

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF  
ROCHESTER AND MONROE COUNTY**

**ROCHESTER, NEW YORK**

**CONSOLIDATED AUDITED FINANCIAL STATEMENTS**

**OTHER FINANCIAL INFORMATION**

**AND**

**INDEPENDENT AUDITOR'S REPORTS**

**MARCH 31, 2017**

**(with Comparative Totals for 2016)**



**MENGEL METZGER BARR & CO. LLP**

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Young Women's Christian Association of Rochester and Monroe County

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Young Women's Christian Association of Rochester and Monroe County (the YWCA), which comprises the consolidated balance sheet as of March 31, 2017, and the related consolidated statements of activities and changes in net assets, expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audit. We did not audit the financial statements of Vermont Manor, L.P. and Lynn's Place, L.P. for which wholly-owned subsidiaries of the YWCA are general partners, which statements reflect total assets of \$657,101 and \$638,032, respectively, as of December 31, 2016 and total revenues of \$133,305 and \$98,582, respectively for the year then ended. Those statements were audited by the component auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Vermont Manor, L.P. and Lynn's Place, L.P. is based solely on the reports of the component auditors. 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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, based on our audit and the report of the component auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Young Women's Christian Association of Rochester and Monroe County and its subsidiaries as of March 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Summarized Comparative Information**

We have previously audited the Young Women's Christian Association of Rochester and Monroe County's March 31, 2016 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated June 6, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2016 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

*Mengel, Metzger, Baw & Co. LLP*

Rochester, New York  
June 6, 2017

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

CONSOLIDATED BALANCE SHEET

MARCH 31, 2017

(With Comparative Totals for 2016)

<u>ASSETS</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 51,639	\$ 109,045
Accounts receivable	339,882	83,336
Accrued interest receivable	7,813	-
Due to/from partnerships, net	(2,489)	-
Other	55,730	-
TOTAL CURRENT ASSETS	<u>452,575</u>	<u>192,381</u>
<u>OTHER ASSETS</u>		
Investments, at market value	7,292,677	90,202
Limited use assets	835,003	-
Investment in partnerships	171,332	-
Fixed assets, net	7,604,213	-
	<u>15,903,225</u>	<u>90,202</u>
	<u>\$ 16,355,800</u>	<u>\$ 282,583</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 131,323	\$ -
Accrued payroll and related liabilities	177,763	-
Deferred revenue and other liabilities	249,249	-
Current portion of capital advances	22,674	-
Current portion of notes payable	37,426	-
TOTAL CURRENT LIABILITIES	<u>618,435</u>	<u>-</u>
<u>OTHER LIABILITIES</u>		
Capital advances	34,526	-
Notes payable, net of unamortized debt issuance costs of of \$64,192 and \$69,452 in 2017 and 2016, respectively	6,558,518	-
Other liabilities	114,311	-
	<u>6,707,355</u>	<u>-</u>
<u>NONCONTROLLING (DEFICIENCY) INTEREST IN CONSOLIDATED SUBSIDIARIES</u>		
	(45,785)	-
<u>NET ASSETS</u>	<u>9,075,795</u>	<u>282,583</u>
	<u>\$ 16,355,800</u>	<u>\$ 282,583</u>

The accompanying notes are an integral part of the consolidated financial statements.

