

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF
THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)**

**COMBINED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2023 AND 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAcconnect.com

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

INDEPENDENT AUDITORS' REPORT	1
COMBINED FINANCIAL STATEMENTS	
COMBINED STATEMENTS OF FINANCIAL POSITION	4
COMBINED STATEMENTS OF ACTIVITIES	6
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES	8
COMBINED STATEMENTS OF CASH FLOWS	10
NOTES TO COMBINED FINANCIAL STATEMENTS	12
SUPPLEMENTARY INFORMATION	
COMBINING STATEMENTS OF FINANCIAL POSITION	34
COMBINING STATEMENTS OF ACTIVITIES	36
COMBINING STATEMENTS OF FUNCTIONAL EXPENSES	38
STATEMENT OF FINANCIAL POSITION DETAIL — LAND, BUILDINGS, AND EQUIPMENT	40
STATEMENTS OF FINANCIAL POSITION DETAIL — ACCOUNTS PAYABLE AND ACCRUED EXPENSES	41
CHARITABLE GIFT ANNUITY STATEMENT	42



INDEPENDENT AUDITORS' REPORT

Board of Directors
Young Men's Christian Association of the Inland Northwest
Spokane, Washington

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the accompanying combined financial statements of Young Men's Christian Association of the Inland Northwest (YMCA) and Young Men's Christian Association of the Inland Northwest Endowment Fund (the Endowment Fund) (nonprofit organizations), which comprise the combined statements of financial position as of December 31, 2023 and 2022, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Young Men's Christian Association of the Inland Northwest and Young Men's Christian Association of the Inland Northwest Endowment Fund as of December 31, 2023 and 2022, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Combined Financial Statements

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

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Young Men's Christian Association of the Inland Northwest and Young Men's Christian Association of the Inland Northwest Endowment Fund's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audits were conducted for the purpose of forming opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Spokane, Washington
May 7, 2024

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022**

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 4,843,341	\$ 3,909,016
Accounts Receivable	346,856	246,712
Pledges Receivable	123,700	135,014
Grants Receivable	77,460	1,624,840
Inventory, at Cost	21,083	19,287
Related Party In-Kind Contribution Receivable	321,748	321,748
Prepaid Expenses	128,196	92,769
Total Current Assets	5,862,384	6,349,386
LAND, BUILDINGS, AND EQUIPMENT, Net	21,299,563	21,628,115
OTHER ASSETS		
Long-Term Pledges Receivable	90,000	13,693
Long-Term Related Party In-Kind Contribution Receivable, Net of Discount	3,538,107	3,989,016
Other Assets	100,000	112,500
Operating ROU Asset	2,047,165	2,463,788
Financing ROU Asset	967,640	178,251
Investments	4,620,817	5,436,336
Investment in CYO LLC	5,198,455	5,068,903
Total Other Assets	16,562,184	17,262,487
Total Assets	\$ 43,724,131	\$ 45,239,988

See accompanying Notes to Combined Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2023 AND 2022**

	2023	2022
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 1,326,257	\$ 1,262,061
Charitable Gift Annuity Payable	1,161	1,835
Deferred Revenue	637,095	597,962
Current Maturities of Long-Term Debt	879,099	852,272
Current Maturities of Lease Liability - Operating	406,724	396,827
Current Maturities Lease Liability - Financing	393,217	31,162
Total Current Liabilities	3,643,553	3,142,119
LONG-TERM LIABILITIES		
Long-Term Debt, Net of Current Maturities	8,140,355	9,018,736
Lease Liability - Operating, Net of Current Maturities	1,701,243	2,107,967
Lease Liability - Financing, Net of Current Maturities	567,833	147,675
Total Long-Term Liabilities	10,409,431	11,274,378
Total Liabilities	14,052,984	14,416,497
NET ASSETS		
Without Donor Restrictions:		
Undesignated	8,741,967	7,250,263
Board Designated for:		
<i>Association Reserve</i>	1,400,595	946,673
<i>Debt Service</i>	1,250,000	1,250,000
<i>Facility Development</i>	188,602	243,050
<i>Allocation to Endowment</i>	1,289,125	1,454,000
<i>Endowment</i>	1,443,810	1,340,527
Invested in Property, Plant, and Equipment	10,732,108	13,334,693
Total Without Donor Restrictions	25,046,207	25,819,206
With Donor Restrictions:		
Restricted by Purpose or Time:		
<i>Camp Scholarships</i>	224,170	225,140
<i>Camp Goodtimes</i>	48,974	42,726
<i>CYO In-Kind Contribution</i>	3,859,855	4,310,764
<i>Endowment Earnings</i>	115,297	81,504
Restricted in Perpetuity - Endowment	376,644	344,151
Total With Donor Restrictions	4,624,940	5,004,285
Total Net Assets	29,671,147	30,823,491
Total Liabilities and Net Assets	\$ 43,724,131	\$ 45,239,988

See accompanying Notes to Combined Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restriction	With Donor Restriction	Total
PUBLIC SUPPORT AND REVENUE			
Public Support:			
Contributions	\$ 895,509	\$ 272,293	\$ 1,167,802
United Way Allocations	47,000	-	47,000
Government Grants	1,823,425	-	1,823,425
Total Public Support	2,765,934	272,293	3,038,227
Revenue:			
Membership Dues	9,712,588	-	9,712,588
Program Fees	4,153,401	-	4,153,401
Sales to the Public	455,851	-	455,851
Other Rentals	417,875	-	417,875
Realized Gain on Sale of Investments	9,467	3,098	12,565
Unrealized Gain on Investments	91,740	35,598	127,338
Investment and Miscellaneous Income	1,071,554	16,210	1,087,764
Special Events	126,266	-	126,266
Gain on Sale of Assets	917	-	917
Other Revenue	93,658	-	93,658
Net Change in Charitable Trust	351	-	351
Total Revenue	16,133,668	54,906	16,188,574
Total Public Support and Revenue	18,899,602	327,199	19,226,801
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	706,544	(706,544)	-
EXPENSES			
Program Services	16,394,185	-	16,394,185
Supporting Services:			
Administrative and General	2,626,739	-	2,626,739
Fundraising	284,460	-	284,460
Total Expenses	19,305,384	-	19,305,384
CHANGES IN NET ASSETS BEFORE DEPRECIATION AND AMORTIZATION	300,762	(379,345)	(78,583)
DEPRECIATION AND AMORTIZATION	1,073,761	-	1,073,761
CHANGES IN NET ASSETS	(772,999)	(379,345)	(1,152,344)
Net Assets - Beginning of Year	25,819,206	5,004,285	30,823,491
NET ASSETS - END OF YEAR	\$ 25,046,207	\$ 4,624,940	\$ 29,671,147

See accompanying Notes to Combined Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE			
Public Support:			
Contributions	\$ 393,971	\$ 327,170	\$ 721,141
United Way Allocations	56,000	-	56,000
Government Grants	<u>2,553,094</u>	<u>-</u>	<u>2,553,094</u>
Total Public Support	3,003,065	327,170	3,330,235
Revenue:			
Membership Dues	7,526,864	-	7,526,864
Program Fees	3,479,155	-	3,479,155
Sales to the Public	389,383	-	389,383
Other Rentals	296,393	-	296,393
Realized Gain on Sale of Investments	77,291	-	77,291
Unrealized Loss on Investments	(391,560)	(99,360)	(490,920)
Investment and Miscellaneous Income	533,038	18,047	551,085
Special Events	259,126	-	259,126
Gain on Sale of Assets	2,000	-	2,000
Other Revenue	104,320	-	104,320
Reclassification	(184,208)	184,208	-
Net Change in Charitable Trust	<u>(238)</u>	<u>-</u>	<u>(238)</u>
Total Revenue	<u>12,091,564</u>	<u>102,895</u>	<u>12,194,459</u>
Total Public Support and Revenue	15,094,629	430,065	15,524,694
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	390,917	(390,917)	-
EXPENSES			
Program Services	14,630,038	-	14,630,038
Supporting Services:			
Administrative and General	2,665,871	-	2,665,871
Fundraising	<u>204,717</u>	<u>-</u>	<u>204,717</u>
Total Expenses	<u>17,500,626</u>	<u>-</u>	<u>17,500,626</u>
CHANGES IN NET ASSETS BEFORE DEPRECIATION	(2,015,080)	39,148	(1,975,932)
DEPRECIATION	<u>781,940</u>	<u>-</u>	<u>781,940</u>
CHANGES IN NET ASSETS	(2,797,020)	39,148	(2,757,872)
Net Assets - Beginning of Year, as Restated	<u>28,616,226</u>	<u>4,965,137</u>	<u>33,581,363</u>
NET ASSETS - END OF YEAR	<u>\$ 25,819,206</u>	<u>\$ 5,004,285</u>	<u>\$ 30,823,491</u>

See accompanying Notes to Combined Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023**

