

**YOUNG MEN'S CHRISTIAN
ASSOCIATION OF GREATER
OKLAHOMA CITY**

October 31, 2012

YOUNG MEN'S CHRISTIAN ASSOCIATION OF
GREATER OKLAHOMA CITY

October 31, 2012

Audited Financial Statements

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Independent Auditors' Report

To the Board of Directors
Young Men's Christian Association
of Greater Oklahoma City

We have audited the accompanying statements of financial position of the Young Men's Christian Association of Greater Oklahoma City (the "Association") as of October 31, 2012 and 2011, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended. These financial statements are the responsibility of the Association's management. 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 of America. 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 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 Young Men's Christian Association of Greater Oklahoma City as of October 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Cole & Reed P.C.

Oklahoma City, Oklahoma
January 14, 2013

STATEMENTS OF FINANCIAL POSITION

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

	October 31	
	2012	2011
ASSETS		
Cash and cash equivalents	\$ 1,006,659	\$ 1,384,160
Receivables	827,840	652,369
Inventories and supplies	88,521	66,859
Prepaid insurance and other assets	1,028,399	928,338
Investments	6,993,000	7,087,000
Facilities, net	<u>32,096,670</u>	<u>25,759,063</u>
TOTAL ASSETS	<u>\$ 42,041,089</u>	<u>\$ 35,877,789</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 2,078,992	\$ 1,381,329
Deferred revenues	415,466	429,994
Notes payable	1,163,742	-
Bonds payable	<u>4,159,880</u>	<u>4,356,392</u>
TOTAL LIABILITIES	<u>7,818,080</u>	<u>6,167,715</u>
Net Assets		
Unrestricted net assets		
Undesignated	427,288	319,642
Designated for maintenance	461,270	367,641
Designated for investments	95,137	592,423
Designated for facilities	202,583	217,529
Invested in facilities	<u>25,834,752</u>	<u>21,232,189</u>
TOTAL UNRESTRICTED NET ASSETS	<u>27,021,030</u>	<u>22,729,424</u>
Temporarily restricted net assets		
For periods after October 31, 2012 and 2011	1,013,598	1,032,161
For investment	2,013,902	1,763,612
For facility acquisition	<u>202,366</u>	<u>246,313</u>
TOTAL TEMPORARILY RESTRICTED NET ASSETS	<u>3,229,866</u>	<u>3,042,086</u>
Permanently restricted net assets	<u>3,972,113</u>	<u>3,938,564</u>
TOTAL NET ASSETS	<u>34,223,009</u>	<u>29,710,074</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 42,041,089</u>	<u>\$ 35,877,789</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

Year Ended October 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains and other support:				
Contributions	\$ 6,145,304	\$ 38,808	\$ 4,650	\$ 6,188,762
Government grants and contracts	32,940	-	-	32,940
United Way allocations	53,000	106,000	-	159,000
	<u>6,231,244</u>	<u>144,808</u>	<u>4,650</u>	<u>6,380,702</u>
Membership dues	12,554,833	-	-	12,554,833
Program and facility fees	5,387,566	-	-	5,387,566
Sales to the public (net of direct related costs of \$195,091)	41,442	-	-	41,442
Rental income	148,596	-	-	148,596
	<u>18,132,437</u>	<u>-</u>	<u>-</u>	<u>18,132,437</u>
Investment income	235,503	-	2,601	238,104
Loss on disposal of fixed assets	(253)	-	-	(253)
	<u>235,250</u>	<u>-</u>	<u>2,601</u>	<u>237,851</u>
	24,598,931	144,808	7,251	24,750,990
Net assets released from restrictions	205,224	(205,224)	-	-
Total revenues, gains and other support	<u>24,804,155</u>	<u>(60,416)</u>	<u>7,251</u>	<u>24,750,990</u>
Expenses:				
Youth Development	8,327,194	-	-	8,327,194
Healthy Living	8,185,461	-	-	8,185,461
Social Responsibility	766,995	-	-	766,995
General & Administrative	2,634,658	-	-	2,634,658
Fundraising	475,161	-	-	475,161
Rental activities	193,342	-	-	193,342
Total expenses	<u>20,582,811</u>	<u>-</u>	<u>-</u>	<u>20,582,811</u>
Excess (deficiency) of revenues over expenses	4,221,344	(60,416)	7,251	4,168,179
Other gains (losses):				
Net unrealized and realized gains (losses) on investments	70,262	248,196	26,298	344,756
Increase (decrease) in net assets	4,291,606	187,780	33,549	4,512,935
Net assets, beginning of year	<u>22,729,424</u>	<u>3,042,086</u>	<u>3,938,564</u>	<u>29,710,074</u>
Net assets, end of year	<u>\$ 27,021,030</u>	<u>\$ 3,229,866</u>	<u>\$ 3,972,113</u>	<u>\$ 34,223,009</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

