


**NEIGHBORHOOD DEVELOPMENT FUND  
Not-for-Profit Transmittal and Approval Form**

**Applicant/Program:** Greater YMCA of Louisville/ Arts Reach Camp

**Executive Summary of Request:** District four is allocating funding to be used to support the Arts Reach Program. Arts Reach will consist of workshops in dance, drama, visual arts, creative writing and music at the YMCA.

I have reviewed the attached Neighborhood Development Fund Application and have found it complete and within Metro Council guidelines and request approval of funding in the following amount(s). I have read the organization's statement of public purpose to be furthered by the funds requested and I agree that the public purpose is legitimate. I have also completed the disclosure section below, if required.

Is this program/project a fundraiser?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is this applicant a faith based organization?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does this application include funding for sub-grantee(s)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

<u>4</u>	<u></u>	<u>\$5000</u>	<u>6/8/2015</u>
District #	Primary Sponsor Signature	Amount	Date

**Primary Sponsor Disclosure**  
List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

President Tandy is a board member.

**Approved by:**

_____	_____
Appropriations Committee Chairman	Date

**Clerk's Office Only:**

Request Amount: \_\_\_\_\_ Committee Amended Appropriation: \_\_\_\_\_

Original Appropriation: \_\_\_\_\_ Council Amended Appropriation: \_\_\_\_\_

**OFFICE OF METRO COUNCIL CLERK**  
**REVIEWED**  
DATE 7/8/15 TIME 2:29



## LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

### SECTION 1 - APPLICANT INFORMATION

Legal Name of Applicant Organization:

YMC of Louisville, Inc. (Please Print Name)

Main Office Street & Mailing Address: 930 West Chestnut Street

Website: www.ymcloouisville.org

Applicant Contact: **LYNN E JOHNSON** Title: **Director**

Phone: 502-587-7405 Email: **ljohnson@ymcalouisville.org**

Financial Contact: **Kay Manning** Title: **VP of Finance**

Phone: 502-587-9622 Email: **kmanning@ymcalouisville.org**

Organization's Representative who attended NDF Training: NA

### GEOGRAPHICAL AREA(S) WHERE PROGRAM ACTIVITIES ARE (WILL BE) PROVIDED

Program Facility Location(s): **Chestnut Street YMCA**

Council District(s): **David Tandy** Zip Code(s): **40203**

### SECTION 2 - PROGRAM REQUEST & FINANCIAL INFORMATION

PROGRAM/PROJECT NAME: **Chestnut Street YMCA Summer Camp Performing Arts**

Total Request: (\$) **5,000** Total Metro Award (this program) in previous year: (\$) **5,000**

Purpose of Request (check all that apply):

- Operating Funds (generally cannot exceed 33% of agency's total operating budget)
- Programming/services/events for direct benefit to community or qualified individuals
- Capital Project of the organization (equipment, furnishing, building, etc)

The Following are Required Attachments:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> IRS Exempt Status Determination Letter</li> <li><input checked="" type="checkbox"/> Current Year Projected Budget</li> <li><input checked="" type="checkbox"/> List of Board of Directors (include term &amp; term limits)</li> <li><input checked="" type="checkbox"/> Current financial statement</li> <li><input checked="" type="checkbox"/> Most recent IRS Form 990 or 1120-H</li> <li><input checked="" type="checkbox"/> Articles of Incorporation</li> <li><input type="checkbox"/> Cost estimates from proposed vendor if request is for capital expense</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> Signed lease if rent costs are being requested</li> <li><input type="checkbox"/> IRS Form W9</li> <li><input type="checkbox"/> Evaluation forms if used in the proposed program</li> <li><input checked="" type="checkbox"/> Annual audit (if required by organization)</li> <li><input type="checkbox"/> Faith Based Organization Certification Form, if required</li> <li><input type="checkbox"/> Staff including the 3 highest paid staff</li> </ul> |
|--|--|

For the current fiscal year ending June 30, list all funds appropriated and/or received from Louisville Metro Government for this or any other program or expense, including funds received through Metro Federal Grants, from any department or Metro Council Appropriation (Neighborhood Development Funds). Attach additional sheet if necessary.

Source	Amount: (\$)	Amount: (\$)
David Tandy	5,000	

Has the applicant contacted the BBB Charity Review for participation?  Yes  No

Has the applicant met the BBB Charity Review standards?  Yes  No



**LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION**

**SECTION 3 – AGENCY DETAILS**

**Describe Agency's Vision, Mission and Services:**

**Mission:** To put Christian principles into practice through programs that build healthy spirit, mind and body for all.

**Vision:**

The Y's mission is our reason for being, and the Y's cause is our mission in action - a promise to do everything in our Movement's considerable power to enrich the common good and make life better for individuals, families, and communities. Delivering our Cause draws inspiration and direction from both.

**Our Cause:**

At the Y, strengthening community is our cause. We believe that positive, lasting personal and social change can only come about when we all work together to invest in our kids, our health, and our neighbors. That's why we focus our work in three areas: Youth Development, Healthy Living, and Social Responsibility.



## LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

### SECTION 4 - PROGRAM/PROJECT NARRATIVE

**A: Describe the program/project start and end dates, a description of the program/project and applicable data with regards to specific client population the program will address (attach related flyers, planning minutes, designs, event permits, proposals for services/goods, etc.):**

The YMCA Summer Day Camp Performing Arts program will be conducted at the Chestnut Street YMCA. The program will start on June 1 - 30, 2015. This camp will offer the opportunity to make new friends, learn to explore Louisville, and be exposed to the performing arts. The Chestnut Street YMCA will service up to 100 youth between the ages of 5 and 12 during the summer. Our participants mainly come from West Louisville. A large percentage of our youth come from low income families and often qualify for state subsidy.

**B: Describe specifically how the funding will be spent including identification of funding to sub grantee(s):**  
ArtsReach, which is a program The Kentucky Center of the Performing Arts - will administer the arts program for our YMCA to include Dance, Drama, Visual Arts, Creative Writing & Music. This will consist of workshops to take place at the YMCA during the Summer Camp Program.

The ArtsReach program will be paid by the YMCA to identify professional artist that can work with youth in the program. The ArtsReach program will pay the artist with the funds they receive from the YMCA.



## LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

C: If this request is a fundraiser, please detail how the proceeds will be spent:

D: For Expenditure Reimbursement Only – The grant award period begins with the Metro Council approval date and ends on June 30 of Metro fiscal year in which the grant is approved. If any part of this funding request is for funds to be spent before the grant award period, identify the applicable circumstances:

Effective October 24, 2013, reimbursements should not be made unless an emergency can be demonstrated by the primary council sponsor. The funding request is a reimbursement of the following expenditures (attach invoices or proof of payment):

- ✓ Attach a copy of invoices and/or receipts to provide proof of purchase of activities associated with the work plan identified in this application.
- ✓ Attach a copy of cancelled checks to provide proof of payment of the invoices or receipts associated with the work plan identified in this application.

The funding request is a reimbursement of the following expenditures that will probably be incurred after the application date, but prior to the execution of the grant agreement:

- ✓ If selecting this option, the invoice, receipt and payment documentation should not be available as of the date of this application.

The Grantee will be required to submit financial reporting in accordance with the reporting schedule provided in the grant agreement.



## LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

**E: Describe the program's benefits to those being served (measurable outcomes). Include the program's process for collecting data and the indicators that will be tracked to measure the benefits to those being served:**

The program will benefit youth from the West Louisville Communities and will provide an outlet to help close the gap on Summer Learning Loss. The attendance will be taken for those participants that are a part of the art projects. At the end of the program, participants will perform in front of the group or show the art project they produced.

**F: Briefly describe any existing collaborative relationships the organization has with other community organizations. Describe what those partners are bringing to the relationship in general and to this program/project specifically.**

ArtsReach will provide professional teaching artist for instruction. ArtsReach will select and contract each of the artist that will work with the youth. ArtsReach will work with the YMCA and instructors to assure meaningful art experiences are provided. They will work to assure artists provide structure and guidance in line with the YMCA culture.



**LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION**

**SECTION 5 – PROGRAM/PROJECT BUDGET SUMMARY**

THE PROGRAM/PROJECT BUDGET SHOULD REALISTICALLY ESTIMATE WHAT AMOUNT IS NEEDED FROM METRO GOVERNMENT AND WHAT IS EXPECTED FROM OTHER SOURCES.

Program/Project Expenses	Column 1	Column 2	Column (1+2)=3
	Proposed Metro Funds	Non-Metro Funds	Total Funds
A: Personnel Costs Including Benefits			
B: Rent/Utilities			
C: Office Supplies			
D: Telephone			
E: In-town Travel			
F: Client Assistance (Attach Detailed List)			
G: Professional Service Contracts			
H: Program Materials			
I: Community Events & Festivals (Attach Detail List)	5,000		
J: Small Equipment			
K: Capital Equipment			
L: Other Expenses (Attach Detail List)			
<b>*TOTAL PROGRAM/PROJECT FUNDS</b>			
	%	%	100%

List funding sources for total program/project costs in Column 2, Non-Metro Funds:

Other State, Federal or Local Government	
United Way	
Private Contributions (do not include individual donor names)	
Fees Collected from Program Participants	
Other (please specify)	

\*Total of Column 1 MUST match "Total Request on Page 1, Section 2"

\*\*Must equal or exceed total in column 2.



**LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION**

**Detail of In-Kind Contributions for this PROGRAM only:** Includes Volunteers, Space, Utilities, etc. (Include anything not bought with cash revenues of the agency).

Donor*/Type of Contribution	Value of Contribution	Method of Valuation
<i>(to match Program Budget Line Item. Volunteer Contribution &amp; Other In Kind)</i>		

\* DONOR INFORMATION REFERS TO WHO MADE THE IN KIND CONTRIBUTION. VOLUNTEERS NEED NOT BE LISTED INDIVIDUALLY, BUT GROUPED TOGETHER ON ONE LINE AS A TOTAL NOTING HOW MANY HOURS PER PERSON PER WEEK

Agency Fiscal Year Start Date: January 1 - December 31, 2015

Does your Agency anticipate a significant increase or decrease in your budget from the current fiscal year to the budget projected for next fiscal year? NO  YES

If YES, please explain:

Applicant's Initials





# LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

## SECTION 6 - CERTIFICATIONS & ASSURANCES

By signing Section 7 of the Grant Application, the authorized official signing for the applicant organization certifies and assures to the best of his or her knowledge and/or belief the following Assurances and Certifications. If there is any reason why one or more of the assurances or certifications listed cannot be certified or assured, please explain in writing and attach to this application.

### Standard Assurances

1. Applicant understands this application and its attachments as well as any resulting grant agreement, reports and proof of expenditure is subject to Kentucky's open records law.
2. Applicant will establish safeguards to prohibit employees or any person that receives compensation from awarded funds from using their position for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
3. Applicant and any sub grantee will give Louisville Metro Government access to and the right to examine all paper or electronic records related to the awarded grant for up to five years of the grant agreement date.
4. Applicant assures compliance with the grant requirements and will monitor the performance of any third party (sub-grantee).
5. The Agency is in good standing with the Kentucky Secretary of State, Louisville Metro Government, the Jefferson County Revenue Commission, the Internal Revenue Service, and the Louisville Metro Human Relations Commission.
6. Applicant understands failure to provide the services, programs, or projects included in the agreement will result in funds being withheld or requested to be returned if previously disbursed.
7. Applicant understands they must return to Louisville Metro any unexpended funds by July 31 following the Metro Louisville's fiscal year end.
8. Applicant understands they must provide proof of all expenditures (cancelled checks, receipts, paid invoices). The Applicant understands the failure to provide proof of expenditures as required in the grant agreement could result in funding being withheld or request to be returned if previously disbursed.
9. Applicant understands if this application is approved, the grant agreement will identify an award period that begins with the Metro Council approval date, and will end with June 30 of the fiscal year in which the grant is approved. Expenditures associated with this award expected to occur prior to the award period (approval date) must be disclosed in this application in order to be considered compliant with the grant agreement.
10. Applicant understands if we choose to incur expenditures prior to the approval of the application by the Metro Council, there is no guarantee that funding will be reimbursed, as the Council may choose not to award the application.
11. Applicant understands if the grant agreement is not returned to Louisville Metro within 90 days of its mailing to the applicant, the approval is automatically revoked.

### Standard Certifications

1. The Agency certifies it will not use Louisville Metro Government funds for any religious, political or fraternal activities.
2. The Agency has a written Affirmative Action/Equal Opportunity Policy.
3. The Agency does not discriminate in employment or in provision of any service/program/activity/event based on age, color, disabled status, national origin, race, religion, sex, gender identity or sexual orientation, or Vietnam era veteran status.
4. The Agency certifies it will not require clients, recipients, or beneficiaries to participate in religious, political, fraternal or like activities in order to receive services/benefits provided with Louisville Metro Government funds.
5. The Agency understands the Americans with Disabilities Act (ADA) and makes reasonable accommodations.

**Relationship Disclosure:** List below any relationship you or any member of your Board of Directors or employees has with any Councilperson, Councilperson's family, Councilperson's staff or any Louisville Metro Government employee.

N/A

## SECTION 7 - CERTIFICATIONS & ASSURANCES

I certify under the penalty of law the information in this application (including, without limitation, "Certifications and Assurances") is accurate to the best of my knowledge. I am aware my organization will not be eligible for funding if investigation at any time shows falsification. If falsification is shown after funding has been approved, any allocations already received and expended are subject to be repaid. I further certify that I am legally authorized to sign this application for the applying organization and have initialed each page of the application.

Signature of Legal Signatory:		Date:	5/8/2015
Legal Signatory: (please print):	LYNN E. JOHNSON	Title:	DIRECTOR
Phone:	502 587-2378	Extension:	
Email:	ljohnson@ymcaatlouisville.org		

Applicant's Initials

**Internal Revenue Service**

**Date:** August 19, 2004

Young Men's Christian Association  
of Greater Louisville  
545 S. 2<sup>nd</sup> St.  
Louisville, KY 40202

**Department of the Treasury**  
**P. O. Box 2508**  
**Cincinnati, OH 45201**

**Person to Contact:**  
John Kennedy ID 31-07927  
Customer Service Representative  
**Toll Free Telephone Number:**  
8:00 a.m. to 6:30 p.m. EST  
877-829-5500  
**Fax Number:**  
513-263-3756  
**Federal Identification Number:**  
[REDACTED]

Dear Sir or Madam:

This is in response to your request of August 19, 2004, regarding your organization's tax-exempt status.