	Program Services	Buildings	Supporting Services		Total Expenses
			Administrative and General	Fundraising	
Salaries	\$ 8,545,774	\$ 785,071	\$ 1,129,403	\$ 180,061	\$ 10,640,309
Payroll Taxes and Insurance	1,194,884	139,040	184,219	30,094	1,548,237
Retirement Plan Contributions	264,842	33,159	87,454	6,694	392,149
Total Salaries and Related Expense	10,005,500	957,270	1,401,076	216,849	12,580,695
Professional Fees and Contract Services	299,929	192,304	503,878	3,005	999,116
Supplies	417,225	436,867	10,649	7,069	871,810
Food and Beverages	340,017	654	6,450	1,626	348,747
Telephone and Postage	99,492	9,896	25,631	15,801	150,820
Off-Premises Rental	222,236	-	3,659	350	226,245
Equipment, Repair and Rental	39,307	189,211	22,751	-	251,269
Printing and Promotion	33,624	-	86,714	7,398	127,736
Conferences and Training	40,118	2,291	30,379	36	72,824
Travel	73,710	16,619	3,667	454	94,450
Agency Dues	214,437	656	225	-	215,318
Miscellaneous	356,035	22,530	44,042	2,077	424,684
Occupancy (Rent, Utilities, Maintenance, and Repairs)	49,354	2,199,815	333	65	2,249,567
Insurance	148,789	100,240	31,369	-	280,398
Other Taxes	11,326	61	10	-	11,397
Interest	90,853	302,816	6,639	-	400,308
Subtotal	12,441,952	4,431,230	2,177,472	254,730	19,305,384
Allocated Building Costs	3,952,233	(4,431,230)	449,267	29,730	-
Subtotal	16,394,185	-	2,626,739	284,460	19,305,384
Depreciation and Amortization	1,056,483	-	17,278	-	1,073,761
Total Expenses by Function	<u>\$ 17,450,668</u>	<u>\$ -</u>	<u>\$ 2,644,017</u>	<u>\$ 284,460</u>	<u>\$ 20,379,145</u>

See accompanying Notes to Combined Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022**

	Program Services	Buildings	Supporting Services		Total Expenses
			Administrative and General	Fundraising	
Salaries	\$ 7,746,151	\$ 670,118	\$ 1,212,517	\$ 129,950	\$ 9,758,736
Payroll Taxes and Insurance	1,106,569	121,142	188,495	21,569	1,437,775
Retirement Plan Contributions	256,434	31,461	80,631	6,761	375,287
Total Salaries and Related Expense	9,109,154	822,721	1,481,643	158,280	11,571,798
Professional Fees and Contract Services	118,322	204,981	583,390	2,332	909,025
Supplies	364,268	378,476	8,334	5,059	756,137
Food and Beverages	266,604	767	7,032	490	274,893
Telephone and Postage	84,707	7,695	25,222	17,516	135,140
Off-Premises Rental	180,754	-	3,471	-	184,225
Equipment, Repair and Rental	26,435	125,524	32,172	229	184,360
Printing and Promotion	32,702	487	92,288	8,632	134,109
Conferences and Training	27,026	390	33,025	-	60,441
Travel	72,403	11,618	2,230	305	86,556
Agency Dues	183,142	671	98	570	184,481
Miscellaneous	265,663	105,383	46,490	2,585	420,121
Occupancy (Rent, Utilities, Maintenance, and Repairs)	264,268	1,710,039	4,266	65	1,978,638
Insurance	140,515	87,503	28,286	-	256,304
Other Taxes	7,686	136	23	-	7,845
Interest	10,256	345,687	610	-	356,553
Subtotal	11,153,905	3,802,078	2,348,580	196,063	17,500,626
Allocated Building Costs	3,476,133	(3,802,078)	317,291	8,654	-
Subtotal	14,630,038	-	2,665,871	204,717	17,500,626
Depreciation	770,644	-	11,296	-	781,940
Total Expenses by Function	<u>\$ 15,400,682</u>	<u>\$ -</u>	<u>\$ 2,677,167</u>	<u>\$ 204,717</u>	<u>\$ 18,282,566</u>

See accompanying Notes to Combined Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Public Support and Revenue	\$ 19,956,140	\$ 16,132,111
Cash Paid to Suppliers and Employees	(18,427,936)	(16,550,734)
Interest Received	389,172	139,495
Interest Paid	(400,308)	(356,553)
Net Cash Provided (Used) by Operating Activities	1,517,068	(635,681)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Land, Buildings, and Equipment	(433,740)	(3,933,737)
Proceeds from Sale of Land, Buildings, and Equipment	917	2,000
Proceeds from the Sale of Certificate of Deposit	-	228,483
Purchase of Investments	(430,518)	(4,776,839)
Proceeds from Sale of Investments	1,385,940	1,149,173
Net Cash Provided (Used) by Investing Activities	522,599	(7,330,920)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Financing Lease	(286,281)	(2,435)
Payments on Line of Credit	-	(490,093)
Payments on Long-Term Debt	(851,554)	(824,810)
Proceeds from Contributions Restricted for Permanent Endowment	32,493	11,100
Net Cash Used by Financing Activities	(1,105,342)	(1,306,238)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	934,325	(9,272,839)
Cash and Cash Equivalents - Beginning of Year	3,909,016	13,181,855
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 4,843,341	\$ 3,909,016
SUPPLEMENTAL DISCLOSURE OF CASH NONCASH INVESTING AND FINANCING ACTIVITIES		
Equipment Received in Exchange for Finance Leases	\$ 1,068,494	\$ 181,272

See accompanying Notes to Combined Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENT OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Changes in Net Assets	\$ (1,152,344)	\$ (2,757,872)
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	762,292	781,940
Amortization of Right-of-Use Asset	311,469	3,021
Noncash Lease Expense	(12,567)	41,006
Unrealized (Gain) Loss on Investments	(127,338)	490,920
Gain on Sale of Land, Buildings, and Equipment	(917)	(2,000)
Realized Gain on Sale of Investments	(12,565)	(77,291)
Occupancy (Income) Expense from Investment in LLC	(129,552)	103,685
Contributions Restricted for Long-Term Purposes	(32,493)	(11,100)
In-Kind Rent Receivable	450,909	214,428
(Increase) Decrease in Assets:		
Accounts Receivable	(100,144)	(54,825)
Pledges Receivable	(64,993)	88,834
Grants Receivable	1,547,380	11,705
Inventory	(1,796)	7,445
Prepaid Expenses	(35,427)	99,450
Other Assets	12,500	98,384
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	64,196	129,693
Charitable Gift Annuity Payable	(674)	(88)
Deferred Revenue	39,133	196,984
Net Cash Provided (Used) by Operating Activities	\$ 1,517,069	\$ (635,681)

See accompanying Notes to Combined Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 NATURE OF OPERATIONS

Nature of Operations

Young Men's Christian Association of the Inland Northwest (YMCA) is a provider of youth and family programs and services in eastern Washington and northern Idaho. Young Men's Christian Association of the Inland Northwest Endowment Fund (the Endowment Fund) supports YMCA and its youth and family programs based on donor designations. These entities are collectively referred to as YMCA.

YMCA's mission is to put Christian principles into practice that build healthy spirit, mind, and body for all. The YMCA is 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 be healthy, confident, connected, and secure.

We advance our cause of strengthening community through program activities impacting youth development, healthy living, and social responsibility.

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 offer a range of experiences that enrich cognitive, social, physical, and emotional growth. This is reflected on our Combining Statement of Functional Expenses under Youth Development which includes Early Learning, Before and After School Child Care, and Teen programs. It also includes Camp Reed programs under Corporate Programs and early learning programs at Eastern Washington University under Managed Facilities.

Healthy Living – The YMCA is a leading voice on health and well-being. We bring families closer together, encourage good health, and foster connections through fitness, sports, fun, and shared interests. As a result, people in our community are receiving the support, 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. This is reflected on our Combining Statement of Functional Expenses under Membership Development which includes Aquatics, Health and Wellness, Chronic Disease Prevention and Management, Membership, and Sports programs, and also under Managed Facilities which includes City of Spokane Valley outdoor pools programs.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 NATURE OF OPERATIONS (CONTINUED)

Nature of Operations (Continued)

Social Responsibility – Our YMCA believes in giving back and supporting our neighbors. We have been listening and responding to our community's most critical social needs. YMCA programs 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. This includes our Retired and Senior Volunteer Programs (RSVP) reflected under Corporate Programs on our Combining Statement of Functional Expenses.

As part of our mission our programs are accessible, affordable, and open to all faiths, backgrounds, abilities, and income levels. We provide financial assistance to people who otherwise may not have been able to afford to participate.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The combined financial statements have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of Presentation

The YMCA records resources for accounting and reporting purposes based on the existence or absence of donor-imposed restrictions. Accordingly, net assets 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. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve, debt service, and board-designated endowment.

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.

