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***CAMP JORN YOUNG MEN'S  
CHRISTIAN ASSOCIATION, INC.***

***FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT***

***FEBRUARY 28, 2017***

eder, casella & co.

CAMP JORN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Camp Jorn Young Men's Christian Association, Inc.  
Manitowish Waters, Wisconsin

We have audited the accompanying financial statements of Camp Jorn Young Men's Christian Association, Inc. (a non-profit organization) which comprise the statement of financial position as of February 28, 2017, the related statements of activities and cash flows for the year then ended, and the notes to the financial statements.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Jorn Young Men's Christian Association, Inc. as of February 28, 2017, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited the Camp Jorn Young Men's Christian Association, Inc.'s financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 15, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended February 29, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses on pages 12 and 13 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Eder, Casella & Co.*

EDER, CASELLA & CO.  
Certified Public Accountants

Gurnee, Illinois  
September 14, 2017

CAMP JORN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.  
STATEMENT OF FINANCIAL POSITION  
FEBRUARY 28, 2017  
(With Comparative Information as of February 29, 2016)

	2017	2016
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 329,625	\$ 497,569
Receivables		
Other Receivables	17,844	18,693
Inventories	17,157	17,182
Prepaid Expenses	42,853	29,012
Total Current Assets	\$ 407,479	\$ 562,456
<b>Restricted Assets</b>		
Restricted/Designated Cash and Investments	\$ 2,318,922	\$ 1,874,616
Accrued Interest	1,685	2,036
Total Restricted Assets	\$ 2,320,607	\$ 1,876,652
<b>Fixed Assets</b>		
Land	\$ 4,469,725	\$ 4,469,725
Land Improvements	970,708	914,208
Building	4,542,493	4,557,382
Construction in Progress	-	4,580
Equipment	1,142,457	1,133,579
Total Fixed Assets	\$ 11,125,383	\$ 11,079,474
Less: Accumulated Depreciation	(1,581,150)	(1,361,745)
Net Fixed Assets	\$ 9,544,233	\$ 9,717,729
Total Assets	\$ 12,272,319	\$ 12,156,837
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 24,791	\$ 27,148
Accrued Expenses	24,865	29,480
Deposits	13,945	17,914
Deferred Income	122,383	74,194
Total Liabilities	\$ 185,984	\$ 148,736
<b>Net Assets</b>		
Permanently Restricted	\$ 1,474,758	\$ 1,468,157
Temporarily Restricted	444,641	360,235
Unrestricted		
Undesignated	9,768,546	9,858,457
Board Designated		
Jorn Fund	-	109,675
Capital Projects	52,718	29,378
Maintenance	152,458	30,000
Equipment Reserve	20,000	15,000
CPI Principal Increments	173,214	137,199
Total Net Assets	\$ 12,086,335	\$ 12,008,101
Total Liabilities and Net Assets	\$ 12,272,319	\$ 12,156,837

The Notes to Financial Statements are an integral part of this statement.

CAMP JORN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDING FEBRUARY 28, 2017  
(With Summarized Comparative Information  
for the Year Ended February 29, 2016)

	2017			Total	2016
	Unrestricted	Temporarily Restricted	Permanently Restricted		
<b>Revenue, Gains, and Other Support</b>					
Contributions	\$ 71,906	\$ 119,864	\$ 6,601	\$ 198,371	\$ 538,379
In-Kind Contributions	136,922	-	-	136,922	103,828
Grants	16,070	-	-	16,070	29,688
Bus Operations (Net)	1,705	-	-	1,705	880
Trading Post Income	7,843	-	-	7,843	7,319
Child Care	184,129	-	-	184,129	215,641
Milk Rebates	2,062	-	-	2,062	3,024
Special Events	27,926	-	-	27,926	25,102
Program Income	533,930	-	-	533,930	388,903
Facility Rentals	40,201	-	-	40,201	13,494
Investment Income	10,559	41,730	-	52,289	44,957
Unrealized Gains and (Losses)	12,976	174,294	-	187,270	(99,354)
Other Income	627	-	-	627	2,184
Gain on Sale of Investments	523	20,668	-	21,191	(22,754)
Net Assets Released From Restrictions	272,150	(272,150)	-	-	
<b>Total Revenue, Gains, and Other Support</b>	<b>\$ 1,319,529</b>	<b>\$ 84,406</b>	<b>\$ 6,601</b>	<b>\$ 1,410,536</b>	<b>\$ 1,251,291</b>
<b>Expenses</b>					
Specific Program Services					
Camp Jorn	\$ 1,184,736	\$ -	\$ -	\$ 1,184,736	\$ 1,265,507
Supporting Services					
Management and Administrative	\$ 145,453	-	\$ -	\$ 145,453	\$ 149,429
Fundraising	2,113	-	-	2,113	1,979
<b>Total Supporting Services</b>	<b>\$ 147,566</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 147,566</b>	<b>\$ 151,408</b>
<b>Total Expenses</b>	<b>\$ 1,332,302</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,332,302</b>	<b>\$ 1,416,915</b>
Change in Net Assets	\$ (12,773)	\$ 84,406	\$ 6,601	\$ 78,234	\$ (165,624)
Net Assets - Beginning of Year	10,179,709	360,235	1,468,157	12,008,101	12,173,725
Net Assets - End of Year	<b>\$ 10,166,936</b>	<b>\$ 444,641</b>	<b>\$ 1,474,758</b>	<b>\$ 12,086,335</b>	<b>\$ 12,008,101</b>