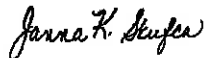
In January 1945 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under section 509(a)(2) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Janna K. Skufca, Director, TE/GE  
Customer Account Services

YMCA OF GREATER LOUISVILLE  
ASSOCIATION PLANNING AUDIT  
FOR BUDGET YEAR 2015

FORM 2  
11/21/2014  
13.16.13

ACCOUNT DESCRIPTION	ACTUAL 2013	ACTUAL TO DATE 10/31/2014	BUDGET 2014	ESTIMATED ACTUAL 2014	PROPOSED BUDGET 2015	VARIANCE	
						\$	%
0100 CONTRIBUTION	1,797,901	1,860,252	1,942,540	2,262,304	2,258,230	4,074-	.18-
0300 SPECIAL EVENTS	39,867	66,988	78,163	41,236	51,587	10,351	25.10
0800 UNITED WAY	696,682	666,361	704,000	772,117	673,107	99,010-	12.82-
1000 GOV'T GRANTS	3,654,710	2,398,521	3,192,178	2,808,952	2,863,832	54,880	1.95
1100 MEMBERSHIP	17,347,373	15,360,670	18,110,522	18,167,488	18,261,983	94,495	.52
1300 PROGRAM FEES	15,171,622	13,595,004	15,593,140	15,693,702	15,881,056	187,354	1.19
1400 MERCH. SALES	342,354	208,692	328,261	263,937	283,252	19,315	7.31
1500 INVESTMENT INC.	159,910	141,527	173,264	174,298	199,552	25,254	14.48
1600 MISCELLANEOUS	32,075	87,366	19,444	25,857	24,294	1,563-	6.04-
1800 INTRA Y ALLOCA.	3,917,500	3,796,755	4,473,940	4,546,105	4,579,348	33,243	.73
<b>TOTAL REVENUE</b>	<b>43,159,994</b>	<b>38,182,136</b>	<b>44,615,452</b>	<b>44,755,996</b>	<b>45,076,241</b>	<b>320,245</b>	<b>.71</b>
2100 SALARIES	17,483,275	14,149,968	18,440,365	17,669,299	18,454,998	785,699	4.44
2200 BENEFITS	2,043,643	1,727,927	2,300,302	2,154,565	2,512,735	358,170	16.62
2300 PAYROLL TAXES	1,539,310	1,380,696	1,827,575	1,712,576	1,789,184	76,608	4.47
2400 PROFESSIONAL	586,391	487,110	309,054	523,726	342,792	180,934-	34.54-
2500 SUPPLIES	3,847,284	3,006,980	3,602,830	3,640,460	3,477,145	163,315-	4.48-
2600 TELEPHONE	339,602	311,515	359,300	371,273	387,278	16,005	4.31
2700 POSTAGE	171,307	129,716	180,215	174,768	198,374	23,606	13.50
2800 OCCUPANCY	5,378,200	5,158,972	5,739,187	6,085,394	6,228,145	142,751	2.34
2900 EQUIPMENT	221,077	148,683	243,005	220,970	195,963	25,007-	11.31-
3100 PRNT & PROMOT'N	1,059,502	532,126	974,907	987,402	969,760	17,642-	1.78-
3200 TRAVEL/LOCAL EX	619,982	493,168	583,409	548,614	596,244	47,630	8.68
3300 ASSOC'N EVENTS	451,335	304,726	383,108	370,062	394,324	24,262	6.55
3500 MEMBERSHIP DUES	317,791	358,637	421,677	432,584	417,988	14,596-	3.37-
3600 AWARDS & GRANTS	6,000	1,250	5,000	5,250	5,000	250-	4.76-
3700 FINANCING COST	6,888	5,444	7,000	6,534	7,035	501	7.66
3800 INSURANCE	349,587	307,917	371,325	371,282	368,700	2,582-	.69-
3900 MISCELLANEOUS	74,090	47,788	54,350	51,165	47,900	3,265-	6.38-
4800 INTRA Y ALLOCA.	3,682,172	3,600,669	4,320,977	4,320,525	4,417,958	97,433	2.25
5300 F/A P & RESERVE	4,134,879	3,325,873	4,194,866	4,218,338	3,966,218	252,120-	5.97-
5900 JCPS BD. APPROP	294,996	247,500	297,000	297,000	298,500	1,500	.50
<b>TOTAL EXPENSES</b>	<b>42,607,311</b>	<b>35,726,665</b>	<b>44,615,452</b>	<b>44,161,787</b>	<b>45,076,241</b>	<b>914,454</b>	<b>2.07</b>
<b>NET GAIN/LOSS (-)</b>	<b>552,683</b>	<b>2,455,471</b>	<b>0</b>	<b>594,209</b>	<b>0</b>	<b>594,209-</b>	

B U D G E T A N A L Y S I S

8705-F1  
4/06/2015  
16.23.02

Y M C A O F G R E A T E R L O U I S V I L L E  
C U R R E N T M O N T H - - - Y E A R T O D A T E - - -  
M A R C H 3 1 , 2 0 1 5

	1	2	3	4	5	6	7	8
	ACTUAL	BUDGET	VARIANCE	THIS YEAR ACTUAL	BUDGET	VARIANCE	ANNUAL BUDGET	LAST YEAR ACTUAL
0100 CONTRIBUTIONS	496,660.56	486,942	9,718	991,943.70	1,054,096	62,152-	2,258,230	1,201,924.71
0300 SPECIAL EVENTS	6,505.38	17,282	10,776-	17,659.95	49,921	32,261-	51,587	35,777.73
0800 UNITED WAY	57,493.01	53,812	3,681	165,457.74	161,542	3,915	673,107	189,678.45
1000 GOVERNMENT GRANTS	216,359.33	233,936	17,576-	631,974.79	603,894	28,080	2,863,832	546,537.75
1100 MEMBERSHIPS	1,563,479.09	1,563,537	57-	4,637,407.54	4,673,102	35,694-	18,261,983	4,774,219.81
1300 PROGRAM FEES	1,251,723.29	1,282,375	30,651-	3,657,728.30	3,576,705	81,023	15,882,056	3,657,147.27
1400 MERCHANDISE SALES	18,288.35	25,472	7,183-	63,640.02	68,773	5,132-	283,252	62,412.29
1500 INVESTMENT INCOME	19,291.94	16,221	3,070	52,570.73	48,483	4,087	199,552	42,327.41
1600 MISCELLANEOUS	10,519.41	1,512	9,007	14,145.32	12,007	2,138	24,294	74,544.82
1800 INTRA Y ALLOCATIONS	384,829.00	385,716	887-	1,154,494.00	1,157,151	2,657-	4,579,348	1,139,030.00
TOTAL REVENUE	4,025,149.36	4,066,805	41,656-	11,387,022.09	11,405,674	18,652-	45,077,241	11,723,600.24
2100 SALARIES & WAGES	1,274,981.12	1,378,617	103,635-	3,492,131.87	3,739,641	247,509-	18,454,988	3,598,652.82
2200 EMPLOYEE BENEFITS	183,291.61	195,030	11,738-	518,180.50	559,677	41,496-	2,512,735	479,201.07
2300 PAYROLL TAXES	121,853.54	141,503	19,649-	345,906.94	388,160	42,253-	1,789,184	370,181.94
2400 PROFESSIONAL SERVICES	77,429.36	57,598	19,831	212,175.03	170,537	41,638	342,802	200,089.86
2500 SUPPLIES	230,905.25	282,790	51,884-	670,378.13	733,225	62,846-	3,476,145	736,745.05
2600 TELEPHONE	28,691.98	31,894	3,202-	88,016.07	94,966	6,949-	387,278	95,927.65
2700 POSTAGE	16,925.71	16,514	411	49,842.40	43,081	6,761	198,374	49,976.33
2800 OCCUPANCY	608,085.18	514,400	93,685	1,789,788.80	1,712,833	76,955	6,364,145	1,592,905.24
2900 EQUIPMENT	11,069.67	14,369	3,299-	66,792.85	49,126	17,666	195,963	43,152.20
3100 PRINTING & PROMOTION	95,639.36	58,711	36,928	272,031.78	183,685	88,346	969,760	179,675.51
3200 TRAVEL & LOCAL EXPENSE	16,666.93	17,720	1,053-	60,895.68	64,594	3,698-	596,244	58,899.28
3300 ASSOC'N EVENTS/MEETINGS	30,809.15	25,108	5,701	97,033.30	94,552	2,481	391,324	78,056.30
3500 MEMBERSHIP DUES	36,123.00	33,808	2,315	111,587.00	104,081	7,506	417,988	106,645.89
3600 AWARDS & GRANTS			0			0	5,000	
3700 FINANCING COST	20,496.13	583	19,913	21,672.40	1,750	19,922	7,035	1,656.62
3800 INSURANCE PREMIUMS	31,473.00	31,473	0	94,424.00	94,424	0	368,700	95,068.00
3900 MISCELLANEOUS	2,236.17	5,060	2,823-	21,993.68	40,655	18,661-	47,900	43,180.53
4800 INTRA Y ALLOCATION	369,185.90	368,886	299	1,105,588.80	1,105,988	399-	4,422,956	1,080,593.20
5300 F/A PURCHASES & RESERVE	288,372.47	329,555	41,182-	897,715.34	921,043	23,327-	3,830,220	994,992.97
5900 JCPS BD PAYMENT	24,875.00	24,875	0	74,625.00	74,625	0	298,500	74,250.00
TOTAL EXPENSE	3,469,110.53	3,528,494	59,383-	9,990,779.57	10,176,643	185,863-	45,077,241	9,879,850.46
NET GAIN OR LOSS (-)	556,038.83	538,311	17,728	1,396,242.52	1,229,031	167,212		1,843,749.78



**YMCA of Greater Louisville**  
**Chestnut Street Family Branch**  
**2014-2015 Board of Directors & Advisory Board**

Member Name & Address	Date of Birth	Class	Term	Work Phone	Cell Phone	Email	Employer
Donnie L. Adkins [Redacted]	[Redacted]	2017	1st Term				YUM! Brands Co-op
Kevin D. Bruce, Sr. Bruce Insurance Group 714 Lyndon Lane, Suite #8 Louisville, KY 40222	[Redacted]	2016	2nd Term	412-1407			Bruce Insurance Group
Furman Glenn, Sr. [Redacted]	[Redacted]	2018	1st Term				E.I.; DuPont Retired
Shelton Gist [Redacted]	[Redacted]	2016	1st Term	778-5346			Kroger Co.
Haven Harrington, III [Redacted]	[Redacted]	2016	1st Term	457-2785			AT&T CED Main Events Sports
Alexis Mack Social Responsibility Chair [Redacted]	[Redacted]	2015	1st Term				KY Telco Fed Credit Union
Elias Oxendine, IV [Redacted]	[Redacted]	2017	1st Term				GE Appliance Park
Christina Peace (Chris) Board Development Chair [Redacted]	[Redacted]	2015	1st Term	429-2246			Ford Motor Company

Prospect, KY 40059

**Pamela R. Pearson**

[REDACTED]

**Henry Doug Phillips (Doug)**  
**Board Chair**

[REDACTED]

**Wanda Ramsey**

[REDACTED]

**Michael S. Romaine**

[REDACTED]

**Terri Rowland**

[REDACTED]

**Warren Shelton**

**Finance Committee Vice Chair**

[REDACTED]

**Terrell Thornton**

[REDACTED]

**Darryl Van Cleave**

[REDACTED]

**Joseph Walker**

[REDACTED]

**Rhonda E. Whitted**

[REDACTED]

[REDACTED]

2018	1st Term	719-8548
2016	1st Term	375-1766
2018	1st Term	452-5709
2018	1st Term	562-2405
2018	1st Term	
2015	1st Term	988-7050
2018	1st Term	357-5809
2016	1st Term	580-3529
2017	1st Term	
2017	1st Term	359-7136

Aetna
Ford Motor Company
GE Appliance Park
Self Employed
U of L
JCPS - retired
Ford
Humana, Inc.
Retired
UPS

**Board Advisory Committee**

<b>Charles Booker</b>	[REDACTED]	2014	1st Term	574-1104	[REDACTED]	Louisville Metro Council
<b>Michael A. Nepeul</b>	[REDACTED]	2015	2nd Term	247-2017	[REDACTED]	UPS
<b>Katurah Jenkins</b>	[REDACTED]	2015	2nd Term	452-4584	[REDACTED]	General Electric
<b>Betty Kinzar</b>	[REDACTED]	2013	2nd Term		[REDACTED]	US Post Office - retired
<b>Loyiso Meisizwe</b>	[REDACTED]	2014	2nd Term	540-6805	[REDACTED]	MSD
<b>Patrick S. Williams</b>	[REDACTED]	2014	2nd Term	774-6805	[REDACTED]	Ford Motor Company
<b>Damian Thompson</b>	[REDACTED]	2015	1st Term		[REDACTED]	Pastor Emmanuel Baptist Church

**Emeritus**

Thomas Cork

**Harold Goode, Sr.**

[REDACTED]

Form 990

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2013

Department of the Treasury Internal Revenue Service

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Header section A-M: A For the 2013 calendar year, or tax year beginning and ending; B Check if applicable; C Name of organization THE YOUNG MENS CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE; D Employer identification number; E Telephone number 502-587-9622; F Name and address of principal officer: KAY MANNING; G Gross receipts \$ 45,741,065; H(a) Is this a group return for subordinates? Yes No; H(b) Are all subordinates included? Yes No; I Tax-exempt status: 501(c)(3); J Website: WWW.YMCALOUISVILLE.ORG; K Form of organization: Corporation; L Year of formation: 1853; M State of legal domicile: KY

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 1 Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O ATTACHED; 2 Check this box: If the organization discontinued its operations or disposed of more than 25% of its net assets; 3-7a Revenue and Expenses summary; 7b Net unrelated business taxable income; 8-12 Revenue breakdown; 13-19 Expenses breakdown; 20-22 Net Assets or Fund Balances.

Part II Signature Block

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

Signature of officer: KAY MANNING, VICE PRESIDENT OF FINANCE; Date: 7-15-2014

Preparer information: Name JEFFREY K MCCAFFREY; Firm name DEMING MALONE LIVESAY & OSTROFF PSC; Firm address 9300 SHELBYVILLE RD STE 1100 LOUISVILLE, KY 40222-5187; Phone no. (502) 426-9660

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No



Commonwealth of Kentucky  
Department of State



Office of Secretary of State

GEORGE GLENN HATCHER, SECRETARY

CERTIFICATE OF AMENDMENT

I, GEORGE GLENN HATCHER, Secretary of State, do hereby certify that the triplicate originals of the articles of amendment of

The Young Men's Christian Association of Louisville, Kentucky changing name to:

THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF LOUISVILLE AND JEFFERSON COUNTY KENTUCKY.

delivered to me are found to be duly signed and acknowledged according to law; that all taxes, fees and charges have been paid; and one original copy is filed and recorded in this office.

