YOUNG MEN'S CHRISTIAN ASSOCIATION
OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

Financial Statements

December 31, 2021 and 2020
(With Independent Auditors' Report Thereon)

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

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Independent Auditors' Report

The Board of Directors
Young Men's Christian Association of the Suncoast, Inc.
d/b/a YMCA of the Suncoast:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Young Men's Christian Association of the Suncoast, Inc. d/b/a YMCA of the Suncoast (the "Organization"), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Young Men's Christian Association of the Suncoast, Inc. d/b/a YMCA of the Suncoast as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Mayer Hoffman McCann P.C.

July 6, 2022
St. Petersburg, Florida

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

Statement of Financial Position

December 31, 2021
(With Comparative Totals for 2020)

		Without Donor Restrictions	With Donor Restrictions	Total 2021	Total 2020
Assets					
Cash and cash equivalents (Note 16)	$	14,011,781	555,183	14,566,964	2,355,513
Restricted certificate of deposit (Note 7)		-	-	-	1,000,000
Accounts receivable:					
Trade, net		289,591	-	289,591	229,449
Grants		285,089	-	285,089	412,604
Other		14,206	-	14,206	11,547
Prepaid expenses		147,785	-	147,785	124,448
Contributions receivable (Notes 4, 7 and 19)		1,519,967	1,153,733	2,673,700	1,282,705
Investments, at market (Notes 3 and 15)		8,499,566	4,042,093	12,541,659	11,237,129
Receivable under interest rate swap agreement (Notes 6 and 15)		74,616	-	74,616	-
Land, buildings and equipment, net (Notes 5, 6, 7 and 9)		20,488,875	-	20,488,875	23,749,727
Total assets	$	45,331,476	5,751,009	51,082,485	40,403,122
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	$	1,610,719	-	1,610,719	1,642,848
Deferred membership and program revenue		532,247	-	532,247	450,330
Refundable advances (Note 18)		2,669,907	-	2,669,907	-
Deferred rental income (Note 8)		252,417	-	252,417	265,417
Obligation under capital leases (Note 9)		151,009	-	151,009	177,373
Insurance financing		-	-	-	24,954
Long-term debt (Note 6)		5,371,324	-	5,371,324	5,681,658
Obligation under interest rate swap agreement (Notes 6 and 15)		-	-	-	95,024
Total liabilities		10,587,623	-	10,587,623	8,337,604
Net assets:					
Without donor restrictions:					
Designated for general endowment (Note 12)		5,513,157	-	5,513,157	3,185,807
Designated for other purposes (Note 10)		7,921,897	-	7,921,897	7,890,471
Undesignated		21,308,799	-	21,308,799	15,831,052
		34,743,853	-	34,743,853	26,907,330
With donor restrictions (Notes 11 and 12)		-	5,751,009	5,751,009	5,158,188
Total net assets		34,743,853	5,751,009	40,494,862	32,065,518
Commitments, contingencies and related party transactions (Notes 9, 20 and 21)					
Total liabilities and net assets	$	45,331,476	5,751,009	51,082,485	40,403,122

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

Statement of Financial Position

December 31, 2020

		Without Donor Restrictions	With Donor Restrictions	Total
Assets				
Cash and cash equivalents (Note 16)	$	1,927,699	427,814	2,355,513
Restricted certificate of deposit (Note 7)		1,000,000	-	1,000,000
Accounts receivable:				
Trade, net		229,449	-	229,449
Grants		412,604	-	412,604
Other		11,547	-	11,547
Prepaid expenses		124,448	-	124,448
Contributions receivable (Notes 4, 7 and 19)		-	1,282,705	1,282,705
Investments, at market (Notes 3 and 15)		7,789,460	3,447,669	11,237,129
Land, buildings and equipment, net (Notes 5, 6, 7 and 9)		23,749,727	-	23,749,727
Total assets	$	35,244,934	5,158,188	40,403,122
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	$	1,642,848	-	1,642,848
Deferred membership and program revenue		450,330	-	450,330
Deferred rental income (Note 8)		265,417	-	265,417
Obligation under capital leases (Note 9)		177,373	-	177,373
Insurance financing		24,954	-	24,954
Long-term debt (Note 6)		5,681,658	-	5,681,658
Obligation under interest rate swap agreement (Notes 6 and 15)		95,024	-	95,024
Total liabilities		8,337,604	-	8,337,604
Net assets:				
Without donor restrictions:				
Designated for general endowment (Note 12)		3,185,807	-	3,185,807
Designated for other purposes (Note 10)		7,890,471	-	7,890,471
Undesignated		15,831,052	-	15,831,052
		26,907,330	-	26,907,330
With donor restrictions (Notes 11 and 12)		-	5,158,188	5,158,188
Total net assets		26,907,330	5,158,188	32,065,518
Commitments, contingencies and related party transactions (Notes 9, 20 and 21)		-	-	-
Total liabilities and net assets	$	35,244,934	5,158,188	40,403,122

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

Statement of Activities

Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Without Donor Restrictions	With Donor Restrictions	Total 2021	Total 2020
Operating support and revenue:				
Program services fees (Note 18)	$ 8,816,994	-	8,816,994	7,550,192
Membership	7,289,303	-	7,289,303	6,755,492
Contributions	1,157,709	112,309	1,270,018	1,682,605
United Way	31,875	31,700	63,575	84,763
Grants (Note 24)	7,828,227	98,175	7,926,402	2,708,163
Special events, net	149,776	-	149,776	59,220
Rental income (Note 8)	13,000	-	13,000	13,000
Other	418,181	-	418,181	270,756
	25,705,065	242,184	25,947,249	19,124,191
Net assets released from restrictions:				
Satisfaction of use restrictions	245,315	(245,315)	-	-
Expiration of time restrictions	32,692	(32,692)	-	-
Total support and revenue	25,983,072	(35,823)	25,947,249	19,124,191
Operating expenses:				
Program services	17,023,632	-	17,023,632	15,253,232
Supporting services:				
Management and general	3,189,543	-	3,189,543	3,036,915
Development and fundraising	403,920	-	403,920	451,036
Total expenses before depreciation and amortization	20,617,095	-	20,617,095	18,741,183
Increase in net assets from operations before depreciation and amortization	5,365,977	(35,823)	5,330,154	383,008
Depreciation and amortization expense	1,986,314	-	1,986,314	2,308,695
Increase (decrease) in net assets from operations	3,379,663	(35,823)	3,343,840	(1,925,687)
Other changes:				
Investment return (Note 3)	500,402	496,426	996,828	642,799
Contributions and grants for acquisition of capital assets	106,192	79,083	185,275	48,355
Contributions to endowment	1,955,828	175,491	2,131,319	165,577
Land lease contribution (Note 19)	-	-	-	1,144,000
Gain (loss) on sale of property and equipment (Note 5)	1,602,442	-	1,602,442	(310,940)
Change in fair value of interest rate swap and floor	169,640	-	169,640	(93,217)
Net assets released from restrictions:				
Satisfaction of land use restrictions	122,356	(122,356)	-	-
Increase (decrease) in net assets	7,836,523	592,821	8,429,344	(329,113)
Net assets, beginning of year	26,907,330	5,158,188	32,065,518	32,394,631
Net assets, end of year	$ 34,743,853	5,751,009	40,494,862	32,065,518

