

Camp Jorn Young Men's Christian Association, Inc.

Financial Statements

Years Ended February 28, 2019 and 2018



Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of Camp Jorn Young Men's Christian Association, Inc. (the "Association") which comprise the statements of financial position as of February 28, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related 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; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. 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 entity'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 entity'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 opinion.

Opinion

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, 2019 and 2018, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, Camp Jorn Young Men's Christian Association, Inc. adopted the amendments in Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities - Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended February 28, 2019. The amendments have been applied on a retrospective basis with the exception of the omission of certain information as permitted by the ASU.

Wipfli LLP

Wipfli LLP

September 17, 2019
Rhineland, Wisconsin

Camp Jorn Young Men's Christian Association, Inc.

Statements of Financial Position

February 28, 2019 and 2018

<i>Assets</i>	2019	2018
Current assets:		
Cash and cash equivalents	\$ 197,273	\$ 287,149
Accounts receivable	7,273	7,228
Inventories	12,929	13,615
Prepaid expenses	32,566	36,877
Total current assets	250,041	344,869
Restricted/designated assets - Investments	2,445,205	2,667,216
Property and equipment - Net	9,494,715	9,358,558
TOTAL ASSETS	\$ 12,189,961	\$ 12,370,643
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accounts payable	\$ 30,958	\$ 40,485
Accrued expenses	20,580	17,286
Security deposits	5,055	9,160
Deferred revenue	62,876	100,024
Total current liabilities	119,469	166,955
Net assets:		
Without donor restrictions - Board designated:		
Capital projects	65,031	52,718
Maintenance	167,459	159,959
Equipment reserve	30,000	25,000
Board designated endowment principal	246,134	211,595
Without donor restrictions - Undesignated	9,637,655	9,696,360
With donor restrictions	1,924,213	2,058,056
Total net assets	12,070,492	12,203,688
TOTAL LIABILITIES AND NET ASSETS	\$ 12,189,961	\$ 12,370,643

See accompanying notes to financial statements.

Camp Jorn Young Men's Christian Association, Inc.

Statements of Activities

Years Ended February 28, 2019 and 2018

	Without Donor Restrictions	With Donor Restrictions	Totals 2019
Revenues and other support:			
Contributions	\$ 235,022	\$ 4,750	\$ 239,772
In-kind contributions	780		780
Grants	74,930		74,930
Trading post income, net of cost of sales of \$24,532	705		705
Childcare income, net of discounts of \$2,568	214,741		214,741
Milk rebates	25		25
Special events, net of direct benefit to donors of \$36,138	54,532		54,532
Program income, net of discounts of \$54,265	498,181		498,181
Rental income	40,777		40,777
Investment income	13,358	62,480	75,838
Gain on sale of assets	1,350		1,350
Other revenue	1,123		1,123
Net assets released from restrictions	201,073	(201,073)	
Total revenues and other support	1,336,597	(133,843)	1,202,754
Expenses:			
Program services:			
Camp Jorn	1,104,406		1,104,406
Support services:			
Management and general	166,999		166,999
Fundraising	64,545		64,545
Total expenses	1,335,950		1,335,950
Change in net assets	647	(133,843)	(133,196)
Net assets at beginning of year	10,145,632	2,058,056	12,203,688
Net assets at end of year	\$ 10,146,279	\$ 1,924,213	\$ 12,070,492

Camp Jorn Young Men's Christian Association, Inc.