Year Ended October 31, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains and other support:				
Contributions	\$ 1,360,182	\$ 44,307	\$ 3,700	\$ 1,408,189
Government grants and contracts	26,781	-	-	26,781
United Way allocations	67,332	134,668	-	202,000
	<u>1,454,295</u>	<u>178,975</u>	<u>3,700</u>	<u>1,636,970</u>
Membership dues	11,195,782	-	-	11,195,782
Program and facility fees	5,094,682	-	-	5,094,682
Sales to the public (net of direct related costs of \$165,078)	63,501	-	-	63,501
Rental income	141,951	-	-	141,951
	<u>16,495,916</u>	<u>-</u>	<u>-</u>	<u>16,495,916</u>
Investment income	297,975	(60,450)	1,692	239,217
Loss on disposal of fixed assets	(36,101)	-	-	(36,101)
	<u>261,874</u>	<u>(60,450)</u>	<u>1,692</u>	<u>203,116</u>
	18,212,085	118,525	5,392	18,336,002
Net assets released from restrictions	194,406	(194,406)	-	-
Total revenues, gains and other support	<u>18,406,491</u>	<u>(75,881)</u>	<u>5,392</u>	<u>18,336,002</u>
Expenses:				
Youth Development	7,384,004	-	-	7,384,004
Healthy Living	7,547,421	-	-	7,547,421
Social Responsibility	708,223	-	-	708,223
General & Administrative	2,221,939	-	-	2,221,939
Fundraising	575,583	-	-	575,583
Rental activities	220,351	-	-	220,351
Total expenses	<u>18,657,521</u>	<u>-</u>	<u>-</u>	<u>18,657,521</u>
Excess (deficiency) of revenues over expenses	(251,030)	(75,881)	5,392	(321,519)
Other gains (losses):				
Net unrealized and realized gains (losses) on investments	(3,428)	(19,308)	43,218	20,482
Increase (decrease) in net assets	(254,458)	(95,189)	48,610	(301,037)
Net assets, beginning of year	<u>22,983,882</u>	<u>3,137,275</u>	<u>3,889,954</u>	<u>30,011,111</u>
Net assets, end of year	<u>\$ 22,729,424</u>	<u>\$ 3,042,086</u>	<u>\$ 3,938,564</u>	<u>\$ 29,710,074</u>

See notes to financial statements.

STATEMENTS OF CASH FLOWS

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

	Year Ended October 31	
	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 4,512,935	\$ (301,037)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,294,197	1,233,684
Loss on disposal of facilities, net	253	36,101
Donated facilities	(4,606,000)	-
Unrealized and realized gain on investments, net	(344,756)	(20,482)
Investment loss (gain) restricted or designated for investment	(277,094)	34,848
Contributions received which are restricted for investment in endowment or facility acquisition	(50,713)	(48,007)
Changes in operating assets and liabilities:		
Receivables	(175,471)	(185,819)
Inventories and supplies	(21,662)	(17,846)
Prepaid insurance and other assets	(100,061)	(87,537)
Accounts payable and accrued expenses	697,663	(268,568)
Deferred revenue	(14,528)	(34,301)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>914,763</u>	<u>341,036</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(1,366,628)	(3,055,103)
Proceeds from maturities and sales of investments	1,805,384	3,159,585
Purchase of facilities	(3,028,436)	(401,172)
Proceeds from sale of facilities	2,379	5,000
NET CASH USED IN INVESTING ACTIVITIES	<u>(2,587,301)</u>	<u>(291,690)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on notes payable	-	(429,351)
Principal payments on bonds payable	(196,512)	(189,893)
Proceeds from notes payable	1,163,742	-
Contributions restricted for investment in endowment	13,999	4,200
Contributions restricted for facilities acquisition	36,714	43,807
Investment income loss (gain) restricted for reinvestment	277,094	(34,848)
NET CASH PROVIDED (USED IN) IN FINANCING ACTIVITIES	<u>1,295,037</u>	<u>(606,085)</u>
Net decrease in cash and cash equivalents	(377,501)	(556,739)
Cash and cash equivalents, beginning of year	<u>1,384,160</u>	<u>1,940,899</u>
Cash and cash equivalents, end of year	<u>\$ 1,006,659</u>	<u>\$ 1,384,160</u>
Supplemental disclosure of cash flow information-interest paid	<u>\$ 220,874</u>	<u>\$ 248,391</u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

Year Ended October 31, 2012

	Programs						Total
	Youth Development	Healthy Living	Social Responsibility	General & Administrative	Fundraising	Rental Activity	
Expenses:							
Salary and wages	\$ 3,682,484	\$ 3,440,228	\$ 164,951	\$ 1,018,008	\$ 186,473	\$ -	\$ 8,492,144
Employee benefits	447,616	356,870	21,481	181,757	43,866	-	1,051,590
Payroll taxes	353,546	330,514	18,999	80,452	16,470	-	799,981
Contracted services	152,809	74,827	80,097	54,248	1,000	-	362,981
Supplies	746,317	219,409	56,186	14,286	26,351	2,148	1,064,697
Telephone	76,926	68,385	18,423	26,544	8,664	-	198,942
Postage and shipping	16,088	16,596	1,386	6,415	3,342	-	43,827
Occupancy	1,589,077	1,733,944	221,881	341,910	44,095	133,563	4,064,470
Equipment rental and maintenance	175,034	1,039,125	10,685	413,553	10,930	-	1,649,327
Printing and promotion	96,274	76,628	30,605	62,080	84,807	-	350,394
Travel and employee expenses	306,427	54,574	30,502	92,490	14,035	-	498,028
Conferences and training	26,841	47,925	11,019	46,222	9,144	-	141,151
National support	-	-	-	193,740	-	-	193,740
Organizational dues	11,619	7,916	655	19,672	649	-	40,511
Miscellaneous	33,863	32,534	21,857	25,223	2,480	-	115,957
Interest	105,558	106,709	7,510	-	1,097	-	220,874
Depreciation and amortization	506,715	579,277	70,758	58,058	21,758	57,631	1,294,197
Total Expenses	<u>\$ 8,327,194</u>	<u>\$ 8,185,461</u>	<u>\$ 766,995</u>	<u>\$ 2,634,658</u>	<u>\$ 475,161</u>	<u>\$ 193,342</u>	<u>\$ 20,582,811</u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