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

Statement of Activities

Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Operating support and revenue:			
Program services fees (Note 18)	$ 7,550,192	-	7,550,192
Membership	6,755,492	-	6,755,492
Contributions	1,474,149	208,456	1,682,605
United Way	49,763	35,000	84,763
Grants	2,634,451	73,712	2,708,163
Special events, net	59,220	-	59,220
Rental income (Note 8)	13,000	-	13,000
Other	270,756	-	270,756
	18,807,023	317,168	19,124,191
Net assets released from restrictions:			
Satisfaction of use restrictions	395,609	(395,609)	-
Expiration of time restrictions	49,620	(49,620)	-
Total support and revenue	19,252,252	(128,061)	19,124,191
Operating expenses:			
Program services	15,253,232	-	15,253,232
Supporting services:			
Management and general	3,036,915	-	3,036,915
Development and fundraising	451,036	-	451,036
Total expenses before depreciation and amortization	18,741,183	-	18,741,183
Increase (decrease) in net assets from operations before depreciation and amortization	511,069	(128,061)	383,008
Depreciation and amortization expense	2,308,695	-	2,308,695
Decrease in net assets from operations	(1,797,626)	(128,061)	(1,925,687)
Other changes:			
Investment return (Note 3)	331,557	311,242	642,799
Contributions and grants for acquisition of capital assets	12,085	36,270	48,355
Contributions to endowment	20,415	145,162	165,577
Land lease contribution (Note 19)	-	1,144,000	1,144,000
Loss on sale of property and equipment	(310,940)	-	(310,940)
Change in fair value of interest rate swap	(93,217)	-	(93,217)
Net assets released from restrictions:			
Satisfaction of land use restrictions	165,165	(165,165)	-
Increase (decrease) in net assets	(1,672,561)	1,343,448	(329,113)
Net assets, beginning of year	28,579,891	3,814,740	32,394,631
Net assets, end of year	$ 26,907,330	5,158,188	32,065,518

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

Statement of Functional Expenses

Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Program Services	Supporting Services			
	Family Programs	Management and General	Development and Fund Raising	Total 2021	Total 2020
Salaries	$ 9,309,335	1,942,680	134,552	11,386,567	10,364,994
Employee benefits (Note 14)	1,042,429	291,758	25,160	1,359,347	1,134,619
Payroll taxes	694,795	122,365	9,437	826,597	939,131
Total salaries and related expenses	11,046,559	2,356,803	169,149	13,572,511	12,438,744
Contractual and professional fees	215,999	424,378	80,473	720,850	726,940
Program subcontractor expense	86,594	-	-	86,594	67,300
Supplies	802,944	12,539	1,231	816,714	732,600
Telephone	74,604	21,078	2,537	98,219	90,255
Postage and shipping	4,042	4,831	7,444	16,317	16,855
Occupancy	3,019,922	63,221	7,356	3,090,499	2,710,587
Equipment expense	225,712	58,847	39,652	324,211	319,038
Printing / public relations	47,938	75,889	66,309	190,136	177,976
Travel and transportation	98,915	12,183	791	111,889	67,097
Conferences	54,342	14,619	1,294	70,255	63,720
Payment of dues	249,909	27,665	8,537	286,111	192,886
Awards and grants	-	11,500	-	11,500	27,000
Interest and financing costs (Note 17)	153,718	15,135	1,372	170,225	157,972
Insurance (Note 20)	590,447	78,820	8,758	678,025	591,928
Bad debt expense	72,846	-	6,992	79,838	84,875
Bank charges	273,325	9,175	1,961	284,461	265,856
In-kind expenses	1,233	-	-	1,233	2,135
Miscellaneous	4,583	2,860	64	7,507	7,419
Total expenses before depreciation and amortization	17,023,632	3,189,543	403,920	20,617,095	18,741,183
Depreciation and amortization	1,859,818	113,933	12,563	1,986,314	2,308,695
Total expenses - 2021	$ 18,883,450	3,303,476	416,483	22,603,409	
Total expenses - 2020	$ 17,404,370	3,178,717	466,791		21,049,878

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

Statement of Functional Expenses

Year Ended December 31, 2020

	Program Services	Supporting Services		
	Family Programs	Management and General	Development and Fund Raising	Total
Salaries	$ 8,301,473	1,876,099	187,422	10,364,994
Employee benefits (Note 14)	857,450	253,739	23,430	1,134,619
Payroll taxes	820,690	105,143	13,298	939,131
Total salaries and related expenses	9,979,613	2,234,981	224,150	12,438,744
Contractual and professional fees	201,907	425,169	99,864	726,940
Program subcontractor expense	67,300	-	-	67,300
Supplies	709,609	22,021	970	732,600
Telephone	67,351	20,614	2,290	90,255
Postage and shipping	5,516	5,965	5,374	16,855
Occupancy	2,648,694	56,019	5,874	2,710,587
Equipment expense	216,197	71,596	31,245	319,038
Printing / public relations	49,270	64,426	64,280	177,976
Travel and transportation	53,497	12,014	1,586	67,097
Conferences	48,144	15,400	176	63,720
Payment of dues	175,771	11,707	5,408	192,886
Awards and grants	15,250	11,750	-	27,000
Interest and financing costs (Note 17)	144,751	11,884	1,337	157,972
Insurance (Note 20)	525,511	59,775	6,642	591,928
Bad debt expense	84,875	-	-	84,875
Bank charges	252,524	11,492	1,840	265,856
In-kind expenses	2,135	-	-	2,135
Miscellaneous	5,317	2,102	-	7,419
Total expenses before depreciation and amortization	15,253,232	3,036,915	451,036	18,741,183
Depreciation and amortization	2,151,138	141,802	15,755	2,308,695
Total expenses	$ 17,404,370	3,178,717	466,791	21,049,878

YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE SUNCOAST, INC.
D/B/A YMCA OF THE SUNCOAST

