YOUNG MEN'S CHRISTIAN ASSOCIATION
OF GREATER SALT LAKE

FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

With Summarized Financial Information for the

Year Ended December 31, 2008

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER SALT LAKE

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors

Young Men's Christian Association of Greater Salt Lake

We have audited the accompanying statement of financial position of the Young Men's Christian Association of Greater Salt Lake ("YMCA") as of December 31, 2009, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the YMCA's management. Our responsibility is to express an opinion on these financial statements based upon our audit. The prior year summarized comparative information has been derived from the YMCA's December 31, 2008 financial statements and, in our report dated August 11, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. . An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the YMCA's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the YMCA as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Mayer Hoffman McCann P.C.

Salt Lake City, Utah
July 27, 2010

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER SALT LAKE

STATEMENT OF FINANCIAL POSITION

December 31, 2009 with Summarized Comparative Totals for 2008

ASSETS	Unrestricted	Temporarily Restricted	Totals 2009	Summarized Comparative Totals 2008
Current assets:				
Cash and cash equivalents	$ 338,579	$ 50,284	$ 388,863	$ 479,677
Grants and accounts receivable, less allowance for uncollectible accounts ($1,407, 2009 and $3,771, 2008)	266,667	-	266,667	311,129
Unconditional promises to give, net	-	29,943	29,943	30,000
Prepaid expenses	19,451	-	19,451	6,003
Inventories	1,009	-	1,009	-
Total current assets	625,706	80,227	705,933	826,809
Cash restricted for investment in property and equipment	-	103,349	103,349	50,000
Investments	3,295	-	3,295	3,182
Property and equipment, net	1,033,004	-	1,033,004	1,040,632
Other assets:				
Deposits	1,200	-	1,200	-
Long-term unconditional promises to give, net	-	-	-	4,887
Total other assets	1,200	-	1,200	4,887
Total assets	$ 1,663,205	$ 183,576	$ 1,846,781	$ 1,925,510
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued liabilities	$ 32,443	$ -	$ 32,443	$ 27,010
Deferred revenue	3,505	-	3,505	736
Other current liabilities	2,315	-	2,315	2,173
Total current liabilities	38,263	-	38,263	29,919
Net assets:				
Unrestricted	1,624,942	-	1,624,942	1,769,989
Temporarily restricted	-	183,576	183,576	125,602
Total net assets	1,624,942	183,576	1,808,518	1,895,591
Total liabilities and net assets	$ 1,663,205	$ 183,576	$ 1,846,781	$ 1,925,510

See Notes to Financial Statements

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER SALT LAKE

STATEMENT OF ACTIVITIES

Year Ended December 31, 2009 Summarized Comparative Totals for 2008

	Unrestricted	Temporarily Restricted	Totals 2009	Summarized Comparative Totals 2008
Public support and revenues:				
Contributions and grants	$ 158,695	$ 128,830	$ 287,525	661,981
Government contracts and grants	863,039	-	863,039	368,240
Program fees	382,993	-	382,993	305,499
Interest income	7,756	-	7,756	23,749
Unrealized and realized gain (loss) on investments	138	-	138	(9,520)
Loss on sale of property and equipment	(5,355)	-	(5,355)	-
Other revenue	2,402	-	2,402	3,333
In-kind donations	626,173	-	626,173	160,180
Special events, net of direct benefits of $13,364, 2009 and $17,743, 2008	77,875	-	77,875	102,770
Total public support and revenue	2,113,716	128,830	2,242,546	1,616,232
Net assets released from restrictions:				
Satisfaction of donor restrictions	70,856	(70,856)	-	-
Total support and revenue	2,184,572	57,974	2,242,546	1,616,232
Expenses:				
Program services:				
Camp Roger	426,886	-	426,886	381,014
Extended school programs	1,664,126	-	1,664,126	705,921
Total program services	2,091,012	-	2,091,012	1,086,935
Supporting services:				
Management and general	147,236	-	147,236	123,749
Fund raising activities	91,371	-	91,371	109,566
Total supporting services	238,607	-	238,607	233,315
Total expenses	2,329,619	-	2,329,619	1,320,250
Change in net assets	(145,047)	57,974	(87,073)	295,982
Net assets at beginning of year	1,769,989	125,602	1,895,591	1,599,609
Net assets at end of year	$ 1,624,942	$ 183,576	$ 1,808,518	$ 1,895,591