YMCA reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

Combined Financial Statements

The combined financial statements include the financial statements of YMCA and the Endowment Fund. These are separately incorporated entities, each with its own board of directors that are combined for reporting purposes. Amounts due between these organizations were eliminated during preparation of the combined financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months at the date of acquisition and money market funds.

Impairment of Long-Lived Assets

YMCA, using its best estimates based on reasonable and supportable assumptions and projections, reviews assets for impairment whenever events or changes in circumstances have indicated that the carrying amount of its assets might not be recoverable. Impaired assets are recorded at the lower of cost or fair value.

Revenue Recognition

The YMCA has multiple revenue streams that are accounted for as reciprocal exchange transactions including membership and program fees, community room rental, and government contract revenues.

Because the YMCA's performance obligations relate to contracts with a duration of less than one year, the YMCA has elected to apply the optional exemption provided in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606-10-50-14(a), *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Membership dues and program fees: Membership dues and program fees consist of amounts that families and individuals pay to participate in health, fitness, education, and recreation activities and programs. Members join for varying lengths of time and may cancel with 10 days' notice. Members generally pay a onetime joining fee plus monthly dues in advance. Memberships provide use of the recreation facilities, access to free classes, programs and activities, and discounts to fee-based programs. The YMCA offers a variety of programs including family, childcare, day camp, resident camp, teen, scholastic, fitness, aquatics, health, immigration, and international services. Fee-based programs are available to the public. Program fees for short duration programs of two months or less, such as aquatics classes, are typically paid in advance at the time of registration. Program fees for longer duration programs, such as fee-based childcare, are usually paid monthly in advance. Cancellation provisions vary by program, but most transactions are cancellable with 15 to 30 days' notice. Refunds may be available for services not provided. Financial assistance is available to members and program participants. Such financial assistance is reflected as a reduction of gross membership dues and program fees.

Membership dues and program fees are recognized ratably over the period the membership or program service is provided on a straight-line basis in an amount that reflects the consideration the YMCA expects to be entitled to in exchange for those services. All the YMCA's revenue from contracts with customers are from performance obligations satisfied over time. Prices are specific to a distinct performance obligation and do not consist of multiple transactions. Membership joining fees are ratably recognized over a one-month period from the membership start date.

Membership dues and program fees paid to the YMCA in advance represent contract liabilities and are recorded as other deferred revenue. Amounts billed but unpaid are contract assets and recorded as accounts receivables.

Community room rental fees: Community rooms and spaces are rented out to not for profit organizations, community groups, governmental entities, members and others and are generally paid in advance. Deposits are generally received at the time the reservation is made.

Community room and space rental fee revenues are recognized ratably over the period the service is provided on a straight-line basis. Deposits, advances, and upfront payments are contract liabilities and are recorded as other deferred revenue upon receipt. Included in accounts receivables are contract assets for unbilled services and receivables for billed unpaid services.

Government Fees: The YMCA has contracts with city, state, and federal agencies to provide a variety of program services to the public based on contract requirements. Such contracts from government agencies are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Advances are recorded as deferred revenue from government contracts upon receipt. Included in government receivables are contract assets for unbilled services and receivables for billed unpaid services.

For government receivables, the allowance for credit losses is determined by a monthly and semi-annual review of account balances, including the age of the balance, historical collection experience, and specific identification of uncollectible accounts. Uncollectible receivables are charged to the allowance for credit losses. An expense is recorded at the time the allowance for credit losses is adjusted.

A portion of the YMCA's revenue is derived from conditional contracts and grants, which are conditioned upon certain performance requirements and/or incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the YMCA has met the conditions on which they depend on. YMCA received \$601,358 and \$1,612,775 of conditional grants during 2023 and 2022, respectively. At December 31, 2023 and 2022, there were \$146,367 and \$180,860 remaining grant funds to be recognized as revenue for multi-year grants or conditional grants.

Concentration of Credit Risk

Financial instruments, which potentially subject YMCA to concentrations of credit risk, consist of cash and cash equivalents.

YMCA maintains its cash in bank deposit accounts at financial institutions. The bank accounts, at times, may be in excess of the Federal Deposit Insurance Corporation insurance limit.

Receivables

Accounts and grants are recorded net of an allowance for credit losses. Accounts are written off in the period they are determined to be uncollectible. Contributions are shown net of uncollectible pledges in the combined statements of activities. Management has evaluated the balances and determined that an allowance for credit losses of \$26,500 and \$-0- was necessary at December 31, 2023 and 2022.

The CARES Act provides an employee retention credit (CARES Employee Retention Credit), which is a refundable tax credit against certain employment taxes. During the fiscal year ended December 31, 2021 the YMCA recorded a \$1,548,212 government receivable for the third quarter of 2021 and related revenue in the statement of activities. The 2021 Form 941-X Adjusted Employer's Quarterly Federal Tax Return or Claim for Refunded for the third quarter was filed in April of 2022. The \$1,548,212 government receivable balance was received during 2023.

Inventory

Inventory is recorded using the lower of FIFO cost (first-in, first-out) or market.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

YMCA accounts for investments in accordance with the provisions of *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under *Accounting for Certain Investments Held by Not-for-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the combined statements of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Leases

YMCA determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in ROU assets – financing and lease liability – financing in the statement of financial position.

ROU assets represent YMCA's right to use an underlying asset for the lease term and lease liabilities represent YMCA's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that YMCA will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. YMCA has elected to recognize payments for short-term leases with a lease term of 12 months (or less than \$25,000 in annual expense) or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statement of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, YMCA has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities.

YMCA has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Land, Buildings, and Equipment

Purchases of land, buildings, and equipment are recorded at cost. A threshold of \$1,500 is used as the basis for asset capitalization. Maintenance, repairs, and minor additions are expensed as incurred. Depreciation is computed primarily using the straight-line method. The useful lives for depreciation purposes range from 3 to 15 years for vehicles and equipment and 10 to 40 years for buildings.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Pledges

The YMCA records unconditional promises to give (pledges) as receivables and contributions within the appropriate net asset category based on the existence or absence of donor-imposed restrictions. The YMCA recognizes conditional promises to give when the conditions stipulated by the donor are substantially met. A conditional promise to give is considered unconditional if the possibility that the condition will not be met is remote.

YMCA reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restriction. Absent explicit donor stipulations about how long those long-lived assets must be maintained, YMCA reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

As of December 31, 2023 and 2022, the YMCA has uncollected unconditional pledges totaling \$213,699 and \$148,707, respectively. Expected receipts as of December 31 are as follows:

	2023		
	Pledges Receivable	Allowance for Uncollectible Pledges	Net
Less Than One Year	\$ 150,200	\$ 26,500	\$ 123,700
One to Four Years	90,000	-	90,000
Total	\$ 240,200	\$ 26,500	\$ 213,700
	2022		
	Pledges Receivable	Allowance for Uncollectible Pledges	Net
Less Than One Year	\$ 135,014	\$ -	\$ 135,014
One to Four Years	13,693	-	13,693
Total	\$ 148,707	\$ -	\$ 148,707

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Pledges (Continued)

As discussed in Note 6, Central Y Owner, LLC amended the lease agreement with YMCA and YWCA effective January 1, 2015 to reduce base rent to \$1 per month. This represents below market rent. YMCA calculated the fair market value of the below market rent for the remainder of the lease term and recognized this amount as a receivable, In-Kind Rent Contribution Receivable. Amounts to be contributed in more than 1 year are discounted at a rate of 2.48%. The following is a summary of in-kind rent contributions receivable:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 321,748
2025	321,748
2026	321,748
2027	321,748
2028	321,748
2029-2037	<u>2,895,737</u>
Gross In-Kind Rent Contribution Receivable	4,504,477
Less: Discount	<u>(644,622)</u>
Net In-Kind Rent Contribution Receivable	<u>\$ 3,859,855</u>

Contributed Assets and Services

Materials, land, buildings, equipment, and other assets received as donations are recorded and reflected in the accompanying combined financial statements at their estimated fair market values at the date they are received.

Unemployment Reserve

YMCA is self-insured for unemployment claims. YMCA accrued approximately 0.4% of total wages as a liability at December 31, 2023 and 2022. The balance of the liability was \$167,240 and \$182,531 at December 31, 2023 and 2022, respectively.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and support services benefited.

Sales Taxes

YMCA excludes from revenue any sales taxes collected from customers and remitted to governmental authorities.

Income Taxes

YMCA and the Endowment Fund are nonprofit corporations exempt under Internal Revenue Code Section 501(c)(3) from taxes on all income except that generated from its debt-financed leased facilities. There was no income tax liability in 2023 and 2022. Management evaluated YMCA's tax positions and concluded that YMCA had taken no uncertain tax positions that require adjustment to the combined financial statements to comply with FASB ASC 740-10.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standard

At the beginning of 2023, YMCA adopted FASB ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The YMCA adopted this new guidance utilizing the modified retrospective transition method. The adoption of CECL resulted in changes to the company's accounting policies, including the recognition of credit losses based on expected future credit losses rather than incurred credit losses.