This certificate with two original articles of amendment indorsed with the fact and time of recording in this office have been returned to the corporation. The amendment, certifying the time and manner of the adoption thereof, statement of the purposes of said amendment and the changes to be effected, signed and acknowledged according to law by the proper officials of said corporation, and the issuance of this certificate, is evidence of the fact that the above named corporation articles have been amended.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal. Done at Frankfort, this 22<sup>nd</sup> day of December 19 50



SECRETARY OF STATE

*George Glenn Hatcher*  
Secretary of State, Commonwealth of Kentucky

By \_\_\_\_\_  
Deputy, Corporation Clerk

Commonwealth of Kentucky  
Department of State



Office of Secretary of State

THELMA L. STOVALL, SECRETARY

ARTICLES OF AMENDMENT

I, *THELMA L. STOVALL*, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF LOUISVILLE AND JEFFERSON COUNTY KENTUCKY, Louisville, Kentucky changing name to:  
THE YOUNG MENS CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE,

have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

Witness my official signature this 27th day

of December, 19 66  
*Thelma L. Stovall*  
Secretary of State  
*Francis M. Lewis*  
Assistant Secretary of State



SECRETARY OF STATE

THE YOUNG MEN'S CHRISTIAN ASSOCIATION  
OF  
LOUISVILLE AND JEFFERSON COUNTY, KENTUCKY

ARTICLES OF AMENDMENT

TO

ARTICLES OF INCORPORATION

The undersigned being more than two-thirds of the directors of The Young Men's Christian Association of Louisville and Jefferson County, Kentucky, a corporation created by a special act of the General Assembly of Kentucky on April 3, 1878, hereby certify that pursuant to the provisions of Section 273.050 of the Kentucky Revised Statutes, the Charter as amended of said corporation is hereby further amended as follows:

(1) That Article 1 be amended to read as follows:

"ARTICLE 1.

NAME

The name of the corporation shall be THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE".

WITNESS our signatures this 28th day of November, 1966.

<u>William Kermit Puring</u>	<u>James McPhee</u>
<u>John Bracken</u>	<u>William H. Hunt</u>
<u>J. Calvin Hill</u>	<u>William McHarris</u>
<u>Sam Lawrence</u>	<u>James W. Caldwell</u>
<u>Paul Crestant</u>	<u>John W. Johnson</u>
<u>Arthur A. Reed</u>	<u>Oscar B. Smith</u>
<u>Henry Howard</u>	<u>James H. ...</u>
<u>Lawrence W. Geth</u>	<u>Franklin F. ...</u>

1741.1.10002

Frank C. Board

Wayne F. Hartman

John H. Larson

Clifford C. Carter

John A. ...

Walter ...

...

Arthur P. ...

John H. ...

ORIGINAL COPY  
FILED AND RECORDED

DEC 27 1966

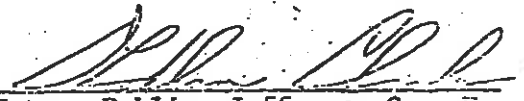
John L. ...  
SECRETARY OF STATE  
LAURENCE M. ...  
ASSISTANT SECRETARY OF STATE

STATE OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

I, a Notary Public, in and for the state and county aforesaid, hereby certify that the foregoing Articles of Amendment to Articles of Incorporation were this day produced to me in said state and county by William Kendrick Ewing, Leo K. Broecker, J. Calvin Hieb, Dave Lawrence, Paul Ahlstedt, Dillman A. Rash, Henry Scheirich, Lauren C. Guth, James H. Pence, William Hayburn II, William H. Marvin, James H. Caldwell, John F. Rabbitt, Oscar G. Stoll, Larry D. Jones, Franklin F. Starks, Jr., J. Fryor Wise, Royce F. Martin, Jr., Clifford C. Vatter, Jr., H. A. Silverman, Arthur P. Evans, Jr., Gayle C. Eush, H. R. Peterson, L. H. Bonn, Horace H. Catenna III, and John W. Barr III, Directors, who acknowledged the same to be the act and deed of each of them and of said corporation.

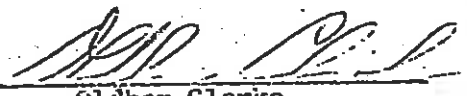
WITNESS my signature this 23th day of November, 1966.

My commission expires: April 2, 1969.

  
Notary Public, Jefferson Co., Ky.

**PAID**  
300  
JAN 23 1967

This instrument prepared by:

  
Oldham Clarice  
1112 Kentucky Home Life Bldg.,  
Louisville, Kentucky

JAMES HALLAHAN, Clerk  
By  D. C.

THE YOUNG MEN'S CHRISTIAN ASSOCIATION  
OF  
LOUISVILLE AND JEFFERSON COUNTY KENTUCKY

AMENDED AND SUBSTITUTED  
ARTICLES OF INCORPORATION

The undersigned, being more than two-thirds of the directors of The Young Men's Christian Association of Louisville Kentucky, a corporation created by a special act of the General Assembly of Kentucky on April 3, 1878, hereby certify that pursuant to the provisions of Section 273.050 of the Kentucky Revised Statutes, the charter, as amended, of said corporation is hereby amended by deleting the same in its entirety and by substituting therefor the following amended and substituted Articles of Incorporation:

ARTICLE 1

NAME

The name of the corporation shall be THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF LOUISVILLE AND JEFFERSON COUNTY KENTUCKY.

ARTICLE 2

CORPORATE PURPOSE

The corporation shall have no capital stock and it shall serve religious, educational and charitable purposes from which no private pecuniary profit shall be derived.

The purpose of the corporation is to help people develop Christian personality and build a Christian Society, and to promote these ends through religious training, education, charitable enterprise, and such other means as may help to attain these purposes.

The corporation shall have all powers conferred upon corporations of this character by the laws of the Commonwealth

of Kentucky, and all powers not forbidden by the laws of the Commonwealth of Kentucky, including but not limited to the power to acquire by gift, purchase, or otherwise, property, real, personal or mixed, and to use and dispose of same by sale, lease, or otherwise, and it shall have the power to borrow money and to secure the payment of same by mortgage upon any, or all of its property, or otherwise.

### ARTICLE 3

#### CORPORATE EXISTENCE

The corporation shall have perpetual existence.

### ARTICLE 4

#### REGISTERED OFFICE AND RESIDENT AGENT

The registered office of the corporation in Kentucky is located at 231 West Broadway, Louisville, Jefferson County, Kentucky. The resident agent of the corporation is Frank F. Dillon, 231 West Broadway, Louisville 2, Kentucky.

### ARTICLE 5

#### MANAGEMENT

The management of the corporation shall be vested in a Metropolitan Board of Directors of not less than nine nor more than twenty-seven, who shall be elected as provided for in the rules for the government and operation of the corporation. The Board shall prescribe the qualifications for membership in said rules. These rules, which may be called Constitution and By-Laws, may be adopted, repealed or amended by the Board of Directors, with the approval of two-thirds of the members of the corporation present at a meeting duly called for the purpose of considering said matter.

ARTICLE 6

No director or officer of the corporation shall be personally liable for any debt or liability of the corporation.

WITNESS our signatures this 11th day of December, 1950.

Charles W. Allen, Jr. Charles E. Price  
Charles W. Allen, Jr. Charles E. Price

John F. Babbitt John Hanson  
John F. Babbitt John Hanson

William C. Clark Lillian A. Nash  
William C. Clark Lillian A. Nash

William C. Embry Robert W. Rounsavall, Jr.  
William C. Embry Robert W. Rounsavall, Jr.

William G. Frederick Gracie R. Rowntree  
William G. Frederick Gracie R. Rowntree

Monnett Hikes Ralph H. Much  
Monnett Hikes Ralph H. Much

Larry D. Jones Henry J. Scheirich  
Larry D. Jones Henry J. Scheirich

Fred A. Kratch Robert L. Schmitt  
Fred A. Kratch Robert L. Schmitt

Dulancy Logan Harry S. Wacker  
Dulancy Logan Harry S. Wacker

David A. McCandless Henry W. Walas  
David A. McCandless Henry W. Walas

Hugh L. Nevin H. Gavin Whitsett  
Hugh L. Nevin H. Gavin Whitsett

Sam V. Hoe  
Sam V. Hoe



STATE OF KENTUCKY :  
: SS  
COUNTY OF JEFFERSON :

I, a Notary Public in and for the State and County aforesaid, hereby certify that the foregoing Amended and Substituted Articles of Incorporation were this day produced to me in said State and County by Charles W. Allen, Jr., John F. Ebbitt, Oldham Clarke, William C. Ebbry, William G. Frederick, Bennett Hicks, Larry D. Jones, Fred A. Kpatch, Eulamey Logan, David A. McCandless, Hugh L. Kevin, Sam V. Koo, Charles E. Price, John Ransom, Dillman A. Kash, Robert W. Rounsavall, Jr., Gradio R. Rowatree, Ralph H. Ruch, Henry J. Schairich, Robert L. Schmitt, Wm. S. Hacker, Henry W. Wales and H. Gavin Whitsett, Directors, who acknowledged the same to be the act and deed of each of them and of said corporation.

WITNESS my signature this 11th day of December, 1950.

My Commission Expires:

My commission expires Sept 27, 1952

*Allen S. Bannock*  
Notary Public Jefferson County, Ky.

ORIGINAL COPY  
FILED AND RECORDED

DATE DEC 30 1950

*George Simon Helcher*  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY

BY *[Signature]* WFOU

Jefferson County  
Book 73  
Page 379

**YOUNG MEN'S CHRISTIAN ASSOCIATION  
OF GREATER LOUISVILLE, INC. AND  
AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**Years Ended December 31, 2013 and 2012**

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## Independent Auditors' Report

To the Board of Directors  
Young Men's Christian Association of Greater Louisville, Inc. and Affiliate  
Louisville, Kentucky

### **Report on the Financial Statements**

We have audited the accompanying consolidated statements of Young Men's Christian Association of Greater Louisville, Inc. (YMCA) and National Safe Place, Inc. (Affiliate) (not-for-profit organizations), which comprise the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organizations' preparation and fair presentation of the consolidated 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 Organizations' 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the YMCA and Affiliate as of December 31, 2013 and 2012, and the consolidated changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position, consolidating statements of activities, and consolidating statements of functional expenses on pages 30-35 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The accompanying schedules of expenditures of federal awards on pages 36 and 37, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation the consolidated financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2014 on our consideration of the YMCA and Affiliate internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering YMCA and Affiliate's internal control over financial reporting and compliance.

*Deming, Malone, Lussary & Ostroff*

Louisville, Kentucky  
May 19, 2014

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
December 31, 2013 and 2012

<b>Assets</b>	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	\$ 16,951,058	\$ 9,937,786
Grants and accounts receivable	1,178,625	1,137,659
Pledges receivable	1,093,395	1,221,780
Prepaid expenses and inventories	478,953	441,515
Certificates of deposit	1,053,579	1,053,579
Investments	4,115,299	3,569,234
Property and equipment, net	44,603,884	43,802,125
Real estate held for others	<u>3,261,554</u>	<u>3,261,554</u>
<b>Total assets</b>	<u>\$ 72,736,347</u>	<u>\$ 64,425,232</u>
 <b>Liabilities and Net Assets</b>		
Accounts payable and accrued expenses	\$ 2,218,796	\$ 2,393,957
Custodial liabilities	70,071	61,966
Debt	20,166,376	16,038,741
Capital lease obligations	416,520	224,513
Real estate held for others	3,261,554	3,261,554
Derivative financial instruments	<u>1,097,785</u>	<u>1,750,928</u>
<b>Total liabilities</b>	<u>27,231,102</u>	<u>23,731,659</u>
 <b>Net Assets</b>		
Unrestricted:		
Board designated reserves	15,642,646	14,018,999
Board designated endowment	3,011,691	2,463,517
Undesignated	<u>22,270,984</u>	<u>18,531,414</u>
	40,925,321	35,013,930
Temporarily restricted	3,242,791	4,342,913
Permanently restricted	<u>1,337,133</u>	<u>1,336,730</u>
<b>Total net assets</b>	<u>45,505,245</u>	<u>40,693,573</u>
 <b>Total liabilities and net assets</b>	 <u>\$ 72,736,347</u>	 <u>\$ 64,425,232</u>

See Notes to Consolidated Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
Years Ended December 31, 2013 and 2012

	2013			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
<b>Public Support, Revenues and Gains</b>				
Public support:				
Contributions	\$ 691,496	\$ 2,536,156	\$ 403	\$ 3,228,055
Special events (net of cost of direct benefits to donors of \$70,376 and \$76,735)	40,462			40,462
Government grants	4,574,639			4,574,639
In-kind donations	185,802	25,381		211,183
Metro United Way grant	95,952	592,310		688,262
Other grants	328,927			328,927
<b>Total public support</b>	<u>5,917,278</u>	<u>3,153,847</u>	<u>403</u>	<u>9,071,528</u>
Revenues and gains:				
Membership dues	17,881,240			17,881,240
Programs	15,936,173			15,936,173
Sales of merchandise	114,490			114,490
Investment income	134,137			134,137
Net realized and unrealized gain on investments	599,393			599,393
Change in fair value of derivative financial instrument	653,143			653,143
Garage and rental income	295,548			295,548
Loss on impairment of building	(120,000)			(120,000)
Miscellaneous	19,393			19,393
<b>Total revenues and gains</b>	<u>35,513,517</u>			<u>35,513,517</u>
Net assets released from restriction	4,253,969	(4,253,969)		
<b>Total public support, revenues, and gains</b>	<u>45,684,764</u>	<u>(1,100,122)</u>	<u>403</u>	<u>44,585,045</u>
<b>Expenses</b>				
Program services	34,996,231			34,996,231
Management and general	4,429,713			4,429,713
Fund-raising	429,286			429,286
<b>Total expenses</b>	<u>39,855,230</u>			<u>39,855,230</u>
<b>Changes in net assets before changes related to acquisition of Youth and Family Services Network, Inc.</b>	5,829,534	(1,100,122)	403	4,729,815
Excess of assets acquired over liabilities assumed in the acquisition of Youth and Family Services Network, Inc.	81,857			81,857
Increase (decrease) in total net assets	5,911,391	(1,100,122)	403	4,811,672
Net assets at beginning of year	35,013,930	4,342,913	1,336,730	40,693,573
Net assets at end of year	<u>\$ 40,925,321</u>	<u>\$ 3,242,791</u>	<u>\$ 1,337,133</u>	<u>\$ 45,505,245</u>

See Notes to Consolidated Financial Statements.