Statements of Cash Flows

Years Ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Increase (decrease) in net assets	$ 8,429,344	(329,113)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,986,314	2,308,695
Bad debt expense	79,838	84,875
Noncash contributed use of land	(7,893)	(1,151,830)
Noncash contributed commissions	(228,000)	-
Loss (gain) on disposal of property and equipment	(1,602,442)	310,940
Net appreciation on investments	(608,903)	(499,279)
Change in fair value of interest rate swap	(169,640)	93,217
Cash received from contributions and grants restricted and designated for long-term purposes	(585,275)	(48,355)
Change in operating assets and liabilities:		
Decrease (increase) in trade accounts receivable	(60,142)	76,818
Decrease (increase) in grants receivable	127,515	(78,149)
Decrease (increase) in prepaid expenses	(23,337)	65,100
Decrease (increase) in contributions receivable	(1,462,940)	61,570
Decrease (increase) in other receivables	(2,659)	5,816
Decrease in accounts payable and accrued expenses	(57,083)	(413,090)
Decrease in deferred rental income	(13,000)	(13,000)
Increase (decrease) in deferred revenue and refundable advances	2,751,824	(223,051)
Net cash provided by operating activities	8,553,521	251,164
Cash flows from investing activities:		
Purchases of property and equipment	(671,861)	(557,763)
Proceeds from sale of property and equipment	3,800,190	450,000
Purchase of restricted certificate of deposit	1,000,000	(1,000,000)
Purchases of investments	(5,629,073)	(5,316,177)
Proceeds from sale of investments	4,933,446	5,336,392
Net cash provided by (used in) investing activities	3,432,702	(1,087,548)
Cash flows from financing activities:		
Cash received from contributions and grants restricted and designated for long-term purposes	585,275	48,355
Net repayments on line of credit	-	(65,844)
Principal payments on long-term debt	(321,394)	(502,704)
Debt issuance costs paid	-	(98,274)
Proceeds received from issuance of long-term debt	-	422,601
Principal payments on capital lease obligations	(38,653)	(64,989)
Net cash provided by (used in) financing activities	225,228	(260,855)
Net increase (decrease) in cash and cash equivalents	12,211,451	(1,097,239)
Cash and cash equivalents at beginning of year	2,355,513	3,452,752
Cash and cash equivalents at end of year	$ 14,566,964	2,355,513
Supplemental disclosure:		
Cash paid for interest	$ 170,992	160,741

(1) Description of Organization

Young Men’s Christian Association of the Suncoast, Inc., d/b/a YMCA of the Suncoast (the “Organization”), is a Florida not-for-profit corporation and a member of the Association of the National Council of the Young Men’s Christian Associations of the U.S.A (the “YMCA”). The Organization’s purpose is to advance the cause of strengthening community through youth development, healthy living and social responsibility. The YMCA is a powerful association of men, women, and children committed to bringing about lasting personal and social change. With a focus on nurturing the potential of every child and teen, improving the nation’s health and well-being and providing opportunities to give back and support neighbors, the YMCA enables youth, adults, families and communities to be healthy, confident, connected and secure. YMCA of the Suncoast is committed to providing programs which strengthen the communities of Pinellas, Pasco, Hernando and Citrus Counties, Florida. The accompanying financial statements include the Suncoast administrative office and the accounts of the Organization’s programs maintained at the following branches:

- Clearwater Family Branch YMCA (closed in 2021)
- Hernando County Family Branch YMCA
- High Point Family Branch YMCA (closed in 2020)
- North Pinellas Family Branch YMCA
- James P. Gills Family/West Pasco Branch YMCA
- Greater Ridgecrest Family Branch YMCA
- Greater Palm Harbor Family Branch YMCA
- Citrus Memorial Health Foundation Branch YMCA
- YMCA School Age Program Services

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (‘GAAP’).

(b) Financial Accounting Standards

The Financial Accounting Standards Board (“FASB”) issued authoritative guidance establishing two levels of GAAP - authoritative and nonauthoritative - and making the Accounting Standards Codification (“ASC”) the source of authoritative, nongovernmental GAAP, except for rules and interpretive releases of the Securities and Exchange Commission. This guidance has been incorporated into ASC Topic 105, *Generally Accepted Accounting Principles.*

(2) Summary of Significant Accounting Policies - Continued

(c) Fair Value Measurement

The Organization has adopted the provisions of ASC Topic 820, *Fair Value Measurement.* ASC Topic 820 requires the use of a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels: quoted market prices that are observable for the assets or liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs for the asset or liability (Level 3).

The carrying amount reported in the statements of financial position for cash and cash equivalents, accounts receivable, and accounts payable approximate fair value because of the immediate or short-term maturities of these financial instruments.

(d) Cash and Cash Equivalents

The Organization considers all money market funds and certificates of deposit, with original maturities of three months or less to be cash equivalents.

(e) Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Organization's Board of Directors (the "Board") and/or management for general operating purposes. From time to time, the Organization's Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. For example, the Organization's Board has designated a portion of net assets without donor restrictions as a quasi-endowment (an amount to be treated by management as if it were part of the donor restricted endowment) for the purpose of securing the Organization's long-term financial viability.

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained in perpetuity while permitting the Organization to spend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy.

(2) Summary of Significant Accounting Policies - Continued

(f) Contributions

The Organization recognizes contributions when cash or other assets or an unconditional promise to give is received. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Conditional contributions are recorded as revenue when such amounts become unconditional which generally involves the meeting of a barrier to entitlement. This can include items like meeting a matching provision, incurring specified allowable expenses in accordance with a framework of allowable costs or other barriers.

A portion of the Organization's revenue is derived from cost-reimbursable federal, state, and local government contracts and grants, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures, if any, are reported as refundable advances in the statement of financial position. At December 31, 2021 and 2020, refundable advances under conditional grant awards totaled $2,669,907 and $0, respectively.

(g) Accounts Receivable

Accounts receivable consists primarily of outstanding membership and program fees and amounts due under contracts with funders for services provided by the Organization. Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts (when applicable). The allowance for doubtful accounts is based on historical receivable collection experience. At December 31, 2021 and 2020, the allowance for doubtful accounts was approximately $492,000 and $474,000, respectively.

(h) Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are carried at their fair values in the Organization's Statements of Financial Position.

Unrealized gains and losses are included in other changes in the Statements of Activities. Restrictions on investment earnings are reported as increases in net assets without donor restrictions if the restrictions expire or are otherwise satisfied in the fiscal year in which the earnings are recognized.

(2) Summary of Significant Accounting Policies - Continued

(i) Land, Buildings and Equipment

Depreciation of buildings and equipment is computed using the straight-line method over the estimated useful lives of the related assets. Land, buildings and equipment are stated at cost, or if contributed, at fair value at the date of donation. The Organization capitalizes additions that equal or exceed $1,500. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. The estimated useful lives of related asset classes are: 5 to 40 years for buildings and improvements and 3 to 10 years for furniture, equipment and vehicles.

Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset.

(j) Revenue Recognition

The Organization has multiple revenue streams that are accounted for as reciprocal exchange transactions including membership and program fees.

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

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

(2) Summary of Significant Accounting Policies - Continued

(j) Revenue Recognition - Continued

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

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

(k) Special Events Revenue and Expense

The Organization reports special events revenue net of related expenses in the accompanying Statements of Activities. Special events revenue was $240,264 and $123,495 in 2021 and 2020, respectively. Special events expense was $90,488 and $64,275 in 2021 and 2020, respectively.

