,858
Weinzweig trusts	<u>312,291</u>	<u>340,285</u>
	<u>\$4,655,811</u>	<u>516,433</u>

(8) 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 \$27,000 and \$25,000 as of December 31, 2018 and 2017, respectively, which is included in accrued expenses on the statement of financial position.

The Scott County Family Y participates in The YMCA Retirement Fund Retirement Plan (Retirement Plan) which is a defined contribution, money purchase, church plan that is intended to satisfy the qualification requirements of Section 401(a) of the Internal Revenue Code of 1986, as amended (Code) and The YMCA Retirement Fund Tax-Deferred Savings Plan which is a retirement income account plan as defined in Section 403(b)(9) of the Code. The Retirement Plan is subject to the Employee Retirement Income Security Act of 1974 pursuant to Section 401(d) of the Code. Both Plans are sponsored by The Young Men's Christian Association Retirement Fund (Fund). The Fund is a not-for-profit, tax exempt pension fund incorporated in the State of New York (1921) organized and operated for the purpose of providing retirement and other benefits for employees of YMCAs throughout the United States. The plans are operated as church pension plans. Participation is available to all duly organized and reorganized YMCAs and their eligible employees. As a defined contribution plan, the Retirement Plan and Tax-Deferred Savings Plan have no unfunded benefit obligations.

SCOTT COUNTY FAMILY Y

Notes to Financial Statements

(8) Employee Insurance and Retirement Benefits, continued

In accordance with our agreement, contributions for the YMCA Retirement Fund Retirement Plan are a percentage of the participating employees' salary. These amounts are paid by the Organization. Total contributions charged to retirement costs were approximately \$333,500 and \$338,500, respectively, for the fiscal years ended December 31, 2018 and 2017, respectively.

Contributions to The YMCA Retirement Fund Tax-Deferred Savings Plan are withheld from employees' salaries and remitted to The YMCA Retirement Fund. There is no matching employer contribution in this plan.

(9) 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.

The Organization is involved in various litigation and claims arising in the ordinary course of business. These claims are covered under the Organization's commercial insurance policies and in the opinion of management, the ultimate resolution of these matters will not have a material effect on its financial statements.

(10) 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 \$132,428 and \$133,381 as of December 31, 2018 and 2017, 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.

(11) 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 \$2,300,000 and \$834,000 as of December 31, 2018 and 2017, respectively. Management believes that the credit risk related to these deposits is minimal.

SCOTT COUNTY FAMILY Y
Notes to Financial Statements

(12) Payments to Affiliates

The Organization made payments to the National YMCA designed for dues and services for the years ended December 31, 2018 and 2017 of \$185,868 and \$133,381, respectively.

(13) 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, 2018 and 2017:

	<u>2018</u>		<u>2017</u>	
Membership	\$7,837,315	100.00%	7,958,111	100.00%
Less membership financial assistance	<u>799,720</u>	<u>10.20%</u>	<u>719,256</u>	<u>9.04%</u>
Membership, net	<u>\$7,037,595</u>	<u>89.80%</u>	<u>7,238,855</u>	<u>90.96%</u>
Program fees	\$4,607,024	100.00%	4,474,520	100.00%
Less program financial assistance	<u>550,558</u>	<u>11.95%</u>	<u>567,058</u>	<u>12.67%</u>
Program fees, net	<u>\$4,056,466</u>	<u>88.05%</u>	<u>3,907,462</u>	<u>87.33%</u>
Other assistance – program grants	<u>\$ 244,559</u>		<u>241,557</u>	
Total assistance	<u>\$1,594,837</u>		<u>1,527,871</u>	

(14) 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, 2018 and 2017 was approximately \$1,607,100 and \$1,807,000, respectively. The asset and revenue will not be recorded until the donor restrictions have been met.

(15) Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board issued ASU 2016-02 “Leases”. The pronouncement requires recognition of lease assets and lease liabilities by lessees for leases generally with a term of 12 months or more. ASU 2016-02 will become effective for the Organization’s 2020 financial statements.

In January 2014, the Financial Accounting Standards Board issued ASU 2014-09 “Revenue from Contracts with Customers”. The pronouncement provides guidance regarding the recognition of revenue in connection with customer contracts. ASU 2014-09 will become effective for the Organization’s 2019 financial statements.

In June 2018, the Financial Accounting Standards Board issued ASU 2018-08 “Not-for-Profit Entities”. The pronouncement provides clarification and guidance regarding the accounting for contributions received and contributions made. ASU 2018-18 will become effective for the Organization’s 2020 financial statements.