2012

Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 802,149	\$ 362,581	\$ 5,624	\$ 1,170,354
32,968			32,968
4,214,993			4,214,993
33,310	35,289		68,599
29,418	585,573		614,991
337,119			337,119
<u>5,449,957</u>	<u>983,443</u>	<u>5,624</u>	<u>6,439,024</u>
15,377,711			15,377,711
15,759,228			15,759,228
119,534			119,534
139,141			139,141
303,300			303,300
(159,185)			(159,185)
277,727			277,727
<u>18,777</u>			<u>18,777</u>
<u>31,836,233</u>			<u>31,836,233</u>
<u>1,350,720</u>	<u>(1,350,720)</u>		
<u>38,636,910</u>	<u>(367,277)</u>	<u>5,624</u>	<u>38,275,257</u>
32,475,151			32,475,151
3,748,964			3,748,964
397,248			397,248
<u>36,621,363</u>			<u>36,621,363</u>
2,015,547	(367,277)	5,624	1,653,894
<u>2,015,547</u>	<u>(367,277)</u>	<u>5,624</u>	<u>1,653,894</u>
<u>32,998,383</u>	<u>4,710,190</u>	<u>1,331,106</u>	<u>39,039,679</u>
<u>\$ 35,013,930</u>	<u>\$ 4,342,913</u>	<u>\$ 1,336,730</u>	<u>\$ 40,693,573</u>



**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC. AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES**

Years Ended December 31, 2013 and 2012

	2013			2012			
	Program Services	Management and General	Fund - Raising	Program Services	Management and General	Fund - Raising	Total
Salaries and wages	\$ 15,094,917	\$ 2,220,950	\$ 167,396	\$ 14,368,164	\$ 1,797,341	\$ 159,839	\$ 16,325,344
Employee benefits	1,687,968	331,563	23,859	1,585,959	263,974	25,312	1,875,245
Payroll taxes	1,166,524	142,645	19,502	1,218,990	126,929	18,621	1,364,540
Professional fees and contract services	1,281,708	374,631	12,524	1,109,590	280,432	7,160	1,397,182
Supplies	3,744,830	157,161	21,446	3,879,449	228,064	23,546	4,131,059
Telephone	289,086	62,625	1,214	252,727	44,346	1,050	298,123
Postage	141,988	34,462	724	162,959	69,839	2,710	235,508
Occupancy	4,459,632	53,434	9,236	3,913,184	39,653	1,702	3,954,539
Equipment rental and maintenance	1,015,892	54,736	364	849,989	86,739	425	937,153
Printing and promotion	689,978	418,600	113,071	595,324	371,170	93,685	1,060,179
Travel and employee expenses	669,443	32,065	2,369	640,028	21,315	3,951	665,294
Conferences, conventions and meetings	515,986	192,403	49,855	437,365	140,386	52,617	630,368
Conference stipends	145,398			106,552			106,552
Membership dues	282,265	41,408	275	276,052	30,300	650	307,002
Insurance	528,742	34,417	1,540	470,575	18,215	1,480	490,270
Interest	643,921	10,560		467,340	10,560		477,900
Miscellaneous	58,214	34,401	1,411	45,033	14,343		59,376
Depreciation	2,579,739	233,652	4,500	2,095,871	205,358	4,500	2,305,729
<b>Total functional expenses</b>	<b>\$ 34,996,231</b>	<b>\$ 4,429,713</b>	<b>\$ 429,286</b>	<b>\$ 32,475,151</b>	<b>\$ 3,748,964</b>	<b>\$ 397,248</b>	<b>\$ 36,621,363</b>

See Notes to Consolidated Financial Statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

Years Ended December 31, 2013 and 2012

	2013	2012
<b>Cash Flows from Operating Activities</b>		
Cash received from contributions and grants	\$ 6,798,683	\$ 6,243,732
Cash received from services	34,179,040	31,590,858
Cash paid to suppliers and employees	(35,886,966)	(33,057,146)
Interest paid	(672,651)	(478,095)
Interest received	144,008	136,156
	<u>4,562,114</u>	<u>4,435,505</u>
<b>Net cash provided by operating activities</b>		
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(3,016,061)	(6,904,275)
Proceeds from sale of property and equipment		959
Decrease in custodial accounts	8,105	6,336
Reinvested earnings from certificates of deposit		(3,579)
Proceeds from sale of certificates of deposit		6,659
Proceeds from sale of investments	3,334,944	1,267,032
Purchase of investments	(3,281,616)	(1,203,979)
Cash received through acquisition of Youth and Family Services Network, Inc.	81,857	
	<u>(2,872,771)</u>	<u>(6,830,847)</u>
<b>Net cash used in investing activities</b>		
<b>Cash Flows from Financing Activities</b>		
Proceeds from debt	3,861,227	
Contributions for long-term purposes	2,002,803	5,624
Payments on debt	(401,930)	(323,625)
Payments on capital leases	(138,171)	(115,744)
	<u>5,323,929</u>	<u>(433,745)</u>
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in cash and cash equivalents	7,013,272	(2,829,087)
Cash and cash equivalents at beginning of year	<u>9,937,786</u>	<u>12,766,873</u>
Cash and cash equivalents at end of year	<u>\$ 16,951,058</u>	<u>\$ 9,937,786</u>

See Notes to Consolidated Financial Statements.

	<u>2013</u>	<u>2012</u>
<b>Reconciliation of Increase in Total Net Assets to Net Cash Provided by Operating Activities</b>		
<b>Increase in total net assets</b>	<u>\$ 4,811,672</u>	<u>\$ 1,653,894</u>
Adjustments to reconcile increase in total net assets to net cash provided by operating activities:		
Depreciation	2,817,891	2,305,729
Contributions for long term purposes	(2,002,803)	(5,624)
Loss on disposal of property and equipment		4,490
Loss on impairment of building	120,000	
Net realized and unrealized gain on investments	(599,393)	(303,300)
Change in fair value of derivative financial instrument	(653,143)	159,185
Provision for doubtful accounts and discounts	6,336	16,204
In-kind donations of property and equipment		(15,000)
In-kind donations for use of facilities	257,620	247,711
Cash received through acquisition of Youth and Family Services Network, Inc.	(81,857)	
Changes in assets and liabilities:		
(Increase) decrease in:		
Grants and accounts receivable	(50,837)	34,774
Accrued interest	9,871	(2,985)
Pledges receivable	(135,571)	(214,008)
Prepaid expenses and inventories	(37,438)	(56,759)
Increase in:		
Accounts payable and accrued expenses	99,766	611,194
Total adjustments	<u>(249,558)</u>	<u>2,781,611</u>
<b>Net cash provided by operating activities</b>	<u>\$ 4,562,114</u>	<u>\$ 4,435,505</u>
<b>Supplemental Schedule of Non-Cash Investing and Financing Activities</b>		
Bond obligation for facility construction	<u>\$ 668,339</u>	<u>\$ 5,400,000</u>
Capital lease obligation for fitness equipment	<u>\$ 330,178</u>	<u>\$ 107,292</u>
Purchases of property and equipment in accounts payable	<u>\$ 241,205</u>	<u>\$ 516,132</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1. Nature of Operations and Summary of Significant Accounting Policies**

**Nature of operations:**

Young Men's Christian Association of Greater Louisville, Inc. (YMCA) is a not-for-profit, charitable organization dedicated to providing services that are based on Judeo-Christian principles and that enable all persons, regardless of race, religion, income, gender, or physical ability, to achieve their full potential in spirit, mind and body. Within available resources, the YMCA provides services for any youth or adult who desires to participate, regardless of their ability to pay the established membership, class or program fees. The YMCA operates thirteen branches throughout Jefferson, Bullitt, Meade, and Oldham counties in Kentucky.

National Safe Place, Inc. is a not-for-profit, charitable organization that is a controlled affiliate of the YMCA. National Safe Place, Inc. services teens in crisis and shelters nationally for runaway teens through the implementation of the Safe Place Program. Their primary activities include promotional efforts to help shelters seek local businesses to serve as a Safe Place location and as sponsors of the program, training of those business employees as volunteers in the Safe Place program, training shelter staff in understanding best practices in communicating the availability of the concept to teens both in and out of school systems, providing support services to shelters in expanding the local knowledge of the shelter services provided and helping secure accessibility to shelters by teens in crisis. National Safe Place has also undertaken the activity of providing training and technical assistance, through funding from a federal grant, to all federally funded runaway and homeless youth service programs across the United States and its territories. This training is in the form of national grantee meetings, technical assistance clinics, one day trainings, web based training and on-site training visits.

**Summary of significant accounting policies:**

This summary of significant accounting policies of YMCA and National Safe Place, Inc. is presented to assist in understanding the Organizations' consolidated financial statements. The consolidated financial statements and notes are representations of the Organizations' management who is responsible for the integrity and objectivity of the consolidated financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the consolidated financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### **Principles of consolidation:**

The accompanying consolidated financial statements, as of and for the years ended December 31, 2013 and 2012, include the accounts of the YMCA and National Safe Place, Inc. Consolidation is required based on the YMCA's majority voting interest in National Safe Place, Inc. All inter-company balances and transactions have been eliminated in the consolidation.

### **Use of estimates:**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Cash and cash equivalents:**

For purposes of the statement of cash flows, the YMCA and National Safe Place, Inc. considers undesignated cash and investments with original maturities of three months or less, to be cash and cash equivalents excluding those amounts held as part of the investment portfolio.

### **Inventories:**

Inventories of merchandise are stated at the lower of cost or market. Cost is determined by the first-in, first-out (FIFO) method.

### **Investments and credit risk:**

Investments are stated at fair market value as of the date of the consolidated statements of financial position, which is determined based upon the most recent quoted price of the security.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The YMCA has significant investments in equity securities held by an investment manager and is, therefore, subject to concentrations of credit risk. Investments are made by the investment manager and the investments are monitored by the Board of Directors. Though the market value of investments is subject to fluctuations on a year-to-year basis, management believes the investment policy is prudent for the long-term welfare of the Organization.

### Property and equipment:

Property and equipment are stated at cost, or in the case of donated property and equipment, at fair value at the time received. The YMCA's policy is to capitalize expenditures greater than \$5,000 with an estimated life greater than one year. Depreciation is recorded on a straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	10-40
Furniture and equipment	5-10
Vehicles	3-6
Leasehold improvements	3
Software	3

### Designation of unrestricted net assets:

It is the policy of the Board of Directors of the Organization to designate appropriate sums of unrestricted net assets for future maintenance and operations.

### Advertising and promotion:

Advertising and promotion costs are expensed as incurred. Advertising and promotion costs for 2013 and 2012 were \$1,221,650 and \$1,060,807, respectively.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### **Temporarily and permanently restricted net assets:**

Temporarily restricted net assets are those whose uses by the YMCA and National Safe Place, Inc. have been limited by donors to a specific time period or purpose. When the donor restriction expires, or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restriction. A donor restricted contribution is reported as an increase in unrestricted net assets if the restriction expires in the fiscal year in which the entire contribution is received.

Permanently restricted net assets have been restricted by donors to be maintained by the YMCA in perpetuity.

### **Donations other than cash:**

Donations other than cash are recorded at their fair market value as of the date of donation. Donated services must meet the specific expertise requirements and would normally have been purchased before they are recorded. Donations of long-lived assets with explicit restrictions that specify how the assets are to be used and donations of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the YMCA reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

### **Derivative financial instruments:**

The YMCA makes limited use of derivative instruments for the purpose of managing interest rate risks. Interest rate swap agreements are used to convert the YMCA's floating rate long-term debt to a fixed rate (see Note 8). The differentials paid or received on interest rate swap agreements are accrued and recognized as adjustments to interest expense; gains and losses realized upon settlement of these agreements are deferred until the underlying hedged instrument is settled.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At December 31, 2013 and 2012, the YMCA's derivative financial instruments consisted of three interest rate swap agreements entered into with PNC Bank for the purpose of hedging against the risk of interest rate increases on certain variable rate bonds. These derivative financial instruments are recorded on the consolidated statements of financial position at their fair value. The fair value represented on the consolidated statements of financial position is the estimated amount the YMCA would have to pay to cancel the swap agreements. The difference between the floating rate and the swap rate is recognized as a component of interest expense on the consolidated statements of activities. If these interest rate swap agreements are held to maturity, as management intends to do, the cumulative effect of this recognized liability on the change in net assets will be zero.

### **Compensated absences:**

Compensated absences for sick pay and vacation time have not been accrued since they are not accumulated past their calendar year end. The YMCA's policy is to recognize these costs when actually paid.

### **Income tax status:**

The YMCA and National Safe Place, Inc. are exempt from federal, state and local income taxes as not-for-profit corporations as described under Internal Revenue Code Section 501(c)(3). The YMCA and National Safe Place, Inc. file informational tax returns in the U.S. federal jurisdiction and with the Kentucky Office of the Attorney General. However, income from certain activities not directly related to the YMCA and National Safe Place, Inc.'s tax-exempt purpose may be subject to taxation as unrelated business income.

As of December 31, 2013 and 2012, the YMCA and National Safe Place, Inc. did not have any accrued interest or penalties related to income tax liabilities, and no interest or penalties have been charged to operations for the years then ended. Tax years ending on or after December 31, 2010, remain subject to IRS review and change. Tax years still open under state statute of limitations remain subject to review and change.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Impairment of property and equipment:

Management evaluates the recoverability of property and equipment on an ongoing basis and recognizes any impairment in the year of determination. In the opinion of management, a donated building received in 2012 valued at \$120,000 was determined to be impaired and subsequently demolished. The impairment was recorded on the consolidated statements of activities for the year ended December 31, 2013.

### Subsequent events:

Subsequent events have been evaluated through May 19, 2014 which is the date the consolidated financial statements were available to be issued.

### Note 2. Grants and Accounts Receivable

Grants and accounts receivable for the YMCA consist of the following:

	<u>2013</u>	<u>2012</u>
Metro United Way	\$ 303,302	\$ 292,837
Federal grants	531,613	465,763
Program services	189,486	184,008
Other	<u>154,224</u>	<u>195,051</u>
	<u>\$1,178,625</u>	<u>\$1,137,659</u>

### Note 3. Pledges Receivable

The YMCA had outstanding unconditional pledges to give for operations and a capital campaign totaling \$705,612, net of allowance of \$29,677, and net of discount of \$12,493 for 2013. The YMCA had outstanding unconditional pledges to give for operations and a capital campaign totaling \$576,378, net of allowance of \$21,856, and net of discount of \$13,976 for 2012.