(l) Income Taxes

The Organization has been recognized by the Internal Revenue Service as a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 and has been classified as an organization that is not a private foundation under Section 509(a).

The Organization applies ASC Topic 740, *Income Taxes*. ASC Topic 740 prescribes a recognition and measurement standard for uncertain tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. There is no material impact on the Organization's financial position or changes in net assets as a result of the application of this standard. The Organization's policy is to recognize interest and penalties associated with tax positions under this standard as a component of income tax expense, and none were recognized since there was no material impact of the overall application of this standard.

The tax years that remain subject to examination are 2018 through 2021 for all major tax jurisdictions.

(2) Summary of Significant Accounting Policies - Continued

(m) Functional Expense Allocations

The costs of providing the Organization's various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Expenses directly attributable to a specific functional area of the Organization are reported as direct expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated among the functional areas based on either time spent by employees on each functional area or based on a square footage analysis for all indirect occupancy-related expenses.

(n) Estimates in Financial Statements

The preparation of 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 financial statements and the reported amounts of increases or decreases in net assets during the period. Actual results could differ from those estimates.

(o) Going Concern Evaluation

On an annual basis, as required by ASC Topic 205, *Presentation of Financial Statements - Going Concern*, the Organization performs an evaluation to determine whether there are conditions or events (known and reasonably knowable), considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

(p) Reclassifications

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 presentation.

(3) Investments

At December 31, 2021 and 2020, the cost and market value of investments were as follows:

	2021		2020	
	Cost	Market	Cost	Market
Cash and cash equivalents	$ 5,027,366	5,027,366	5,493,606	5,493,606
Fixed income	1,112,774	1,148,000	874,729	900,480
Equities	4,497,328	6,366,293	3,569,936	4,843,043
	$ 10,637,468	12,541,659	9,938,271	11,237,129

(3) Investments - Continued

At December 31, 2021 and 2020, none of the Organization's investments in corporate bonds or mutual funds are concentrated in a single entity or industry. In addition, the Organization's mutual fund investments represent shares in registered investment companies which own diversified portfolios. The mutual funds invest primarily in equity securities.

The following schedule summarizes investment return and other investment activity for the years ended December 31, 2021 and 2020:

	2021	2020
Investments at market, beginning of year	$ 11,237,129	10,758,065
Investment return:		
Interest and dividends	425,675	181,915
Net realized and unrealized gains	608,903	499,279
Investment management fees	(37,750)	(38,395)
Total investment return	996,828	642,799
Deposits	4,464,851	757,199
Withdrawals	(4,157,149)	(920,934)
Net increase in investments	1,304,530	479,064
Investments at market, end of year	$ 12,541,659	11,237,129

(4) Contributions Receivable

Contributions receivable which are due in more than one year are recorded at estimated fair value by discounting future cash flows using current risk-free rates of return based on U.S. Treasury Securities yields with maturity dates similar to the expected contribution collection period. As of December 31, 2021 and 2020, the average discount rate was 2% in each year. Management evaluates the allowance for uncollectible contributions on an annual basis and makes adjustments to the allowance as deemed necessary.

(4) Contributions Receivable - Continued

Contributions receivable consist of the following at December 31, 2021 and 2020:

		2021	2020
Contributions restricted for the development of new facilities	$	17,750	34,720
Contributions restricted for endowment		1,679,366	92,641
Contribution restricted for United Way funded programs		31,700	22,500
Gross contributions receivable		1,728,816	149,861
Less:			
Allowance for uncollectible contributions		(38,692)	(7,157)
Unamortized discount		(49,531)	(3,999)
Net contributions receivable - cash		1,640,593	138,705
Land use contribution - Greater Ridgecrest		1,033,107	1,144,000
Total contributions receivable, net	$	2,673,700	1,282,705

Cash pledges are due to be collected as follows at December 31, 2021 and 2020:

		2021	2020
Cash amounts due in :			
Less than one year	$	475,266	70,744
One to five years		1,242,100	63,267
More than five years		11,450	15,850
	$	1,728,816	149,861

The land use contribution was originally received under a twenty year lease agreement which was renewed in 2020 for an additional ten years and is more fully described in Note 19.

(5) Land, Buildings and Equipment

Land, buildings and equipment at December 31, 2021 and 2020 consists of the following:

		2021	2020
Land and improvements	$	4,156,331	4,277,382
Buildings and improvements		35,042,890	40,651,731
Furniture, fixtures and equipment		5,485,039	6,769,001
Leasehold improvements		2,734,529	2,734,529
Construction-in-progress		258,140	75,890
		47,676,929	54,508,533
Less: accumulated depreciation		(27,188,054)	(30,758,806)
	$	20,488,875	23,749,727

Depreciation expense was $1,975,254 and $2,234,282 in 2021 and 2020, respectively.

In connection with the development of a new branch facility in Citrus County, Florida, the Organization received a contribution of land valued at $830,000 in 2014. The donor of the land conveyed the property with the recorded stipulation that it be utilized solely as a facility operated by the YMCA according to its ordinary and customary use. This restriction limits the ability of the Organization to sell or encumber the property without the consent of the donor, his successors and assignees so long as any such entities exist.

In December 2021, the Organization sold its Clearwater Branch YMCA facility located at 1005 S. Highland Avenue in Clearwater to another community-serving nonprofit organization. Proceeds from the sale provided $3.8 million, creating a gain of $1.8 million over the net book value of real and personal property assets included in the sale. The Organization will continue to serve the community through the "Clearwater Y in Motion" with much of the same programming, for all ages, in different locations within Clearwater. The Organization retained ownership of an adjacent vacant parcel of land located at 905 S. Highland Avenue.

(6) Long-Term Debt

Bond Issue and Related Long-Term Debt

In September 2012, the Organization received loan proceeds of $10 million from the Pinellas County Industrial Development Authority (the "Authority"), in connection with the Authority's issuance of $10 million of Industrial Development Refunding Revenue Bonds ("Bonds"). The Bonds were to be repaid by the Authority with payments collected from the Organization pursuant to a loan agreement and trust indenture. The loan agreement was issued for the purposes of refinancing obligations related to revenue bonds issued in 2002 and all outstanding bank loans, and restricted the use of loan proceeds to renovating, improving and equipping certain of the Organization's facilities. The loan was secured by real property.

(6) Long-Term Debt - Continued

Bond Issue and Related Long-Term Debt - Continued

The loan from the Authority required monthly payments of principal in amounts ranging from $45,721 to $60,608, plus interest through September 1, 2022, assuming exercise of a put option (otherwise maturity date will be September 1, 2027). The loan had a floating annual interest rate which was calculated as 81.4% of the sum the LIBOR Rate plus 1.60% multiplied by the bank's Margin Rate Factor and was adjusted monthly. The Organization entered into an interest rate swap agreement with a commercial bank to reduce the impact of the floating interest rate. The interest rate swap agreement is more fully described in a separate section of this note.