Statements of Activities

Years Ended February 28, 2019 and 2018 (Continued)

	Without Donor Restrictions	With Donor Restrictions	Totals 2018
Revenues and other support:			
Contributions	\$ 146,624	\$ 135,546	\$ 282,170
In-kind contributions	56,968		56,968
Grants	19,300		19,300
Bus operations, net of cost of services of \$51,250	7,134		7,134
Trading post income, net of cost of sales of \$16,404	7,759		7,759
Childcare income, net of discounts of \$4,478	182,346		182,346
Milk rebates	2,038		2,038
Special events, net of direct benefit to donors of \$39,970	35,643		35,643
Program income, net of discounts of \$12,644	540,342		540,342
Rental income	49,582		49,582
Investment income	128,615	112,748	241,363
Gain on sale of assets	3,500		3,500
Other revenue	4,766		4,766
Net assets released from restrictions	109,637	(109,637)	
Total revenues and other support	1,294,254	138,657	1,432,911
Expenses:			
Program services:			
Camp Jorn	1,153,321		1,153,321
Support services:			
Management and general	160,085		160,085
Fundraising	2,152		2,152
Total expenses	1,315,558		1,315,558
Change in net assets	(21,304)	138,657	117,353
Net assets at beginning of year	10,166,936	1,919,399	12,086,335
Net assets at end of year	\$ 10,145,632	\$ 2,058,056	\$ 12,203,688

See accompanying notes to financial statements.

Camp Jorn Young Men's Christian Association, Inc.

Statements of Functional Expenses

Years Ended February 28, 2019 and 2018

	Support Services			Total	
	Program Services	Management and General	Fundraising	2019	2018
Salaries and wages	\$ 395,885	\$ 68,309	\$ 41,099	\$ 505,293	\$ 448,840
Staff outside services	23,556			23,556	77,472
Payroll taxes and benefits	103,472	19,937	11,582	134,991	107,352
Employee related expenses	25,499	6,901	2,803	35,203	26,696
Communication expenses	12,721	4,868	737	18,326	14,607
Conferences	893	853		1,746	7,026
Program supplies and expenses	35,739	690	354	36,783	57,024
Professional and contractual service	19,043	36,444	2,094	57,581	38,199
Other supplies and expenses	93,701	2,967	1,370	98,038	89,548
Equipment rental and maintenance	21,328	2,329	589	24,246	31,083
Financing costs	9,390			9,390	-
Insurance	20,244	1,708	854	22,806	27,248
National support dues	11,210	1,258	631	13,099	16,983
Postage	1,575	110	347	2,032	4,100
Occupancy	42,631	12,288		54,919	58,681
Utilities	24,813	1,009	31	25,853	31,462
Printing and publications	12,458	7,725	1,327	21,510	20,811
Travel and business	2,150	972	727	3,849	6,251
Miscellaneous	7,816	(994)		6,822	3,141
Depreciation	240,282			240,282	246,781
Bad debt expense (recoveries)		(375)		(375)	2,253
Subtotal	\$ 1,104,406	\$ 166,999	\$ 64,545	\$ 1,335,950	\$ 1,315,558
Cost of sales netted with sales	24,532	-	-	24,532	16,404
Direct benefit to donor netted with special events	-	-	36,138	36,138	39,970
Total expenditures	\$ 1,128,938	\$ 166,999	\$ 100,683	\$ 1,396,620	\$ 1,315,558

See accompanying notes to financial statements.

Camp Jorn Young Men's Christian Association, Inc.

Statements of Cash Flows

Years Ended February 28, 2019 and 2018

	2019	2018
Increase (decrease) in cash and cash equivalents:		
Cash flows from operating activities:		
Change in net assets	\$ (133,196)	\$ 117,353
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	240,282	246,781
Realized/unrealized gains on investments	(7,177)	(175,379)
Gain on sale of property and equipment	(1,350)	(3,500)
Changes in operating assets and liabilities:		
Accounts receivable	(45)	10,616
Inventories	686	3,542
Prepaid expenses	4,311	5,976
Accounts payable	(9,527)	15,694
Accrued expenses	3,294	(7,579)
Security deposits	(4,105)	(4,785)
Deferred revenue	(37,148)	(22,359)
Net cash from operating activities	56,025	186,360
Cash flows from investing activities:		
Purchase of investments	(132,785)	(149,366)
Proceeds from sale of investments	361,973	
Proceeds from sale of property and equipment	1,350	4,500
Purchase of property and equipment	(376,439)	(62,106)
Net cash from investing activities	(145,901)	(206,972)
Net change in cash and cash equivalents	(89,876)	(20,612)
Cash and cash equivalents at beginning of year	287,149	307,761
Cash and cash equivalents at end of year	\$ 197,273	\$ 287,149

See accompanying notes to financial statements.