YMCA uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of trade receivables at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. However, management has also reviewed forward looking information within the industry, economy and customers, noting no matters that would require additional expected credit losses. The adoption of this standard did not have a material impact on the YMCA's combined financial statements.

Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to December 31, 2023, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended December 31, 2023. Management has performed their analysis through May 7, 2024, the date the financial statements were available to be issued.

NOTE 3 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use within one year of the balance sheet date, comprise the following:

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 1,965,018	\$ 1,469,293
Investments	2,072,000	954,000
Accounts Receivable	346,856	246,712
Pledges Receivable	123,700	135,014
Endowment Appropriations	60,000	60,000
Total	<u>\$ 4,567,574</u>	<u>\$ 2,865,019</u>

The Endowment Fund consists of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 3 LIQUIDITY AND AVAILABILITY (CONTINUED)

The Endowment Fund is subject to an annual spending rate of 4.0% as described in Note 13. Although the Endowment Fund does not intend to spend from the board-designated portion of the endowment (other than amounts appropriated for general expenditure as part of the endowment board's annual budget approval and appropriation), these amounts could be made available if necessary. As of December 31, 2023 and 2022, the board-designated portion of the endowment was \$1,443,810 and \$1,340,527, respectively.

As part of YMCA's liquidity management plan, management invests cash in excess of daily requirements in short-term investments, CDs, and money market funds. The YMCA board may also designate a portion of any operating surplus to its Association Reserve. As of December 31, 2023 and 2022, the board-designated portion of the Reserve was \$1,400,595 and \$946,673, respectively.

NOTE 4 LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment consisted of the following as of December 31:

	<u>2023</u>	<u>2022</u>
Land	\$ 6,279,910	\$ 6,279,910
Buildings and Improvements	27,464,871	27,116,556
Tenant Improvements	729,432	729,432
Equipment and Furnishings	3,943,682	5,131,217
Vehicles	241,018	247,485
Total	<u>38,658,913</u>	<u>39,504,600</u>
Less: Accumulated Depreciation	17,359,350	17,876,485
Total	<u>\$ 21,299,563</u>	<u>\$ 21,628,115</u>

NOTE 5 INVESTMENTS

Investments, stated at fair value, consisted of the following as of December 31:

	<u>2023</u>	<u>2022</u>
Cash Funds	\$ 109,066	\$ 85,101
CDs Equivalents	2,664,694	3,636,235
U.S. Government Bonds	93,278	92,782
Equity Securities	419,521	404,370
Mutual Funds	1,277,916	1,164,062
Corporate Bonds	56,342	53,786
Total	<u>\$ 4,620,817</u>	<u>\$ 5,436,336</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 INVESTMENTS (CONTINUED)

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

The three levels of the fair value hierarchy defined by FASB ASC 820 are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 measurements include those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures.

Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.

Level 3 – Pricing inputs include significant inputs that are generally unobservable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value. Level 3 instruments include those that may be more structured or otherwise tailored to YMCA's needs.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. YMCA's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022:

Cash Funds: Valued at quoted market prices and are considered a Level 1 input item.

U.S. Government and Corporate Bonds: Valued based on yields currently available on comparable securities of issuers with similar credit ratings and are considered a Level 2 input item. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields or similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 INVESTMENTS (CONTINUED)

Mutual Funds: Valued at quoted market prices which represent the net asset value of shares held by YMCA at year-end and are considered a Level 1 input item.

Equity Securities: Valued at the closing price reported in the active market in which the individual security is traded and are considered a Level 1 input item.

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

The following tables disclose by level, within the fair value hierarchy, YMCA's assets measured and reported on the combined statements of financial position at fair value on a recurring basis as of December 31:

	2023				
	Cost	Level 1	Level 2	Level 3	Total
Cash Funds	\$ 109,066	\$ -	\$ -	\$ -	\$ 109,066
Certificate of Deposit	2,664,694	-	-	-	2,664,694
U.S. Government Bonds	-	-	93,278	-	93,278
Equity Securities	-	419,521	-	-	419,521
Mutual Funds	-	1,277,916	-	-	1,277,916
Corporate Bonds	-	-	56,342	-	56,342
Total	<u>\$ 2,773,760</u>	<u>\$ 1,697,437</u>	<u>\$ 149,620</u>	<u>\$ -</u>	<u>\$ 4,620,817</u>

	2022				
	Cost	Level 1	Level 2	Level 3	Total
Cash Funds	\$ 85,101	\$ -	\$ -	\$ -	\$ 85,101
Certificate of Deposit	3,636,235	-	-	-	3,636,235
U.S. Government Bonds	-	-	92,782	-	92,782
Equity Securities	-	404,370	-	-	404,370
Mutual Funds	-	1,164,062	-	-	1,164,062
Corporate Bonds	-	-	53,786	-	53,786
Total	<u>\$ 3,721,336</u>	<u>\$ 1,568,432</u>	<u>\$ 146,568</u>	<u>\$ -</u>	<u>\$ 5,436,336</u>

NOTE 6 INVESTMENTS IN LLCs

YMCA is a member in Central Y Owner, LLC along with Young Women's Christian Association of Spokane (YWCA). YMCA and YWCA each own a 50% interest in the LLC. The purpose of the LLC is to hold the Central Y building and real property for program use by YMCA and YWCA.

YMCA is accounting for its investment in the LLC by the equity method of accounting under which YMCA's share of the net income or loss of the LLC is recognized as income or loss in YMCA's combined statements of activities. The income or loss is deducted from or added to occupancy expenses related to use of the Central Y facility.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 6 INVESTMENTS IN LLCS (CONTINUED)

The Central Y Owner, LLC lease agreement was amended in 2015 to reduce base rent payments to \$1 per month. See Note 2 Contributions and Pledges.

The audited financial statements of the LLC included the following as of December 31:

	<u>2023</u>	<u>2022</u>
Revenue	\$ 1,437,961	\$ 1,047,753
Net Loss	(148,708)	(173,673)
Total Assets	16,043,371	16,598,640
Total Liabilities	7,078,771	7,887,934
Members' Equity	8,964,600	8,710,706

YMCA and YWCA of Spokane guarantee liabilities of the LLC.

NOTE 7 RELATED PARTY TRANSACTIONS

YMCA had a related party receivable from Central Y Owner, LLC for \$15,314 and \$7,673 at December 31, 2023 and 2022, respectively. YMCA had a related party in-kind contribution receivable from Central Y Owner for \$3,859,855 and \$4,310,764 at December 31, 2023 and 2022, respectively. YMCA had a related party payable to Central Y Owner, LLC for \$32,588 and \$783 at December 31, 2023 and 2022, respectively.

Related party rent expense paid to Central Y Owner, LLC was \$521,348 and \$270,783 for the years ended December 31, 2023 and 2022, respectively. Related party In-kind rent expense to Central Y Owner, LLC was \$544,570 and \$321,748 for the years ended December 31, 2023 and 2022, respectively.

NOTE 8 ASSETS HELD IN CHARITABLE TRUSTS

YMCA administers various charitable gift annuities. A charitable gift annuity provides for the payment of distributions to the grantor or other designated beneficiaries over the trust's term (usually the designated beneficiary's lifetime). At the end of the trust's term, the remaining assets are available for the Endowment Fund's use. The portion of the trust attributable to the present value of the future benefits to be received by YMCA is recorded in the combined statements of activities as unrestricted contributions in the period the trust is established. There were no contributions for the years ended December 31, 2023 and 2022.

Assets held in charitable trusts consisted of the following types of investments as of December 31:

	<u>2023</u>	<u>2022</u>
Cash	\$ 1,033	\$ 1,429
Mutual Funds	4,869	4,391
Assets at Fair Market Value	<u>\$ 5,902</u>	<u>\$ 5,820</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 8 ASSETS HELD IN CHARITABLE TRUSTS (CONTINUED)

The assets held in charitable trusts are included in investments on YMCA's combined statements of financial position.

The state of Washington under RCW 48.38.020 requires charities to obtain a certificate of exemption to issue charitable gift annuities. RCW 48.38.020 requires the charity to maintain a separate reserve fund equal to 110% of the actuarially determined liability balance. The reserve fund amount is calculated every December 31 and must be performed by an independent third party. The current reserve fund requirement as determined by the actuary is \$1,275 and \$2,019 at December 31, 2023 and 2022, respectively. The RCW allows the organization to use its existing Gift Annuity Pool as the reserve fund to meet this requirement.

NOTE 9 LONG-TERM DEBT

The YMCA has a note payable to Washington Trust Bank originating in June of 2020 with monthly payments of \$96,255 that began in July of 2020. The interest rate on the note is 3.15%. The note matures in June of 2032. The outstanding balance was \$9,019,454 and \$9,871,008 at December 31, 2023 and 2022, respectively.