In August 2020, the Organization refinanced the loan in the amount of $5,880,000 with the same commercial bank. Under the terms of the new loan agreement, the loan bears interest at a variable rate of one month LIBOR plus 1.36% (1.504% at December 31, 2021) subject to a minimum interest rate of 2.11%. Principal and interest are payable monthly, with the remaining unpaid principal balance due upon maturity in August 2030. The commercial bank may elect to extend the maturity date an additional five years. The note is secured by the commercial mortgage and security agreement and assignment of rents, profits, and leases encumbering lands in Pasco County, Florida and Pinellas County, Florida. At December 31, 2021 and 2020, the outstanding balance on the loan was as follows:

	2021	2020
Long-term debt:		
Pinellas County Industrial Development		
Authority Bond Issue:		
Refinanced loan due August 2030	$ 5,452,715	5,774,109
Less: unamortized debt issuance costs	81,391	92,451
Long-term debt, less unamortized debt issuance costs	$ 5,371,324	5,681,658

The aggregate maturities of long-term debt for each of the five years subsequent to December 31, 2021, and thereafter, are as follows:

Year Ending December 31,	
2022	$ 330,537
2023	339,940
2024	349,240
2025	359,547
2026	369,776
Thereafter	3,703,675
	$ 5,452,715

(6) Long-Term Debt - Continued

Bond Issue and Related Long-Term Debt - Continued

The loan agreement and the related trust indenture restrict certain of the Organization's activities, including the issuance of additional debt, and require the Organization to meet certain financial covenants. At December 31, 2021, the Organization was in compliance with all of these covenants.

Interest Rate Swap Agreement

In connection with the Authority floating rate loan described above, the Organization entered into an interest rate swap agreement to fix the rate of interest on the debt at 2.87% effective until September 1, 2022. Net cash amounts paid or received under the agreement are recognized as an adjustment to interest expense.

In connection with the refinancing of the loan in August 2020, the commercial bank as party to the interest rate swap agreement, transferred the swap and extended the effective period of the swap through August 2030. The Organization's purpose in entering into this swap agreement was to hedge against the risk of interest rate increases on the related variable rate debt. Additionally, the interest rate swap agreement was amended to imbed an interest rate floor into the agreement to hedge against the risk of interest rate decreases below the 2.11% floor specified in the new loan agreement. The Organization's purpose in entering into an interest rate swap agreement with an imbedded floor was to restore the opportunity to benefit from a low interest rate environment. The interest rate swap agreement effectively changes the Organization's interest rate on its note payable from a variable rate of LIBOR plus 1.36% to a fixed rate of 2.77% at December 31, 2021. Under the interest rate floor agreement, the bank will offset the difference if the variable rate of the note falls below the floor strike rate of 2.11%.

The Organization accounts for the interest rate swap in accordance with ASC Topic 815, *Derivatives and Hedging*. ASC Topic 815 requires that all derivative instruments be recorded in the statement of financial position at fair value and that changes in fair value be reflected as a component of the Organization's change in net assets. Based upon an estimate provided by the financial institution, the fair value of the liability under the interest rate swap was $42,883 and the fair value of the asset under the interest rate floor was $117,499, resulting in a net receivable of $74,616 as of December 31, 2021. The fair value of the liability under the interest rate swap was $304,117 and the fair value of the asset under the interest rate floor was $209,093, resulting in a net obligation of $95,024 as of December 31, 2020. The interest rate swap is valued by the financial institution by discounting the present value of the future cash flows under the swap. The current yield curve of the floating rate on December 31, 2021 is utilized to project the future interest rates until the expiration of the swap. Due to the lack of quoted prices in active markets for identical swap agreements and the existence of inputs other than quoted prices that are observable for the swap agreement, management has determined that this financial instrument is a Level 2 fair value measurement in accordance with ASC Topic 820 (as presented in Note 15).

In June 2022, the Organization paid the $5.4 million mortgage in full. In connection with the early repayment of the mortgage, the Organization also terminated the interest rate swap agreement and received a refund of approximately $425,000.

(7) Line of Credit

In connection with the development of a branch facility in Citrus County, Florida, the Organization had a revolving line of credit with a commercial bank which allowed the Organization to borrow up to $2,480,000, through May 2018, at LIBOR plus 2.2%. From May 2018 through May 2020 (the maturity date), the Organization could borrow up to $2 million at the same rate. Any principal in excess of $2 million as of May 2018 was immediately due and payable. Interest only payments on the outstanding principal amount were due monthly. Accrued and unpaid interest and the remaining outstanding principal balance was paid in full in June 2020.

In June 2020 the Organization entered into a revolving line of credit with a commercial bank which allowed the Organization to borrow up to $1,000,000, through June 2021, at LIBOR plus 1.42% (2.17% at December 31, 2020). Interest accrued from the date of disbursement on the unpaid balance and continued to accrue until the line of credit was paid in full. At December 31, 2020, the line of credit was secured by a $1,000,000 certificate of deposit issued by a commercial bank. The Organization did not renew the line of credit upon maturity in June 2021.

(8) Deferred Rental Income

School Board of Citrus County

In 2016, the Organization entered into an agreement with the School Board of Citrus County, under which the County's schools will utilize the Organization's Citrus branch pool and facilities. The agreement calls for a twenty-five year term, with an option to extend the term before expiration. The Organization received a single payment of $325,000 under the agreement which represents deferred rental income. The deferred rental income is being amortized over a twenty-five year period. Income recognition began in May 2016 when the Citrus facility was completed and the County began utilizing the space. Rental income recognized in both 2021 and 2020 was $13,000.

(9) Leases

The Organization is obligated under capital leases for certain equipment that expire at various dates through 2026. At December 31, 2021 and 2020, the gross amount of equipment and related accumulated amortization recorded under the capital leases were as follows:

		2021	2020
Equipment	$	239,659	196,112
Less: accumulated amortization		(99,889)	(27,907)
Net book value	$	139,770	168,205

(9) Leases - Continued

The Organization leases certain facility space and equipment on a month-to-month basis under operating leases. Rent expense for all operating leases for the years ended December 31, 2021 and 2020 was $218,419 and $154,726, respectively.