The Notes to Financial Statements are an integral part of this statement.

CAMP JORN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED FEBRUARY 28, 2017  
(With Comparative Information For the  
Year Ended February 29, 2016)

	2017	2016
<b>Cash Flows From Operating Activities:</b>		
Increase (Decrease) in Net Assets	\$ 78,234	\$ (165,624)
Adjustments to Reconcile Change in Net Assets to Net Cash From Operating Activities:		
Depreciation	246,677	249,877
Changes in Assets and Liabilities:		
Decrease (Increase) in Other Receivable	849	27,595
Decrease (Increase) in Pledge Receivable	-	50,000
Decrease (Increase) in Other Interest	351	-
Decrease (Increase) in Prepaid Expenses	(13,841)	9,090
Decrease (Increase) in Inventories	25	1,232
Increase (Decrease) in Current Liabilities	37,248	(24,821)
Net Cash Provided (Used) by Operating Activities	\$ 349,543	\$ 147,349
<b>Cash Flows From Investing Activities:</b>		
Restricted Assets, Net	\$ (444,306)	\$ 57,668
Fixed Assets Retired, Net	18,050	14,575
Purchase of Fixed Assets	(91,231)	(62,742)
Net Cash Provided (Used) by Investing Activities	\$ (517,487)	\$ 9,501
Net Increase in Cash and Cash Equivalents	\$ (167,944)	\$ 156,850
Cash and Cash Equivalents - Beginning of Year	497,569	340,719
Cash and Cash Equivalents - End of Year	\$ 329,625	\$ 497,569

The Notes to Financial Statements are an integral part of this statement.

CAMP JORN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2017

NOTE 1 - DESCRIPTION OF ORGANIZATION

Camp Jorn Young Men's Christian Association, Inc. (Camp Jorn YMCA) was formed in September 2005 to purchase and subsequently own and operate, an existing YMCA resident camp. The Camp has been in continuous operation in Northern Wisconsin for more than 60 years. It was purchased from the Lake County Family YMCA, an Illinois organization, on August 30, 2007 and is a charitable, community service organization that is focused on positive youth, family, and community development. Camp Jorn Young Men's Christian Association, Inc. is dedicated to building strong kids, strong families, and strong communities by putting Christian principles into practice through programs that promote healthy lifestyles, strong values, leadership development, community interaction, and international understanding. Specifically:

- Camp Jorn Young Men's Christian Association, Inc. welcomes everyone, regardless of age, race, sex, faith, ethnicity, ability, or religion.
- Camp activities create supportive communities that are involved in a variety of enriching activities, recreational, and supportive social networks, and a sense of belonging.
- Camp Jorn Young Men's Christian Association, Inc. was founded by volunteers and is led by a volunteer board of directors. Volunteerism is critical to the leadership and sustainability of the Camp's operations. Volunteers serve at every level, including fundraising, program leaders, maintenance, special events, communication, and more. The following programs are the Association's main source of program revenue, in the order of amount of revenue generated: a resident camp, a child care program, and a day camp.
- Financial assistance is available for those who cannot afford to pay the full cost of Camp Jorn's programs.

A. *Mission Statement*

The Camp Jorn mission is for all who engage in Camp Jorn YMCA experiences to recognize and develop value in themselves and in the world around them.