See Notes to Financial Statements

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER SALT LAKE

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2009 Summarized Comparative Totals for 2008

	Program Services		Support Services			
	Camp Roger	Extended School Programs	Management and General	Fundraising	Totals 2009	Summarized Comparative Totals 2008
Expenses:						
Wages	$ 133,646	$ 753,632	$ 60,303	$ 15,541	$ 963,122	$ 627,558
Payroll taxes and benefits	19,849	107,478	12,829	4,750	144,906	84,045
Total wages, taxes and benefits	153,495	861,110	73,132	20,291	1,108,028	711,603
Rent	8,496	529,319	32,690	921	571,426	164,065
Professional fees	10,989	83,292	19,177	60,664	174,122	119,537
Food	44,285	49,921	1,375	238	95,819	65,388
Depreciation	75,016	-	4,037	-	79,053	37,285
Program supplies	8,109	30,659	82	3,118	41,968	18,584
Printing and advertising	26,034	7,647	567	954	35,202	37,135
Transportation	5,667	23,253	-	30	28,950	16,439
Equestrian program	23,256	-	-	-	23,256	20,137
Admission fees	11,090	8,523	23	-	19,636	7,645
Insurance	3,595	11,512	2,989	878	18,974	19,672
Travel	3,216	12,029	1,653	153	17,051	8,743
Office supplies	1,906	8,543	2,609	2,096	15,154	9,368
Postage	13,040	376	1,098	339	14,853	13,437
Utilities	12,455	144	63	3	12,665	10,699
Program equipment	466	11,413	103	-	11,982	2,235
YUSA support	2,222	7,370	1,337	574	11,503	10,484
Repairs and maintenance	6,670	3,790	500	-	10,960	5,382
Licenses and permits	7,361	546	663	-	8,570	7,401
Bank charges	4,553	1,082	2,095	642	8,372	5,870
Seminars and meetings	730	6,597	418	102	7,847	5,425
Telephone services	2,976	3,513	544	168	7,201	7,350
Dues	647	1,553	760	-	2,960	1,325
Bad debt	-	1,682	961	-	2,643	3,771
Awards and recognition	562	252	205	-	1,019	4,370
Miscellaneous	50	-	155	200	405	6,900
	273,391	803,016	74,104	71,080	1,221,591	608,647
Total expenses	$ 426,886	$ 1,664,126	$ 147,236	$ 91,371	$ 2,329,619	$ 1,320,250

See Notes to Financial Statements

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER SALT LAKE

STATEMENT OF CASH FLOWS

Year Ended December 31, 2009 Summarized Comparative Totals for 2008

	Unrestricted	Temporarily Restricted	Totals 2009	Summarized Comparative Totals 2008
Cash flows from operating activities:				
Change in net assets	$ (145,047)	$ 57,974	$ (87,073)	$ 295,982
Adjustment to reconcile change in net assets to net cash from operating activities:				
Depreciation	79,053	-	79,053	37,285
Change in allowance	(2,364)	-	(2,364)	-
Realized and unrealized loss (gain) on investments	(138)	-	(138)	9,520
Donated property and equipment	(25,945)	-	(25,945)	-
Loss on disposal of property and equipment	5,355	-	5,355	-
Change in assets and liabilities:				
Grants and accounts receivable, net	46,826	-	46,826	(296,326)
Unconditional promises to give, net	-	4,944	4,944	(34,887)
Prepaid expenses	(13,448)	-	(13,448)	(4,300)
Inventories	(1,009)	-	(1,009)	-
Deposits	(1,200)		(1,200)	-
Accounts payable and accrued liabilities	5,433	-	5,433	26,691
Deferred revenue	2,769	-	2,769	736
Other current liabilities	142	-	142	2,173
Contributions restricted for investment in property and equipment	-	(53,349)	(53,349)	(50,000)
Cash flow from operating activities	(49,573)	9,569	(40,004)	(13,126)
Cash flows from investing activities:				
Purchase of property and equipment	(53,713)	-	(53,713)	(575,131)
Purchase of assets restricted for investment in property and equipment	-	(53,349)	(53,349)	(50,000)
Proceeds from sale of property and equipment	2,878	-	2,878	-
Proceeds from sale of investments	25	-	25	-
Cash flow from investing activities	(50,810)	(53,349)	(104,159)	(625,131)
Cash flows from financing activities:				
Collections of contributions restricted for investment in property and equipment	-	53,349	53,349	50,000
Net increase (decrease) in cash and cash equivalents	(100,383)	9,569	(90,814)	(588,257)
Cash and cash equivalents at beginning of the year	438,962	40,715	479,677	1,067,934
Cash and cash equivalents at end of the year	$ 338,579	$ 50,284	$ 388,863	$ 479,677