The present value of future minimum capital lease payments as of December 31, 2021 is as follows:

Year Ending December 31,		
2022	$	42,996
2023		42,996
2024		42,996
2025		42,147
2026		5,013
Total future minimum lease payments		176,148
Less: amount representing interest		25,139
Present value of minimum capital lease payments	$	151,009

(10) Net Assets Without Restrictions, Designated

Net assets designated by the Board for purposes other than the endowment consist of the following at December 31, 2021 and 2020:

		2021	2020
Maintenance	$	396,759	494,703
Contingency		2,524,231	2,499,287
Debt reduction		4,334,826	4,268,048
Unemployment and other		666,081	628,433
	$	7,921,897	7,890,471

(11) Net Assets With Donor Restrictions

Net assets with donor restrictions as of December 31, 2021 and 2020 relate to assets contributed by donors and other funding sources for specific purposes and time periods as follows:

		2021	2020
Subject to time restrictions:			
Pledges receivable	$	15,414	25,606
United Way allocations		31,700	22,500
		47,114	48,106
Subject to use restrictions:			
Unappropriated earnings on endowment restricted for specified branches		2,209,367	1,803,951
Use restrictions on land and building		1,029,537	1,144,000
Use restrictions for capital campaigns		245,510	166,427
Use restrictions for various programs		309,673	261,387
		3,794,087	3,375,765
General endowment subject to the Organization's spending policy and appropriation		1,909,808	1,734,317
Total net assets with donor restrictions	$	5,751,009	5,158,188

(12) Endowment

The Organization manages an endowment which includes funds legally restricted by the donor as to the use of principal. The original contribution of $1,000,000 was restricted by the donor in that the principal may not be expended, except under extraordinary circumstances. Earnings on endowment investments may be expended on maintenance of Organization facilities, construction of new facilities, and development of new programs. Investments in the amount of $1,375,795, which included the $1,000,000, were received from the Suncoast Family YMCA Foundation, Inc. Trust ("Trust") in 1992, upon the termination of the Trust. Under the terms of the transfer from the Trust, the amount conveyed by the Trust in excess of the $1,000,000 corpus ($375,795) may be expended for operations only upon the approval of 90% of the members of both the Board and the Endowment Committee. Only with court approval, however, shall the $1,000,000 corpus be utilized. The balance of the endowment is available for expenditure upon the majority vote of the Board of the Organization. The Board and the Endowment Committee have established a goal to preserve the purchasing power of the endowment.

In 2013, the Organization established the Legacy Club as a specific program through which donors may contribute to the endowment fund.

(12) Endowment - Continued

Endowment fund investments are included in the investment portfolio described in Note 3.

The Organization's endowment includes both donor-restricted endowment funds, funds designated by the Board, to function as endowment funds, and donor-restricted funds for specific branches. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board has interpreted the *Florida Uniform Prudent Management of Institutional Funds Act* ("FUPMIFA") 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 Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; (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. The remaining portion of the donor-restricted endowment fund is restricted until those amounts are appropriated for expenditure by the Organization in a manner consistent with the donor designations.

Investment Return Objectives, Risk Parameters and Strategies

The Organization's investment policy is based on providing security for the Organization. Therefore, the time horizon is very long-term. The goal is to provide funding from the endowment fund for programs giving priority to the use of the income for major maintenance, modernization, or expansion of buildings and facilities, extension of services, and developing and training professional leadership while maintaining the purchasing power of the portfolio and offsetting inflation.

The objectives call for disciplined, consistent management using a current "prudent person" philosophy. The investment portfolio is to be diversified as to fixed income and equity holdings to provide risk reduction, a dependable source of income, and growth of principal. The equities portion may constitute up to 70% of the total fund with fixed income portion making up the remainder of the fund. The fund shall not invest in real estate.

Equity investments must be in United States corporations quoted on the New York or American stock exchange or the NASDAQ. Equity investments should be diversified both as to companies and industries to minimize risk other than normal market fluctuation. Equity investments in a single industry will not exceed 20% of the total. Equity investments in any one company shall not exceed 5% (at cost) or 10% (at market) of the equity portfolio. Mutual funds may be used in place of individual equities in an effort to minimize risk and maintain exposure to additional areas of the equity market. Manager discretion should be used within the management of the mutual funds to maximize return with the least possible amount of risk according to the prospectus of each fund.

(12) Endowment - Continued

Investment Return Objectives, Risk Parameters and Strategies - Continued

Bond investments (one year or longer) are limited to U.S. government and agency issues, mortgage instruments, and quality investment grade corporate bonds and preferred stocks (considered as a bond equivalent). Individual fixed income securities should be considered investment grade at the time of acquisition. Commercial paper should be rated A1, P1. Corporate issues must be in the top quality ratings of Moody's, Standard and Poor's, or other recognized credit services (BBB/BAA) or higher with good marketability. All investments in fixed income shall have a high degree of marketability and no individual investment shall exceed 7% of the total fixed income securities. Cash is considered fixed income. Bond funds may be used in place of individual bonds in an effort to minimize risk and maintain exposure to additional areas of the fixed income market. Fund investments should be investment grade. Manager discretion should be used within the management of the mutual funds to maximize return with the least possible amount of risk according to the prospectus of each fund. This may include exposure to some lower rated or non-rated securities up to but not to exceed 10% of the individual bond fund.

Spending Policy

Annually, the Board budgets an allocation from the endowment to support Organization operations. Allocations are based on current needs of the Organization and the desire to preserve the purchasing power of endowment assets. The amount to be distributed in a fiscal year may be 4% of the 3-year trailing average of the June 30^{th} market value of the endowment portfolio. The Endowment Committee shall review and confirm, once annually, the amount of the distribution from the endowment fund. While it is expected that 4% will be the spending percentage, the Endowment Committee shall prepare a recommendation to the Board in the third quarter meeting of each calendar year for the following year and the percentage approved could be more or less than the 4%.

Endowment net asset composition by type of fund as of December 31, 2021 and 2020 is as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total Endowment Net Assets
December 31, 2021:			
Board-designated endowment funds	$ 5,513,157	-	5,513,157
Donor-restricted endowment funds	-	4,119,175	4,119,175
	$ 5,513,157	4,119,175	9,632,332
December 31, 2020:			
Board-designated endowment funds	$ 3,185,807	-	3,185,807
Donor-restricted endowment funds	-	3,538,268	3,538,268
	$ 3,185,807	3,538,268	6,724,075

(12) Endowment - Continued

Spending Policy - Continued

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

	Without Donor Restrictions	With Donor Restrictions	Total
Balance at December 31, 2019	$ 2,957,464	3,167,806	6,125,270
Investment return:			
Investment income, net of fees	106,707	20,904	127,611
Net appreciation	209,079	290,338	499,417
Total investment return	315,786	311,242	627,028
Contributions	20,415	145,162	165,577
Appropriation of endowment earnings for expenditure	22,142	(22,142)	-
Distributions	(130,000)	(63,800)	(193,800)
Balance at December 31, 2020	3,185,807	3,538,268	6,724,075
Investment return:			
Investment income, net of fees	181,483	207,038	388,521
Net appreciation	319,535	289,388	608,923
Total investment return	501,018	496,426	997,444
Contributions	1,955,828	175,491	2,131,319
Appropriation of endowment earnings for expenditure	22,207	(22,207)	-
Distributions	(151,703)	(68,803)	(220,506)
Balance at December 31, 2021	$ 5,513,157	4,119,175	9,632,332

The Organization's endowment fund includes gifts with donor imposed restrictions to benefit several specific YMCA branch locations and community programs, and the teen leaders program. These investments will continue to be overseen by the endowment committee.