Management is currently analyzing these pronouncements to determine their impact to the Organization.

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, 2018 and 2017, and our report thereon dated April 24, 2019, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audits were 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.

Bettendorf, Iowa
April 24, 2019

Anderson, Lower, Whitlow, P.C.

SCOTT COUNTY FAMILY Y

Individual Fund Schedules of Financial Position

December 31, 2018

<u>Assets</u>	<u>Operating</u>	<u>Land, Building and Equipment</u>	<u>Capital Campaign</u>	<u>Endowment</u>	<u>Capital Campaign Land</u>	<u>Total</u>
Current assets:						
Cash and cash equivalents	\$1,028,876	-	6,000	-	-	1,034,876
Certificates of deposit	20,935	600,000	-	-	-	620,935
Receivables	106,290	-	-	-	-	106,290
Pledge receivable - current portion	-	-	45,295	-	1,748,333	1,793,628
Other assets	30,600	-	-	-	-	30,600
Prepaid expenses	54,483	-	-	-	-	54,483
Total current assets	<u>1,241,184</u>	<u>600,000</u>	<u>51,295</u>	<u>-</u>	<u>1,748,333</u>	<u>3,640,812</u>
Property and equipment	-	25,012,048	3,011,059	-	5,607,507	33,630,614
Transfer of assets	-	8,618,566	(3,011,059)	-	(5,607,507)	-
Less accumulated depreciation	-	(13,772,769)	-	-	-	(13,772,769)
Net property and equipment	<u>-</u>	<u>19,857,845</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,857,845</u>
Pledges receivable, net of current portion	-	-	13,499	-	1,846,591	1,860,090
Investments	312,291	3,706,325	-	530,528	712,788	5,261,932
Other assets	94,925	-	-	-	-	94,925
Total assets	<u>\$1,648,400</u>	<u>24,164,170</u>	<u>64,794</u>	<u>530,528</u>	<u>4,307,712</u>	<u>30,715,604</u>
<u>Liabilities and Net Assets</u>						
Current liabilities:						
Accounts payable	157,318	-	-	-	-	157,318
Accrued expense	400,932	876	-	-	-	401,808
Deferred revenue membership/program	396,800	-	-	-	-	396,800
Deferred revenue grants	123,178	-	-	-	-	123,178
Current portion of long-term debt	-	675,191	-	-	-	675,191
Total current liabilities	<u>1,078,228</u>	<u>676,067</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,754,295</u>
Long-term debt, net of current installments	-	518,778	-	-	-	518,778
Total liabilities	<u>1,078,228</u>	<u>1,194,845</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,273,073</u>
Net assets:						
Without donor restrictions	58,427	22,969,325	6,000	530,528	222,440	23,786,720
With donor restrictions	511,745	-	58,794	-	4,085,272	4,655,811
Total net assets	<u>570,172</u>	<u>22,969,325</u>	<u>64,794</u>	<u>530,528</u>	<u>4,307,712</u>	<u>28,442,531</u>
Total liabilities and net assets	<u>\$1,648,400</u>	<u>24,164,170</u>	<u>64,794</u>	<u>530,528</u>	<u>4,307,712</u>	<u>30,715,604</u>