See Notes to Financial Statements

(1) Summary of significant accounting policies

Organization and nature of activities – The mission of the Young Men's Christian Association of Greater Salt Lake ("YMCA") is "to provide our communities with programs and services that enhance healthy mind, body and spirit in which we strive to build strong kids, strong families and strong communities." It is driven by community need, guided by community volunteers, and open to all. In all programs, the YMCA builds values of caring, honesty, respect and responsibility. The YMCA's vision is to be the leader in understanding and meeting our communities' needs by developing and adapting quality programs that provide value to children and their families. They accomplish their mission and vision through the following programs:

YMCA Camp Roger is a non-denominational residential camp for boys and girls ages 7-17 located on 40-acres in the Uinta Mountains. The children are taught the values of caring, honesty, respect and responsibility throughout their stay where they participate in a variety of camp activities. Camp Roger gives children an opportunity to learn new skills, build confidence and develop independence.

Extended school enrichment programs provide a safe, supervised and fun place for children ages 5-12 to be after school. The YMCA offers programs at nineteen different schools/locations in Salt Lake and Weber Counties. The enrichment programs offer homework help, snacks and structured activities each day. Activities include academics, sports, music, creativity, science, games, arts and crafts, teambuilding and more. Each extended school enrichment program helps children gain the skills necessary to become successful teenagers and adults.

The YMCA believes that no family should be turned away for inability to pay so scholarships and financial assistance are available in all YMCA programs.

Change in accounting principle – On January 1, 2008, the YMCA changed its method of accounting from the modified cash basis to the accrual basis. The YMCA believes that the new method more accurately reflects its financial position and results of operations. The net effect of this change did not materially affect the beginning 2008 balance of net assets.

Basis of presentation – YMCA prepares its financial statements on the accrual basis of accounting and follows U.S. generally accepted accounting principles for not-for-profit organizations. YMCA reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Classification of restricted net assets is determined by the nature of any donor-imposed restrictions.

- **Unrestricted net assets** represent expendable funds available for operations which are not otherwise limited by donor restrictions.
- **Temporarily restricted net assets** consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the YMCA may spend the funds.

(1) **Summary of significant accounting policies (continued)**

- **Permanently restricted net assets** are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations. There were no permanently restricted net assets at December 31, 2009 and 2008.

The YMCA has elected to treat all contributions in which the restrictions are met in the same year as unrestricted contributions.

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

Cash and cash equivalents – For purposes of the statement of cash flows, the YMCA considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. At times the balance may exceed federally insured limits.

Grants and accounts receivable – Grants and accounts receivable and are recorded at their net fair market value less an appropriate allowance for uncollectible amounts. The YMCA uses the allowance method to determine uncollectible receivables. The allowance is based on historical experience and management's analysis of specific balances. An account is written off when it is determined that all collection efforts have been exhausted. The allowance for doubtful accounts was $1,407 and $3,771, respectively, as of December 31, 2009 and 2008.