Future maturities of long-term debt are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 879,099
2025	908,385
2026	937,825
2027	968,219
2028	999,135
Thereafter	<u>4,326,791</u>
Total	<u><u>\$ 9,019,454</u></u>

The YMCA had an uncollateralized line of credit agreement with Washington Trust Bank. The line of credit expired on November 26, 2022 and was not renewed.

The notes payable and line of credit agreements contain certain loan covenants which include those pertaining to debt service coverage, debt to net worth and reserve account requirements. The YMCA was not in compliance with certain covenants and obtained a waiver for both 2023 and 2022.

NOTE 10 EMPLOYEE BENEFIT PLAN

YMCA participates in a defined contribution, individual account, money purchase retirement plan which is administered by Young Men's Christian Association Retirement Fund (the Retirement Fund) (a separate corporation). The Plan is for the benefit of all professional and support staff of YMCA.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 10 EMPLOYEE BENEFIT PLAN (CONTINUED)

On July 1, 2002, YMCA adopted a Special Agreement noncontributory participation plan whereby YMCA contributes a percentage of participating employees' salaries to the Retirement Fund monthly. The rate for 2023 and 2022 was 8%. Total YMCA contributions charged to retirement costs were \$392,149 and \$375,287 for 2023 and 2022, respectively.

The Retirement Fund is operated as a church pension plan and is a nonprofit, tax-exempt New York state corporation (1922). Participation is available to all duly organized or reorganized YMCAs in the United States of America. As a defined contribution plan, the Retirement Fund has no unfunded benefit obligations.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 11 PROGRAM EXPENSES – YEAR ENDED DECEMBER 31, 2023

	Operating Units					Retired and Senior Volunteer Program	Facility Development	Total
	Membership Development	Youth Development	Camp Reed	Managed Facilities				
Salaries	\$ 4,774,824	\$ 2,005,232	\$ 438,851	\$ 1,242,971	\$ 83,896	\$ -	\$ 8,545,774	
Payroll Taxes and Insurance	628,390	316,279	71,391	157,632	21,192	-	1,194,884	
Retirement Plan Contributions	144,326	73,530	12,807	31,229	2,950	-	264,842	
Total Salaries and Related Expenses	5,547,540	2,395,041	523,049	1,431,832	108,038	-	10,005,500	
Professional Fees and Contract Services	76,326	5,435	36,346	5,993	10,954	164,875	299,929	
Supplies	152,203	90,335	73,042	97,576	4,069	-	417,225	
Food and Beverages	11,892	157,609	121,642	48,651	223	-	340,017	
Telephone and Postage	72,687	17,600	3,537	4,131	1,537	-	99,492	
Off-Premises Rental	174,968	1,630	-	45,388	250	-	222,236	
Equipment, Repair, and Rental	11,840	19,214	7,853	35	365	-	39,307	
Printing and Promotion	13,042	80	1,678	9,495	9,329	-	33,624	
Conferences and Training	11,414	5,687	17,482	3,241	2,294	-	40,118	
Travel	24,643	39,374	1,000	6,001	2,692	-	73,710	
Agency Dues	143,012	33,316	16,684	19,640	1,785	-	214,437	
Miscellaneous	277,847	47,235	22,781	7,444	728	-	356,035	
Occupancy (Rent, Utilities, Maintenance, and Repairs)	(116,824)	119,829	850	36,879	-	8,620	49,354	
Insurance	63,779	33,997	35,383	13,169	2,461	-	148,789	
Other Taxes	7,462	534	-	3,330	-	-	11,326	
Interest	90,853	-	-	-	-	-	90,853	
Program Totals Before Allocated Expenses	6,562,684	2,966,916	861,327	1,732,805	144,725	173,495	12,441,952	
Expenses Allocated from Other Functions:								
Administration/Fundraising	2,060,719	562,278	260,094	-	19,739	-	2,902,830	
Community Involvement Center/Buildings	4,435,553	155,230	375,304	-	42,630	-	5,008,717	
Total Allocated Expenses	6,496,272	717,508	635,398	-	62,369	-	7,911,547	
Total Expenses by Function	\$ 13,058,956	\$ 3,684,424	\$ 1,496,725	\$ 1,732,805	\$ 207,094	\$ 173,495	\$ 20,353,499	

Program expenses and administration/fundraising allocation exclude the Endowment Fund expenses of \$25,646. Total entity expenses were \$20,379,145

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 11 PROGRAM EXPENSES (CONTINUED) – YEAR ENDED DECEMBER 31, 2022

	Operating Units					Retired and Senior Volunteer Program	Facility Development	Total
	Membership Development	Youth Development	Camp Reed	Managed Facilities				
Salaries	\$ 4,502,161	\$ 1,871,570	\$ 340,940	\$ 958,602	\$ 72,878	\$ -	\$ 7,746,151	
Payroll Taxes and Insurance	614,151	302,354	48,294	123,425	18,345	-	1,106,569	
Retirement Plan Contributions	143,550	70,317	8,441	28,746	5,380	-	256,434	
Total Salaries and Related Expenses	<u>5,259,862</u>	<u>2,244,241</u>	<u>397,675</u>	<u>1,110,773</u>	<u>96,603</u>	<u>-</u>	<u>9,109,154</u>	
Professional Fees and Contract Services	67,090	5,795	29,660	4,631	11,146	-	118,322	
Supplies	162,351	98,592	56,894	41,139	5,292	-	364,268	
Food and Beverages	6,984	125,065	95,282	38,973	300	-	266,604	
Telephone and Postage	61,533	16,188	1,827	3,241	1,918	-	84,707	
Off-Premises Rental	168,239	-	-	12,240	275	-	180,754	
Equipment, Repair, and Rental	6,800	-	11,714	7,290	631	-	26,435	
Printing and Promotion	16,090	302	1,575	1,654	13,081	-	32,702	
Conferences and Training	10,474	5,216	8,649	2,316	371	-	27,026	
Travel	14,883	47,971	2,543	5,751	1,255	-	72,403	
Agency Dues	104,858	46,189	10,881	19,449	1,765	-	183,142	
Miscellaneous	204,233	36,815	16,141	5,514	2,960	-	265,663	
Occupancy (Rent, Utilities, Maintenance, and Repairs)	111,999	102,965	697	48,607	-	-	264,268	
Insurance	54,563	37,797	32,843	12,819	2,493	-	140,515	
Other Taxes	4,391	239	-	3,056	-	-	7,686	
Program Totals Before Allocated Expenses	<u>6,264,606</u>	<u>2,767,375</u>	<u>666,381</u>	<u>1,317,453</u>	<u>138,090</u>	<u>-</u>	<u>11,153,905</u>	
Expenses Allocated from Other Functions:								
Administration/Fundraising	1,720,992	815,648	237,234	-	20,398	56,671	2,850,943	
Community Involvement Center/Buildings	3,727,378	144,725	343,455	-	31,219	-	4,246,777	
Total Allocated Expenses	<u>5,448,370</u>	<u>960,373</u>	<u>580,689</u>	<u>-</u>	<u>51,617</u>	<u>56,671</u>	<u>7,097,720</u>	
Total Expenses by Function	<u>\$ 11,712,976</u>	<u>\$ 3,727,748</u>	<u>\$ 1,247,070</u>	<u>\$ 1,317,453</u>	<u>\$ 189,707</u>	<u>\$ 56,671</u>	<u>\$ 18,251,625</u>	

Program expenses and administration/fundraising allocation exclude the Endowment Fund expenses of \$30,941. Total entity expenses were \$18,282,566.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 12 NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by donors in the year ended December 31.

	2023	2022
Purpose Restrictions Accomplished:		
Camp Reed	\$ 146,634	\$ 79,890
Camp Goodtimes	109,001	93,599
Total Purpose Restrictions Accomplished	255,635	173,489
Time Restrictions Accomplished:		
In-Kind Rent Expense	450,909	217,428
Total	\$ 706,544	\$ 390,917

NOTE 13 FUNDS HELD FOR ENDOWMENT

YMCA follows Uniform Prudent Management of Institutional Funds Act (UMIFA) and its own governing documents. The board of directors of YMCA and the Endowment Fund has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, YMCA classifies as net assets with donor restriction (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, YMCA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of YMCA, and (7) YMCA's investment policies.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that either the donor or UPMIFA required YMCA to retain as a fund of perpetual duration. YMCA had no deficiencies of this nature at December 31, 2023 and 2022.

Endowment Investment and Spending Policies

The Endowment Fund has adopted investment and spending policies, approved by its board of directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its funds while seeking to maintain the purchasing power of the endowment assets over the long-term. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce results that equal inflation plus 5% while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 13 FUNDS HELD FOR ENDOWMENT (CONTINUED)

Endowment Investment and Spending Policies (Continued)

To satisfy its long-term rate of return objective, the endowment relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and from current yield (interest and dividends). Asset allocation guidelines and the investment manager structure should ensure adequate diversification in order to reduce the volatility of investment returns. The spending policy calculates the amount of money annually distributed from the Endowment Fund's assets. The current spending policy is to distribute an amount not to exceed 4% of the average value of the total endowment portfolio over the preceding three-year period.