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Principal Business Activity

Camp Jorn Young Men's Christian Association, Inc. (the "Association") is a charitable community service organization that is focused on positive youth, family, and community development. The Association 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. The Association's mission is for all who engage in the Association's experiences to recognize and develop value in themselves and in the world around them.

Classification of Net Assets

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 are classified and reported as follows:

- Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. Thus, they include all net assets whose use has not been restricted by donors or the law.
- Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates

The preparation of the accompanying financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that directly affect the results of reported assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs are allocated based on time and effort. Program costs are allocated based on time and materials. Food costs are allocated based on the number of meals served to campers.

Basis of Presentation

The Association follows accounting standards set by the Financial Accounting Standards Board (FASB). The Accounting Standards Codification (ASC) is an aggregation of previously issued authoritative accounting principles generally accepted in the United States (GAAP) in one comprehensive set of guidance organized by subject area. In accordance with ASC, references to previously issued accounting standards have been replaced by ASC references.

The Association prepares its financial statements in accordance with GAAP for not-for-profit organizations.

Cash and Cash Equivalents

The Association considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable consist primarily of program service fees. Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on history with customers having outstanding balances and current relationships with them, management has concluded that realization losses on balances outstanding at year-end will be immaterial. Therefore, no allowance has been recorded.

Contributions Receivable

Unconditional promises to give are recorded as receivables in the year pledged. Conditional promises to give are recognized only when the conditions on which they depend are substantially met. Pledges and other promises to give whose eventual uses are restricted by the donors are recorded as increases in net assets with donor restrictions. Promises to give without donor restrictions to be collected in future periods are also recorded as an increase to net assets with donor restrictions and reclassified to net assets without donor restrictions when received, unless the donor's intention is to support current-period activities.

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Contributions Receivable (Continued)

Contributions receivable expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows on a discounted basis applicable to the years in which the promises were received. The amortization of the discount is recognized as contribution income over the duration of the pledge.

Management individually reviews all past due contributions receivable balances and estimates the portion, if any, of the balance that will not be collected. The carrying amounts of contributions receivable are reduced by allowances that reflect management's estimate of uncollectible amounts. Management considers contributions receivable to be fully collectible.

Investments

The Association carries investments in marketable securities with readily determined fair values and all investments in debt securities at their fair values in the statements of financial position. Quoted market prices in active markets are used as the basis of measurement. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements. Investment fees, including direct internal investment expenses, if any, are netted with return on the statements of activities.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Inventories

Inventories consist of merchandise for resale and are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

Property and Equipment

Property and equipment are capitalized at cost or, if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset. The Association capitalizes property and equipment with a value greater than or equal to \$2,500.

The Association reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit donor stipulations that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long these long-lived assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributed Services and Materials

Contributions of donated services and materials that create or enhance a non-financial asset, 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.

No amounts have been reflected in the financial statements for donated non-professional volunteer services since no objective basis is available to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time in the Association.

Revenue Recognition

Contributions, including unconditional promises to give, are recognized in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. The Association reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year the contributions are recognized.

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Income from annual member fees is deferred and recognized over the periods to which the dues and fees relate. Program fees are recognized when the related services are provided.

Grant revenue is recognized as revenue in the period in which it is expended for cost-reimbursement agreements.

Income Taxes

The Association is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Association is classified as a public charity. The Association is also exempt from state income tax.

The Association assesses whether it is more-likely-than-not that a tax position will be sustained upon examination of the technical merits or the position, assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more-likely-than-not recognition threshold, the benefit of the tax position is not recognized in the financial statements. The Association recorded no assets or liabilities for uncertain tax positions or unrecognized tax benefits.