Permanently Restricted	Total	
	March 31,	
	2017	2016
\$ -	\$ 160,684	\$ 192,258
-	423,218	322,428
-	7,813	7,813
-	(2,489)	(2,489)
-	55,730	42,487
-	<u>644,956</u>	<u>562,497</u>
1,934,729	9,317,608	9,009,421
-	835,003	796,556
-	171,332	171,332
-	<u>7,604,213</u>	<u>8,116,137</u>
<u>1,934,729</u>	<u>17,928,156</u>	<u>18,093,446</u>
<u>\$ 1,934,729</u>	<u>\$ 18,573,112</u>	<u>\$ 18,655,943</u>
\$ -	\$ 131,323	\$ 116,301
-	177,763	153,071
-	249,249	234,551
-	22,674	26,007
-	<u>37,426</u>	<u>35,151</u>
-	618,435	565,081
-	34,526	57,200
-	6,558,518	6,840,494
-	<u>114,311</u>	<u>106,517</u>
-	6,707,355	7,004,211
-	(45,785)	9,372
<u>1,934,729</u>	<u>11,293,107</u>	<u>11,077,279</u>
<u>\$ 1,934,729</u>	<u>\$ 18,573,112</u>	<u>\$ 18,655,943</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2017  
(With Comparative Totals for 2016)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
PUBLIC SUPPORT AND REVENUE:		
Public support:		
United Way	\$ -	\$ 250,000
Contributions	104,048	142,740
Special events	187,980	-
Donated goods and services	43,705	-
Released from restrictions:		
United Way	228,748	(228,748)
Other	111,000	(111,000)
Total public support	<u>675,481</u>	<u>52,992</u>
Revenue:		
Fees and grants from government agencies	1,627,126	-
Grants for capital improvements	290,000	-
Rental revenue	807,787	-
Program service fees	44,676	-
Other	147,705	-
Total revenue	<u>2,917,294</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	3,592,775	52,992
Expenses:		
Program services:		
Young Adult Services	384,281	-
Housing	1,474,809	-
Racial Equity	220,668	-
Partnerships	1,699,259	-
	<u>3,779,017</u>	<u>-</u>
Management and general	324,257	-
Fundraising	201,282	-
	<u>4,304,556</u>	<u>-</u>
TOTAL EXPENSES	4,304,556	-
CHANGE IN NET ASSETS BEFORE NONCONTROLLING INTEREST IN CONSOLIDATED SUBSIDIARIES AND INVESTMENT INCOME (LOSS)	(711,781)	52,992
Noncontrolling interest in consolidated subsidiaries	1,699	-
Investment income (loss)	873,187	-
CHANGE IN NET ASSETS	<u>163,105</u>	<u>52,992</u>
Net assets at beginning of year	8,912,959	229,591
Transfer of partnership interest	-	-
Partnership distributions	(269)	-
NET ASSETS AT END OF YEAR	<u>\$ 9,075,795</u>	<u>\$ 282,583</u>

The accompanying notes are an integral part of the consolidated financial statements.

Permanently Restricted	Total	
	Year ended March 31,	
	2017	2016
\$ -	\$ 250,000	\$ 186,260
-	246,788	208,358
-	187,980	199,799
-	43,705	39,595
-	-	-
-	-	-
-	<u>728,473</u>	<u>634,012</u>
-	1,627,126	1,666,096
-	290,000	326,054
-	807,787	800,448
-	44,676	32,934
-	<u>147,705</u>	<u>146,422</u>
-	<u>2,917,294</u>	<u>2,971,954</u>
-	3,645,767	3,605,966
-	384,281	476,683
-	1,474,809	1,448,088
-	220,668	177,896
-	<u>1,699,259</u>	<u>1,702,662</u>
-	3,779,017	3,805,329
-	324,257	286,315
-	<u>201,282</u>	<u>190,429</u>
-	<u>4,304,556</u>	<u>4,282,073</u>
-	(658,789)	(676,107)
-	1,699	37,949
-	<u>873,187</u>	<u>(184,421)</u>
-	216,097	(822,579)
1,934,729	11,077,279	11,728,772
-	-	171,332
-	(269)	(246)
<u>\$ 1,934,729</u>	<u>\$ 11,293,107</u>	<u>\$ 11,077,279</u>



YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

CONSOLIDATED STATEMENT OF EXPENSES

YEAR ENDED MARCH 31, 2017  
(With Comparative Totals for 2016)