Endowment fund net asset composition by type of fund is as follows at December 31:

	2023		
	Without Donor Restriction	With Donor Restriction	Total
Donor-Restricted Endowment Funds	\$ -	\$ 491,941	\$ 491,941
Board-Designated Funds	1,443,810	-	1,443,810
Total	\$ 1,443,810	\$ 491,941	\$ 1,935,751
	2022		
	Without Donor Restriction	With Donor Restriction	Total
Donor-Restricted Endowment Funds	\$ -	\$ 425,655	\$ 425,655
Board-Designated Funds	1,340,527	-	1,340,527
Total	\$ 1,340,527	\$ 425,655	\$ 1,766,182

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 13 FUNDS HELD FOR ENDOWMENT (CONTINUED)

Change in Endowment Net Assets

	Board- Designated Unrestricted	With Donor Restriction	Total
Endowment Net Assets -			
January 1, 2022	\$ 1,868,275	\$ 333,050	\$ 2,201,325
Contributions	-	11,100	11,100
Investment Return:			
Investment Income	60,369	18,047	78,416
Net Loss on Investments:			
Realized/Unrealized Loss	(332,358)	(99,360)	(431,718)
Reclassification	(184,208)	184,208	-
Appropriations for Expenditure	(71,551)	(21,390)	(92,941)
Endowment Net Assets -			
December 31, 2022	1,340,527	425,655	1,766,182
Contributions	-	32,493	32,493
Investment Return:			
Investment Income	49,545	16,211	65,756
Net Gain on Investments:			
Realized/Unrealized Gain	118,270	38,696	156,966
Appropriations for Expenditure	(64,532)	(21,114)	(85,646)
Endowment Net Assets -			
December 31, 2023	\$ 1,443,810	\$ 491,941	\$ 1,935,751

NOTE 14 LEASES

YMCA leases equipment as well as certain operating and office facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2034 and provide for renewal options ranging from one months to five years. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Additionally, the agreements generally require YMCA to pay real estate taxes, insurance, and repairs.

YMCA leases approximately 47,000 square feet of space within the Central Y facility from Central Y Owner, LLC, a related party (see Note 2). The lease began in May 2009 and will continue until December 2037. In addition, YMCA leases space within the Central Y facility from the YWCA under a separate lease agreement. YMCA also leases corporate office space and south facility space from unrelated parties. The leases expire in December of 2024 and June of 2028, respectively.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 14 LEASES (CONTINUED)

The following tables provide quantitative information concerning YMCA's leases for the years ended December 31:

	2023	2022
Lease Cost:		
Finance Lease Cost:		
Amortization of Right-of-Use Assets	\$ 311,469	\$ 3,021
Interest on Lease Liabilities	53,181	610
Operating Lease Cost	462,884	483,948
Total Lease Cost	\$ 827,534	\$ 487,579
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Finance Leases	\$ 53,181	\$ 610
Operating Cash Flows from Operating Leases	\$ 443,088	\$ 442,943
Financing Cash Flows from Finance Leases	\$ 286,281	\$ 2,435
Right-of-Use Assets Obtained in Exchange for New Finance Lease Liabilities	\$ 1,100,858	\$ 181,272
Weighted-Average Remaining Lease Term - Finance Leases	2.5 Years	5.2 Years
Weighted-Average Remaining Lease Term - Operating Leases	7.3 Years	7.8 Years
Weighted-Average Discount Rate - Finance Leases	6.32%	4.11%
Weighted-Average Discount Rate - Operating Leases	2.03%	2.02%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2023, is as follows:

Year Ending December 31,	Operating	Finance	Totals
2024	\$ 444,952	\$ 440,017	\$ 884,969
2025	300,481	440,017	740,498
2026	307,993	104,836	412,829
2027	315,693	37,800	353,493
2028	219,991	9,450	229,441
Thereafter	685,949	-	685,949
Undiscounted Cash Flows	2,275,059	1,032,120	3,307,179
Less: Imputed Interest	(167,092)	(71,070)	(238,162)
Total Present Value	\$ 2,107,967	\$ 961,050	\$ 3,069,017
Short-Term Lease Liabilities	\$ (406,724)	\$ (393,217)	\$ (799,941)
Long-Term Lease Liabilities	(1,701,243)	(567,833)	(2,269,076)
Total	\$ (2,107,967)	\$ (961,050)	\$ (3,069,017)

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 15 COMMITMENTS

YMCA entered into agreements for software licenses; minimum payments over the term of the contract following December 31, 2023 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 212,013
2025	8,453
Total	<u>\$ 220,466</u>

NOTE 16 IN-KIND DONATIONS

For the years ending December 31, 2023 and 2022, gifts in-kind recognized within the statements of activities included in-kind rent expense of \$544,569 and \$321,748, respectively. In-kind rent was valued using the fair market value of rent for a commercial space that YMCA leases from an unrelated party in the same area by utilizing the same rate per square foot beginning at the time the agreement began on January 1, 2015.

NOTE 17 LITIGATION

YMCA is involved in a legal claim arising in the ordinary course of business. Although it is not possible to predict the outcome of this matter, it is management's opinion that the outcomes will not have a material effect on the financial condition of the YMCA and the YMCA has adequate insurance coverage for any potential outcomes.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Current Fund	Land, Buildings, and Equipment Acquisitions	Capital Campaign Fund	Debt Fund	Endowment Fund	Interagency Eliminations	Total All Funds
ASSETS							
Cash and Cash Equivalents	\$ 2,182,345	\$ 45,999	\$ 34,010	\$ 2,580,987	\$ -	\$ -	\$ 4,843,341
Accounts Receivable, Net of Allowance for Doubtful Accounts	346,856	-	-	-	-	-	346,856
Pledges Receivable, Net of Discount and Allowance for Doubtful Accounts	9,348	-	204,142	-	210	-	213,700
Grants Receivable	77,460	-	-	-	-	-	77,460
Due from Other Funds	9,092,661	(114,893)	146,133	-	2,901	(9,126,802)	-
Inventory, at Cost	18,777	2,306	-	-	-	-	21,083
Investments	2,670,596	-	-	-	1,950,221	-	4,620,817
Investment in LLCs	-	5,198,455	-	-	-	-	5,198,455
In-Kind Contribution Receivable	-	3,859,855	-	-	-	-	3,859,855
Prepaid Expenses	72,235	-	-	55,961	-	-	128,196
Other Assets	-	100,000	-	-	-	-	100,000
Operating ROU Asset	-	2,047,165	-	-	-	-	2,047,165
Financing ROU Asset	-	967,640	-	-	-	-	967,640
Land, Building, and Equipment, Less Accumulated Depreciation	-	21,299,563	-	-	-	-	21,299,563
Total Assets	<u>\$ 14,470,278</u>	<u>\$ 33,406,090</u>	<u>\$ 384,285</u>	<u>\$ 2,636,948</u>	<u>\$ 1,953,332</u>	<u>\$ (9,126,802)</u>	<u>\$ 43,724,131</u>
LIABILITIES AND NET ASSETS							
LIABILITIES							
Accounts Payable and Accrued Expenses	\$ 1,326,257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,326,257
Charitable Gift Annuity Payable	1,161	-	-	-	-	-	1,161
Deferred Revenue	637,095	-	-	-	-	-	637,095
Notes Payable and Long-Term Debt	-	-	-	9,019,454	-	-	9,019,454
Due to Other Funds	5,347,091	3,656,640	97,964	7,526	17,581	(9,126,802)	-
Lease Liability - Operating	-	2,107,967	-	-	-	-	2,107,967
Lease Liability - Financing	-	961,050	-	-	-	-	961,050
Total Liabilities	<u>7,311,604</u>	<u>6,725,657</u>	<u>97,964</u>	<u>9,026,980</u>	<u>17,581</u>	<u>(9,126,802)</u>	<u>14,052,984</u>
NET ASSETS (DEFICIT)	<u>7,158,674</u>	<u>26,680,433</u>	<u>286,321</u>	<u>(6,390,032)</u>	<u>1,935,751</u>	<u>-</u>	<u>29,671,147</u>
Total Liabilities and Net Assets	<u>\$ 14,470,278</u>	<u>\$ 33,406,090</u>	<u>\$ 384,285</u>	<u>\$ 2,636,948</u>	<u>\$ 1,953,332</u>	<u>\$ (9,126,802)</u>	<u>\$ 43,724,131</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Current Fund	Land, Buildings, and Equipment Acquisitions	Capital Campaign Fund	Debt Fund	Endowment Fund	Interagency Eliminations	Total All Funds
ASSETS							
Cash and Cash Equivalents	\$ 1,312,714	\$ 45,998	\$ 34,010	\$ 2,516,294	\$ -	\$ -	\$ 3,909,016
Accounts Receivable, Net of Allowance for Doubtful Accounts	246,712	-	-	-	-	-	246,712
Pledges Receivable, Net of Discount and Allowance for Doubtful Accounts	32,426	-	116,067	-	214	-	148,707
Grants Receivable	1,624,840	-	-	-	-	-	1,624,840
Due from Other Funds	7,000,945	9,988	37,500	-	696	(7,049,129)	-
Inventory, at Cost	15,615	3,672	-	-	-	-	19,287
Investments	3,653,069	-	-	-	1,783,267	-	5,436,336
Investment in LLCs	-	5,068,903	-	-	-	-	5,068,903
In-Kind Contribution Receivable	-	4,310,764	-	-	-	-	4,310,764
Prepaid Expenses	30,224	-	-	62,545	-	-	92,769
Other Assets	-	112,500	-	-	-	-	112,500
Operating ROU Asset	-	2,463,788	-	-	-	-	2,463,788
Financing ROU Asset	-	178,251	-	-	-	-	178,251
Land, Building, and Equipment, Less Accumulated Depreciation	-	21,628,115	-	-	-	-	21,628,115
Total Assets	<u>\$ 13,916,545</u>	<u>\$ 33,821,979</u>	<u>\$ 187,577</u>	<u>\$ 2,578,839</u>	<u>\$ 1,784,177</u>	<u>\$ (7,049,129)</u>	<u>\$ 45,239,988</u>
LIABILITIES AND NET ASSETS							
LIABILITIES							
Accounts Payable and Accrued Expenses	\$ 1,261,813	\$ -	\$ -	\$ -	\$ 248	\$ -	\$ 1,262,061
Charitable Gift Annuity Payable	1,835	-	-	-	-	-	1,835
Deferred Revenue	597,962	-	-	-	-	-	597,962
Notes Payable and Long-Term Debt	-	-	-	9,871,008	-	-	9,871,008
Due to Other Funds	3,345,302	3,621,883	56,671	7,526	17,747	(7,049,129)	-
Lease Liability - Operating	-	2,504,794	-	-	-	-	2,504,794
Lease Liability - Financing	-	178,837	-	-	-	-	178,837
Total Liabilities	<u>5,206,912</u>	<u>6,305,514</u>	<u>56,671</u>	<u>9,878,534</u>	<u>17,995</u>	<u>(7,049,129)</u>	<u>14,416,497</u>
NET ASSETS (DEFICIT)	<u>8,709,633</u>	<u>27,516,465</u>	<u>130,906</u>	<u>(7,299,695)</u>	<u>1,766,182</u>	<u>-</u>	<u>30,823,491</u>
Total Liabilities and Net Assets	<u>\$ 13,916,545</u>	<u>\$ 33,821,979</u>	<u>\$ 187,577</u>	<u>\$ 2,578,839</u>	<u>\$ 1,784,177</u>	<u>\$ (7,049,129)</u>	<u>\$ 45,239,988</u>

