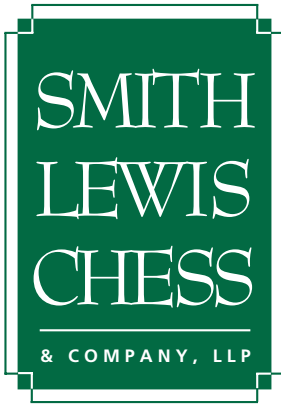


**YMCA OF INDIANA COUNTY**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED**  
**DECEMBER 31, 2019 AND 2018**

**YMCA OF INDIANA COUNTY**  
**TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditor's Report	1 - 2
Statements of Financial Position	3
Statements of Activities - 2019	4
Statements of Activities - 2018	5
Schedules of Functional Expenses - 2019	6
Schedules of Functional Expenses - 2018	7
Statements of Cash Flows	8
Notes to Financial Statements	9 - 14



CERTIFIED PUBLIC  
ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

KELLY SEIGWORTH BERFIELD, CPA  
BRENDA B. DICICCO, CPA

WALTER L. LEWIS, CPA - Retired

1776 WARREN ROAD  
INDIANA, PA 15701  
724-349-9533  
FAX: 724-463-1776  
www.slcccpa.com

Board of Directors  
YMCA of Indiana County  
60 North Ben Franklin Road  
Indiana PA 15701

### Report on the Financial Statements

We have audited the accompanying financial statements of the YMCA of Indiana County (a not-for-profit organization) which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities 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 of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

Professional  
Services

Personal  
Relationships

UNIONTOWN, PA

MEMBERS AMERICAN  
AND PENNSYLVANIA  
INSTITUTES OF  
CERTIFIED PUBLIC  
ACCOUNTANTS

An audit includes 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 controls. 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 YMCA of Indiana County as of December 31, 2019 and 2018, and the results of operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

The prior year financial statements were audited by Clay & Gascoine, LLC in an opinion dated July 1, 2019. The report expressed an unmodified opinion.

*Smith, Lewis, Chess & Company, LLP*

Indiana, PA  
August 14, 2020

**YMCA OF INDIANA COUNTY**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31,**

**ASSETS**

	<u>2019</u>	<u>2018</u>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 559,921	\$ 436,652
Accounts receivable, net of allowance	9,801	13,646
Pledges receivable	20,564	35,764
Certificates of deposit	35,052	35,052
Other current assets	13,216	8,408
<b>TOTAL CURRENT ASSETS</b>	<b>638,554</b>	<b>529,522</b>
<b>PROPERTY AND EQUIPMENT, at cost:</b>		
Land	45,000	45,000
Buildings	2,891,193	2,891,193
Leasehold improvements	121,835	110,728
Equipment	1,479,871	1,442,419
Less accumulated depreciation	(2,687,554)	(2,527,662)
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<b>1,850,345</b>	<b>1,961,678</b>
<b>OTHER ASSETS:</b>		
Investments	694,313	634,581
<b>TOTAL ASSETS</b>	<b>\$ 3,183,212</b>	<b>\$ 3,125,781</b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 16,257	\$ 71,300
Current portion of long-term debt	31,668	26,737
Current portion of capital leases	39,772	37,380
Accrued payroll and taxes	20,153	20,142
Other accrued liabilities	108,274	26,930
<b>TOTAL CURRENT LIABILITIES</b>	<b>216,124</b>	<b>182,489</b>
<b>LONG-TERM LIABILITIES:</b>		
Long-term debt, net of current portion	502,030	538,568
Capital lease liability, net of current portion	9,621	48,583
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>511,651</b>	<b>587,151</b>
<b>TOTAL LIABILITIES</b>	<b>727,775</b>	<b>769,640</b>
<b>NET ASSETS:</b>		
Without donor restriction	2,378,971	2,251,141
With donor restriction	76,466	105,000
<b>TOTAL NET ASSETS</b>	<b>2,455,437</b>	<b>2,356,141</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,183,212</b>	<b>\$ 3,125,781</b>

The accompanying notes are an internal part of these financial statements.