B. *Tax Status*

Camp Jorn Young Men's Christian Association, Inc. is a Wisconsin not-for-profit corporation incorporated on September 25, 2005 with authority to conduct business in Illinois. It is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Association has been classified as other than a private foundation by the Internal Revenue Service. Contributions to Camp Jorn are deductible under Section 170 of the Code.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Basis of Accounting*

The financial statements of the Association have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities, in accordance with generally accepted accounting principles.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Association and changes therein are classified and reported as follows:



## NOTES TO FINANCIAL STATEMENTS (continued)

- Unrestricted - Net assets not subject to donor-imposed restrictions. Such net assets are available for any purpose consistent with the Association's mission. The Camp's investment in fixed assets is included in unrestricted net assets.
- Temporarily Restricted - Net assets subject to specified, donor-imposed restrictions that must be met by actions of the Association and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets, and are reported in the statement of activities as releases from restriction. Restricted contributions received in the same year in which the restrictions are met are recorded as an increase to unrestricted support. Net assets released from donor restrictions were \$272,150 during fiscal year 2017. (See Note 5 for more details.)
- Permanently Restricted - Net assets subject to donor-imposed restriction requiring they be maintained permanently by the Association. Such net assets are normally restricted to long-term investment, with income earned and appreciation available for specific or general Association purposes. (See Note 6 for more details.)

### B. *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### C. *Contributed Services*

Contributions of donated services and materials that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would need to be purchased if not provided by donation, are recorded at their fair values in the period received.

### D. *Cash and Cash Equivalents*

The Association considers all highly liquid investments such as checking and saving accounts to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows would exclude restricted and designated cash and cash equivalents, if applicable.

### E. *Investments*

The Association's investments consist of money market accounts and marketable securities. All of the Association's investments fall within Level 1 of the fair value hierarchy since their values are based on readily observable inputs (bank accounts and stock prices).

### F. *Receivables*

The Association records accounts receivable for its services when the right to receive the revenue is earned. The Association regularly reviews the receivables for collectability and charges off individual amounts when they are deemed uncollectible.

### G. *Inventories For Resale*

Inventories of merchandise for resale are carried at the lower of first-in, first-out cost or market.

### H. *Retirement Plans*

The Corporation participates in the YMCA Retirement Fund which is a national defined contribution plan. The YMCA Retirement Fund was organized and operates for the purpose of providing retirement annuities and other benefits for employees of the YMCA's throughout the United States. To be eligible to participate in the plan, employees must have been employed by the Association for two years, have completed at least 1,000 hours of service in each of two 12-month years, and have attained 21 years of age. The Plan provides for immediate vesting. Plan contributions are based on a predetermined percentage, by both staff and the Association, of qualified salaries and are recorded and paid monthly. The Plan also provides a tax-deferred

NOTES TO FINANCIAL STATEMENTS (continued)

Savings Plan available to all employees, regardless of age, hours worked, or years of service. The Plan currently provides for an 12.0% contribution from the employer. Total employer pension expense for 2016-17 was \$22,516. More information on the YMCA Retirement Fund can be found on the Retirement Fund's website ([www.yretirement.org](http://www.yretirement.org)).

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

At February 28, 2017 and February 29, 2016, Camp Jorn's cash, cash equivalents, and investment balances are summarized as:

	<u>Carrying Balance</u>	
	<u>2017</u>	<u>2016</u>
<b>Unrestricted Balances</b>		
Cash Awaiting Deposit	\$ 4,313	\$ 8,959
Checking Accounts	153,981	144,105
Money Market Accounts	126,726	160,314
Investments	<u>44,605</u>	<u>184,191</u>
Total Unrestricted Balances	<u>\$ 329,625</u>	<u>\$ 497,569</u>
<b>Restricted Balances</b>		
Cash Awaiting Deposit	\$ 2,312	\$ 1,185
Checking Accounts	40,507	143,644
Money Market Accounts	89,200	83,697
Investment Accounts	<u>2,186,903</u>	<u>1,646,090</u>
Total Restricted Balances	<u>\$ 2,318,922</u>	<u>\$ 1,874,616</u>
	<u>\$ 2,648,547</u>	<u>\$ 2,372,185</u>

All deposit accounts are insured by the FDIC for up to \$250,000 per deposit per bank. The safety of investment brokerage accounts are insured by SIPC for security from broker's custodial errors and omissions but not for market value fluctuations. The Association believes it is not exposed to any significant credit risk on its cash and investment balances.