	Year ended March 31,	
	<u>2017</u>	<u>2016</u>
Salaries	\$ 1,658,016	\$ 1,697,462
Occupancy	933,477	930,872
Professional fees	329,547	306,636
Salary related expense	343,346	349,588
Depreciation and amortization	547,393	565,758
Supplies and printing	137,013	113,022
Specific assistance to individuals	96,921	90,216
Trainings	65,629	63,685
Minor equipment purchases and repairs	90,243	68,445
Membership dues	26,541	23,315
Donated goods and services	43,705	39,595
Other	32,725	33,479
	<u>\$ 4,304,556</u>	<u>\$ 4,282,073</u>

The accompanying notes are an integral part of the consolidated financial statements.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2017  
(With Comparative Totals for 2016)

	<u>Year ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
<u>CASH FLOWS - OPERATING ACTIVITIES</u>		
Change in net assets	\$ 216,097	\$ (822,579)
Adjustments to reconcile change in net assets to net cash used for operating activities:		
Noncontrolling interest in consolidated subsidiaries	(55,157)	(86,821)
Realized and unrealized investment (gains) losses, net	(712,734)	344,449
Depreciation and amortization	547,393	565,758
Amortization of debt issuance costs included in interest expense	5,260	5,095
Decrease in capital advances	(26,007)	(26,007)
Forgiveness of notes payable	(250,000)	(286,054)
Changes in certain assets and liabilities affecting operations:		
Accounts receivable	(100,790)	42,777
Other assets	(51,690)	(376,198)
Accounts payable	15,022	4,270
Accrued payroll and related liabilities	24,692	16,703
Deferred revenue and other liabilities	<u>22,492</u>	<u>(22,426)</u>
NET CASH USED FOR OPERATING ACTIVITIES	(365,422)	(641,033)
<u>CASH FLOWS - INVESTING ACTIVITIES</u>		
Purchase of fixed assets	(35,469)	(13,081)
Proceeds from sales of investments	4,739,427	3,628,757
Purchases of investments	<u>(4,334,880)</u>	<u>(3,313,785)</u>
NET CASH PROVIDED FROM INVESTING ACTIVITIES	369,078	301,891
<u>CASH FLOWS - FINANCING ACTIVITIES</u>		
Partnership distributions	(269)	(246)
Deferred financing expenses paid	-	(916)
Borrowings on notes payable	-	304,164
Payments on notes payable	<u>(34,961)</u>	<u>(33,084)</u>
NET CASH (USED FOR) PROVIDED FROM FINANCING ACTIVITIES	<u>(35,230)</u>	<u>269,918</u>
NET DECREASE IN CASH	(31,574)	(69,224)
Cash at beginning of year	<u>192,258</u>	<u>261,482</u>
CASH AT END OF YEAR	<u>\$ 160,684</u>	<u>\$ 192,258</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

CONSOLIDATED STATEMENT OF CASH FLOWS, Cont'd

YEAR ENDED MARCH 31, 2017  
(With Comparative Totals for 2016)

	<u>Year ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Cash paid during the year for interest	<u>\$ 84,762</u>	<u>\$ 67,324</u>
<u>NON-CASH OPERATING, FINANCING AND INVESTING ACTIVITIES</u>		
Transfer of partnership interest	<u>\$ -</u>	<u>\$ 171,332</u>
Forgiveness of notes payable	<u>\$ 250,000</u>	<u>\$ 286,054</u>

The accompanying notes are an integral part of the consolidated financial statements.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE A: THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization

Young Women's Christian Association of Rochester and Monroe County ("YWCA") is a membership corporation and is an affiliate of the YWCAs of the Northeast Region, organized as contemplated by and in accordance with the Young Women's Christian Association of the United States of America, Inc. The YWCA's primary focus is to provide programming and resources to empower women and to assist women as they overcome barriers and work towards self-sufficiency in the community. The YWCA's programs provide social and general counseling, drug and alcohol rehabilitation, and housing.