Change in Accounting Policy

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) - *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Association has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented with the exception of certain omissions of prior year data as allowed under the standard.

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements

In May 2014, the FASB issued ASU No. 2014-09, *Revenue From Contracts With Customers* (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard supersedes current revenue recognition requirements in FASB Accounting Standards Codification (ASC) Topic 605, *Revenue Recognition*, and most industry-specific guidance. When adopted, the amendments in the ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2018. The Association is currently evaluating the impact of the provisions of ASC 606.

On June 21, 2018, the FASB issued ASU 2018-08, *Not-For-Profit Entities* (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The Amendments in this Update will assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions, and determining whether a transaction is conditional. The amendments in this Update are effective for annual financial statements issued for fiscal years beginning after December 15, 2018, and for interim periods within fiscal years beginning after December 15, 2019, for transactions in which the entity serves as the resource recipient. Early application of the amendments in this Update is permitted. The Association has not elected to early implement the amendments.

Note 2: Liquidity and Availability of Financial Resources

At February 28, 2018, the Association has \$212,000 of financial assets available within one year of the statement of financial position date consisting of cash of \$192,000, accounts receivable of \$7,000, and short-term investments of \$13,000. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Camp Jorn YMCA has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$226,000. As part of its liquidity management, the Camp Jorn YMCA invests cash in excess of daily requirements in various short-term investments including money market accounts.

Note 3: Concentration of Credit Risk

The Association maintains cash balances at financial institutions where the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At certain times during the year, cash balances may be in excess of FDIC coverage. The Association has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 4: Investments

Investments at February 28, 2019 and 2018 consisted of the following:

	2019	2018
Money market	\$ 62,962	\$ 209,255
Mutual funds	171,633	219,503
Equities	1,153,171	1,241,543
Bonds	378,497	178,349
Certificates of deposit	299,015	219,757
Fixed income funds	379,927	598,809
Totals	\$ 2,445,205	\$ 2,667,216

Note 5: Investment Income

Investment income for the years ended February 28, 2019 and 2018 consists of the following:

	2019	2018
Dividends and interest	\$ 77,814	\$ 74,596
Unrealized gains	(105,592)	170,393
Realized gains	112,769	4,986
Fees	(9,153)	(8,612)
Totals	\$ 75,838	\$ 241,363

Note 6: Fair Value Measurements

Following is a description of the valuation methodologies used for assets measured at fair value.

Quoted market prices are used to determine the fair value of investments in publicly traded equity securities funds and fixed income funds. Money market funds and bonds are valued using quotes from pricing vendors based on recent trading activity and other observable market data.

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

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 6: Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Association's assets and liabilities measured at fair value on a recurring basis as of February 28:

	2019			
	Fair Value Measurements Using			Total
	Level 1	Level 2	Level 3	
Money market funds	\$	0	\$ 62,962	\$ 62,962
Mutual funds:				
Equity funds		52,107		52,107
Exchange traded funds		119,526		119,526
Equities:				
U.S. equities		1,127,664		1,127,664
Foreign equities		25,507		25,507
Bonds:				
Corporate bonds			104,562	104,562
Municipal bonds			20,963	20,963
U.S. Treasury notes			252,972	252,972
Fixed income funds			379,927	379,927
Totals	\$	1,324,804	\$ 821,386	\$ 2,146,190

	2018			
	Fair Value Measurements Using			Total
	Level 1	Level 2	Level 3	
Money market funds	\$	0	\$ 209,255	\$ 209,255
Mutual funds:				
Equity funds		111,768		111,768
Exchange traded funds		107,735		107,735
Equities:				
U.S. equities		1,144,818		1,144,818
Foreign equities		96,725		96,725
Bonds:				
Corporate bonds			104,614	104,614
Municipal bonds			21,559	21,559
U.S. Treasury notes			52,176	52,176
Fixed income funds		598,809		598,809
Totals	\$	2,059,855	\$ 387,604	\$ 2,447,459