(13) Liquidity and Availability of Resources

The Organization is supported by both unrestricted and restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Board designates endowment earnings to fund long-term needs of the Organization and may be drawn upon with the approval of 90% of the members of both the Board and the Endowment Committee as described in Note 12. Additionally, the Board has designated certain net assets without donor restrictions that, while the Organization does not intend to spend for purposes other than those identified in Note 10, the amounts could be made available for current operations, if necessary.

As of December 31, 2021 and 2020, the Organization's financial assets available for general expenditure within one year were as follows:

	2021	2020
Financial assets:		
Cash and cash equivalents	$ 14,566,964	2,355,513
Restricted certificate of deposit	-	1,000,000
Trade accounts receivable	289,591	229,449
Grants and other receivables	299,295	424,151
Contributions receivable	1,640,593	138,705
Investments	12,541,659	11,237,129
Total financial assets	29,338,102	15,384,947
Less amounts unavailable for general expenditure within one year due to:		
Long-term contributions receivable	(7,345)	(72,343)
Contractual or donor-imposed restrictions:		
Unappropriated earnings on endowment restricted for specified branches	(2,209,367)	(1,803,951)
Certificate of deposit restricted for collateral	-	(1,000,000)
Use restrictions for capital campaigns	(245,510)	(166,427)
Other donor imposed use restrictions	(309,673)	(261,387)
Net assets to be held in perpetuity	(1,909,808)	(1,734,317)
Subtotal before Board-designations	24,656,399	10,346,522
Board-designations:		
Quasi-endowment	(5,513,157)	(3,185,807)
Maintenance	(396,759)	(494,703)
Contingency	(2,524,231)	(2,499,287)
Debt reduction	(4,334,826)	(4,268,048)
Unemployment and other	(666,081)	(628,433)
Financial assets available to meet cash needs for general expenditures within one year	$ 11,221,345	(729,756)

(14) Employee Benefit Plan

The Organization participates in The YMCA Retirement Fund Retirement Plan, which is a defined contribution, money purchase, church plan that is intended to satisfy the qualification requirements of Section 401(a) of the Internal Revenue Code of 1986 as amended, and the YMCA Retirement Fund Tax-Deferred Savings Plan, which is a retirement income account plan as defined in section 403(b)(9) of the Code. Both plans are sponsored by the Young Men's Christian Association Retirement Fund ("Fund"). The Fund is a not-for-profit, tax-exempt pension fund incorporated in the State of New York (1922) organized and operated for the purpose of providing retirement and other benefits for employees of YMCAs throughout the United States. The plans are operated as church pension plans. Participation is available to all duly organized and reorganized YMCAs and eligible employees. As defined contribution plans, the Retirement Plan and Tax-Deferred Savings Plan have no unfunded obligations.

In accordance with the agreement, contributions for the YMCA Retirement Fund Retirement Plan are a percentage (12%) of the participating employee's salary. However, in June 2020, the Organization reduced its contribution to 1% due to the impact of the pandemic (as more fully described at Note 22) and restored the 12% contribution effective October 1, 2020. These amounts are paid by the Organization. Total contributions charged to retirement costs in 2021 and 2020 aggregated $650,968 and $502,011, respectively, of which $98,293 and $101,479 was unpaid at December 31, 2021 and 2020, respectively.

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

(15) Fair Value Measurements

The Organization adopted ASC Topic 820, which provides a common definition of fair value, establishes a framework for measuring fair value under U.S. generally accepted accounting principles and requires additional disclosures about fair value.

Financial instruments measured at fair value are classified and disclosed in the following categories:

Level 1: Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments included in Level 1 are mutual funds, corporate bonds, bond funds, U.S. government obligations, and cash and cash equivalents.

Level 2: Pricing inputs are other than quoted prices for identical investments in active markets, which are either directly or indirectly observable as of the reporting date, and the fair value is determined through the use of models or other valuation methodologies. The types of investments which are included in this category are mortgage-backed securities, municipal bonds, and certificates of deposit. Other observable inputs are also used in measuring the fair value of the interest rate swap agreement.

Level 3: Valuation is based on unobservable inputs. At December 31, 2021 and 2020, the Organization did not hold assets or liabilities with Level 3 fair value measurements.

(15) Fair Value Measurements - Continued

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

Fair value of assets measured on a recurring basis at December 31, 2021 was as follows:

		Fair Value Measurements at Reporting Date Using		
Description	**Assets Measured at Fair Value at December 31, 2021**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Cash and cash equivalents	$ 5,027,366	5,027,366	-	-
Equity mutual funds:				
Foreign large growth	837,356	837,356	-	-
Large blend	517,709	517,709	-	-
Large growth	1,505,730	1,505,730	-	-
Large value	888,561	888,561	-	-
Mid-cap growth	368,516	368,516	-	-
Small value	496,634	496,634	-	-
Real estate	414,180	414,180	-	-
Natural resources	350,760	350,760	-	-
Miscellaneous sector	169,360	169,360	-	-
Allocation - 50% to 70% equity	817,487	817,487	-	-
Total equity mutual funds	6,366,293	6,366,293	-	-
Fixed income:				
Short-term bonds	374,975	374,975	-	-
Multisector bonds	329,369	329,369	-	-
Ultrashort bonds	443,656	443,656	-	-
Total fixed income	1,148,000	1,148,000	-	-
Total investments	12,541,659	12,541,659	-	-
Receivable under interest rate swap	74,616	-	74,616	-
Total assets	$ 12,616,275	12,541,659	74,616	-

(15) Fair Value Measurements - Continued

Fair value of assets and liabilities measured on a recurring basis at December 31, 2020 was as follows:

		Fair Value Measurements at Reporting Date Using		
Description	**Assets Measured at Fair Value at December 31, 2020**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Cash and cash equivalents	$ 5,493,606	5,493,606	-	-
Certificate of deposit	1,000,000	-	1,000,000	-
Equity mutual funds:				
Foreign large growth	779,871	779,871	-	-
Foreign large blend	392,938	392,938	-	-
Large growth	1,164,756	1,164,756	-	-
Large value	662,705	662,705	-	-
Mid-cap growth	316,959	316,959	-	-
Small value	340,520	340,520	-	-
Real estate	267,371	267,371	-	-
Miscellaneous sector	245,208	245,208	-	-
Allocation - 50% to 70% equity	672,715	672,715	-	-
Total equity mutual funds	4,843,043	4,843,043	-	-
Fixed income:				
Short-term bonds	283,136	283,136	-	-
Multisector bonds	320,996	320,996	-	-
Ultrashort bonds	283,329	283,329	-	-
U.S. government obligations	13,019	13,019	-	-
Total fixed income	900,480	900,480	-	-
Total assets	$ 12,237,129	11,237,129	1,000,000	-
Liabilities:				
Obligation under interest rate swap	$ 95,024	-	95,024	-
Total liabilities	$ 95,024	-	95,024	-

(16) Concentration of Credit Risk

The Organization maintains several deposit accounts with what management believes to be high credit quality financial institutions, including financial institutions participating in the Certificate of Deposit Account Registry Service. The total of these balances exceeded federal insurance limits by approximately $1.3 million as of December 31, 2021.