The YMCA entered into two in-kind lease contracts for future use of facilities, as described in detail below. The YMCA had outstanding pledge receivables for the future use of the facilities of \$387,783, net of discount of \$8,550 for 2013 and \$645,402, net of discount of \$33,931 for 2012.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Pledge receivables after one year from date of pledge were discounted using interest rates ranging from four to five percent. The pledges receivable related to the campaigns and contracts for future use of facilities as of December 31, 2013 and 2012 were as follows:

	<u>2013</u>	<u>2012</u>
Due less than one year	\$ 905,504	\$ 773,074
Due one to five years	<u>238,611</u>	<u>518,469</u>
	1,144,115	1,291,543
Less discount to net present value	(21,043)	(47,907)
Less allowance for doubtful accounts	<u>(29,677)</u>	<u>(21,856)</u>
 Net unconditional promises to give	 <u>\$1,093,395</u>	 <u>\$1,221,780</u>

In January 2010, the YMCA committed to a 5-year lease with Simons Publishing Company for land and building located at 409 Joe B. Hall Avenue, Shepherdsville, Kentucky 40165. The lease payments are \$1 per year. The lease fair market value of \$735,000 has been recorded in the consolidated statements of financial position as a pledge receivable and discounted accordingly over the term of the lease.

On November 1, 2010, the YMCA committed to a 5-year lease with Jefferson County Fiscal Court for land and building located in Berrytown Park. The lease payments are \$1 per year. The lease fair market value of \$680,000 has been recorded in the consolidated statements of financial position as a pledge receivable and discounted accordingly over the term of the lease.

Future in-kind lease expense related to the pledges receivable included above are as follows:

Year ending December 31, 2014	\$283,000
2015	<u>113,333</u>
	<u>\$396,333</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Note 4. **Certificates of Deposit**

Certificates of deposit for the YMCA and National Safe Place, Inc. consist of nine certificates of deposit, with financial institutions located in Kentucky, with original maturities greater than three months. The interest rates on the certificates of deposit range from 0.40% to 0.85% and maturity dates vary from January 2014 to June 2015.

### Note 5. **Investments**

Accounting principles generally accepted in the United States of America, establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active or inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2013 and 2012.

Common stocks - valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds - valued at the closing price reported on the active market on which the individual securities are traded.

Louisville Community Foundation - valued at net asset value per share based on quoted prices for assets held by the fund.

In-kind assets and liabilities – valued based on independent appraisal reports or on similar like assets.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Investments consisted of the following as of December 31, 2013 and 2012:

	2013		
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Level 1 investments:			
Cash equivalents	\$ 32,916	\$ 32,916	
Common stocks:			
Other	4,600	400	\$ (4,200)
Mutual funds:			
Fixed income funds	910,290	898,720	(11,570)
Equity funds	<u>2,588,157</u>	<u>3,118,375</u>	<u>530,218</u>
Total level 1 investments	3,535,963	4,050,411	514,448
Level 2 investments:			
Louisville Community Foundation	<u>57,194</u>	<u>64,888</u>	<u>7,694</u>
Total investments	<u>\$3,593,157</u>	<u>\$4,115,299</u>	<u>\$522,142</u>
	2012		
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Level 1 investments:			
Cash equivalents	\$ 32,635	\$ 32,635	
Common stocks:			
Consumer discretionary	6,343	8,745	\$ 2,402
Consumer staples	16,221	27,940	11,719
Energy	11,580	21,258	9,678
Financial	4,982	6,998	2,016
Healthcare	7,792	11,254	3,462
Industrials	5,687	5,455	(232)
Information technology	9,059	14,616	5,557
Materials	5,198	5,213	15
Other	4,600	400	(4,200)
Mutual funds:			
Fixed income funds	982,959	1,053,062	70,103
Equity funds	<u>2,041,262</u>	<u>2,324,464</u>	<u>283,202</u>
Total level 1 investments	3,128,318	3,512,040	383,722
Level 2 investments:			
Louisville Community Foundation	<u>54,040</u>	<u>57,194</u>	<u>3,154</u>
Total investments	<u>\$3,182,358</u>	<u>\$3,569,234</u>	<u>\$386,876</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Louisville Community Foundation account has no unfunded commitment and can be redeemed daily, with no redemption notice period, without specific terms or conditions at the underlying investments' net asset value (NAV). The NAV is updated daily.

In-kind tangible assets received and liabilities incurred during 2012 that are measured at their fair market value on a non-recurring basis are as follows:

	2012
	<u>Fair Value</u>
Level 2 in-kinds:	
Vehicle	<u>\$ 15,000</u>

### Note 6. Endowment Funds

The YMCA's endowment funds consist of investments and cash and cash equivalents held in various institutions investment accounts (see Note 5). These investments consist of board designated funds and permanently restricted funds. The board designated endowment funds are for funding the future operations of the YMCA. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The endowment net asset composition by type of fund and changes in endowment net assets as of and for the years ended December 31, 2013 and 2012 are as follows:

	2013		
	Unrestricted – Board Designated Endowment	Donor Permanently Restricted	Total
Endowment net assets, beginning of year	\$2,463,517	\$1,336,730	\$3,800,247
Contributions	1,969	403	2,372
Investment income	118,405		118,405
Unrealized gain	138,420		138,420
Realized gain	460,967		460,967
Transfers to operations	<u>(171,587)</u>	<u>                    </u>	<u>(171,587)</u>
Endowment net assets, end of year	<u>\$3,011,691</u>	<u>\$1,337,133</u>	<u>\$4,348,824</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	2012		
	Unrestricted – Board Designated <u>Endowment</u>	Donor Permanently <u>Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$2,212,195	\$1,331,106	\$3,543,301
Contributions	6,766	5,624	12,390
Investment income	95,622		95,622
Unrealized gain	234,419		234,419
Realized gain	68,881		68,881
Transfers to operations	<u>(154,366)</u>	<u>                    </u>	<u>(154,366)</u>
Endowment net assets, end of year	<u>\$2,463,517</u>	<u>\$1,336,730</u>	<u>\$3,800,247</u>

### Interpretation of relevant laws:

The Board of Directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (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, the YMCA classifies as permanently restricted net assets (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, the YMCA considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### **Return objectives and risk parameters:**

The YMCA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that the YMCA must hold in perpetuity as well as board designated funds. Under this policy, the endowment assets are invested in a manner that is intended to produce results that are comparable to price and yield a total return in excess of the Barclays Intermediate Government/Corporate Index and S&P 500 Index. The YMCA expects its endowment funds, over time, to provide an average rate of return of approximately seven percent annually. Actual returns in any given year may vary from this amount.

### **Strategies employed for achieving objectives:**

To satisfy long-term rate-of-return objectives, the YMCA relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The YMCA targets a diversified asset allocation.

### **Spending policy and how investment objectives relate to spending policy:**

The YMCA has a policy of appropriating for distribution an amount each year as deemed necessary to support their mission. In establishing this policy, the YMCA has considered the long term expected return on its Endowment. Accordingly over the long term, the YMCA expects the current spending policy to allow its Endowment to grow at a rate to cover the annually approved spending policy plus an amount that allows assets over time to keep pace with the long term inflation rate. This is consistent with the YMCA's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment returns.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Note 7. Property and Equipment, Net

A summary of property and equipment and accumulated depreciation at December 31 is as follows:

	<u>2013</u>	<u>2012</u>
Land and improvements	\$ 8,643,296	\$ 8,521,074
Buildings	58,896,608	45,647,369
Furniture and equipment	9,099,361	7,970,061
Vehicles	322,309	311,609
Leasehold improvements	189,545	67,046
Construction in progress (Note 12)	<u>1,216,962</u>	<u>12,382,269</u>
	78,368,081	74,899,428
Less accumulated depreciation	<u>33,740,360</u>	<u>31,097,303</u>
	<u>\$44,603,884</u>	<u>\$43,802,125</u>

### Note 8. Debt

Debt consisted of the following (all terms, collateral and interest rates are presented as of December 31, 2013):

	<u>2013</u>	<u>2012</u>
Industrial Revenue Bond (Note A) with PNC Bank, due in December 2017, with a monthly payment of \$43,205 which includes principal and interest, with an effective swap interest rate of 4.22%. Collateralized by a mortgage on real estate located on Mill Brook Road, Crittenden Drive, S. Second Street, and Quality Place with a net book value of \$7,227,844. A balloon payment of \$5,758,780 is due in December 2017.	\$ 6,763,546	\$ 6,991,976
Industrial Revenue Bond (Note B) with PNC Bank, due in December 2017, with a monthly payment of \$22,042 which includes principal and interest, with an effective swap interest rate of 4.22%. Collateralized by a mortgage on real estate located on Mill Brook Road, with a net book value of \$3,593,110. A balloon payment of \$2,957,530 is due in December 2017.	3,467,211	3,576,331



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>2013</u>	<u>2012</u>
<p>Construction draws from the Industrial Revenue Bond with PNC Bank (Note C) due in December 2018. Draws were made over the initial 18 month period to fund construction of a new facility up to \$10,000,000, with interest only monthly payments due through December 2013 at a variable rate of 65% of the Libor-Bloomberg rate through May 31, 2012 and an effective swap interest rate of 2.5% thereafter. Additional draws on the bond of approximately \$4.5 million were made in 2013. Collateralized by a mortgage on real estate located at Norton Commons and the personal property located or pertaining to the property. Also collateralized by the gross revenues of the YMCA.</p>	<u>9,935,619</u>	<u>5,470,434</u>
	<u>\$20,166,376</u>	<u>\$16,038,741</u>

In 2007, the YMCA entered into an interest rate swap agreement with PNC Bank concerning the City of Lyndon, Kentucky Cultural and Educational Development Revenue Bonds, Series 2007 (Note A) with a remaining notional amount as of December 31, 2013, of approximately \$6,764,000. Under this swap agreement, a fixed swap interest rate of 4.22% is charged instead of a floating rate of 65% of the Bank's Index Rate. The swap agreement has a liability of \$634,447 recognized on the consolidated statements of financial position at December 31, 2013. The swap agreement matures on December 14, 2017.

In 2007, the YMCA entered into an interest rate swap agreement with PNC Bank concerning the City of Lyndon, Kentucky Cultural and Educational Development Revenue Bonds, Series 2007 (Note B) with a remaining notional amount as of December 31, 2013 of approximately \$3,467,000. Under this swap agreement, a fixed swap interest rate of 4.22% is charged instead of a floating rate of 65% of the Bank's Index Rate. The swap agreement has a liability of \$329,442 recognized on the consolidated statements of financial position at December 31, 2013. The swap agreement matures on December 14, 2017.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In 2011, the YMCA entered into an interest rate swap agreement with PNC Bank concerning the City of Lyndon, Kentucky Cultural and Recreational Development Revenue Bonds, Series 2011 (Note C) with a current notional amount as of December 31, 2013 of approximately \$9,936,000. Under this swap agreement, a fixed interest rate of 2.5% is charged instead of a floating rate of 65% of the Libor-Bloomberg Index rate. The swap agreement has a liability of \$133,896 recognized on the consolidated statements of financial position at December 31, 2013. The swap agreement matures on December 1, 2018.

The above interest rate swaps are considered derivative financial instruments and are classified as level 2 (fair value hierarchy as described in Note 5) and are included in liabilities on the consolidated statements of financial position. The fair value represents the estimated amount the YMCA would have to pay to cancel the swap agreements. The fair values of the derivatives have been estimated by an independent third party. The third party estimates are based upon models and forward rate assumptions in order to predict future cash flows on the floating side. The cash flows are then compared to the cash flows on the fixed side. The model then takes the net of the future payment amounts and uses the net present value to derive all values. Losses relating to their swap contracts totaled \$336,755 and \$244,928 for the years ended December 31, 2013 and 2012, respectively. The losses are included in interest expense and are reported in the consolidated statements of functional expenses.

As the YMCA makes its monthly installment payments, if the bank's rate is below the swap rate, then the YMCA pays the difference. If the bank's rate exceeds the swap rate, the YMCA is reimbursed from the bank. These arrangements effectively provide a fixed rate component of the total interest rate charged on these loans.

The future principal maturities of all debt are as follows:

Year ending December 31, 2014	\$ 769,020
2015	776,201
2016	802,470
2017	9,511,404
2018	<u>8,307,281</u>
	<u>\$20,166,376</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Note 9. Donated Land Held for Others

The YMCA entered into an agreement with Norton Commons, LLC in 2011 to receive 12.494 acres of land. As part of this agreement with Norton Commons, the YMCA agreed to provide the Board of Education of Jefferson County, Kentucky an exclusive and irrevocable option to receive 6.494 acres of the tract of land, until March 1, 2015. The Board of Education of Jefferson County shall exercise their option by providing written notice to the YMCA no later than March 1, 2015. In the event that the Board of Education of Jefferson County does not exercise the Option, the YMCA agrees to record a restrictive covenant agreement that includes the restriction on the sale of the 6.494 acres without prior written consent of Norton Commons and a restriction that the property must be used only for civic use as contemplated by the applicable restrictions as approved by Norton Commons.

### Note 10. Capital Leases

The YMCA has several fitness equipment leases that have been classified as capital leases. The economic substance of the leases is that the YMCA is financing the acquisition of fitness equipment through leases and, accordingly, the leases are recorded in the Company's assets and liabilities.