**YMCA OF INDIANA COUNTY**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS:</b>			
<b>REVENUE AND SUPPORT:</b>			
Indirect public support (membership), net of scholarships and discounts	\$ 1,108,510	\$ -	\$ 1,108,510
Contributions	165,986	30,527	196,513
Program income	489,143	-	489,143
Fundraising income	185,368	-	185,368
Service income	142,132	-	142,132
Interest and dividend income	18,914	-	18,914
Gain (loss) on sale of investments	(1,547)	-	(1,547)
Unrealized gain (loss) on sale of	78,084	-	78,084
Other income	(692)	-	(692)
Net assets released from restriction	<u>59,061</u>	<u>(59,061)</u>	<u>-</u>
	2,244,959	(28,534)	2,216,425
<b>EXPENSES:</b>			
Program service	1,499,293	-	1,499,293
Management and general	374,703	-	374,703
Fundraising	<u>243,133</u>	<u>-</u>	<u>243,133</u>
TOTAL EXPENSES	<u>2,117,129</u>	<u>-</u>	<u>2,117,129</u>
CHANGE IN NET ASSETS	127,830	(28,534)	99,296
Net assets without donor restriction -			
January 01, 2019	<u>2,251,141</u>	<u>105,000</u>	<u>2,356,141</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTION -</b>			
<b>DECEMBER 31, 2019</b>	<u>\$ 2,378,971</u>	<u>\$ 76,466</u>	<u>\$ 2,455,437</u>

The accompanying notes are an internal part of these financial statements.

**YMCA OF INDIANA COUNTY**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS:</b>			
<b>REVENUE AND SUPPORT:</b>			
Indirect public support (membership), net of scholarships and discounts	\$ 1,055,347	\$ -	\$ 1,055,347
Contributions	196,451	146,124	342,575
United Way	28,653	-	28,653
Program income	566,677	-	566,677
Fundraising income	41,693	-	41,693
Service income	62,803	-	62,803
Interest and dividend income	19,310	-	19,310
Gain (loss) on sale of investments	3,296	-	3,296
Unrealized gain (loss) on sale of investments	(50,160)	-	(50,160)
Other income	7,994	-	7,994
Net assets released from restrictions	<u>153,419</u>	<u>(153,419)</u>	<u>-</u>
	2,085,483	(7,295)	2,078,188
<b>EXPENSES:</b>			
Program service	1,676,821	-	1,676,821
Management and general	252,432	-	252,432
Fundraising	153,570	-	153,570
TOTAL EXPENSES	<u>2,082,823</u>	<u>-</u>	<u>2,082,823</u>
CHANGE IN NET ASSETS	2,660	(7,295)	(4,635)
Net assets without donor restriction - January 01, 2018	<u>2,248,481</u>	<u>112,295</u>	<u>2,360,776</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTION - DECEMBER 31, 2018</b>	<b><u>\$ 2,251,141</u></b>	<b><u>\$ 105,000</u></b>	<b><u>\$ 2,356,141</u></b>

The accompanying notes are an internal part of these financial statements.

**YMCA OF INDIANA COUNTY**  
**SCHEDULES OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>PROGRAM</u> <u>SERVICES</u>	<u>MANAGEMENT</u> <u>AND GENERAL</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Salaries and wages	\$ 734,502	\$ 108,261	\$ 120,265	\$ 963,028
Retirement	21,594	7,984	9,193	38,771
Other employee benefits	16,161	13,198	17,608	46,967
Payroll taxes	70,431	12,047	11,068	93,546
Depreciation	-	161,459	-	161,459
Training	15,101	17,663	-	32,764
Insurance	36,272	5,758	5,401	47,431
Supplies	52,959	3,650	-	56,609
Professional fees	-	22,320	-	22,320
Merchandise expenses	55,451	-	-	55,451
Equipment purchase and rental	7,403	377	-	7,780
Licenses and permits	512	901	-	1,413
Repairs and maintenance	114,079	2,666	-	116,745
Office expenses	8,839	721	-	9,560
Computer expenses	46,290	4,666	-	50,956
Occupancy	145,426	3,002	-	148,428
Fundraising expenses	-	-	79,538	79,538
Bank fees	26,811	3,614	-	30,425
Interest	26,931	-	-	26,931
Dues	34,299	4,765	-	39,064
Marketing and promotion	55,849	1,651	60	57,560
Bad debt expense	449	-	-	449
Other expenses	29,934	-	-	29,934
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ <u>1,499,293</u></b>	<b>\$ <u>374,703</u></b>	<b>\$ <u>243,133</u></b>	<b>\$ <u>2,117,129</u></b>

The accompanying notes are an internal part of these financial statements.