SCOTT COUNTY FAMILY Y

Individual Fund Schedules of Financial Position, continued

December 31, 2017

<u>Assets</u>	<u>Operating</u>	<u>Land, Building and Equipment</u>	<u>Capital Campaign</u>	<u>Endowment</u>	<u>Capital Campaign Land</u>	<u>Total</u>
Current assets:						
Cash and cash equivalents	\$ 822,929	20,000	35,460	-	222,440	1,100,829
Certificates of deposit	20,929	-	-	-	-	20,929
Receivables	185,744	-	-	-	-	185,744
Pledge receivable - current portion	-	-	109,662	-	-	109,662
Other assets	28,600	-	-	-	-	28,600
Prepaid expenses	<u>18,694</u>	-	-	-	-	<u>18,694</u>
Total current assets	<u>1,076,896</u>	<u>20,000</u>	<u>145,122</u>	<u>-</u>	<u>222,440</u>	<u>1,464,458</u>
Property and equipment	-	24,484,493	3,011,059	-	5,350,301	32,845,853
Transfer of assets	-	8,361,360	(3,011,059)	-	(5,350,301)	-
Less accumulated depreciation	-	<u>(12,873,509)</u>	-	-	-	<u>(12,873,509)</u>
Net property and equipment	<u>-</u>	<u>19,972,344</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,972,344</u>
Pledges receivable, net of current portion	-	-	69,928	-	-	69,928
Investments	340,285	3,320,520	-	565,763	-	4,226,568
Other assets	<u>51,501</u>	-	-	-	-	<u>51,501</u>
Total assets	<u>\$1,468,682</u>	<u>23,312,864</u>	<u>215,050</u>	<u>565,763</u>	<u>222,440</u>	<u>25,784,799</u>
<u>Liabilities and Net Assets</u>						
Current liabilities:						
Accounts payable	104,984	-	-	-	-	104,984
Accrued expense	354,733	11,016	-	-	-	365,749
Deferred revenue membership/program	401,846	-	-	-	-	401,846
Deferred revenue grants	163,457	-	-	-	-	163,457
Current portion of long-term debt	-	<u>3,075,528</u>	-	-	-	<u>3,075,528</u>
Total current liabilities	<u>1,025,020</u>	<u>3,086,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,111,564</u>
Net assets:						
Without donor restrictions	67,087	20,226,320	75,192	565,763	222,440	21,156,802
With donor restrictions	<u>376,575</u>	-	<u>139,858</u>	-	-	<u>516,433</u>
Total net assets	<u>443,662</u>	<u>20,226,320</u>	<u>215,050</u>	<u>565,763</u>	<u>222,440</u>	<u>21,673,235</u>
Total liabilities and net assets	<u>\$1,468,682</u>	<u>23,312,864</u>	<u>215,050</u>	<u>565,763</u>	<u>222,440</u>	<u>25,784,799</u>

SCOTT COUNTY FAMILY Y

Individual Fund Schedules of Activities and Change in Net Assets

Year Ended December 31, 2018

	Operating							
	Scott County Family Y	Maquoketa	Total	Land, Buildings and Equipment	Capital Campaign	Endowment	Capital Campaign Land	Total
Revenue:								
Grants and contributions	\$ 951,569	131,373	1,082,942	-	446,700	27,680	4,348,720	5,906,042
Membership services	6,668,488	369,106	7,037,594	-	-	-	-	7,037,594
Program revenue	3,992,583	63,883	4,056,466	-	-	-	-	4,056,466
Other revenue, including realized and unrealized gains (losses)	<u>173,736</u>	<u>158,041</u>	<u>331,777</u>	<u>(234,195)</u>	-	<u>(62,915)</u>	-	<u>34,667</u>
Total revenue	<u>11,786,376</u>	<u>722,403</u>	<u>12,508,779</u>	<u>(234,195)</u>	<u>446,700</u>	<u>(35,235)</u>	<u>4,348,720</u>	<u>17,034,769</u>
Expenses:								
Salaries and payroll related expenses	6,046,729	396,603	6,443,332	-	-	-	-	6,443,332
Operating expenses	2,501,185	325,800	2,826,985	-	-	-	6,242	2,833,227
Interest expense	-	-	-	<u>116,456</u>	-	-	-	<u>116,456</u>
Total expenses	<u>8,547,914</u>	<u>722,403</u>	<u>9,270,317</u>	<u>116,456</u>	-	-	<u>6,242</u>	<u>9,393,015</u>
Change in net assets before grants, depreciation and transfers	<u>3,238,462</u>	<u>-</u>	<u>3,238,462</u>	<u>(350,651)</u>	<u>446,700</u>	<u>(35,235)</u>	<u>4,342,478</u>	<u>7,641,754</u>
Grants:								
Capital grants	28,602	-	28,602	-	-	-	-	28,602
Property and equipment acquired	<u>(28,602)</u>	<u>-</u>	<u>(28,602)</u>	<u>26,802</u>	-	-	-	<u>-</u>
Total grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,802</u>	-	-	-	<u>28,602</u>
Interfund transfers:								
Debt proceeds - US Bank note	1,500,000	-	1,500,000	<u>(1,500,000)</u>	-	-	-	<u>-</u>
Current fixed asset purchases	<u>(500,754)</u>	<u>-</u>	<u>(500,754)</u>	<u>757,960</u>	-	-	<u>(257,206)</u>	<u>-</u>
Debt repayment - US Bank note	<u>(312,728)</u>	<u>-</u>	<u>(312,728)</u>	<u>459,684</u>	<u>(146,956)</u>	-	-	<u>-</u>
Debt repayment - Fitness Prof	<u>(2,598,470)</u>	<u>-</u>	<u>(2,598,470)</u>	<u>3,048,470</u>	<u>(450,000)</u>	-	-	<u>-</u>
Board reserve funding	<u>(600,000)</u>	<u>-</u>	<u>(600,000)</u>	<u>600,000</u>	-	-	-	<u>-</u>
Equipment reserve - new facility	<u>(600,000)</u>	<u>-</u>	<u>(600,000)</u>	<u>600,000</u>	-	-	-	<u>-</u>
Total interfund transfers	<u>(3,111,952)</u>	<u>-</u>	<u>(3,111,952)</u>	<u>3,966,114</u>	<u>(596,956)</u>	<u>-</u>	<u>(257,206)</u>	<u>-</u>
Increase (decrease) in net assets before depreciation	126,510	-	126,510	3,642,265	(150,256)	(35,235)	4,085,272	7,668,556
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>899,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>899,260</u>
Increase (decrease) in net assets	126,510	-	126,510	2,743,005	(150,256)	(35,235)	4,085,272	6,769,296
Net assets, beginning of year	<u>443,662</u>	<u>-</u>	<u>443,662</u>	<u>20,226,320</u>	<u>215,050</u>	<u>565,763</u>	<u>222,440</u>	<u>21,673,235</u>
Net assets, end of year	<u>\$ 570,172</u>	<u>-</u>	<u>570,172</u>	<u>22,969,325</u>	<u>64,794</u>	<u>530,528</u>	<u>4,307,712</u>	<u>28,442,531</u>