The future annual minimum lease payments and their net present value are as follows:

Year ending December 31, 2014	\$132,961
2015	114,703
2016	95,998
2017	84,131
2018	<u>20,112</u>
Total minimum lease payments	447,905
Less amount representing interest	<u>(31,385)</u>
Present value of minimum lease payments	<u>\$416,520</u>

The following is an analysis of the leased assets included in property and equipment:

Equipment	\$ 645,185
Accumulated amortization	<u>(236,345)</u>
	<u>\$ 408,840</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Note 11. Changes in Temporarily and Permanently Restricted Net Assets

Temporarily restricted:

<u>Program</u>	<u>Balance</u> <u>12-31-12</u>	<u>Revenues</u>	<u>Released from</u> <u>Restrictions</u>	<u>Balance</u> <u>12-31-13</u>
Comprehensive Youth Development (MUW)	\$ 57,431	\$ 116,093	\$ (115,477)	\$ 58,047
Day Care Programs (MUW)	66,179	133,862	(133,110)	66,931
Housing Programs (MUW)	133,068	268,909	(267,523)	134,454
Berrytown After School Program (MUW)	6,027	12,439	(12,246)	6,220
Oldham County summer camp (MUW)	5,981	12,439	(12,200)	6,220
Black Achievers (MUW)	4,269	8,885	(8,711)	4,443
Project NOW (MUW)	19,831	39,683	(39,674)	19,840
Berrytown Corner Store	6,000		(6,000)	
Bullitt Co. capital	16,322			16,322
Black Achiever program	6,375			6,375
Annual Giving Campaign	362,581	496,156	(362,581)	496,156
Safe Place Services		15,000		15,000
Shelter House		25,000		25,000
West Louisville project		2,000,000		2,000,000
Berrytown – In-kind use of facility	362,492	14,291	(136,000)	240,783
Bullitt County – In-kind use of facility	282,910	11,090	(147,000)	147,000
Norton Commons land donation	<u>3,013,447</u>		<u>(3,013,447)</u>	
	<u>\$4,342,913</u>	<u>\$3,153,847</u>	<u>\$(4,253,969)</u>	<u>\$3,242,791</u>

<u>Program</u>	<u>Balance</u> <u>12-31-11</u>	<u>Revenues</u>	<u>Released from</u> <u>Restrictions</u>	<u>Balance</u> <u>12-31-12</u>
Comprehensive Youth Development (MUW)	\$ 58,314	\$ 114,858	\$ (115,741)	\$ 57,431
Day Care Programs (MUW)	67,225	132,358	(133,404)	66,179
Housing Programs (MUW)	135,138	266,135	(268,205)	133,068
Berrytown After School Program (MUW)	6,130	12,056	(12,159)	6,027
Berrytown Corner Store	14,000		(8,000)	6,000
Oldham County summer camp (MUW)	5,701	11,965	(11,685)	5,981
Bullitt Co. capital	16,322			16,322
Black Achiever program	6,375			6,375
Annual Giving Campaign	321,524	362,581	(321,524)	362,581
Black Achievers (MUW)	4,379	8,538	(8,648)	4,269
Safe Place Services	15,000		(15,000)	
Project NOW (MUW)	20,033	39,663	(39,865)	19,831
Financial Education Initiative	86,489		(86,489)	
Heroes Program	47,000		(47,000)	
Berrytown – In-kind use of facility	479,521	18,971	(136,000)	362,492
Bullitt County – In-kind use of facility	413,592	16,318	(147,000)	282,910
Norton Commons land donation	<u>3,013,447</u>			<u>3,013,447</u>
	<u>\$4,710,190</u>	<u>\$983,443</u>	<u>\$(1,350,720)</u>	<u>\$4,342,913</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Permanently restricted:

<u>Program</u>	<u>Balance 12-31-12</u>	<u>Contributions</u>	<u>Balance 12-31-13</u>
Endowments	\$1,234,521	\$403	\$1,234,924
Bob Hook, Sr. Memorial	11,779		11,779
Bill Ewing Memorial	7,000		7,000
Safe Place Services:			
Joan Cralle Day Fund	41,000		41,000
Joyce Skees Memorial	8,101		8,101
Camp Piomingo:			
Boyce Greer Memorial	30,715		30,715
Roy Griffin Fund	870		870
William Early Fund	1,211		1,211
Chestnut Street:			
Robert Lee Christman Fund	300		300
Reela O. Alexander Fund	<u>1,233</u>		<u>1,233</u>
	<u>\$1,336,730</u>	<u>\$403</u>	<u>\$1,337,133</u>

<u>Program</u>	<u>Balance 12-31-11</u>	<u>Contributions</u>	<u>Balance 12-31-12</u>
Endowments	\$1,228,897	\$5,624	\$1,234,521
Bob Hook, Sr. Memorial	11,779		11,779
Bill Ewing Memorial	7,000		7,000
Safe Place Services:			
Joan Cralle Day Fund	41,000		41,000
Joyce Skees Memorial	8,101		8,101
Camp Piomingo:			
Boyce Greer Memorial	30,715		30,715
Roy Griffin Fund	870		870
William Early Fund	1,211		1,211
Chestnut Street:			
Robert Lee Christman Fund	300		300
Reela O. Alexander Fund	<u>1,233</u>		<u>1,233</u>
	<u>\$1,331,106</u>	<u>\$5,624</u>	<u>\$1,336,730</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The majority of the permanent endowments have no specific use restrictions; therefore, the interest income from these assets is utilized for general operations of the YMCA. Gains and losses (net appreciation and depreciation) on permanent endowment fund investments will be recorded as an increase (decrease) in unrestricted board designated endowment net assets unless the donor has explicitly restricted the use of the net appreciation and depreciation.

### **Note 12. Construction in Progress**

At December 31, 2013, the YMCA had expended approximately \$1,270,000 in planning and demolition costs, including \$21,182 of capitalized interest, for a new facility located in West Louisville. Total costs for the project, are estimated to be approximately \$26 million and construction is anticipated to begin in late 2014. The project will be financed with \$4 million in donations, \$6 million in cash provided by the YMCA, and the remainder from other sources. The estimated completion is late 2015.

### **Note 13. Memorandum of Agreement Commitment**

As the result of a Memorandum of Agreement with the Board of Education for the Jefferson County Public School District (JCPS), the YMCA paid \$295,000 in 2013 and \$289,000 in 2012 to offset JCPS's expenses for hosting the Childcare Enrichment Program and to assure its continuation and expansion.

### **Note 14. Retirement Plan**

The YMCA is a member of the National YMCA Retirement Fund, a separate corporation that administers the retirement plan. The plan is a co-contributory, defined contribution, individual account, money purchase retirement plan for the benefit of virtually all full-time and qualified part-time YMCA employees. The YMCA vesting periods are a two year waiting period and immediate vesting, qualified employee contributions are voluntary. The YMCA contributed 12% of the employee's compensation. The YMCA's contributions were \$1,168,502 for 2013 and \$1,162,517 for 2012.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Note 15. Concentration of Cash

The YMCA and National Safe Place, Inc. maintain cash balances at several financial institutions located in the Louisville, Kentucky area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2013, the YMCA and National Safe Place, Inc.'s uninsured cash balances totaled approximately \$17 million. Cash balances fluctuate based upon operating needs and the timing of deposit and check clearing activity. Management believes that these financial institutions are of sufficient size to provide financial security of uninsured balances and does not believe the Organizations are exposed to any significant credit risk.

### Note 16. Operating Leases

In November 2004, the YMCA committed to a long-term lease for space located at the Middletown Plaza, 12330 Shelbyville Road, Middletown, Kentucky 40243. In February 2013, the term of lease was extended for an additional three years, however the amount of square footage was reduced from 12,900 square feet to approximately 11,500 square feet. The monthly lease payments are \$8,000. The facility is used for health, fitness, and youth services.

In December 2001, the YMCA entered into a contract with Jefferson County Fiscal Court, whereby the YMCA operates a facility located in Berrytown Park as a YMCA branch. The land and building is owned by Jefferson County and will be leased to the YMCA for a term of three years at a cost of \$1 per year with three five-year renewal options. The YMCA supplied equipment and furnishings for this facility at an estimated cost of \$187,000. The lease agreement was effective November 1, 2002 and the second five year renewal option was exercised on November 1, 2010. The lease fair market value of \$136,000 has been recorded in the consolidated statements of activities as occupancy expense for 2013 and 2012.

In January 2010, the YMCA committed to a five-year lease with Simons Publishing Company for land and building located at 409 Joe B. Hall Avenue, Shepherdsville, Kentucky 40165. The lease payments are \$1 per year. The facility is used for health, fitness and youth services. The lease fair market value of \$147,000 has been recorded in the consolidated statements of activities as occupancy expense for 2013 and 2012.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In February 1975, the YMCA committed to a 20 year lease with an option to extend the term of the lease for six five-year renewal options with the Louisville Water Company. The lease for the land located at the Southwest Branch is in its fourth renewal option period. The lease payments are \$100 per month with additional consideration to erect and maintain on the premise leasehold improvements. The Lessor may terminate the lease with a nine month written notice. In the event that the Lessor should reoccupy the entire leased premises the Lessor shall pay the Lessee a sum equal to the depreciated cost of the improvements surrendered.

In February 1987, the YMCA committed to a fifty year lease with Metro Louisville Government, to operate Camp Piomingo. Camp Piomingo is located inside Otter Creek Outdoor Recreational Area, in Meade County Kentucky. Under the lease agreement the YMCA is responsible for the maintenance of all buildings, swimming pools and structures on the property and the general maintenance of the grounds, utilities, and maintaining insurance. Quarterly lease payments are \$1,975 for the duration of the lease. In 2011 the Park was acquired by the Commonwealth of Kentucky Fish and Wildlife Department. The Kentucky Fish and Wildlife Department has agreed to maintain the current lease agreement terms during the negotiations of a new lease agreement with the Department. At December 31, 2013 no new lease agreement had been signed by the YMCA.

In January 2002, the YMCA committed to a 15-year lease with Jewish Hospital and St. Mary Elizabeth, Inc. for a 15,342 square feet facility located at 6801 Dixie Highway, Louisville, Kentucky to be utilized for health, fitness and youth services. Monthly lease payments were approximately \$21,000 for both years 2013 and 2012.

In December 2012, National Safe Place, Inc. committed to a five year lease with BJ Real Estate, LLC, for a building located at 2429 Crittenden Drive, Louisville, Kentucky to be utilized for their administrative offices. Monthly lease payments were \$5,000 for both the years 2013 and 2012.

The YMCA has committed to seven leases for fitness equipment to be used at various facilities. The leases start date ranges from January 2011 through July 2013 and are over periods ranging from 24 to 37 months. The leases are structured as operating leases with monthly payments ranging from \$1,079 to \$20,224 per lease.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Following is the future minimum operating lease payments pertaining to the leases described above:

December 31, 2014	\$996,396
2015	857,250
2016	584,947
2017	62,900
2018	7,900

### **Note 17. Litigation**

The YMCA is a defendant in four litigations relating to personal injury claims. While the final outcome cannot be determined at this time, management is of the opinion that the ultimate liability, if any, from the final resolution of these matters will not have a material effect on the Organizations' consolidated financial statements.

### **Note 18. Long-Term Grant for Runaway and Homeless Youth Program**

National Safe Place, Inc. was awarded a five year grant from the U.S. Department of Health and Human Services in September 2012 for approximately \$10.5 million to conduct the Runaway and Homeless Youth Training and Technical Assistance Center program. The grant will be payable to the Organization over a five year period of up to \$2.1 million a year. As part of the grant agreement National Safe Place, Inc. is required to provide 10% a year in non-federal matching contributions to the program. For the years ended December 31, 2013 and 2012, \$1,280,189 and \$396,137, respectively, were recognized in grant revenue.

### **Note 19. Acquisition of Youth and Family Services Network, Inc.**

National Safe Place, Inc. acquired Youth and Family Services Network, Inc., in June 2013. Youth and Family Services Network, Inc. is a 501(c)(3) organization based in Florida that offers training and technical assistance to its youth and family service member organizations. Through this acquisition, National Safe Place, Inc. seeks to further its mission by increasing their services to members and licensed Safe Place organizations. As part of the acquisition, National Safe Place, Inc. received \$81,857 in cash from Youth and Family Services Network, Inc. National Safe Place, Inc. incurred \$10,213 in acquisition related costs, which is included in management and general professional fees in the Organization's consolidated statements of activities for the year ended December 31, 2013.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### **Note 20. Partially Self-Funded Insured Health Insurance Plan**

Effective September 1, 2013, the YMCA adopted a partially self-funded insurance program for its employees' health care costs. Prior to this, the YMCA had a fully insured health care plan. Under the partially self-funded insurance program, the YMCA is liable for losses up to a fixed dollar amount per covered participant per plan year of \$100,000 with any excess benefit claims being paid by the third-party insurance company under the contract up to a maximum of aggregate stop loss limit of approximately \$1,000,000 per participant. The total liability for partially self-funded insurance costs included in the accrued expenses was approximately \$165,000 at December 31, 2013.

### **Note 21. Subsequent Events**

In May 2014, the YMCA entered into a contract to purchase a facility located next to the Oldham County branch for \$1.3 million, to be used as an indoor soccer arena. Prior to purchase of this facility the YMCA is on a month to month lease.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
December 31, 2013**

<b>Assets</b>	YMCA of Greater Louisville, Inc.	National Safe Place, Inc.	Eliminations	Consolidated
Cash and cash equivalents	\$ 16,951,058			\$ 16,951,058
Grants and accounts receivable	992,683	\$ 310,625	\$ (124,683)	1,178,625
Pledges receivable	1,041,388	52,007		1,093,395
Prepaid expenses and inventories	449,029	30,298	(374)	478,953
Certificates of deposit	753,579	300,000		1,053,579
Investments	4,115,299			4,115,299
Property and equipment, net	44,560,565	43,319		44,603,884
Real estate held for others	<u>3,261,554</u>			<u>3,261,554</u>
<b>Total assets</b>	<u>\$ 72,125,155</u>	<u>\$ 736,249</u>	<u>\$ (125,057)</u>	<u>\$ 72,736,347</u>
 <b>Liabilities and Net Assets</b>				
Accounts payable and accrued expenses	\$ 2,153,928	\$ 63,674	\$ 1,194	\$ 2,218,796
Due to YMCA		126,251	(126,251)	
Custodial liabilities	70,071			70,071
Debt	20,166,376			20,166,376
Capital lease obligations	416,520			416,520
Real estate held for others	3,261,554			3,261,554
Derivative financial instruments	<u>1,097,785</u>			<u>1,097,785</u>
<b>Total liabilities</b>	<u>27,166,234</u>	<u>189,925</u>	<u>(125,057)</u>	<u>27,231,102</u>
 <b>Net Assets</b>				
Unrestricted:				
Board designated reserves	15,252,276	390,370		15,642,646
Board designated endowment	3,011,691			3,011,691
Undesignated	<u>22,125,872</u>	<u>145,112</u>		<u>22,270,984</u>
	40,389,839	535,482		40,925,321
Temporarily restricted	3,231,949	10,842		3,242,791
Permanently restricted	<u>1,337,133</u>			<u>1,337,133</u>
<b>Total net assets</b>	<u>44,958,921</u>	<u>546,324</u>		<u>45,505,245</u>
<b>Total liabilities and net assets</b>	<u>\$ 72,125,155</u>	<u>\$ 736,249</u>	<u>\$ (125,057)</u>	<u>\$ 72,736,347</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
December 31, 2012**