Year Ended October 31, 2011

	Programs						Total
	Youth Development	Healthy Living	Social Responsibility	General & Administrative	Fundraising	Rental Activity	
Expenses:							
Salary and wages	\$ 3,253,164	\$ 3,079,877	\$ 174,702	\$ 943,455	\$ 200,208	\$ -	\$ 7,651,406
Employee benefits	374,127	329,264	16,525	166,604	35,919	-	922,439
Payroll taxes	308,982	287,056	20,446	74,360	18,177	-	709,021
Contracted services	121,263	99,307	64,421	61,604	-	-	346,595
Supplies	691,622	184,577	72,025	14,464	27,532	3,006	993,226
Telephone	70,843	76,054	13,508	11,277	9,751	-	181,433
Postage and shipping	6,917	8,768	439	5,613	3,011	-	24,748
Occupancy	1,388,495	1,635,464	172,320	96,740	124,257	141,431	3,558,707
Equipment rental and maintenance	174,999	924,464	18,980	372,942	15,049	-	1,506,434
Printing and promotion	109,624	99,114	14,821	38,636	66,814	-	329,009
Travel and employee expenses	274,448	67,146	30,192	81,935	15,541	-	469,262
Conferences and training	30,307	39,861	16,398	51,104	4,867	-	142,537
National support	-	-	-	201,058	-	-	201,058
Organizational dues	9,012	7,761	868	15,995	2,598	-	36,234
Miscellaneous	33,578	28,172	23,595	17,306	686	-	103,337
Interest	102,900	130,672	8,524	-	6,295	-	248,391
Depreciation and amortization	433,723	549,864	60,459	68,846	44,878	75,914	1,233,684
Total Expenses	<u>\$ 7,384,004</u>	<u>\$ 7,547,421</u>	<u>\$ 708,223</u>	<u>\$ 2,221,939</u>	<u>\$ 575,583</u>	<u>\$ 220,351</u>	<u>\$ 18,657,521</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Young Men's Christian Association of Greater Oklahoma City (the "Association") is incorporated under the laws of the State of Oklahoma as a not-for-profit organization and conducts activities in Oklahoma City and its surrounding communities.

Basis of Financial Statements: The financial statements of the Association have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations. 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:

- *Permanently restricted:* Net assets subject to donor-imposed stipulations that they be maintained permanently by the Association. The donors of these assets may permit the Association to use all or part of the income earned on related investments for general or specific purposes. Currently, substantially all income from permanently restricted net assets is available for any activities of the Association.
- *Temporarily restricted:* Net assets subject to donor-imposed stipulations that can be met either by actions of the Association and/or the passage of time. However, donor restricted contributions whose restrictions are met in the same fiscal year are classified as unrestricted.
- *Unrestricted:* Net assets for which the donor has not imposed a restriction that the assets be used for a specific purpose or held for a certain period of time. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. The Board of Directors of the Association has designated portions of the unrestricted net assets for maintenance, investment and facility development. In addition, the Association has invested unrestricted net assets in the existing facilities of the Association.

Contributions are reported as increases in the appropriate category of net assets. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or by law. Expirations of temporary restrictions recognized on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restriction in the statement of activities. Temporary restrictions on gifts to acquire long-lived assets are considered met in the period in which the assets are acquired or placed in service.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Basis of Financial Statements--Continued: Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Contributions to be received after one year are discounted at a rate commensurate with the risk involved. Amortization of the discount is recorded as additional contribution revenue and used in accordance with donor-imposed restrictions, if any. An allowance for uncollectible receivables is established based on management's judgment and analysis of the credit worthiness of the donors, past collection experience and other relevant factors.

The Association reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those 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.

Endowment Investment and Spending Policies: The Association's endowment consists of approximately 20 individual funds established for a variety of purposes. The endowment consists of both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments are classified and reported based on the existence or absence of donor imposed restrictions.