SCOTT COUNTY FAMILY Y

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

Year Ended December 31, 2017

	Operating						Capital Campaign	
	Scott County Family Y	Maquoketa	Total	Land, Buildings and Equipment	Capital Campaign	Endowment	Land	Total
Revenue:								
Grants and contributions	\$ 968,506	181,205	1,149,711	-	(26,900)	10,675	500,254	1,633,740
Membership services	6,872,328	366,527	7,238,855	-	-	-	-	7,238,855
Program revenue	3,841,926	65,538	3,907,464	-	-	-	-	3,907,464
Other revenue, including realized and unrealized gains (losses)	<u>161,101</u>	<u>143,570</u>	<u>304,671</u>	<u>256,920</u>	-	<u>69,471</u>	-	<u>631,062</u>
Total revenue	<u>11,843,861</u>	<u>756,840</u>	<u>12,600,701</u>	<u>256,920</u>	<u>(26,900)</u>	<u>80,146</u>	<u>500,254</u>	<u>13,411,121</u>
Expenses:								
Salaries and payroll related expenses	6,027,797	395,925	6,423,722	-	-	-	-	6,423,722
Operating expenses	2,386,619	360,915	2,747,534	-	-	-	29,422	2,776,956
Interest expense	-	-	-	<u>203,581</u>	-	-	-	<u>203,581</u>
Total expenses	<u>8,414,416</u>	<u>756,840</u>	<u>9,171,256</u>	<u>203,581</u>	<u>-</u>	<u>-</u>	<u>29,422</u>	<u>9,404,259</u>
Change in net assets before grants, depreciation and transfers	<u>3,429,445</u>	<u>-</u>	<u>3,429,445</u>	<u>53,339</u>	<u>(26,900)</u>	<u>80,146</u>	<u>470,832</u>	<u>4,006,862</u>
Grants:								
Capital grants	145,214	-	145,214	-	-	-	-	145,214
Property and equipment acquired	<u>(145,214)</u>	<u>-</u>	<u>(145,214)</u>	<u>145,214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,214</u>
Interfund transfers:								
Current fixed asset purchases	(534,232)	-	(534,232)	1,010,428	-	-	(476,196)	-
Fixed assets sold	500	-	500	(500)	-	-	-	-
Debt repayment - US Bank note	(1,884,498)	-	(1,884,498)	2,014,498	(130,000)	-	-	-
Debt repayment - finance lease	(24,369)	-	(24,369)	24,369	-	-	-	-
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>(3,126,599)</u>	<u>-</u>	<u>(3,126,599)</u>	<u>3,732,795</u>	<u>(130,000)</u>	<u>-</u>	<u>(476,196)</u>	<u>-</u>
Increase (decrease) in net assets before depreciation	302,846	-	302,846	3,931,348	(156,900)	80,146	(5,364)	4,152,076
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>901,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>901,533</u>
Increase (decrease) in net assets	302,846	-	302,846	3,029,815	(156,900)	80,146	(5,364)	3,250,543
Net assets, beginning 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>
Net assets, end of year	<u>\$ 443,662</u>	<u>-</u>	<u>443,662</u>	<u>20,226,320</u>	<u>215,050</u>	<u>565,763</u>	<u>222,440</u>	<u>21,673,235</u>