<b>Assets</b>	<u>YMCA of Greater Louisville, Inc.</u>	<u>National Safe Place, Inc.</u>	<u>Eliminations</u>	<u>Consolidated</u>
Cash and cash equivalents	\$ 9,882,043	\$ 55,743		\$ 9,937,786
Grants and accounts receivable	984,485	227,828	\$ (74,654)	1,137,659
Pledges receivable	1,180,261	41,519		1,221,780
Prepaid expenses and inventories	361,217	80,631	(333)	441,515
Certificates of deposit	753,579	300,000		1,053,579
Investments	3,569,234			3,569,234
Property and equipment, net	43,793,610	8,515		43,802,125
Real estate held for others	<u>3,261,554</u>	<u>          </u>	<u>          </u>	<u>3,261,554</u>
<b>Total assets</b>	<b><u>\$ 63,785,983</u></b>	<b><u>\$ 714,236</u></b>	<b><u>\$ (74,987)</u></b>	<b><u>\$ 64,425,232</u></b>
 <b>Liabilities and Net Assets</b>				
Accounts payable and accrued expenses	\$ 2,214,277	\$ 179,064	\$ 616	\$ 2,393,957
Due to YMCA		75,603	(75,603)	
Custodial liabilities	61,966			61,966
Debt	16,038,741			16,038,741
Capital lease obligations	224,513			224,513
Real estate held for others	3,261,554			3,261,554
Derivative financial instruments	<u>1,750,928</u>	<u>          </u>	<u>          </u>	<u>1,750,928</u>
<b>Total liabilities</b>	<b><u>23,551,979</u></b>	<b><u>254,667</u></b>	<b><u>(74,987)</u></b>	<b><u>23,731,659</u></b>
 <b>Net Assets</b>				
Unrestricted:				
Board designated reserves	13,672,018	346,981		14,018,999
Board designated endowment	2,463,517			2,463,517
Undesignated	<u>18,418,826</u>	<u>112,588</u>	<u>          </u>	<u>18,531,414</u>
	34,554,361	459,569		35,013,930
Temporarily restricted	4,342,913			4,342,913
Permanently restricted	<u>1,336,730</u>	<u>          </u>	<u>          </u>	<u>1,336,730</u>
<b>Total net assets</b>	<b><u>40,234,004</u></b>	<b><u>459,569</u></b>	<b><u>          </u></b>	<b><u>40,693,573</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 63,785,983</u></b>	<b><u>\$ 714,236</u></b>	<b><u>\$ (74,987)</u></b>	<b><u>\$ 64,425,232</u></b>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC. AND AFFILIATE**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
 Year Ended December 31, 2013

	YMCA of Greater Louisville, Inc.			National Safe Place, Inc.			Consolidated					
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Total	Eliminations	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support, Revenues and Gains												
Contributions	\$ 255,156	\$ 2,525,314	\$	\$ 2,780,470	\$ 436,340	\$ 10,842	\$ 447,182	\$	\$ 691,496	\$ 2,536,156	\$	\$ 3,228,655
Special events (net of cost of direct benefits to donors of \$70,376)	40,462			40,462					40,462			40,462
Government grants	3,294,450		25,381	3,294,450	1,280,189		1,280,189	(800)	4,574,639			4,574,639
In-kind donations	39,462			64,843	146,340		146,340		185,802			211,183
Metro United Way grant	95,952	592,310		688,262					95,952	592,310		688,262
Other grants	328,927			328,927					328,927			328,927
Total public support	4,054,409	3,143,005	403	7,197,817	1,862,869	10,842	1,873,711		5,917,278	3,153,847	403	9,071,528
Revenues and gains:												
Membership dues	17,746,556			17,746,556	135,684		135,684	\$ (800)	17,881,240			17,881,240
Programs	15,992,288			15,992,288	3,785		3,785		15,996,173			15,996,173
Sales of merchandise	61,410			61,410	53,080		53,080		114,490			114,490
Management fees	131,857			131,857	2,280		2,280		134,137			134,137
Net realized and unrealized gains on investments	1,029,638			1,029,638				(1,029,638)	599,393			599,393
Change in fair value of derivative financial instrument	599,393			599,393								
Change and rental income	653,143			653,143					653,143			653,143
Loss on impairment of building	295,548			295,548					295,548			295,548
Miscellaneous	(120,000)			(120,000)	468		468	(520)	(120,000)			(120,000)
Total revenues and gains	19,445			19,445	468		468	(520)	19,395			19,395
Net assets released from restriction	36,349,178			36,349,178	195,297		195,297	(1,030,958)	35,513,517			35,513,517
Total public support, revenues, and gains	4,253,969	(4,253,969)							4,253,969			4,253,969
Change in net assets before changes related to acquisition of Youth and Family Services Network, Inc.	44,657,556	(11,109,664)	403	43,546,995	2,058,166	10,842	2,069,008	(1,030,958)	45,684,764	(1,100,122)	403	44,585,045
Expenses												
Program services	34,051,808			34,051,808	1,602,412		1,602,412	(657,980)	34,996,231			34,996,231
Management and general	4,368,002			4,368,002	559,778		559,778	(298,087)	4,429,713			4,429,713
Fund-raising	402,268			402,268	101,920		101,920	(74,902)	429,286			429,286
Total expenses	38,822,078			38,822,078	2,064,110		2,064,110	(1,030,958)	39,855,230			39,855,230
Change in net assets before changes related to acquisition of Youth and Family Services Network, Inc.	5,835,478	(11,109,664)	403	4,724,917	(5,944)	10,842	4,898		5,829,534	(1,100,122)	403	4,729,815
Excess of assets acquired over liabilities assumed in the acquisition of Youth and Family Services Network, Inc.					81,857		81,857		81,857			81,857
Increase (decrease) in total net assets	5,835,478	(11,109,664)	403	4,724,917	75,913	10,842	86,755		5,911,391	(1,100,122)	403	4,811,672
Net assets at beginning of year	34,554,361	4,342,913	1,336,730	40,234,004	459,569		459,569		35,013,920	4,342,913	1,336,730	40,693,573
Net assets at end of year	\$ 40,389,839	\$ 3,231,949	\$ 1,337,133	\$ 44,958,921	\$ 535,482	\$ 10,842	\$ 546,324	\$	\$ 40,925,321	\$ 3,242,791	\$ 1,337,133	\$ 45,505,245

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC. AND AFFILIATE**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2012

	YMCA of Greater Louisville, Inc.		National Safe Place, Inc.		Consolidated		
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Total
<b>Public Support, Revenues and Gains</b>							
Public support:	\$ 414,107	\$ 362,581	\$ 782,312	\$ 388,042	\$ 388,042	\$ 802,149	\$ 1,170,354
Contributions	32,968		32,968			32,968	32,968
Special events (net of cost of direct benefits to donors of \$72,714)	3,804,436	35,289	410,557	410,557		4,214,993	4,214,993
Government grants	33,310	68,599	68,599			33,310	68,599
In-kind donations	29,418	585,573	614,991			29,418	614,991
Mem United Way grant	337,119		337,119			337,119	337,119
Other grants	4,551,358	983,443	5,640,425	798,599		5,449,957	6,439,024
<b>Total public support</b>	<b>5,624</b>	<b>5,624</b>	<b>5,624</b>	<b>5,624</b>		<b>5,624</b>	<b>5,624</b>
Revenues and gains:							
Membership dues	15,262,760		15,262,760	115,751		15,377,711	15,377,711
Programs	15,678,072		15,678,072	81,156		15,759,228	15,759,228
Sale of merchandise	73,092		73,092	46,442		119,534	119,534
Investment income	136,814		136,814	2,327		139,141	139,141
Management fees	491,438		491,438		(491,438)	309,300	309,300
Net realized and unrealized gains on investments	303,300		303,300				
Change in fair value of derivative financial instrument	(159,185)		(159,185)			(159,185)	(159,185)
Garage and rental income	277,727		277,727		(20,107)	277,727	277,727
Miscellaneous	38,884		38,884			18,777	18,777
<b>Total revenues and gains</b>	<b>32,102,902</b>		<b>32,102,902</b>	<b>245,676</b>		<b>31,856,235</b>	<b>31,856,235</b>
Net assets released from restriction	1,308,720	(1,308,720)		47,000		1,350,720	
<b>Total public support, revenues, and gains</b>	<b>38,057,980</b>	<b>(320,277)</b>	<b>37,733,327</b>	<b>1,091,275</b>	<b>(47,000)</b>	<b>38,636,910</b>	<b>(367,277)</b>
<b>Expenses</b>							
Program services	31,871,001		31,871,001	973,423		32,475,151	32,475,151
Management and general	3,713,905		3,713,905	118,900		3,748,964	3,748,964
Fund-raising	387,169		387,169	67,210		397,248	397,248
Total expenses	35,972,075		35,972,075	1,161,633		36,621,365	36,621,365
Increase in total net assets	2,085,905	(320,277)	1,771,252	(70,358)	(47,000)	2,015,547	1,653,894
Net assets at beginning of year	32,468,456	4,603,190	38,462,792	529,927	47,000	32,998,383	39,089,679
Net assets at end of year	<u>\$34,554,361</u>	<u>\$4,342,913</u>	<u>\$40,234,004</u>	<u>\$ 459,569</u>	<u>\$ 47,000</u>	<u>\$ 35,013,930</u>	<u>\$ 40,693,573</u>

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC. AND AFFILIATE  
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended December 31, 2013

	YMCA of Greater Louisville, Inc.				National Safe Place, Inc.				Consolidated				
	Program Services	Management and General	Fund - Raising	Total	Program Services	Management and General	Fund - Raising	Total	Eliminations	Program Services	Management and General	Fund - Raising	Total
Salaries and wages	\$15,094,917	\$ 2,220,950	\$ 167,396	\$17,483,263	\$ 657,189	\$ 61,567	\$ 74,902	\$ 793,658	\$ (793,658)	\$15,094,917	\$ 2,220,950	\$ 167,396	\$17,483,263
Employee benefits	1,687,968	331,563	23,859	2,043,390	214,585	277,300	6,978	498,863	(236,500)	1,687,968	331,563	23,859	2,043,390
Payroll taxes	1,166,524	142,645	19,502	1,328,671	47,729	2,763	3,684	54,176	(54,176)	1,166,524	142,645	19,502	1,328,671
Management fees													
Professional fees and contract services	1,067,123	333,831	5,546	1,406,500	277,300	2,763	6,978	286,041	(286,041)	1,067,123	333,831	5,546	1,406,500
Supplies	3,697,101	154,398	17,762	3,869,261	47,729	2,763	3,684	54,176	(54,176)	3,697,101	154,398	17,762	3,869,261
Telephone	277,886	61,715	378	339,601	11,200	910	1,214	13,324	(1,214)	277,886	61,715	378	339,601
Postage	136,628	34,289	378	171,295	5,360	173	346	5,879	(5,879)	136,628	34,289	378	171,295
Occupancy	4,401,351	46,794	383	4,448,528	58,281	6,640	8,853	73,774	(73,774)	4,401,351	46,794	383	4,448,528
Equipment rental and maintenance	1,014,916	54,625	216	1,069,757	976	111	148	1,235	(1,235)	1,014,916	54,625	216	1,069,757
Printing and promotion	567,295	418,600	113,071	1,098,966	122,683			122,683		567,295	418,600	113,071	1,098,966
Travel and employee expenses	584,724	32,065	2,369	619,158	84,719	4,201	5,255	223,577	(223,577)	584,724	32,065	2,369	619,158
Conferences, conventions and meetings	302,085	188,202	44,600	534,887	213,901			145,398	(145,398)	302,085	188,202	44,600	534,887
Conference stipends					145,398			145,398					
Membership dues	281,724	35,795	275	317,794	1,341	5,613	540	6,954	(800)	281,724	35,795	275	317,794
Insurance	525,187	34,012	1,000	560,199	3,533	405	540	4,500		525,187	34,012	1,000	560,199
Interest	643,921	10,560		654,481						643,921	10,560		654,481
Miscellaneous	39,107	34,306	1,411	74,824	19,107	95		19,202		39,107	34,306	1,411	74,824
Depreciation	2,563,351	233,652	4,500	2,801,503	16,388			16,388		2,563,351	233,652	4,500	2,801,503
<b>Total functional expenses</b>	<b>\$34,051,808</b>	<b>\$ 4,368,002</b>	<b>\$ 402,268</b>	<b>\$38,822,078</b>	<b>\$1,602,412</b>	<b>\$ 359,778</b>	<b>\$ 101,920</b>	<b>\$ 2,064,110</b>	<b>\$ (1,030,958)</b>	<b>\$34,996,231</b>	<b>\$ 4,429,713</b>	<b>\$ 429,286</b>	<b>\$ 39,855,230</b>

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC. AND AFFILIATE  
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended December 31, 2012

	YMCA of Greater Louisville, Inc.				National State Place, Inc.				Consolidated				
	Program Services	Management and General	Fund - Raising	Total	Program Services	Management and General	Fund - Raising	Total	Eliminations	Program Services	Management and General	Fund - Raising	Total
Salaries and wages	\$ 14,368,164	\$ 1,797,341	\$ 159,839	\$ 16,325,344						\$ 14,368,164	\$ 1,797,341	\$ 159,839	\$ 16,325,344
Employee benefits	1,585,959	263,974	25,312	1,875,245						1,585,959	263,974	25,312	1,875,245
Payroll taxes	1,218,990	126,929	18,621	1,364,540						1,218,990	126,929	18,621	1,364,540
Management fees					\$ 356,253	\$ 42,221	\$ 55,071	\$ 453,545	\$ (453,545)				
Professional fees and contract services	989,221	257,122	4,083	1,250,426	120,369	63,310	3,077	186,756	(40,000)	1,109,590	280,432	7,160	1,397,182
Supplies	3,859,670	226,620	21,620	4,107,910	19,779	1,444	1,926	23,149		3,879,449	228,064	23,546	4,131,059
Telephone	244,178	43,538		287,736	8,549	788	1,050	10,387		232,727	44,346	1,050	298,123
Postage	157,263	69,492	2,013	228,770	5,696	347	695	6,738		162,959	69,839	2,710	235,508
Occupancy	3,904,293	38,640	351	3,943,284	23,111	2,633	3,511	29,255	(18,000)	3,913,184	39,653	1,702	3,954,539
Equipment rental and maintenance	847,563	86,463	56	934,082	2,426	276	369	3,071		849,989	86,739	425	937,153
Printing and promotion	517,374	371,170	93,683	982,229	77,950			77,950		595,324	371,170	93,685	1,060,179
Travel and employee expenses	574,537	21,315	3,951	599,803	65,491			65,491		640,028	21,315	3,951	665,294
Conferences, conventions and meetings	234,597	137,348	51,486	443,431	182,768	3,038	1,131	186,937		437,365	140,386	52,617	630,368
Membership dues	275,480	25,893	650	302,023	106,552			106,552	(900)	106,552			106,552
Insurance	467,415	17,853	1,000	486,270	1,372	4,407		5,779		276,052	30,300	650	307,002
Interest	467,340	10,560		477,900	3,160	360	480	4,000		470,575	18,215	1,480	490,270
Miscellaneous	43,231	14,267		57,498	1,802	76		1,878		467,340	10,560		477,900
Depreciation	2,093,726	205,358	4,500	2,303,584	145			145		45,033	14,343		59,376
Total functional expenses	\$ 31,871,001	\$ 3,711,905	\$ 387,169	\$ 35,972,075	\$ 975,423	\$ 118,990	\$ 67,310	\$ 1,161,633	\$ (512,345)	\$ 32,475,151	\$ 3,748,964	\$ 397,248	\$ 36,621,363