**YMCA OF INDIANA COUNTY**  
**SCHEDULES OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>PROGRAM</u> <u>SERVICES</u>	<u>MANAGEMENT</u> <u>AND GENERAL</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Salaries and wages	\$ 751,583	\$ 100,627	\$ 100,216	\$ 952,426
Retirement	26,359	3,661	11,954	41,974
Other employee benefits	21,601	10,638	18,757	50,996
Payroll taxes	80,356	9,770	15,983	106,109
Accounting	-	7,800	-	7,800
Travel	23,089	3,003	-	26,092
Conferences and meetings	1,516	5,643	-	7,159
Interest	-	28,754	-	28,754
Depreciation	144,090	3,002	3,003	150,095
Insurance	38,151	16,227	-	54,378
Supplies	167,475	16,830	-	184,305
Professional fees	83,232	11,689	2,801	97,722
Repairs and maintenance	24,000	33,765	856	58,621
Utilities	157,335	1,023	-	158,358
Bank fees	24,712	-	-	24,712
Dues	40,433	-	-	40,433
Printing and marketing	81,754	-	-	81,754
Bad debt expense	8,459	-	-	8,459
Other expenses	2,676	-	-	2,676
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ <u>1,676,821</u></b>	<b>\$ <u>252,432</u></b>	<b>\$ <u>153,570</u></b>	<b>\$ <u>2,082,823</u></b>

The accompanying notes are an internal part of these financial statements.

**YMCA OF INDIANA COUNTY**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31,**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 99,296	\$ (4,635)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	161,459	150,095
Gain (loss) on sale of investments	1,547	(3,296)
Unrealized gain (loss) on investments	(78,084)	50,160
(Increase) decrease in assets:		
Accounts receivable	3,845	(3,801)
Pledges receivable	15,200	(8,775)
Prepaid expenses and other current assets	(4,808)	12,157
Increase (decrease) in liabilities:		
Accounts payable	(55,043)	62,271
Accrued expenses	81,355	(13,913)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>224,767</u>	<u>240,263</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	(50,516)	(96,599)
Purchases of investments	78,309	(122,742)
Sales of investments	(61,504)	40,251
Net increase (decrease) in certificates of deposit	-	(145)
<b>CASH USED FOR INVESTING ACTIVITIES</b>	<u>(33,711)</u>	<u>(179,235)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of capital lease obligations	(34,146)	(33,146)
Repayments of long-term debt	(34,031)	(30,277)
<b>CASH USED FOR FINANCING ACTIVITIES</b>	<u>(68,177)</u>	<u>(63,423)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	122,879	(2,395)
Cash and cash equivalents - beginning	<u>436,652</u>	<u>439,047</u>
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<u>\$ 559,531</u>	<u>\$ 436,652</u>
<b>SUPPLEMENTAL DISCLOSURE:</b>		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

The accompanying notes are an internal part of these financial statements.

**YMCA OF INDIANA COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

*A. DESCRIPTION OF ENTITY:*

The YMCA of Indiana County (YMCA) provides various recreational and fitness programs to residents of Indiana County. The YMCA is primarily supported through memberships and various programs which are open to the public.

*B. CHARITABLE ASSISTANCE:*

The YMCA has a policy of providing membership and program assistance to individuals who are unable to pay prevailing fees and charges based on income. Eligible individuals are identified based on financial and other information. Since the YMCA does not expect full payment, the prevailing fees and charges are not included in revenue.

*C. CASH AND CASH EQUIVALENTS:*

For the statements of financial position and statements of cash flows, the YMCA considers non-restricted highly liquid short-term investments that have an original maturity of three months or less to be cash and cash equivalents. Included in cash are funds the Board of Directors has designated for specific purposes. These amounts were \$66,632 and \$200,666 as of December 31, 2019 and 2018, respectively. Temporarily restricted funds included in cash were \$80,000 and \$80,000 as of December 31, 2019 and 2018.

*D. INDIRECT PUBLIC SUPPORT - MEMBERSHIP DUES:*

Membership dues are recognized as revenue in the period in which they are billed.

*E. DIRECT PUBLIC SUPPORT:*

Contributions are recognized as income when the pledge is received, for contributions where a pledge is not obtained revenue is recognized when the contribution is received.

*F. ACCOUNTS RECEIVABLE:*

The YMCA monitors outstanding accounts receivable to determine issues with collections. Accordingly, there is \$5,000 recorded as an allowance for doubtful accounts for 2019 and 2018. Bad debt expense was \$449 and \$8,459 for the years ended December 31, 2019 and 2018, respectively.