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 7: Property and Equipment

A summary of property and equipment is as follows as of February 28, 2019 and 2018:

	2019	2018
Land	\$ 4,469,725	\$ 4,469,725
Land improvements	970,708	970,708
Buildings	4,951,791	4,587,112
Equipment	1,152,245	1,141,459
Totals	11,544,469	11,169,004
Less - Accumulated depreciation	(2,049,754)	(1,810,446)
Total	\$ 9,494,715	\$ 9,358,558

Note 8: Retirement Plan

The Association participates in the YMCA Retirement Fund Plan, which is a defined contribution, money purchase, church plan, and the YMCA Retirement Fund Tax-Deferred Savings Plan, which is a retirement income account plan, under which employee voluntary contributions and interest credits are accumulated in individual accounts. Participation is available to all duly organized and reorganized YMCAs and their eligible employees. As defined contribution plans, the retirement plan and tax-deferred savings plan have no unfunded benefit obligations.

In accordance with the agreement, contributions to the YMCA Retirement Fund Plan are 12% of the participating employees' salary and are paid by the employer. Total contributions charged to retirement costs were \$17,905 and \$13,982 for the years ended February 28, 2019 and 2018, respectively.

Note 9: Endowment Funds

The Board of the Association has interpreted Wisconsin's adoption of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. The Association 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, and (c) accumulations to the permanent endowment made in accordance with the direction of applicable donor gift instrument at the time the accumulation is added to the fund. 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;

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 9: Endowment Funds (Continued)

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

The remaining portion of the donor-restricted endowment funds in excess of the original fair value is classified as net assets with donor restrictions until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. If the market value of the donor restricted endowment fund at year-end is below the original fair value, the deficit is recorded as a decrease in net assets with donor restrictions. The Board of Directors has approved a resolution that appropriates earnings on donor restricted endowments to be used to establish a board designated principal endowment to preserve the earnings. See Note 10 for more information.

The primary long-term financial objective for the Association's endowments is to preserve the real purchasing power of endowment assets and income after accounting for endowment spending and costs of portfolio management. Performance of the overall endowment against this objective is measured over rolling periods of one, three, and five years.

The endowment funds are managed to optimize the long run total rate of return on invested assets, assuming a prudent level of risk. The goal for this rate of return is one that provides funding for the Association's existing spending policy. Over the short term, the return for each element of the endowment portfolio should match or exceed each of the returns for the broader capital markets in which assets are invested.

Endowment net asset composition by type of fund as of February 28, 2019, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Donor-restricted endowment funds	\$ 0	\$ 1,907,398	\$ 1,907,398
Board-designated endowment funds	246,134		246,134
Totals	\$ 246,134	\$ 1,907,398	\$ 2,153,532

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 9: Endowment Funds (Continued)

Endowment net asset composition by type of fund as of February 28, 2018, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Donor-restricted endowment funds	\$ 0	\$ 1,988,381	\$ 1,988,381
Board-designated endowment funds	211,595		211,595
Totals	\$ 211,595	\$ 1,988,381	\$ 2,199,976

Endowment net asset components of change by type of fund as of February 28, 2019:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Endowments at March 1, 2018	\$ 211,595	\$ 1,988,381	\$ 2,199,976
Contributions	34,539	4,750	39,289
Investment return		19,267	19,267
Appropriated for expenditure		(105,000)	(105,000)
Endowments at February 28, 2019	\$ 246,134	\$ 1,907,398	\$ 2,153,532

Endowment net asset components of change by type of fund as of February 28, 2018:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Endowments at March 1, 2017	\$ 173,214	\$ 1,803,660	\$ 1,976,874
Contributions	38,381	14,014	52,395
Investment return		175,207	175,207
Appropriated for expenditure		(4,500)	(4,500)
Endowments at February 28, 2018	\$ 211,595	\$ 1,988,381	\$ 2,199,976

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 10: Board Designated Net Assets

The Board has the following funds with designated purposes:

Capital Projects Fund - For future physical capital improvements.