The Board of Directors of the Association has interpreted the Oklahoma Prudent Management of Institutional Funds Act "OKPMIFA" as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment fund gift absent explicit donor instructions to the contrary. As a result of this interpretation, the Association classifies as permanently restricted net assets (a) the original fair value of gifts to the permanent endowment, (b) the original fair value of any subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the explicit donor instructions at the time of the gift. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by OKPMIFA.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Endowment Investment and Spending Policies--Continued: In accordance with OKPMIFA, the Association considered the following factors in making its determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the Association and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation and depreciation of investments;
- Other resources of the Association; and
- The investment policy of the Association.

Cash and Cash Equivalents: Cash and cash equivalents include cash and certificates of deposit with original maturities less than 90 days. Cash and certificates of deposit that are restricted for long-term purposes are presented as investments. The Association maintains its cash and cash equivalents in bank deposit accounts and money market funds, some of which may not be federally insured. The Association has not experienced any losses in such accounts and believes it is not exposed to significant credit risk on cash and cash equivalents.

Inventories and Supplies: Inventories and supplies are stated at the lower of cost or market. Cost is determined using the first in, first out method.

Fair Value of Financial Instruments: The Association's financial instruments consist of cash and cash equivalents, receivables, pledges receivable, investments, accounts payable and accrued expenses, notes payable and bonds payable. The carrying value of cash and cash equivalents, receivables, accounts payable and accrued expenses, notes payable and bonds payable approximate fair value.

Accounts Receivable and Credit Policy: Accounts receivable principally consists of billings to other not-for-profit organizations. The Association considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is considered necessary. The Association's management considers various factors in determining when to charge off a receivable, including the length of time from the initial billing, the payment history, the organization's financial status, and the overall collection history. The delinquency of any receivables is considered on an individual basis. A receivable is charged off when management has determined that all methods for collection of the receivable have been exhausted.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Investments: Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value in the statements of financial position, with gains and losses included in the statements of activities and changes in net assets. The fair values of investments are generally determined based on quoted market prices or estimates of fair value provided by external investment managers. The amounts the Association will ultimately realize could differ materially from the reported amounts, and significant fluctuations in fair values could occur from year to year.

Income and gains or losses on investments are reported as follows:

- Increases/decreases in permanently restricted net assets if the terms of the gift that gave rise to the investment or applicable law require a portion of income or gains and losses to be added to the principal of a permanent endowment.
- Increases/decreases in temporarily restricted net assets if the terms of the gift or applicable law impose restrictions on the use of the income.
- Increases/decreases in unrestricted net assets in all other cases.

Generally, losses on the investments included in restricted net assets reduce temporarily restricted net assets to the extent donor-imposed temporary restrictions on net appreciation of investments have not been met before the loss occurs. Any remaining losses reduce unrestricted net assets, but can be restored through subsequent investment gains. Losses on funds held in trust by others and certain other losses on permanently restricted funds are included in permanently restricted net assets.

The Association has an investment policy specific to its Endowment Fund, which is monitored by the Investment Committee of its Board of Directors. Endowment Fund assets include those assets of donor-restricted funds that the Association must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. In addition to the spending policy, the investment policy describes the objective for the fund and sets ranges for asset allocation.

The overall rate of the return objective of the portfolio is a reasonable "real" rate, consistent with the risk levels established by the Committee. The expected rate of return over a full market cycle should equal or exceed a reasonable "real" return, plus the rate of inflation.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Investments--Continued: The following is a summary of the asset allocation guidelines, with allowable ranges for each asset class:

	Minimum Percent	Maximum Percent	Target Percent
Large Cap Stocks	20	40	29
Small Cap Stocks	5	20	9
International Equities	5	25	14
Emerging Market Equities	-	10	5
Fixed Income (Investment Grade)	15	35	24
High Yield Fixed Income	-	10	5
International Fixed Income	-	15	7
Cash	1	5	2
Alternative Investments	-	10	5

The Association has an endowment spending formula for spending the earnings from the Endowment Fund. Unless specified otherwise by the donor, the Association allocates four percent of the related investment's average market value for the prior 12 quarters as determined as of June 30 of each year for the subsequent year's operating activities.

Donated Services: In instances where services would have been purchased had volunteers not donated their services and the value of these services can be reasonably established, the Association reflects the value of the donation in its financial statements. A substantial number of volunteers have donated time to the Association for projects such as fundraising, coaching, the running of certain programs and events and administration of the Association. No amounts have been reflected in the financial statements for such services.

Long-Lived Assets: Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be used are recognized based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Facilities: Depreciation of facilities is based on the straight-line method with the half-year convention in the year of acquisition utilizing the following estimated useful lives:

Buildings	25 to 45 years
Improvements	5 to 25 years
Furniture and equipment	5 to 10 years
Vehicles	5 years

Income Taxes: The Association is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no provision has been made for income taxes in the accompanying financial statements. Management evaluated the Association's tax positions and concluded that they had taken no uncertain tax positions that require adjustment to the financial statements. With few exceptions, the Association is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2008.

Beneficial Interests in Assets held By Others: Beneficial interests in assets held by others represent amounts held by the Oklahoma City Community Foundation ("OCCF"), which were contributed to OCCF by the Association together with the undistributed gains and losses on such funds. The Association does not have any rights to the principal of these funds as OCCF retains variance power. The Association's interest in the assets is recorded at the fair value of the net assets held in trust by OCCF. The amount the Association will ultimately realize could differ materially from these recorded amounts, and significant fluctuations in fair values could occur from year to year.