(17) Interest Cost

Interest cost charged to operations in 2021 and 2020 was approximately $170,000 and $158,000, respectively.

(18) Fees and Grants from Early Learning Coalitions

The Organization has current contracts with Early Learning Coalition ("ELC") of Pinellas County, Inc., ELC of Pasco and Hernando Counties, Inc., and ELC of the Nature Coast, Inc. The contracts with ELC of Pinellas County, Inc. ELC of Pasco and Hernando Counties, Inc. and ELC of the Nature Coast, Inc. expire on June 30, 2022. Management expects all contracts to be extended upon expiration. ELC provides a significant amount of funding for the Organization's school age before and after school and summer camp programs. The revenue received from the aforementioned contracts was $1,164,805 and $1,781,582 for 2021 and 2020, respectively. In addition, the Organization recognized Coronavirus Aid, Relief, and Economic Security (CARES) Act revenue from these ELC organizations in the amounts of $393,265 in 2021 and $648,261 in 2020. Refundable advances under these CARES Act agreements totaled $2,669,907 and $0 as of December 31, 2021 and 2020, respectively.

(19) Land Lease and Improvements

In August 2000, the Organization entered into a lease agreement with Pinellas County, Florida (the "County") for a 14.3 acre parcel of land. The lease requires annual lease payments of $1 and had an original term of twenty years. In August 2020, the lease agreement was renewed for an additional ten year term. One additional ten year renewal option is available. U.S. generally accepted accounting principles require that the County's lease commitment be recorded as a contribution with donor restrictions. Accordingly, the Organization has recorded a contribution which represents the present value of the excess of the aggregate fair rental value of the land lease over below market rent payments due over the remaining term of the lease.

Recognition of the fair value of the lease including the additional contribution during 2020 as a result of the extension of the lease is summarized as follows:

Fair value of land use contribution at December 31, 2019	$	104,388
Recognition of additional contribution for renewed lease term		1,144,000
Recognition of fair value of contributed land lease		7,830
Recognition of rent expense for the year ended December 31, 2020		(112,218)
Fair value of land use contribution at December 31, 2020		1,144,000
Recognition of fair value of contributed land lease		7,893
Recognition of rent expense for the year ended December 31, 2021		(122,356)
Fair value of land use contribution at December 31, 2021	$	1,029,537

(20) Related Party Transactions

In 2021 and 2020, the Organization conducted business with entities affiliated with certain members of its governing board.

During both 2021 and 2020, members of the governing board represented the Organization as independent insurance agents in obtaining insurance coverage and received commissions from their respective companies. In 2021, one member of the governing board contributed his real estate commission in connection with the sale of the Clearwater branch.

In 2021 and 2020, the Organization provided consulting services to smaller YMCA organizations under a contract with YMCA of the USA (National Council of Young Men's Christian Association of the United States of America). Total revenues for 2021 and 2020 were $54,675 and $109,675, respectively.

(21) Contingencies

The Organization has been notified of potential claims arising in the ordinary course of its operations. Management believes that any liability incurred in connection with these claims would be nominal in amount and limited to the deductible under the Organization's insurance policies.

(22) Risks and Uncertainties

The novel coronavirus ("COVID-19") spread rapidly across the world in the first quarter of 2020 and was declared a pandemic by the World Health Organization in March 2020. The government and private sector responses to contain its spread began to adversely affect the broader economy and business in general in March 2020 and those impacts may continue to affect operations through the remainder of 2022, although such effects may vary significantly. The Organization's operations have been significantly impacted, including mandated closure of gyms, fitness centers and other indoor venues beginning in March 2020 due to health and safety laws, rules, and regulations with respect to social distancing and larger gatherings. Future closures of the Organization's programming and related activities are dependent on applicable government requirements and are subject to ongoing modifications dependent on changes in COVID-19 cases. The duration and extent of the pandemic and its effects over longer terms cannot be reasonably estimated as of the date the financial statements were available for issuance. The risks and uncertainties resulting from the pandemic that may affect the results of operating activities, cash flows and financial condition include the nature and duration of the curtailment of program activities and the long-term effect on funding from government grants and contracts.

The pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. As a result, there has been heightened market risk and the Organization's investment portfolio has incurred significant volatility in fair value since March 2020. Because the values of the Organization's individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in future periods, if any, and the related impact on the Organization's liquidity cannot be determined at this time.

(23) Noncash Investing and Financing Activities

In 2021 and 2020, the Organization financed the acquisition of new equipment under a capital lease obligation in the amount of $12,289 and $171,000, respectively.

(24) Federal Financial Assistance

During 2021, the Organization applied for and received a forgivable Paycheck Protection Program ("PPP") loan of $2,707,723 as provided under the Federal Coronavirus Aid, Relief, and Economic Security ("CARES") Act and the loan was funded on March 18, 2021. Under the terms of the loan, the balance is forgivable to the extent the proceeds are used for certain qualified costs and that certain employment levels are maintained over a specified 24 week period.

To the extent a portion of the loan did not meet the criteria to be forgiven, principal and interest is payable monthly through the maturity date of March 18, 2026. The loan carries an interest rate of 1%. The Organization has elected to apply the provisions of ASU 2018-08, *Clarifying Guidance for Contributions Received and Contributions Made* (Topic 958-605). Through December 31, 2021, the Organization fully utilized the proceeds on qualified costs and such amount has been reported as grant revenue in the accompanying statement of activities. The Organization submitted a formal request for forgiveness and received notice of the legal release of the obligation in April 2022.

The CARES Act also provides an employee retention credit ("ERC"), which is a refundable tax credit against certain employment taxes of up to 70% of $10,000 of qualified wages paid to employees during a quarter. Based on the 2021 relief provisions, the Organization qualified for the tax credit in the first and third quarters of 2021. The Organization has elected to apply the provisions of Topic 958-605 as the relevant guidance for a not-for-profit entity for this type of conditional federal award. During the year ended December 31, 2021, the Organization received and recognized $3,616,721 of grant revenue in the accompanying statement of activities.

(25) Subsequent Events

The Organization has evaluated subsequent events through July 6, 2022, the date the financial statements were available for issuance. The Organization repaid its mortgage in full and canceled its interest rate swap agreement in 2022 as more fully described in Note 6. In addition, the Organization received formal forgiveness of its PPP loan in April 2022 as more fully described in Note 24.