Unconditional promises to give, net – Contributions represent unconditional promises to give that are expected to be collected within one year and are recorded in the period received at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded in the period received at the present value of their estimated future cash flows. The discounts on those amounts are computed using appropriate interest rates applicable to the years in which promises are received. Discounts on contributions that are measured at present value are amortized between the date the promise to give is initially recognized and the date the cash or other contributed assets are received. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. There were no conditional promises to give as of December 31, 2009 and 2008.

Based on historical experience and management's analysis of specific balances, the YMCA expects all unconditional promises to give to be collected; therefore, no allowance for uncollectible amounts is deemed necessary.

Property and equipment – The YMCA capitalizes all expenditures for property and equipment in excess of $1,000. Property and equipment are stated at cost less accumulated depreciation, or if acquired by gift, at estimated fair value at the date of the gift. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is reflected in the statement of activities for the period. Maintenance and repairs which neither materially add to the value of the property nor appreciably prolong its life are expensed as incurred.

(1) Summary of significant accounting policies (continued)

Depreciation is computed using the straight-line method over the following useful lives:

Assets	Useful Lives
Camp buildings	10-40 years
Camp building improvements	15-25 years
Camp equipment	5-10 years
Office furniture and equipment	3-7 years
Vehicles	5 years
Software	3 years

Long-lived assets – YMCA accounts for long-lived assets in accordance with the FASB ASC 360-10-05 ("ASC 360-10-05" and formerly referred to as Statement of Financial Accounting Standards ("SFAS") No. 144), *Accounting for the Impairment of Long-Lived Assets.* ASC 360-10-05 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. No impairment charges were recorded during the years ended December 31, 2009 and 2008, respectively.

Investments – Investments are initially recorded at their acquisition cost if they are purchased and at estimated fair value if they were received as a contribution. YMCA classifies their investment in equity securities as available-for-sale securities. Subsequent to acquisition, all equity securities are valued and reported at their fair value in the Statement of Financial Position. YMCA recognizes the unrealized gain or loss resulting from the difference between cost and market value in the statement of the activities. Realized gains and losses from the sale of available-for-sale securities are recorded in the statement of activities.

Public support and revenues – The YMCA derives its revenues from program fees, government contracts and grants, contributions, and miscellaneous sources.

Grants and other contributions of cash and other assets are reflected at their estimated fair market value at the date of gift as determined by the donor and reported as temporarily restricted support 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 purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. A substantial number of volunteers have donated significant amounts of time and services to the YMCA's program operations and fund-raising efforts. However, such contributed services do not meet the criteria for recognition of contributed services contained in

(1) Summary of significant accounting policies (continued)

U.S. generally accepted accounting principles and, accordingly, are not reflected in the accompanying financial statements. Other contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

CARES Program

On July 1, 2008 the YMCA accepted responsibility to organize, finance and operate the CARES program of the Ogden City School District and Weber County School District. The CARES program consisted of extended school enrichment programs much like those the YMCA was already operating in Salt Lake County. Ogden School District transferred assets of cash, receivables and equipment. Management deemed the equipment to not have any value as of the date of contribution.

Transfers consisted of approximately $77,500 in cash and $5,500 in receivables for an approximate total contribution of $83,000.

Deferred revenue – Deferred revenue consists of tuition payments and camp user deposits received at the end of the fiscal year for the services to be provided by YMCA in the next fiscal year.

Functional allocation of expenses – The costs of programs and supporting services have been summarized on a functional basis in the statement of activities. All direct costs are charged to the functional area they pertain to. Indirect costs are charged to programs and supporting services based on estimates made by management taking into account the nature of the expense and how it relates to the functional area. General and administrative costs include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of YMCA.

Income taxes – YMCA qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and comparable state laws and, therefore, is not subject to federal or state income taxes.

Fair value of financial instruments – YMCA's financial instruments, including cash, accounts receivable, accounts payable and accrued liabilities are carried at cost, which approximates their fair value because of the short-term nature of these instruments.