Deferred Revenues: Deferred revenues consist of deferred memberships and program revenues, which are recognized as revenue over the life of the related membership or program.

Functional Allocation of Expenses: The costs of providing the Association's various programs, management and general expenses, fundraising expenses and expenses related to the Association's rental of excess space in its main office building have been summarized on a functional basis in the statements of activities. Accordingly, certain expenses have been allocated among these cost centers using various systematic bases of allocation.

Estimates: In preparing the Association's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the dates of the financial statements and revenues and expenses during the reporting period. Actual results could differ significantly from those estimates.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Fair Value Measurements: Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy has been established that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs that are derived principally from or corroborated by observable market data; and
- Level 3: Inputs that are unobservable and significant to the overall fair value measurement.

Financial assets and liabilities carried at fair value on a recurring basis include investments and beneficial interest in assets held by others (see Note D).

Concentration of Credit Risk: The Association maintains its cash in bank accounts and money market funds that, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts. The Association believes it is not exposed to any significant credit risk on cash and cash equivalents.

Financial instruments, which potentially subject the Association to credit risk, consist of grants and accounts receivable, grants and accounts receivable with restrictions, campaign pledges receivable, and investments. Credit risk for all the Association's receivables is concentrated because the majority of the balances are receivable from individuals located within the greater Oklahoma City area.

The Association's investments consist of various stocks, bonds, equity, and fixed income securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such change could materially affect the investment account balances and the amounts reported in the statements of financial position and the statements of activities and changes in net assets.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Recent Accounting Pronouncements: The FASB has issued additional clarification related to Topic 820, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* (ASU 2011-04) that are effective for periods beginning after December 15, 2011. Early adoption of this update for the year ended October 31, 2012 is not permitted. The Association will apply the provisions of this update prospectively beginning with the year ending October 31, 2013. The Association does not anticipate adoption of this new guidance to have a significant impact on the financial statements.

Subsequent Events: The Association has evaluated subsequent events through January 14, 2013, the date the financial statements were available to be issued. No subsequent events have occurred through October 31, 2012 which requires recognition or disclosure in the financial statements.

NOTE B--BASIC PROGRAMS OFFERED BY THE ASSOCIATION

All programs and activities offered by the Association are designed around its mission: To put Christian principles into practice through programs that build healthy spirit, mind and body for all. The major program areas of the Association are as follows:

Youth Development: We believe the values and skills learned early on are vital building blocks for life. Because of the Y, more young people in neighborhoods around our community are taking a greater interest in learning and making smarter life choices. At the Y, children and teens learn values and positive behaviors, and can explore their unique talents and interests, helping them realize their potential. That makes for confident kids today and contributing and engaged adults tomorrow.

The Y makes sure that every child has an opportunity to envision and pursue a positive future, and to take an active role in strengthening his or her community, through programs like our Child Development Center or before-and-after school programs and others like YMCA Youth in Government and Y Achievers, which offers career exploration and college preparation.

For others, the Y is the starting point for kids to learn about becoming and staying active, and developing healthy habits they'll carry with them throughout their lives. Whether it's gaining the confidence that comes from learning to swim or building the positive relationships that lead to good sportsmanship and teamwork, participating in youth sports programs at the Y is about building the whole child, from the inside out.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE B--BASIC PROGRAMS OFFERED BY THE ASSOCIATION--Continued

Very few environments are as special as camp, where kids become a community as they learn both how to be more independent and how to contribute to a group as they engage in physical, social and educational activities. Our summer day camps, specialty camps and resident camp teaches self-reliance, a love for nature and the outdoors, and the development of attitudes and practices that build character and leadership.

Healthy Living: Being healthy means more than simply being physically active. It's about maintaining a balanced spirit, mind and body through a wide array of group exercise classes from water aerobics to cycling. The Y is a place where you can work toward that balance by challenging yourself to learn a new skill or hobby, fostering connections with friends through our lifelong learning programs, or bringing your loved ones closer together through our many family-centered activities. At the Y, it's not about the activity you choose as much as it is about the benefits of living healthier on the inside as well as the outside.

Serving families has always been at the heart of the Y. We are a place where they can find respite from social, economic and educational challenges, and learn how to overcome them. We have a fundamental desire to provide opportunities for every family to build stronger bonds, through unique programs, like Adventure Guides and Family Nights.

We provide educational programs to promote healthier decisions, and offer a variety of programs that support physical, intellectual and spiritual strength, like Silver Sneakers and Active Older Adults programming.

We believe sports, fun and exploring new interests aren't just for the young. Along with improving health, whenever teamwork is involved, there's the added benefit of being connected to others. That's why you'll find a range of recreational activities at the Y, from sailing at Lake Hefner to adult sports leagues.