*G. ALLOWANCE FOR UNCOLLECTIBLE PLEDGES :*

The YMCA accounts for uncollectible pledges by the direct write-off method. There were no uncollectible pledges written off during December 31, 2019 and 2018.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):**

**H. PROPERTY AND EQUIPMENT:**

Property is recorded at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Asset purchases over \$1,000 are capitalized and depreciation is computed using straight-line method over the anticipated economic lives of the respective assets. Asset lives range from three to fifty years.

**I. USE OF ESTIMATES:**

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

**J. NET ASSETS WITH DONOR RESTRICTIONS:**

The YMCA reports gifts of cash and other assets as restricted support if and when they are received with donor stipulations that limit the use of the donated assets. Net assets with donor restriction are those whose use by the YMCA has been restricted by donors to be maintained to a specific time period or purpose.

Net Assets with donor restriction for the YUSA Food Program, Miracle League Field, front lobby renovation, Kealey Youth Sports programs, and programs for children with special needs, and for a pavilion at the YMCA and Mack Park totaled \$76,466 and \$105,000, for December 31, 2019 and 2018, respectively. The YMCA received an \$80,000 grant for construction of a pavilion. Any funds that are not used for that purpose are to be returned to the grantor.

**K. REVENUE RECOGNITION:**

The YMCA has evaluated and adopted the provisions of *Accounting Standard Update 2014-09 - Revenue from Contracts with Customers*. The YMCA derives revenue from memberships, programs and contributions. Revenue for membership is recognized as paid for those members that pay monthly as they have access to the facility upon joining and making their initial payment. No specific additional performance obligation is required. Revenue for programs is recognized when the program begins and the performance obligation is satisfied. Revenue received prior to the start of the program is recorded as Deferred Revenue and is recognized upon program start. Finally, revenue from contributions is recognized upon receipt and no additional performance obligations are required.

**L. INVESTMENT AND SPENDING POLICY:**

In 2018, the YMCA's Board of Directors implemented an investment policy. This policy covers investments for the operating fund, short-term reserve fund, long-term reserve fund and endowed funds. The policy provides the objectives for each type of fund along with the allowable investment mix, maturity range and asset allocation. Spending from the various funds is approved by the board based on the defined purpose of each specific fund as defined in the investment policy.

**M. FEDERAL INCOME TAXES:**

The YMCA is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore, no provision for income taxes included.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):**

**N. DONATED MATERIALS OR SERVICES:**

The value of donated materials or services relating to normal operations is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such materials or services.

**O. UNCERTAIN TAX POSITIONS:**

The YMCA has adopted FASB ASC 740-10-25, *Accounting for Uncertainty in Income Taxes*. The YMCA will record a liability for uncertain tax positions when it is more likely than not that a tax position would not be sustained if examined by the taxing authority. The YMCA evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings.

The YMCA's evaluation on December 31, 2019 revealed no uncertain tax positions that would have a material impact on the financial statements. The 2016 through 2018 tax years remain subject to examination by the Internal Revenue Service. The YMCA does not believe that any reasonably possible changes will occur within the next twelve months that will have a material impact on the financial statements.

**P. FUNCTIONAL CLASSIFICATION OF EXPENSES:**

The costs of providing various programs and other activities have been summarized on the functional basis in the statement of activities and the schedule of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefits. General expenses that are not directly identifiable with any other specific function have been allocated to management and general expenses, as they provide for the overall support and direction of the YMCA.

**Q. ADVERTISING EXPENSES:**

Advertising costs are expensed as incurred. Advertising expense for 2019 and 2018 were \$26,375 and \$28,588, respectively and has been included in printing and publications on the statements of activities and changes in assets.

**2. CONCENTRATION OF CREDIT RISK FOR CASH HELD AT BANKS:**

The YMCA maintains cash accounts at three banks. The Federal Deposit Insurance Corporation (FDIC) provides unlimited insurance coverage on non-interest bearing accounts at each qualifying financial institution and up to \$250,000 on interest bearing accounts at each qualifying financial institution. At times, balances may exceed federally insured limits. The YMCA has not experienced any losses in such accounts.

**3. PLEDGES RECEIVABLE:**

Pledge revenue recognized during 2019 and 2018 were \$347,367 and \$371,228, respectively. Pledges receivable were \$20,564 and \$35,764 as of December 31, 2019 and 2018, respectively.

#### 4. INVESTMENTS:

Accounting standards for Fair Value Measurements under ASC section 820, which defines fair value, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 - Quoted market prices in active markets for identical assets.