Fair value measurements - definition and hierarchy – The YMCA adopted the provisions of FASB ASC 820 ("ASC 820", formerly known as SFAS No. 157, *"Fair Value Measurements"*), effective January 1, 2008. Under this standard, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

(1) Summary of significant accounting policies (continued)

In determining fair value, the YMCA uses various valuation approaches. ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the YMCA. Unobservable inputs are inputs that reflect the YMCA's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1—Valuations based on quoted prices in active markets for identical assets or liabilities that the YMCA has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2—Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of observable inputs can vary from product to product and is affected by a wide variety of factors, including, for example, the type of product, whether the product is new and not yet established in the marketplace, the liquidity of markets and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the YMCA in determining fair value is greatest for instruments categorized in Level 3.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the YMCA's own assumptions are set to reflect those that the YMCA believes market participants would use in pricing the asset or liability at the measurement date.

See Note 11 for a description of valuation techniques applied to the major categories of financial instruments measured at fair value.

Advertising – Advertising costs are charged to operations when incurred. Advertising expense for the year ended December 31, 2009 and 2008 was $27,601 and $29,696, respectively. Advertising expenses are included in printing and advertising expenses on the Statement of Functional Expenses.

(1) Summary of significant accounting policies (continued)

Subsequent events – YMCA has reviewed and evaluated material subsequent events from the balance sheet date of December 31, 2009 through the financial statements issue date of July 27, 2010. All appropriate subsequent event disclosures, if any, have been made in the notes to the financial statements.

New accounting pronouncements adopted – The following accounting pronouncements were recently issued by the Financial Accounting Standards Board ("FASB") and adopted by YMCA.

FASB recognized the complexity of its standard-setting process and embarked on a revised process in 2004 that culminated in the release on July 1, 2009, of the FASB Accounting Standards Codification TM ("FASB ASC"), which is also sometimes referred to as the Codification or ASC. The ASC is the single official source of authoritative, nongovernmental generally accepted accounting principles ("GAAP"), other than guidance issued by the SEC. The Codification does not change how YMCA accounts for its transactions or the nature of related disclosures made.

References to GAAP issued by the FASB, included within the notes to the financial statements are references to the Codification. The FASB finalized the Codification effective for periods ending on or after September 15, 2009.

In 2009, YMCA adopted the FASB ASC. All references to the ASC are structured by Topic, Subtopic, Section and Paragraph. For example, XXX-YY-ZZ-PP, where XXX is the Topic, YY is the Subtopic, ZZ is the Section, and PP is the Paragraph. The adoption of the ASC did not have any impact on the financial statements included herein.

FASB ASC 825, *Financial Instruments,* ("ASC 825"), ASC 825-10-65, *Transition and Open Effective Date Information,* ("ASC 825-10-65" and formerly referred to as FSP FAS No. 107-1 and APB Opinion No. 28-1), requires disclosures about fair value of financial instruments in the financial statements. ASC 825-10-65 is effective prospectively for periods ending after June 15, 2009. The adoption did not have a material impact on the financial statements.

FASB ASC 855, *Subsequent Events,* ("ASC 855" and formerly referred to as SFAS No. 165), modified the subsequent event guidance.

The three modifications to the subsequent events guidance are: 1) To name the two types of subsequent events either as recognized or non-recognized subsequent events, 2) To modify the definition of subsequent events to refer to events or transactions that occur after the balance sheet date, but before the financial statements are issued or available to be issued and 3) To require entities to disclose the date through which an entity has evaluated subsequent events and the basis for that date, i.e. whether that date represents the date the financial statements were issued or were available to be issued. This guidance is effective for financial periods ending after June 15, 2009, and should be applied prospectively. The adoption did not have a material impact on the financial statements.

(1) Summary of significant accounting policies (continued)

In August 2009, the FASB issued Accounting Standards Update No. 2009-05 ("ASC Update 2009-05"), an update to FASB ASC 820, *Fair Value Measurements and Disclosures*. This update provides amendments to reduce potential ambiguity in financial reporting when measuring the fair value of liabilities. Among other provisions, this update provides clarification that in circumstances, in which a quoted price in an active market for the identical liability is not available, a reporting entity is required to measure fair value using one or more of the valuation techniques described in ASC Update 2009-05. ASC Update 2009-05 became effective for the YMCA's financial statements for the year ended December 31, 2009. The adoption did not have a material impact on the financial statements.