Social Responsibility: As a leading not-for-profit committed to strengthening community through youth development, healthy living and social responsibility, the Y was created in response to social challenges and remains to this day a lifeline in communities around the world. The Y understands the challenges that keep individuals from reaching their full potential and responds with services and support which help people to be self-reliant, productive and connected to the community. Each Y responds to the unique issues influencing the community and provides support through services focused on critical areas, such as child welfare, community health, quality of life or family services.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE B--BASIC PROGRAMS OFFERED BY THE ASSOCIATION--Continued

To bring about meaningful change, individuals need ongoing encouragement and tools. We're here day-in and day-out to provide the resources our communities need. The Y addresses social issues, through our YMCA LINCOLN PARK SENIOR CENTER, the YMCA MILITARY WELCOME CENTER, environmental education camp at YMCA CAMP CLASSEN and the Everybody in the Pool program that teaches underserved kids how to swim.

One of the most important aspects of building a global community is giving young people opportunities to understand and celebrate diversity. The Y helps people to develop cultural competencies and the key skills to collaborate with their peers around the world through our International Camp Counselor Program and Brazilian Exchange program.

Finally, the generosity of others is at the core of our existence. It is only through the support of our thousands of volunteers and public and private donors that we are able to give back to the communities we serve.

NOTE C--RECEIVABLES

At October 31, receivables consisted of the following:

	<u>2012</u>	<u>2011</u>
United Way allocation	\$ 106,000	\$ 134,668
Program receivables	435,273	269,520
Other	286,567	248,181
	<u>\$ 827,840</u>	<u>\$ 652,369</u>

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE D--INVESTMENTS

At October 31, investments at amortized cost and fair value are as follows:

	2012		2011	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Endowment money market	\$ 129,000	\$ 129,000	\$ 198,000	\$ 198,000
Certificates of deposit	870,000	870,000	810,000	810,000
Large cap stocks	1,524,959	1,829,000	1,717,724	1,875,000
Small cap equity funds	449,581	589,000	414,844	534,000
International equity funds	388,422	458,000	452,364	483,000
Emerging markets equity funds	254,458	255,000	363,458	343,000
Corporate bonds	570,328	614,000	419,471	447,000
Agency bonds	99,476	100,000	290,000	290,000
Municipal bonds	427,331	462,000	427,446	451,000
Mortgage back securities	152,688	146,000	169,858	154,000
High yield bond funds	325,000	344,000	290,000	296,000
Global income funds	365,981	419,000	343,660	388,000
Preferred stock	77,079	80,000	57,635	56,000
Alternative investments in mutual funds	344,005	362,000	426,664	416,000
Beneficial interests in assets held by others (NOTE F)	251,761	336,000	251,761	346,000
	<u>\$ 6,230,069</u>	<u>\$ 6,993,000</u>	<u>\$ 6,632,885</u>	<u>\$ 7,087,000</u>

Realized gains (losses) in 2012 and 2011 were \$35,980 and \$97,792, respectively, of which \$(374) and \$138,623, respectively, were recognized for financial reporting purposes in a year prior to the year of realization.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE D--INVESTMENTS--Continued

The Association measures investments on a fund-by-fund basis and reports them at fair value in one of three categories based on inputs. The following table summarizes the levels in the fair value hierarchy of the Association's investment funds at October 31:

	2012			
	Total	Level 1 Market Value	Level 2 Market Value	Level 3 Market Value
Endowment money market	\$ 129,000	\$ 129,000	\$ -	\$ -
Certificates of deposit	870,000	-	870,000	-
Large cap stocks	1,829,000	1,829,000	-	-
Small cap equity funds	589,000	589,000	-	-
International equity funds	458,000	458,000	-	-
Emerging markets equity funds	255,000	255,000	-	-
Corporate bonds	614,000	-	614,000	-
Agency bonds	100,000	100,000	-	-
Municipal bonds	462,000	-	462,000	-
Mortgage back securities	146,000	-	146,000	-
High yield bond funds	344,000	344,000	-	-
Global income funds	419,000	419,000	-	-
Preferred stock	80,000	80,000	-	-
Alternative investments in mutual funds	362,000	362,000	-	-
Beneficial interests in assets held by others (NOTE F)	336,000	-	-	336,000
	<u>\$ 6,993,000</u>	<u>\$ 4,565,000</u>	<u>\$ 2,092,000</u>	<u>\$ 336,000</u>

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE D--INVESTMENTS--Continued

	2011			
	Total	Level 1 Market Value	Level 2 Market Value	Level 3 Market Value
Endowment money market	\$ 198,000	\$ 198,000	\$ -	\$ -
Certificates of deposit	810,000	-	810,000	-
Large cap stocks	1,875,000	1,875,000	-	-
Small cap equity funds	534,000	534,000	-	-
International equity funds	483,000	483,000	-	-
Emerging markets equity funds	343,000	343,000	-	-
Corporate bonds	447,000	-	447,000	-
Agency bonds	290,000	240,000	50,000	-
Municipal bonds	451,000	-	451,000	-
Mortgage back securities	154,000	-	154,000	-
High yield bond funds	296,000	296,000	-	-
Global income funds	388,000	388,000	-	-
Preferred stock	56,000	56,000	-	-
Alternative investments in mutual funds	416,000	416,000	-	-
Beneficial interests in assets held by others (NOTE F)	346,000	-	-	346,000
	<u>\$ 7,087,000</u>	<u>\$ 4,829,000</u>	<u>\$ 1,912,000</u>	<u>\$ 346,000</u>