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	Membership Development	Youth Development	Managed Facilities	Corporate Programs	Capital Campaign	Debt Fund	Facility Development	Endowment Fund	Total
PUBLIC SUPPORT AND REVENUE									
Public Support:									
Contributions	\$ 361,852	\$ 160,482	\$ -	\$ 422,767	\$ 190,208	\$ -	\$ -	\$ 32,493	\$ 1,167,802
United Way Allocations	-	47,000	-	-	-	-	-	-	47,000
Government Grants	112,259	821,839	733,688	155,639	-	-	-	-	1,823,425
Total Public Support	474,111	1,029,321	733,688	578,406	190,208	-	-	32,493	3,038,227
Revenue:									
Membership Dues	9,712,588	-	-	-	-	-	-	-	9,712,588
Program Fees	1,264,082	1,853,493	310,018	725,808	-	-	-	-	4,153,401
Sales to the Public	70,334	38,973	222,000	124,544	-	-	-	-	455,851
Other Rentals	146,546	358	-	270,971	-	-	-	-	417,875
Realized Gain on Sale of Investments	-	-	-	-	-	-	-	12,565	12,565
Unrealized Gain (Loss) on Investments	-	-	-	(17,063)	-	-	-	144,401	127,338
Investment and Miscellaneous Income	22,977	4,592	608,388	320,857	-	64,694	500	65,756	1,087,764
Special Events, Net	-	37,881	-	88,385	-	-	-	-	126,266
Gain on Sale of Assets	-	-	-	917	-	-	-	-	917
Other Revenue	-	-	-	93,658	-	-	-	-	93,658
Net Change in Charitable Trust	-	-	-	351	-	-	-	-	351
Total Revenue	11,216,527	1,935,297	1,140,406	1,608,428	-	64,694	500	222,722	16,188,574
Total Public Support and Revenue	11,690,638	2,964,618	1,874,094	2,186,834	190,208	64,694	500	255,215	19,226,801
EXPENSES									
Program Services	6,562,684	2,966,916	1,732,805	1,006,053	-	-	173,495	-	12,441,953
Community Involvement Center/Buildings	4,428,970	155,230	-	417,933	-	6,584	-	-	5,008,717
Supporting Services:									
Administrative and General	1,858,781	507,178	-	252,411	-	-	-	25,646	2,644,016
Fundraising	201,690	55,031	-	27,388	350	-	-	-	284,459
Total Expenses	13,052,125	3,684,355	1,732,805	1,703,785	350	6,584	173,495	25,646	20,379,145
CHANGES IN NET ASSETS	\$ (1,361,487)	\$ (719,737)	\$ 141,289	\$ 483,049	\$ 189,858	\$ 58,110	\$ (172,995)	\$ 229,569	\$ (1,152,344)

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	Membership Development	Youth Development	Managed Facilities	Corporate Programs	Capital Campaign	Debt Fund	Facility Development	Endowment Fund	Total
PUBLIC SUPPORT AND REVENUE									
Public Support:									
Contributions	\$ 309,467	\$ 145,587	\$ -	\$ 253,037	\$ 1,950	\$ -	\$ -	\$ 11,100	\$ 721,141
United Way Allocations	-	56,000	-	-	-	-	-	-	56,000
Government Grants	101,733	1,626,586	674,577	150,198	-	-	-	-	2,553,094
Total Public Support	411,200	1,828,173	674,577	403,235	1,950	-	-	11,100	3,330,235
Revenue:									
Membership Dues	7,526,864	-	-	-	-	-	-	-	7,526,864
Program Fees	1,043,406	1,643,501	256,739	535,509	-	-	-	-	3,479,155
Sales to the Public	60,395	23,775	203,758	101,455	-	-	-	-	389,383
Other Rentals	79,777	-	-	216,616	-	-	-	-	296,393
Realized Gain on Sale of Investments	-	-	-	-	-	-	-	77,291	77,291
Unrealized Gain (Loss) on Investments	-	-	-	18,089	-	-	-	(509,009)	(490,920)
Investment and Miscellaneous Income	17,736	2,067	282,367	157,003	-	4,746	8,750	78,416	551,085
Special Events, Net	-	35,647	-	223,479	-	-	-	-	259,126
Gain on Sale of Assets	-	-	-	2,000	-	-	-	-	2,000
Other Revenue	-	-	-	104,320	-	-	-	-	104,320
Net Change in Charitable Trust	-	-	-	(238)	-	-	-	-	(238)
Total Revenue	8,728,178	1,704,990	742,864	1,358,233	-	4,746	8,750	(353,302)	12,194,459
Total Public Support and Revenue	9,139,378	3,533,163	1,417,441	1,761,468	1,950	4,746	8,750	(342,202)	15,524,694
EXPENSES									
Program Services	6,264,609	2,767,375	1,317,453	804,471	-	-	-	-	11,153,908
Community Involvement Center/Buildings	3,720,749	144,725	-	374,675	-	6,628	-	-	4,246,777
Supporting Services:									
Administrative and General	1,754,421	643,763	-	191,368	-	-	56,671	30,941	2,677,164
Fundraising	138,696	50,893	-	15,128	-	-	-	-	204,717
Total Expenses	11,878,475	3,606,756	1,317,453	1,385,642	-	6,628	56,671	30,941	18,282,566
CHANGES IN NET ASSETS	<u>\$ (2,739,097)</u>	<u>\$ (73,593)</u>	<u>\$ 99,988</u>	<u>\$ 375,826</u>	<u>\$ 1,950</u>	<u>\$ (1,882)</u>	<u>\$ (47,921)</u>	<u>\$ (373,143)</u>	<u>\$ (2,757,872)</u>