NOTE 4 – FIXED ASSETS

Fixed assets consisted of the following at February 28, 2017:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Fixed Assets</b>				
Fixed Assets Not Being Depreciated:				
Land	\$ 4,469,725	\$ ---	\$ ---	\$ 4,469,725
Construction in Progress	<u>4,580</u>	<u>---</u>	<u>4,580</u>	<u>---</u>
Total Fixed Assets Not Being Depreciated	<u>\$ 4,474,305</u>	<u>\$ ---</u>	<u>\$ 4,580</u>	<u>\$ 4,469,725</u>
Other Fixed Assets:				
Buildings	\$ 4,557,382	\$ 7,877	\$ 22,767	\$ 4,542,492
Land Improvements	914,208	56,500	---	970,708
Equipment	<u>1,133,579</u>	<u>26,854</u>	<u>17,975</u>	<u>1,142,458</u>
Total Other Fixed Assets at Historical Cost	<u>\$ 6,605,169</u>	<u>\$ 91,231</u>	<u>\$ 40,742</u>	<u>\$ 6,655,658</u>
Less: Accumulated Depreciation For:				
Buildings	\$ 789,525	\$ 122,958	\$ 10,817	\$ 901,666
Land Improvements	107,918	26,421	---	134,339
Equipment	<u>464,302</u>	<u>97,298</u>	<u>16,455</u>	<u>545,145</u>
Total Accumulated Depreciation	<u>\$ 1,361,745</u>	<u>\$ 246,677</u>	<u>\$ 27,272</u>	<u>\$ 1,581,150</u>
Other Fixed Assets, Net	<u>\$ 5,243,424</u>	<u>\$ (155,446)</u>	<u>\$ 13,470</u>	<u>\$ 5,074,508</u>
Fixed Assets, Net	<u>\$ 9,717,729</u>	<u>\$ (155,446)</u>	<u>\$ 18,050</u>	<u>\$ 9,544,233</u>

NOTES TO FINANCIAL STATEMENTS (continued)

It is the Association's policy to capitalize purchases with an estimated useful life of three years or more. Fixed asset purchases are recorded at their original cost and are depreciated using the straight-line method over the asset's estimated useful life.

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of:

	Balance March 1, 2016	New Restrictions	Restrictions Released	Balance February 28, 2017
Child Care Donations	\$ 82,273	\$ 8,829	\$ (26,000)	\$ 65,102
Steven Zich Scholarship Fund	---	11,035	---	11,035
Albert Cherne Scholarship Fund	1,948	(35)	---	1,913
Liz Uihlein Fund	140,772	100,000	(203,083)	37,689
Carl and Mildred Mellen Scholarship Fund	11,505	17,325	(7,011)	21,819
Richard Mellen Endowment Fund	102,346	163,602	(26,003)	239,945
Grace Y. & David Rose Endowment Fund	22,235	41,628	(7,800)	56,063
Maintenance Endowment	(844)	14,172	(2,253)	11,075
Total Temporarily Restricted Net Assets	<u>\$ 360,235</u>	<u>\$ 356,556</u>	<u>\$ (272,150)</u>	<u>\$ 444,641</u>

Temporarily restricted net assets consist of:

Child Care Donations - These donations have been awarded for general operations and child care scholarships.

Steven Zich Scholarship Fund - Funds can be awarded to campers for camper fees.

Albert Cherne Scholarship Fund - The Cherne Scholarship is to be awarded as campers scholarships at the rate of at least \$8,000, but not more than \$12,000 per calendar year. All income earned from contributions shall be credited to the Cherne Scholarship account.

Liz Uihlein Fund - Funds are used for restoration projects and other expenses upon approval of donor.

Carl and Mildred Mellen Scholarship Fund – Investment earnings can be awarded to campers for camper fees.

Richard Mellen Endowment Fund – Investment earnings can be awarded to campers for camper fees.

Grace Y. and David Rose Endowment Fund - Investment earnings can be used to fund camper scholarships and provide assistance to local hardship cases.

Maintenance Endowment - Investment earnings can be used to fund expenditures for maintenance of the camp.

NOTE 6 - PERMANENTLY RESTRICTED NET ASSETS

Carl and Mildred Mellen Scholarship Fund	\$ 83,000
Revenue earned is to be awarded as camper scholarships while the principal is to remain intact. The principal amount is \$83,000.	
Richard Mellen Endowment Fund	1,000,000
Revenue earned is to be awarded as camper scholarships while the principal is to remain intact. The principal amount is \$1,000,000.	
Grace Y. and David Rose Endowment Fund	300,000
Investment earnings can be used to fund camper scholarships and provide assistance to local hardship cases.	