Level 2 - Observable market-based inputs, unobservable inputs that are corroborated by market data, or present value techniques.

Level 3 - Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Level 3 includes values determined using pricing models, discounted cash flow methodologies, or similar techniques reflecting the YMCA's own assumptions.

The YMCA uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

Following is a description of the valuation methodologies used for assets measured to fair value:

Investments - Fair value is determined by reference to quoted market prices.

Annuity - Fair value is determined by accumulating gains and losses that are both realized and unrealized and combining with carrying value.

Investments consist of the following:

	<u>2019</u>	<u>2018</u>
Market Value:		
Single premium deferred annuity	\$ -	\$ 61,504
Money market funds	58,920	18,366
Certificates of deposit	35,189	68,617
Marketable securities	331,258	314,522
Corporate bonds and notes	268,946	171,572
<b>TOTAL</b>	<b><u>\$ 694,313</u></b>	<b><u>\$ 634,581</u></b>

Annuity:

In 2011, the YMCA purchased a 22 year annuity with a guaranteed minimum interest rate of 3% and an initial guaranteed period of one year. The annuity imposes a surrender charge on amounts withdrawn until the sixth year has been reached; the surrender charge percentage ranges from 7% in the first year to 2% in the sixth year. Each year after the first contract year, 10% of the accumulation value, determined as of the first withdrawal each contract year, may be withdrawn without surrender charge. This annuity is classified with Investments on the Statements of Financial Position. This annuity was cashed out during 2019.

**5. LONG-TERM DEBT:**

	<u>2019</u>	<u>2018</u>
Mortgage to a bank with 240 monthly installments of \$4,896 including interest at 4.99%. The loan matures in 2032 and is collateralized by the YMCA's land and building.	\$ 533,698	\$ 565,305
Less current portion of notes payable	<u>(31,668)</u>	<u>(26,737)</u>
<b>TOTAL LONG-TERM DEBT</b>	<b><u>\$ 502,030</u></b>	<b><u>\$ 538,568</u></b>

Approximate future maturities of long-term debt are as follows:

2020	\$ 31,668
2021	31,668
2022	31,668
2023	31,668
2024	31,668
2025 and thereafter	<u>375,358</u>
<b>TOTAL</b>	<b><u>\$ 533,698</u></b>

**6. CAPITAL LEASE:**

The YMCA leases exercise equipment under capital lease. The equipment under the capital lease is recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets are amortized over the lower of their lease terms or their estimated productive lives.

Following is a summary of the equipment held under capital lease for the years ended December 31:

	<u>2019</u>	<u>2018</u>
Equipment	\$ 182,850	\$ 182,850
Less accumulated amortization	<u>(134,090)</u>	<u>(97,520)</u>
<b>TOTAL CAPITAL LEASE</b>	<b><u>\$ 48,760</u></b>	<b><u>\$ 85,330</u></b>

Future Minimum lease payments

Years ending December 31,:

2020	\$ 39,772
2021	<u>9,942</u>
	49,714
Less amount representing interest	<u>(954)</u>
<b>PRESENT VALUE OF NET MINIMUM LEASE PAYMENTS</b>	<b><u>\$ 48,760</u></b>

**7. PENSION PLAN:**

The YMCA participates in a qualified defined contribution pension plan, which covers all employees over the age of 21 who have completed 1,000 hours of service per year, for two consecutive years. Monthly contributions are made based on a percentage of eligible employee compensation. The annual contributions for 2019 and 2018 were \$38,771 and \$41,974, respectively.

**8. AVAILABLE RESOURCES AND LIQUIDITY:**

During the year, the YMCA depends on cash flows from operations to cover costs. As of December 31, 2019 and 2018 the following tables show the total financial assets held by the YMCA and the amounts of those financial assets that could readily be made available within one year of the balance sheet date to meet general expenditures:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 599,921	\$ 436,652
Accounts receivable, net	9,801	13,646
Pledges receivable, net	20,564	35,764
Certificates of deposit	35,052	35,052
Investments	694,313	634,581
<b>TOTAL</b>	<b>\$ <u>1,359,651</u></b>	<b>\$ <u>1,155,695</u></b>

**9. SUBSEQUENT EVENTS:**

Management has evaluated subsequent events through August 14, 2020 the date the financial statements were available to be issued. Subsequent to the year ended December 31, 2019, a global health pandemic occurred. There were mandates with which the YMCA of Indiana County complied that impacted operations. The impact on these financial statements has not been determined.