The following table summarizes the changes in the fair value of the Association's Level 3 financial assets for the period ending October 31:

	Beneficial Interests in Assets Held by Others	
	2012	2011
Balance at November 1	\$ 346,000	\$ 300,000
Net investment performance	6,399	61,873
Distributions to the Association	(16,399)	(15,873)
Balance at October 31	<u>\$ 336,000</u>	<u>\$ 346,000</u>

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE D--INVESTMENTS--Continued

The summary of changes in fair value of Level 3 assets has been prepared to reflect the activity in the same categories as those provided to the Association by OCCF. Net investment performance includes realized and unrealized gains (losses) on investments, investment income and administrative fees. Distributions from OCCF decrease the Association's beneficial interest and increase cash at the time of distribution.

NOTE E--FACILITIES

At October 31, facilities of the Association consist of the following:

	<u>2012</u>	<u>2011</u>
Land	\$ 1,731,849	\$ 1,479,849
Donated leases	870,000	870,000
Buildings and improvements	42,385,234	37,092,378
Construction in progress	1,835,811	43,829
Furniture and equipment	1,945,524	1,752,823
Vehicles	<u>379,009</u>	<u>379,009</u>
	49,147,427	41,617,888
Less accumulated depreciation and amortization	<u>(17,050,757)</u>	<u>(15,858,825)</u>
Facilities, net	<u>\$ 32,096,670</u>	<u>\$ 25,759,063</u>

The Association entered into a lease agreement with the City of Oklahoma City for eight acres of land in a park in Cleveland County, Oklahoma with an appraised value of \$870,000. The lease calls for the Association to develop and maintain a recreational facility for its sole use and its sole cost on the property in lieu of cash rentals. The lease period is for 20 years with two 10-year renewal options. The facility was placed in service in January 2006. Accordingly, the Association recognized \$870,000 of donated land lease in temporarily restricted net assets. The lease is being amortized over the original term and renewal periods with the amount of the amortization being released to unrestricted net assets each year. During 2012 and 2011, \$21,750 each year was released from temporarily restricted net assets.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE F--BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

Beneficial interest in assets held by others represents funds contributed by the Association to OCCF to be held in trust for the benefit of the Association. OCCF also holds additional funds contributed by others for the benefit of the programs and activities of the Association. Funds and related undistributed gains and losses held by OCCF for the benefit of the Association, which were donated by others, are not reflected in the accompanying statements of financial position because OCCF maintains variance power over these funds.

A summary of funds held at OCCF for the benefit of the Association at June 30, 2012 and 2011, the most recent date for which such information is available, is as follows:

	<u>2012</u>	<u>2011</u>
Total funds held at OCCF for the benefit of the Association	\$ 1,252,000	\$ 1,291,000
Amount of such funds contributed by others, for which OCCF retains variance power	<u>916,000</u>	<u>945,000</u>
Funds contributed by the Association, held in trust by OCCF, and reflected on the Association's statements of financial position	<u>\$ 336,000</u>	<u>\$ 346,000</u>

The Association received total distributions from OCCF of \$61,069 and \$59,040 in the years ended October 31, 2012 and 2011, respectively, which are reflected in the accompanying statements of activities. The Association made no contributions to OCCF between June 30, 2012 and October 31, 2012.

NOTE G--NOTES PAYABLE

At October 31, notes payable consist of the following:

	<u>2012</u>	<u>2011</u>
5.19% advancing construction loan until September 2013 at which time it converts to an amortizing loan with a balloon payment in September 2023, secured by real estate	<u>\$ 1,163,742</u>	<u>\$ -</u>

The Association has a \$400,000 revolving line of credit at 4.500% maturing in March 2013. As of October 31, 2013 no amounts were outstanding on this line of credit.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE G--NOTES PAYABLE--Continued

During 2010, the Association entered into an Operating Agreement with the City of Edmond whereby each party will contribute up to \$6,000,000 for the design and construction of a recreation facility in a park in the City of Edmond. During 2012 the Association agreed to increase the funding for the project by approximately \$190,000. The City of Edmond will own the facility and the Association will have a 20-year exclusive agreement for the operation of the facility with two 10-year renewal options. The City of Edmond will maintain the exterior of the facility and the related landscaping. The Association will be responsible for all costs related to operating the facility. Construction of the facility began in 2012, and it is anticipated the facility will be ready for operation in late 2013.

The Association's portion of financing for the project was secured in 2011, consisting of a loan from a local bank in the amount of \$6,500,000 with a fixed interest rate of 5.19% for the term of the loan. The loan calls for an advancing period of up to the earlier of the date of opening of the facility or 27 months, at which time the loan will convert to a 10 year loan using a twenty-year amortization. Of the total, \$6,000,000 will be utilized for the construction of the facility and \$500,000 for related issuance costs and interest. As of October 31, 2012, the Association requested advances totaling \$1,163,742 and has incurred construction costs of \$1,835,811.