Recent accounting pronouncements not yet adopted – In January 2010, the FASB issued an update ASU 2010-06, *Fair Value Measurements and Disclosures* (ASU 2010-06). ASU 2010-06 updates FASB ASC 820, *Fair Value Measurements* (ASC 820). ASU 2010-06 requires additional disclosures about fair value measurements including transfers in and out of Levels 1 and 2 and a higher level of disaggregation for the different types of financial instruments.

For the reconciliation of Level 3 fair value measurements, information about purchases, sales, issuances and settlements should be presented separately. ASU 2010-06 is effective for periods beginning after December 15, 2010. The adoption of ASU 2010-06 is not expected to have a material impact on the financial statements of YMCA.

Reclassification – Certain items in the 2008 summarized financial information have been classified to conform to the 2009 presentation. These reclassifications had no impact on the YMCA's financial position including YMCA's previously reported assets, liabilities, net assets and change in net assets or cash flows as of December 31, 2008 and for the year then ended.

(2) Prior year summarized financial information

The financial statements include prior-year summarized comparative information in total and do not include information by the unrestricted, temporarily restricted, and permanently restricted net asset classes as required by U.S. generally accepted accounting principles. Accordingly, the information should be read in conjunction with the YMCA's financial statements as of December 31, 2008, from which the summarized comparative information was derived.

(3) Unconditional promises to give, net

Unconditional promises, net, consist of the following at December 31, 2009 and 2008:

	December 31, 2009	December 31, 2008
Unconditional promises to give due in:		
One year	$ 29,981	$ 30,000
Two years	-	5,000
Total unconditional promises to give	29,981	35,000
Less unamortized discount	(38)	(113)
Net unconditional promises to give	$ 29,943	$ 34,887

Amounts which will not be collected within one year are recorded at the present value of their estimated future cash flows, using discounted rates ranging from 1.00 – 3.50 percent.

(4) Investments

Investments as of December 31, 2009 and 2008 are summarized as follows:

	2009	2008
Long-term unrestricted investments:		
Common stock	$ 3,295	$ 3,182
Total long-term unrestricted investments	$ 3,295	$ 3,182

Investment returns as of December 31, 2009, are summarized by net asset class as follows:

	Unrestricted	Temporarily Restricted	Total
Realized gain on disposal of investments	$ 25	$ -	$ 25
Unrealized gain on appreciation of investments	113	-	113
	$ 138	$ -	$ 138

(4) Investments (continued)

Investment returns as of December 31, 2008, are summarized by net asset class as follows:

	Unrestricted	Temporarily Restricted	Total
Unrealized loss on depreciation of investments	$ (9,520)	$ -	$ (9,520)
	$ (9,520)	$ -	$ (9,520)

(5) Property and equipment, net

The following is a summary of property and equipment as of December 31, 2009 and 2008:

	December 31, 2009	December 31, 2008
Cost		
Camp buildings	$ 1,050,666	$ 501,135
Camp building improvements	268,923	268,923
Camp equipment	188,780	93,658
Office furniture and equipment	23,299	23,299
Software	7,576	-
Vehicles	40,098	40,098
Construction in progress	-	580,804
Total cost	1,579,342	1,507,917
Less accumulated depreciation	(546,338)	(467,285)
Net property and equipment	$ 1,033,004	$ 1,040,632

Certain camp buildings were under construction at the end of 2008. These buildings were completed and placed into service in June 2009. The aggregate depreciation charged to operations was $79,053 and $37,285 for the years ended December 31, 2009 and 2008, respectively.

(6) Temporarily restricted net assets

Temporarily restricted net assets at December 31, 2009 and 2008 are available for the following purposes:

	December 31, 2009	December 31, 2008
Capital project - building for extended school program	$ 104,249	$ 50,000
Extended school programs	59,581	60,715
Other operations	11,784	-
Camp Roger	7,962	14,887
Total temporary restricted net assets	$ 183,576	$ 125,602

(7) Operating leases

YMCA leases office space and equipment under operating leases. Rent expense under these agreements was $26,868 and $25,511 for the years ended December 31, 2009 and 2008, respectively. Future minimum lease payments as of December 31, 2009 are as follows:

Years Ending December 31,	
2010	$ 21,989
2011	6,965
2012	2,645
2013	2,645
2014	2,204
Total future minimum lease payments	$ 36,448

During the year ended December 31, 2009, the Ogden office of YMCA moved to a new location for which YMCA pays only $400 a month for the office rent. The remaining rent expense of $1,100 per month is in-kind donation by the lessee (note 9).