Maintenance Fund and Equipment Reserve - For emergency maintenance or equipment purchases.

Principal Endowment - On February 9, 2011, the Association's Board of Directors 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 2018-2019 and 2017-2018 fiscal years were based on adding 2.1% and 1.9%, respectively, to the previous principal balances in each of the funds. The total increments are reflected among the board designated net assets without donor restrictions of the Association on the statements of financial position.

The following funds adjusted as of February 28, 2019, is as follows:

	Previous Increment	2018-2019 Increment	Principal February 28, 2019
Carl and Mildred Mellen Scholarship Fund	\$ 11,809	\$ 1,801	\$ 13,610
Richard Mellen Endowment Fund	143,291	21,723	165,014
Grace Y. and David Rose Endowment Fund	37,544	6,413	43,957
Maintenance Endowment	18,951	4,602	23,553
Total	\$ 211,595	\$ 34,539	\$ 246,134

The following funds adjusted as of February 28, 2018, is as follows:

	Previous Increment	2017-2018 Increment	Principal February 28, 2018
Carl and Mildred Mellen Scholarship Fund	\$ 9,850	\$ 1,959	\$ 11,809
Richard Mellen Endowment Fund	118,422	24,869	143,291
Grace Y. and David Rose Endowment Fund	30,569	6,975	37,544
Maintenance Endowment	14,373	4,578	18,951
Total	\$ 173,214	\$ 38,381	\$ 211,595

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 11: Net Assets with Donor Restrictions

Net asset balances are restricted for use in programs as identified below:

- Child Care Donations - These donations have been awarded to campers for camper fees.
- Albert Cherne Scholarship Fund - The Cherne Scholarship is to be awarded as camper 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 Fund.
- 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.

Net assets with donor restrictions at February 28, are as follows:

	2019	2018
Net assets with donor restrictions temporary in nature:		
Child care donations	\$ 0	\$ 52,853
Albert Cherne Scholarship Fund	1,956	1,930
Liz Uihlein Fund	14,859	14,891
Carl and Mildred Mellen Scholarship Fund	30,649	35,359
Richard Mellen Endowment Fund	247,680	352,596
Grace Y. and David Rose Endowment Fund	105,881	85,602
Maintenance Endowment	29,666	26,053
Total net assets with donor restrictions temporary in nature	430,691	569,284
Net assets with donor restrictions permanent in nature:		
Donor restricted endowments	1,493,522	\$ 1,488,722
Total net assets with donor restrictions	\$ 1,924,213	\$ 2,058,006

Camp Jorn Young Men's Christian Association, Inc.

Notes to Financial Statements

Note 11: Net Assets with Donor Restrictions (Continued)

Net assets released from donor restriction during 2019 and 2018 were as follows:

	2019	2018
Net assets released from donor restriction:		
Child care donations	\$ 52,853	\$ 52,249
Steven Zich Scholarship Fund	-	11,035
Liz Uihlein Fund	32	-
Carl and Mildred Mellen Scholarship Fund	7,313	2,473
Richard Mellen Endowment Fund	127,042	29,897
Grace Y. and David Rose Endowment Fund	8,151	8,440
Maintenance Endowment	5,682	5,543
Total net assets released from donor restriction	\$ 201,073	\$ 109,637

Note 12: Concentration of Contributions or Grants

The Association received approximately 81.5% of its annual contributions from one donor in 2018. A significant reduction in the level of this support, if this were to occur, may affect the Association's programs and activities. There were no such concentrations in 2019.

Note 13: Deed Restriction

No title or interest in Camp Jorn Young Men's Christian Association, Inc.'s 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 Jorn Young Men'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 maintained as is, except for walking trails or other amenities consistent with the purposes of forested and undeveloped property.

Note 14: Subsequent Events

Subsequent events have been evaluated through September 17, 2019, which is the date the financial statements were available to be issued.