NOTE H--BONDS PAYABLE

In September 2006 serial revenue bonds (Series 2006 Young Men's Christian Association of Greater Oklahoma City Earlywine Project) were issued by the Oklahoma Industries Authority (OIA) as a conduit for financing for the Association. The bond proceeds of \$5,340,288 plus \$4,144 of Association funds were used to retire a construction line of credit of \$4,812,178, establish a debt service reserve of \$410,891, and to pay issuance costs of \$121,363.

The bonds have stated interest rates ranging from 3.75% to 5.00% and mature between July 1, 2007 and July 1, 2027. The agreement with the OIA calls for monthly payments to a trustee of amounts sufficient to pay semi-annual interest and the annual maturity of the serial bonds. As of October 31, 2012 the monthly payment was set at \$33,855.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE H--BONDS PAYABLE--Continued

The original issue discount of \$54,712 is treated as a reduction of the bond payable liability and is being amortized over the life of the related bonds. The debt service reserve is to be invested by the trustee with earnings on the funds available to offset future monthly debt service. The issuance costs have been capitalized and are being amortized over the life of the bond issue. The debt service reserve and bond issuance costs are listed as other assets in the accompanying statement of financial position and have balances as follows as of October 31, 2012:

Debt service reserve	\$ 410,891
Bond issuance costs	<u>51,507</u>
Total	<u>\$ 462,398</u>

At October 31, 2012 aggregate future minimum principal payments on the bonds are as follows:

2013	\$ 205,000
2014	215,000
2015	220,000
2016	230,000
2017	240,000
Thereafter	<u>3,155,000</u>
Total	<u>\$ 4,265,000</u>

Bonds payable at October 31, 2012 are as follows:

Principal	\$ 4,265,000
Original issue discount	(33,449)
Principal payments	<u>(71,671)</u>
Balance	<u>\$ 4,159,880</u>

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE I--OPERATING LEASES

The Association has non-cancelable long-term operating leases for certain fitness equipment and facilities with various expiration dates. At October 31, 2012, future minimum annual lease payments for these long-term leases for the next five years and thereafter are:

2013	\$	967,688
2014		700,651
2015		343,325
2016		220,010
2017		164,324
Thereafter		<u>446,820</u>
Total	\$	<u>2,842,818</u>

Total rent expense under operating leases was \$1,069,990, and \$1,014,664 for the years ended October 31, 2012 and 2011, respectively.

NOTE J--RETIREMENT PLAN

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

In accordance with the agreement, contributions for the YMCA Retirement Fund Plan are a percentage of the participating employee's salary. Total contributions charged to retirement expense in 2012 and 2011 were \$508,225 and \$460,018, respectively.

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

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE K--COMMITMENTS AND CONTINGENCIES

From time to time, the Association is the defendant in certain legal claims. The Association's management is of the opinion, based on advice of legal counsel, that the ultimate outcome of any such litigation will not have a material effect on the future operations of the Association.

In the normal course of operations, the Association receives grants and other forms of reimbursement from various federal, state and local agencies. The activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. Management believes that the liability, if any, for a reimbursement, which may arise as the result of audits, would not be material.

NOTES TO FINANCIAL STATEMENTS--Continued

YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER OKLAHOMA CITY

October 31, 2012

NOTE L--ACCOUNTING FOR ENDOWMENTS

A summary of the endowment net asset composition by type of fund and change in net assets are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor restricted	\$ -	\$ 1,842,870	\$ 3,889,954	\$ 5,732,824
Board designated	587,202	-	-	587,202
Total October 31, 2010	<u>587,202</u>	<u>1,842,870</u>	<u>3,889,954</u>	<u>6,320,026</u>
Investment Return:				
Investment income	13,803	172,350	13,325	199,478
Net appreciation (depreciation)	<u>(2,802)</u>	<u>(19,933)</u>	<u>43,218</u>	<u>20,483</u>
Total Investment Return	11,001	152,417	56,543	219,961
Contributions	10,337	500	3,700	14,537
Distributions	<u>(16,117)</u>	<u>(232,175)</u>	<u>(11,633)</u>	<u>(259,925)</u>
Donor-restricted	-	1,763,612	3,938,564	5,702,176
Board-designated	<u>592,423</u>	<u>-</u>	<u>-</u>	<u>592,423</u>
Total October 31, 2011	<u>592,423</u>	<u>1,763,612</u>	<u>3,938,564</u>	<u>6,294,599</u>
Investment Return:				
Investment income	7,452	178,295	13,983	199,730
Net appreciation/ (depreciation)	<u>14,603</u>	<u>303,855</u>	<u>26,298</u>	<u>344,756</u>
Total Investment Return	22,055	482,150	40,281	544,486
Contributions	17,975	2,095	4,650	24,720
Distributions	<u>(537,316)</u>	<u>(233,955)</u>	<u>(11,382)</u>	<u>(782,653)</u>
Donor restricted	-	2,013,902	3,972,113	5,986,015
Board designated	<u>95,137</u>	<u>-</u>	<u>-</u>	<u>95,137</u>
Total October 31, 2012	<u>\$ 95,137</u>	<u>\$ 2,013,902</u>	<u>\$ 3,972,113</u>	<u>\$ 6,081,152</u>