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINING STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	Membership Development	Youth Development	Corporate Programs	Corporate Support	Managed Facilities	Facility Development	Endowment Fund	Total Expenses
Salaries	\$ 5,479,700	\$ 2,005,232	\$ 602,942	\$ 1,309,464	\$ 1,242,971	\$ -	\$ -	\$ 10,640,309
Payroll Taxes and Insurance	752,376	316,279	107,636	214,314	157,632	-	-	1,548,237
Retirement Plan Contributions	172,901	73,530	20,341	94,149	31,228	-	-	392,149
Total Salaries and Related Expenses	6,404,977	2,395,041	730,919	1,617,927	1,431,831	-	-	12,580,695
Professional Fees and Contract Services	240,667	5,436	58,901	519,033	5,993	164,875	4,211	999,116
Supplies	561,460	90,335	99,122	23,317	97,576	-	-	871,810
Food and Beverages	12,320	157,609	122,091	8,076	48,651	-	-	348,747
Telephone and Postage	79,629	17,601	5,074	44,380	4,131	-	5	150,820
Off-Premises Rental	174,968	1,630	250	4,009	45,388	-	-	226,245
Equipment, Repair, and Rental	166,821	19,214	34,513	30,686	35	-	-	251,269
Printing and Promotion	13,042	80	11,007	94,112	9,495	-	-	127,736
Conferences and Training	13,371	5,687	20,110	30,415	3,241	-	-	72,824
Travel	28,383	39,374	10,473	10,219	6,001	-	-	94,450
Agency Dues	143,668	33,316	18,469	225	19,640	-	-	215,318
Miscellaneous	300,376	47,235	23,509	27,084	7,445	-	19,035	424,684
Occupancy	1,321,118	119,828	57,177	705,840	36,879	8,620	105	2,249,567
Insurance	160,982	33,997	37,845	32,115	13,169	-	2,290	280,398
Other Taxes	7,509	534	-	24	3,330	-	-	11,397
Interest	383,371	-	10,299	6,638	-	-	-	400,308
Interbranch Administrative Support, Corporate	2,375,520	648,173	322,581	(3,346,274)	-	-	-	-
Interbranch Administrative Support, Membership Development	(155,230)	155,230	-	-	-	-	-	-
Total	12,232,952	3,770,320	1,562,340	(192,174)	1,732,805	173,495	25,646	19,305,384
Depreciation and Amortization	948,327	-	106,756	18,678	-	-	-	1,073,761
Total Expenses by Function	<u>\$ 13,181,279</u>	<u>\$ 3,770,320</u>	<u>\$ 1,669,096</u>	<u>\$ (173,496)</u>	<u>\$ 1,732,805</u>	<u>\$ 173,495</u>	<u>\$ 25,646</u>	<u>\$ 20,379,145</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
COMBINING STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Membership Development	Youth Development	Corporate Programs	Corporate Support	Managed Facilities	Facility Development	Endowment Fund	Total Expenses
Salaries	\$ 5,101,356	\$ 1,871,570	\$ 483,188	\$ 1,344,020	\$ 958,602	\$ -	\$ -	\$ 9,758,736
Payroll Taxes and Insurance	722,089	302,354	79,684	210,223	123,425	-	-	1,437,775
Retirement Plan Contributions	170,368	70,317	18,464	87,392	28,746	-	-	375,287
Total Salaries and Related Expenses	5,993,813	2,244,241	581,336	1,641,635	1,110,773	-	-	11,571,798
Professional Fees and Contract Services	242,379	5,795	52,541	545,704	4,631	52,804	5,171	909,025
Supplies	512,216	98,592	86,462	17,728	41,139	-	-	756,137
Food and Beverages	7,499	125,065	95,835	7,199	38,973	-	322	274,893
Telephone and Postage	66,375	16,188	3,745	45,587	3,241	-	4	135,140
Off-Premises Rental	168,239	-	275	3,471	12,240	-	-	184,225
Equipment, Repair, and Rental	115,420	-	22,994	38,656	7,290	-	-	184,360
Printing and Promotion	16,545	302	14,656	100,952	1,654	-	-	134,109
Conferences and Training	10,663	5,216	9,221	33,025	2,316	-	-	60,441
Travel	17,048	47,971	13,153	2,633	5,751	-	-	86,556
Agency Dues	105,529	46,189	12,646	668	19,449	-	-	184,481
Miscellaneous	309,614	36,815	19,101	25,876	5,514	-	23,201	420,121
Occupancy	1,262,436	102,966	49,093	511,535	48,606	3,867	135	1,978,638
Insurance	139,469	37,797	35,336	28,775	12,819	-	2,108	256,304
Other Taxes	4,523	239	-	27	3,056	-	-	7,845
Interest	344,735	-	11,208	610	-	-	-	356,553
Interbranch Administrative Support, Corporate	1,694,773	803,222	253,707	(2,751,702)	-	-	-	-
Interbranch Administrative Support, Membership Development	(144,725)	144,725	-	-	-	-	-	-
Total	10,866,551	3,715,323	1,261,309	252,379	1,317,452	56,671	30,941	17,500,626
Depreciation	658,998	1,873	108,372	12,697	-	-	-	781,940
Total Expenses by Function	<u>\$ 11,525,549</u>	<u>\$ 3,717,196</u>	<u>\$ 1,369,681</u>	<u>\$ 265,076</u>	<u>\$ 1,317,452</u>	<u>\$ 56,671</u>	<u>\$ 30,941</u>	<u>\$ 18,282,566</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
STATEMENT OF FINANCIAL POSITION DETAIL — LAND, BUILDINGS, AND EQUIPMENT
DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Fixed Assets				
	Balance December 31, 2022	Acquisitions	Dispositions	Balance December 31, 2023	
Land	\$ 6,279,910	\$ -	\$ -	\$ 6,279,910	
Buildings and Building Improvements	27,116,556	348,315	-	27,464,871	
Tenant Improvements	729,432	-	-	729,432	
Furniture, Fixtures, and Equipment	5,131,217	91,979	(1,279,514)	3,943,682	
Vehicles	247,485	-	(6,467)	241,018	
Total Fixed Assets	<u>\$ 39,504,600</u>	<u>\$ 440,294</u>	<u>\$ (1,285,981)</u>	<u>\$ 38,658,913</u>	
	Accumulated Depreciation				
	Balance December 31, 2022	Depreciation for Year	Dispositions	Balance December 31, 2023	Depreciated Value December 31, 2023
Land	\$ -	\$ -	\$ -	\$ -	\$ 6,279,910
Buildings and Building Improvements	11,984,093	683,906	-	12,667,999	14,796,872
Tenant Improvements	694,634	10,208	-	704,842	24,590
Furniture, Fixtures, and Equipment	4,950,466	63,611	(1,258,073)	3,756,004	187,678
Vehicles	247,292	4,568	(21,355)	230,505	10,513
Total Accumulated Depreciation	<u>\$ 17,876,485</u>	<u>\$ 762,293</u>	<u>\$ (1,279,428)</u>	<u>\$ 17,359,350</u>	<u>\$ 21,299,563</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION DETAIL — ACCOUNTS PAYABLE
AND ACCRUED EXPENSES
DECEMBER 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022
ACCOUNTS PAYABLE AND ACCRUED EXPENSES		
Current Funds Without Restriction:		
Accounts Payable, Trade	\$ 468,761	\$ 435,707
Payroll and Withholding Taxes	224,384	242,219
Accrued Wages	371,710	346,054
Accrued Vacation	232,123	208,406
Other Payables	29,279	29,675
Total Accounts Payable and Accrued Expenses	\$ 1,326,257	\$ 1,262,061

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE INLAND NORTHWEST
(A NONPROFIT ORGANIZATION)
CHARITABLE GIFT ANNUITY STATEMENT
DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

The Washington State Office of the Insurance Commissioner requires that YMCA and its charitable gift annuities be reported separately from the affiliated Endowment in accordance with RCW 48.28.020(2)(a) and that YMCA provide report detail reflecting the separate entities. To comply with this requirement, a modified report is offered as follows:

	YMCA with CGA Included and Endowment <u>Excluded</u>	<u>Endowment</u>	<u>Total</u>
Income:			
Without Donor Restriction	\$ 18,731,786	\$ 167,816	\$ 18,899,602
With Donor Restriction	239,800	87,399	327,199
Total Income	<u>18,971,586</u>	<u>255,215</u>	<u>19,226,801</u>
Expenses:			
Without Donor Restriction	<u>20,293,499</u>	<u>85,646</u>	<u>20,379,145</u>
Total Expenses	<u>20,293,499</u>	<u>85,646</u>	<u>20,379,145</u>
Net Change in Net Assets 2023	(1,321,913)	169,569	(1,152,344)
Net Assets 2022	<u>29,057,309</u>	<u>1,766,182</u>	<u>30,823,491</u>
Net Assets 2023	<u>\$ 27,735,396</u>	<u>\$ 1,935,751</u>	<u>\$ 29,671,147</u>
Net Assets 2023:			
Without Donor Restriction	\$ 23,602,397	\$ 1,443,810	\$ 25,046,207
With Donor Restriction	<u>4,132,999</u>	<u>491,941</u>	<u>4,624,940</u>
Net Assets 2023	<u>\$ 27,735,396</u>	<u>\$ 1,935,751</u>	<u>\$ 29,671,147</u>



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