**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
Years Ended December 31, 2013 and 2012**

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>	
		<u>2013</u>	<u>2012</u>
U.S. Department of Health and Human Services:			
Basic Center Grant:			
RHYTTAC Program			
Nine months ended September 30		\$ 772,674	
Three months ended December 31		<u>507,515</u>	\$ 396,137
		<u>1,280,189</u>	<u>396,137</u>
Runaway & Homeless Youth Program:			
Eight months ended August 31		32,438	50,339
Four months ended December 31		<u>164,058</u>	<u>167,562</u>
		<u>196,496</u>	<u>217,901</u>
Runaway & Homeless Youth Program			<u>14,720</u>
	93.623	<u>1,476,685</u>	<u>628,758</u>
Street Outreach:			
Ten months ended October 31			50,892
Two months ended December 31		<u>47,854</u>	<u>50,892</u>
	93.557	<u>47,854</u>	<u>50,892</u>
Community Transformation Grant	93.531	<u>11,848</u>	<u>135,000</u>
Pass through Louisville Public Health and Wellness Department:			
Prevention and Wellness Grant	ARRA- 93.724		<u>159,455</u>
U.S. Department of Agriculture:			
Pass through Kentucky Department of Education			
Child Care Food Program	10.558	<u>169,072</u>	<u>175,024</u>
U.S. Department of Housing and Urban Development:			
Pass through Louisville Metro Housing Department			
Rent Supplement	14.249	<u>230,392</u>	<u>216,855</u>
Pass through Louisville Metro Department of Community Services			
Community Block Development	14.218	<u>38,950</u>	
Pass through Kentucky Housing Corporation			
Emergency Assistance Reaching Homeless	ARRA-14.257		<u>4,367</u>
U.S. Department of Education:			
Fund for Improvement of Education Program	84.215	<u>63,725</u>	<u>55,350</u>
Total expenditures of federal awards		<u>\$2,038,526</u>	<u>\$1,425,701</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**

**Note 1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards (the "Schedules") include the federal grant activity of YMCA of Greater Louisville, Inc. (YMCA) and National Safe Place, Inc. (Affiliate) under programs of the federal government for the years ended December 31, 2013 and 2012. The information in these schedules are presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the schedules present only a selected portion of the operations of YMCA and Affiliate, it is not intended to and does not present the financial position, changes in net assets, or cash flows of YMCA and Affiliate.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported in the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



**Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Directors  
Young Men's Christian Association of  
Greater Louisville, Inc. and Affiliate  
Louisville, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Young Men's Christian Association of Greater Louisville, Inc. (YMCA) and National Safe Place, Inc. (Affiliate) (not-for-profit organizations), which comprise the consolidated statement of financial position as of December 31, 2013, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 19, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered YMCA and Affiliate's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the YMCA and Affiliate's internal control. Accordingly, we do not express an opinion on the effectiveness of the YMCA and Affiliate's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the YMCA and Affiliate's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Deming, Malone, Linsay & Petroff*

Louisville, Kentucky  
May 19, 2014



**Independent Auditors' Report on Compliance for Each Major Program and  
on Internal Control Over Compliance Required by OMB Circular A-133**

The Board of Directors  
Young Men's Christian Association of  
Greater Louisville, Inc. and Affiliate  
Louisville, Kentucky

**Report on Compliance for Each Major Federal Program**

We have audited Young Men's Christian Association of Greater Louisville, Inc.'s (YMCA) and National Safe Place, Inc.'s (Affiliate) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of YMCA and Affiliate's major federal programs for the year ended December 31, 2013. YMCA and Affiliate's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of YMCA and Affiliate's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about YMCA and Affiliate's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination for YMCA and Affiliate's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, YMCA and Affiliate complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

### **Report on Internal Control Over Compliance**

Management of YMCA of Greater Louisville, Inc. and Affiliate is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered YMCA and Affiliate's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of YMCA and Affiliate's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Deming, Malone, Livanay & Petroff*

Louisville, Kentucky  
May 19, 2014

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2013

Section I – Summary of Auditors' Results (Under Section 505(d)(1) of OMB Circular A-133)

1. The auditors' report expresses an unqualified opinion on the consolidated financial statements of the YMCA and Affiliate for the year ended December 31, 2013.
2. Internal control over financial reporting:
  - Material weakness identified?     \_\_\_ Yes X No
  - Significant deficiency identified?     \_\_\_ Yes X None reported
3. The audit did not disclose any noncompliance which is material to the consolidated financial statements of the YMCA and Affiliate.
4. Internal control over major programs:
  - Material weakness identified?     \_\_\_ Yes X No
  - Significant deficiency identified?     \_\_\_ Yes X None reported
5. An unqualified opinion was issued on compliance for the major federal program of the YMCA and Affiliate for the year ended December 31, 2013.
6. The audit disclosed no audit findings required to be reported under Section 510(a) OMB Circular A-133.
7. The program audited as a major program was:

Federal CFDA Number

Name of Major Federal Program

U.S. Department of Health and  
Human Services:

93.623

Basic Center Program

8. The threshold used to distinguish between Type A and Type B programs was \$300,000.
9. The auditee did qualify as a low-risk auditee.



**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2013**

**Section II – Financial Statement Findings (Under Section 505(d)(2) of OMB Circular A-133)**

There are no findings relating to consolidated financial statements, which are required to be reported in accordance with Government Auditing Standards.

**Section III – Federal Award Findings and Questioned Costs (Under Section 505(d)(3) of OMB Circular A-133)**

There are no findings required to be reported by OMB Circular A-133 Section 510(a).

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER LOUISVILLE, INC.  
AND AFFILIATE**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
Year Ended December 31, 2013

**Department of Health and Human Services**

**Finding No. 2012-01:** Basic Center Program –Runaway Homeless Youth Training and Technical Assistance Center, CFDA 93.623

**Statement of Condition:** Several transactions of the affiliate which were incurred during the year ended December 31, 2012 were not posted in the correct accounting period. Both payables and federal grant receivables required adjustment to record the related expenses incurred and federal grant revenues earned during the year.

**Recommendation:** The Organization should review the process over the recording of transactions at or near year end to ensure all expenses that have been incurred have been properly accounted for in the correct accounting period and corresponding cost reimbursement revenues recognized.

**Status:** Management has adopted the above recommendation.

**Finding No. 2012-02:** Basic Center Program – Runaway Homeless Youth Training and Technical Assistance Center, CFDA 93.623

**Statement of Condition:** Classification of expenses on the YMCA and Affiliate general ledger relating to a new program implemented during the year ended December 31, 2012 did not convey accurate descriptions concerning the expenditures made. Also several account classification errors were noted during our test of controls relating to disbursements. The misclassification of expenses over the grant period could potentially result in increased line item budgets and overbilling on specific line items of federal grant awards.

**Recommendation:** The individuals coding the invoices should be aware of all the natural classifications available. The Organization should consider additional communications to their staff, directors and management the importance of correctly coding the invoices based on their natural classification and the importance of reviewing the codification before approval. Chart of accounts should be reviewed to ensure all transaction types can be recorded into their proper natural classifications.

**Status:** Management has adopted the above recommendation.

## Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type  
 See Specific Instructions on page 2.

Name (as shown on your income tax return) <i>YMCA of Greater Louisville, Inc.</i>	
Business name/disregarded entity name, if different from above <i>The Young Mens Christian Association of Greater Louisville</i>	
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
<input checked="" type="checkbox"/> Exempt payee	
Address (number, street, and apt. or suite no.) <i>545 S. 2nd Street</i>	Requester's name and address (optional)
City, state, and ZIP code <i>Louisville, KY 40202</i>	
List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Employer identification number									

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

### Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

<b>Sign Here</b>	Signature of U.S. person ▶ <i>[Handwritten Signature]</i>	Date ▶ <i>2/7/14</i>
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### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

#### Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business.

Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

## THE YMCA OF GREATER LOUISVILLE

### General Information

<b>Organization Number</b>	0056860
<b>Name</b>	THE YMCA OF GREATER LOUISVILLE
<b>Company Type</b>	ASC - Assumed Name Corporation
<b>Status</b>	A - Active
<b>State</b>	KY
<b>File Date</b>	4/9/2001
<b>Expiration Date</b>	4/9/2016
<b>Renewal Date</b>	10/9/2005
<b>Principal Office</b>	545 SOUTH SECOND ST LOUISVILLE, KY 40202

### Current Officers

### Individuals / Entities listed at time of formation

<b>Director</b>	<a href="#">PAUL ALSTEDT</a>
<b>Director</b>	<a href="#">WM KENDRICK EWING</a>
<b>Director</b>	<a href="#">LEO K BROECKER</a>
<b>Director</b>	<a href="#">J CALVIN HIEB</a>
<b>Director</b>	<a href="#">DAVE LAWRENCE</a>
<b>Incorporator</b>	<a href="#">HELM BRUCE</a>
<b>Incorporator</b>	<a href="#">EMMET O'NEAL</a>
<b>Incorporator</b>	<a href="#">H J SCHEIRICH</a>
<b>Incorporator</b>	<a href="#">DAVID A KELLER</a>
<b>Incorporator</b>	<a href="#">JAMES D JACOBS</a>

### Images available online

Documents filed with the Office of the Secretary of State on September 15, 2004 or thereafter are available as scanned images or PDF documents. Documents filed prior to September 15, 2004 will become available as the images are created.

<a href="#">Annual Report</a>	4/3/2015	1 page	<a href="#">PDF</a>	
<a href="#">Amendment</a>	11/18/2014	1 page	<a href="#">tiff</a>	<a href="#">PDF</a>
<a href="#">Annual Report</a>	1/23/2014	1 page	<a href="#">PDF</a>	
<a href="#">Annual Report</a>	2/7/2013	1 page	<a href="#">PDF</a>	
<a href="#">Annual Report</a>	2/13/2012	1 page	<a href="#">PDF</a>	
<a href="#">Annual Report</a>	3/4/2011	1 page	<a href="#">PDF</a>	
<a href="#">Name Renewal</a>	11/3/2010	1 page	<a href="#">tiff</a>	<a href="#">PDF</a>
<a href="#">Name Renewal</a>	11/3/2010	1 page	<a href="#">tiff</a>	<a href="#">PDF</a>
<a href="#">Name Renewal</a>	11/3/2010	1 page	<a href="#">tiff</a>	<a href="#">PDF</a>
<a href="#">Annual Report</a>	3/29/2010	1 page	<a href="#">PDF</a>	
<a href="#">Annual Report</a>	5/6/2009	1 page	<a href="#">PDF</a>	
<a href="#">Annual Report</a>	1/21/2008	1 page	<a href="#">PDF</a>	

## NDF NON-PROFIT APPLICATION CHECKLIST

<b>Legal Name of Applicant Organization:</b> <i>YMCA Greater Louisville</i>		
<b>Program Name:</b> <i>Arts Reach</i>	<b>Request Amount:</b> <i>\$5000</i>	<b>Yes/No/NA</b>
<b>Request form:</b> Is the NDF request form signed by all Council Member(s) appropriating funding?		Yes
<b>Request form:</b> Is the funding proposed less than or equal to the request amount?		<i>yes</i>
<b>Request form:</b> Have all known Council or Staff relationships to the Agency been adequately disclosed on the cover sheet?		Yes
<b>Application Page 1:</b> Has prior Metro funds committed/granted been disclosed?		<i>yes</i>
<b>Application Page 1:</b> Is the application properly signed and dated by authorized signatory?		<i>yes</i>
<b>Application Page 3:</b> Reimbursement funding – One or two boxes checked if any expenses are incurred before the grant award period. Is all required documentation included?		<i>yes</i>
<b>Application Pages 3 – 5:</b> Is the proposed public purpose of the program well-documented?		<i>yes</i>
<b>Application 4:</b> Is there adequate documentation of how the proceeds of the fundraiser will be spent?		
<b>Application Budget Page 6:</b> Does the application budget reflect only the revenue and expenses of the project/program (page 6) if the request is not an operating budget request? Is all detail schedules included for "Metro, Non Metro and Total" expense funds for client assistance, community events & festivals and other expenses? And does the Non-Metro Revenue equal the Non-Metro expenses?		
<b>Faith Based Organizations:</b> Is the signed Faith Based Form signed and included?		<i>NO</i>
<b>Jefferson County Only:</b> Will all funding be spent in Louisville/Jefferson County?		<i>yes</i>
<b>Capital Project(s) request:</b> Is the cost estimate(s) from proposed vendor(s) included?		<i>NO</i>
<b>Good Standing:</b> Is the entity in good standing with: <ul style="list-style-type: none"> <li>• Kentucky Secretary of State – include Secretary of State website information on organization</li> <li>• Louisville Metro Government – check OMB monthly report filed in Council Financial Reports</li> <li>• Internal Revenue Service – most recent Form 990 included</li> </ul>		<i>yes</i>
<b>Separate Taxing Districts:</b> If Metro funding is for a separate taxing district, is the funding appropriated for a program outside the legal responsibility of that taxing district?		N/A
<b>Small Cities:</b> Is the resolution included agreeing to partner with Louisville Metro on the capital project? (IRS Determination letter not required, Form 990 not required, but KY SOS acknowledgement is)		N/A
<b>Operating Requests:</b> Is recommended operating funding less than or equal to 33% of total operating budget?		<i>N/A</i>
<b>IRS Exempt Proof:</b> Is proof of Tax Exempt status of 501(c) 3, 4, 6, 19, 1120-H included?		<i>yes</i>
<b>Operating Budget:</b> Is the organization's current fiscal year operating budget included?		<i>yes</i>
<b>Ordinance Required:</b> Is the amount committed by Council members greater than \$5,000 to any one project/program within an organization in this fiscal year.		<i>NO</i>
<b>Board Members:</b> Is the entity's board member list (with term length/term limits) included?		<i>yes</i>
<b>Staff:</b> Is a list of the highest paid staff included with their expected annual personnel costs?		<i>yes</i>
<b>Annual Audit:</b> Is the most recent annual audit (if required by organization) included?		<i>yes</i>
<b>Rent Requests:</b> Is a copy of signed lease included?		<i>N/A</i>
<b>Articles of Incorporation:</b> Are the Articles of Incorporation of the organization included?		<i>yes</i>
<b>IRS Form W-9:</b> Is the IRS Form W-9 included?		
<b>Evaluation Forms:</b> Are the evaluation forms (if program participants are given evaluation forms) included?		
<b>Affirmative Action:</b> Affirmative Action/Equal Employment Opportunity plan and/or policy statement included (if required by the organization)?		N/A
<b>Prepared by:</b> <i>Kendrick Key</i>		<b>Date:</b>