NOTES TO FINANCIAL STATEMENTS (continued)

Maintenance Endowment	\$ 85,157	
Investment earnings can be used to fund expenditures for maintenance of the camp.		
Plus: Current Year Additions to Maintenance Endowment	<u>6,601</u>	<u>\$ 91,758</u>
Total Permanently Restricted Net Assets		<u>\$ 1,474,758</u>

All scholarship funds are included in the restricted cash and investments.

NOTE 7 - BOARD DESIGNATED

Jorn Fund - board-designated fund to be used to cover temporary cash shortfalls. Interest is used for current operating or capital projects. The Jorn Fund was abolished in 2016-17 and the equity balances were transferred to the Maintenance Endowment.

Capital Projects Fund - board-designated fund for future physical capital improvements.

Maintenance Fund and Equipment Reserve - board-designated reserve for emergency maintenance or equipment purchases.

CPI Principal Increments - On February 9, 2011, the Camp Jorn Board approved a resolution providing for annual adjustments to the principal balances of certain restricted and Board-designated funds. The adjustments are intended to preserve value in the various funds during inflationary periods by providing an increasing principal balance which is to remain invested and not expended.

CPI principal increments for the 2016-17 fiscal year were based on adding 2.1% to the previous principal balance in each of the funds. CPI principal increments for the 2015-16 fiscal year were based on adding .7% to the previous principal balance in each of the funds. The following funds were adjusted as follows:

	<u>Previous Increments</u>	<u>2016-17 Increment</u>	<u>Principal February 28, 2017</u>
The Jorn Fund	\$ 9,537	\$ (9,537)	\$ ---
Carl and Mildred Mellen Scholarship Fund	7,940	1,910	9,850
Richard Mellen Endowment Fund	95,419	23,003	118,422
Grace Y. and David Rose Endowment Fund	23,770	6,799	30,569
Maintenance Endowment	<u>533</u>	<u>13,840</u>	<u>14,373</u>
Totals	<u>\$ 137,199</u>	<u>\$ 36,015</u>	<u>\$ 173,214</u>

The total increments are reflected among the Unrestricted Net Assets of Camp Jorn on the accompanying Statement of Financial Position. They are not considered either temporarily or permanently restricted as they are not legally restricted.

NOTE 8 - ENDOWMENT COMPOSITION

The State of Wisconsin has passed a version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Board interprets this to mean the Act requires that the original fair value of the endowment gift be maintained unless the Donor indicates otherwise. The Association is to make a prudent effort to ensure the endowment balance does not go below the principal amount. Any gains generated from the endowment fund are classified as temporarily restricted net assets until those amounts are designated to be spent in accordance with UPMIFA restrictions. Because of this, the Association classifies only the original amount of the gift as permanently restricted net assets. The Association considers these factors in deciding to spend or retain gains on investments:

1. The duration and preservation of the fund;
2. The Association's purpose and the donor's purpose in establishing the endowment;
3. General economic conditions;
4. The possible effect of inflation or deflation;

## NOTES TO FINANCIAL STATEMENTS (continued)

5. The expected total return from investment income and gains from endowment assets; and
6. Other resources of the Association.

The Association has four endowment funds: the Carl and Mildred Mellen Scholarship Fund, the Richard Mellen Endowment Fund, the Grace Y. and David Rose Endowment Fund, and the Maintenance Endowment. See Notes 4 and 5 for the portions of each endowment that are permanently restricted and temporarily restricted.

### NOTE 9 - CONCENTRATIONS

For the year ended February 28, 2017, the Association received approximately 71.3% of its total contributions from a private donor. A significant reduction in the level of this support, if this were to occur, may affect the Association's programs and activities.

### NOTE 10 - DEED RESTRICTION

No title or interest in Camp Jom Young Man's Christian Association, Inc. real property may be transferred, gifted or conveyed in any manner at any time, except to a charitable tax exempt organization to maintain and use the property consistent with the spirit of the master plan. If, at any time in the future, Camp Jom Young Man's Christian Association, Inc. is not willing and able to maintain and use the property in a manner consistent with the Master Plan, and no other charitable tax exempt organization is willing and able to acquire the property for the purposes, then the property shall be conveyed to a nature conservancy or land trust such as the Northwoods Land Trust presently located in Eagle River, Wisconsin, or The Nature Conservancy presently with a branch location in Madison, Wisconsin, with the requirement that the property be returned to its natural state, including the removal of all improvements from the property except for walking trails or other amenities consistent with the purposes of forested and undeveloped property.