The YMCA entered into a 20 year lease agreement with the USDA Forest Services to use land for Camp Roger in 1999. The permit fees due each year vary and are dependent upon the amount of campers that attend Camp Roger each year. The amount paid under this agreement was $6,240 and $4,395, for the years ended December 31, 2009 and 2008, respectively.

(8) Retirement plan

The YMCA participates in a defined contribution, individual account and money purchase retirement plan, which is administered by the Young Men's Christian Association Retirement Fund ("YMCA Retirement Fund"), a separate corporation organized under the laws of the state of New York.

(8) Retirement plan (continued)

The plan is for the benefit of all eligible professional and nonprofessional staff of the YMCA, who qualifies under the participation requirements. Each participating employee may contribute monthly to the YMCA Retirement Fund. The YMCA is required to contribute monthly to the Retirement Plan, on behalf of its participating employees, regular association payments equal to a percentage of each employee's monthly compensation. Currently the percentage is 12%.

The YMCA contributed $31,670 and $13,031 to the Fund on behalf of its employees during the years ended December 31, 2009 and 2008, respectively.

(9) In-kind donations

During the years ended December 31, 2009 and 2008, the YMCA received the following in-kind donations of materials, services and free use of facilities that have been reflected in the financial statements of the YMCA:

	December 31, 2009	December 31, 2008
Free use of facilities	$ 547,124	$ 144,715
Professional fees	33,281	2,950
Supplies and equipment	34,850	4,928
Food and snacks	5,839	3,549
Admission fees	250	190
Repairs and maintenance	2,521	300
Printing and copying	2,308	3,548
Total non-cash donations	$ 626,173	$ 160,180

The use of facilities has been donated by various school districts in which the YMCA's extended school programs operate. Amounts have been recognized as revenues and expenses in the accompanying financial statements for the fair market value of the donated facilities. The in-kind donations were made for the use by Camp Roger and the After School Programs.

(10) Concentrations

YMCA maintains cash and investments in bank and brokerage accounts which at times may exceed their federally insured limits of $250,000, set by the Federal Deposit Insurance Corporation (FDIC). YMCA has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on these balances. There were no balances in excess of federally insured limits as of December 31, 2009 and 2008.

The organization receives significant support from the government agencies. The government contracts and grants account for 41% and 23% of public support and revenue as of December 31, 2009 and 2008, respectively.

(10) Concentrations (continued)

Grants and accounts receivable include three significant grants which are approximately 11%, 15% and 29% of the total, respectively, as of December 31, 2009. At December 31, 2008, there were two significant grants which were approximately 15% and 35%, respectively, of the grants and accounts receivable total, respectively.

(11) Fair value measurements

The following fair value hierarchy tables present information about YMCA's assets and liabilities measured at fair value on a recurring basis as of December 31. See Note 1 for a discussion of the YMCA's policies regarding this fair value hierarchy.

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2009 are as follows:

	Prices in Active Markets for Identical Assets	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2009
Common stock	$ 3,295	$ -	$ -	$ 3,295
Total	$ 3,295	$ -	$ -	$ 3,295

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2008 are as follows:

	Prices in Active Markets for Identical Assets	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2008
Common stock	$ 3,182	$ -	$ -	$ 3,182
Total	$ 3,182	$ -	$ -	$ 3,182

(12) Subsequent events

In May 2010, YMCA's Board of Directors approved a resolution to set up an endowment fund for the purpose of supporting YMCA Camp Roger. The fund is known as the Tom E. and Nancy A. Nissalke Camp Fund. The YMCA initially funded the endowment with $5,000 in May 2010, and later deposited additional $32,684 in donations from the Sports Night special event for a total balance of $37,684 as of June 25, 2010.