### NOTE 11 - TAX STATUS

Camp Jom Young Men's Christian Association, Inc. is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Association has been classified as other than a private foundation by the Internal Revenue Service. The Association files annual returns with the Internal Revenue Service and the Illinois Attorney General, reporting on the results of its financial operations even though no income tax is due. These annual returns for the years ended 2014-2016 are generally subject to examination by the Internal Revenue Service for three years after they are filed.

### NOTE 12 - SUBSEQUENT EVENTS

The Association has evaluated subsequent events through September 14, 2017, the date on which the financial statements were available to be used.

The Association received notification after year-end that they potentially lost their most significant donor; however, the Association does not expect any changes in the programs offered.

## ADDITIONAL INFORMATION

CAMP JORN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.  
SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED FEBRUARY 28, 2017

	Specific Program Services <u>Camp Jorn</u>	General and Administrative	Support Services Fundraising and Special Events	Total Support Services	Total Expenses
Salaries and Wages	\$ 343,724	\$ 86,685	\$ -	\$ 86,685	\$ 430,409
Staff Outside Services	136,495	-	-	-	136,495
Payroll Taxes and Benefits	82,847	17,864	-	17,864	100,711
Employee Related Expenses	17,414	7,791	-	7,791	25,205
Communication Expenses	11,765	2,604	-	2,604	14,369
Conferences	755	496	-	496	1,251
Program Supplies and Expenses	38,770	44	-	44	38,814
Professional and Contractual Service	15,387	18,454	679	19,133	34,520
Other Supplies and Expenses	91,034	250	-	250	91,284
Equipment Rental and Maintenance	15,047	-	-	-	15,047
Insurance	33,339	-	-	-	33,339
National YMCA Dues	15,660	396	444	840	16,500
Postage	3,620	201	-	201	3,821
Occupancy Expense	97,682	751	-	751	98,433
Printing and Promotion	16,891	1,213	9	1,222	18,113
Travel	1,416	1,728	981	2,709	4,125
Miscellaneous Expense	-	6,976	-	6,976	6,976
Depreciation Expense	246,677	-	-	-	246,677
Loss on Scrapped Projects	16,213	-	-	-	16,213
	<u>\$ 1,184,736</u>	<u>\$ 145,453</u>	<u>\$ 2,113</u>	<u>\$ 147,566</u>	<u>\$ 1,332,302</u>

CAMP JORN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.  
SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED FEBRUARY 29, 2016

	Specific Program Services <u>Camp Jorn</u>	General and Administrative	Support Services Fundraising and Special Events	Total Support Services	Total Expenses
Salaries and Wages	\$ 441,925	\$ 93,186	\$ 542	\$ 93,728	\$ 535,653
Staff Outside Services	81,164	246	-	246	81,410
Payroll Taxes and Benefits	111,462	18,600	-	18,600	130,062
Employee Related Expenses	19,982	4,221	-	4,221	24,203
Communication Expenses	10,881	3,953	-	3,953	14,834
Conferences	30	4,233	-	4,233	4,263
Program Supplies and Expenses	42,195	927	-	927	43,122
Professional and Contractual Service	12,950	17,606	546	18,152	31,102
Other Supplies and Expenses	97,992	-	-	-	97,992
Equipment Rental and Maintenance	12,434	-	-	-	12,434
Financing Costs	1,335	-	-	-	1,335
Insurance	33,909	-	-	-	33,909
National YMCA Dues	13,728	888	264	1,152	14,880
Postage	3,970	107	-	107	4,077
Occupancy Expense	103,887	1,221	-	1,221	105,108
Printing and Promotion	23,814	-	-	-	23,814
Travel	1,301	2,221	627	2,848	4,149
Miscellaneous Expense	-	2,020	-	2,020	2,020
Depreciation Expense	249,877	-	-	-	249,877
Loss on Scrapped Projects	2,671	-	-	-	2,671
	<u>\$ 1,265,507</u>	<u>\$ 149,429</u>	<u>\$ 1,979</u>	<u>\$ 151,408</u>	<u>\$ 1,416,915</u>