Principles of consolidation

The consolidated financial statements include the financial statements of the YWCA, its wholly-owned not-for-profit subsidiary, 175 North Clinton Housing Development Fund Corporation, and its wholly-owned for-profit subsidiaries, 175 N. Clinton Avenue Inc., Culver GP Ltd., and Portland GP Ltd., as well as 175 N. Clinton Associates, L.P. in which the YWCA and its wholly owned subsidiary, 175 N. Clinton Avenue, Inc., hold a 99.5% partnership interest. In December 2015, the YWCA organized a wholly-owned single member LLC, YWCA Greater Rochester Special Projects LLC.

On December 31, 2015, the Greater Rochester Housing Tax Credit Fund II, Ltd. (GRHTC), transferred 99.9% limited partnership interest in Vermont Manor, L.P. (Vermont Manor) to a newly formed entity, YWCA Greater Rochester Special Projects LLC (GRSP), for \$1. GRSP is a wholly-owned for profit subsidiary of YWCA. In addition, GRHTC transferred 99.99% limited partnership interest in Lynn's Place, L.P. d/b/a Kathlyn Gardens (Lynn's Place) to GRSP. Collectively, the organizations are referred to as the "Organization". These organizations are as follows:

Culver GP Ltd. (Culver GP)

Culver GP was formed in 2002 to act as a general partner in a limited partnership, Vermont Manor, LP (Vermont Manor). Vermont Manor was formed to provide affordable housing for low-income women and their families. Culver GP has a .1% investment in Vermont Manor.

Portland GP Ltd. (Portland GP)

Portland GP was formed in 2003 to act as a general partner in a limited partnership, Lynn's Place, LP d/b/a Kathlyn Gardens (Lynn's Place). Lynn's Place was formed to provide affordable housing for low-income women and their families. Portland GP has a .01% investment in Lynn's Place.

Culver GP, Portland GP and GRSP are all wholly-owned subsidiaries of the YWCA and collectively, own 100% of Vermont Manor and Lynn's Place; therefore, the financial statements of Vermont Manor and Lynn's Place as of December 31, 2016 and 2015 have been consolidated into the YWCA's financial statements in the accompanying consolidated financial statements as of March 31, 2017.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE A: THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

175 N. Clinton Avenue, Inc.

175 N. Clinton Avenue, Inc. was formed in 1992 to act as co-general partner in a limited partnership, 175 N. Clinton Avenue, L.P. (N. Clinton Partnership). N. Clinton partnership was formed to renovate and rent low-income housing units in the current YWCA facility. 175 N. Clinton Avenue, Inc. has a .5% investment in the N. Clinton Partnership.

175 N. Clinton Associates, L.P.

175 N. Clinton Associates, L.P. was formed in 1992 and provides 110 low income apartments in the YWCA building. The YWCA has the ability to exercise significant influence over operating and financial policies and as such, the financial activity of 175 N. Clinton Associates, L.P. has been consolidated into the accompanying consolidated financial statements as of and for the years ended March 31, 2017 and 2016.

175 North Clinton Housing Development Fund Corporation

175 North Clinton Housing Development Fund Corporation was formed in 2012 for the purpose of renovating low-income housing units in the current YWCA facility. 175 North Clinton Housing Development Fund Corporation is the fee simple owner of the real property located at 175 – 177 N. Clinton Avenue. The YWCA is the sole member of this corporation. There was no financial activity in 175 North Clinton Housing Development Fund Corporation for the years ended March 31, 2017 and 2016.

YWCA Greater Rochester Special Projects LLC

YWCA Greater Rochester Special Projects LLC (“GRSP”) was formed in 2015 to hold the limited partnership interests in local affordable housing projects known as Lynn’s Place and Vermont Manor. GRSP has a 99.99% investment in Lynn’s Place and a 99.9% investment in Vermont Manor. The investment in partnership is included within the consolidated balance sheet at March 31, 2017 and 2016.

All significant intercompany transactions and balances have been eliminated in consolidation.

Basis of accounting

The Organization maintains its books and records on the accrual basis of accounting.

Financial statement presentation

The financial statements reflect separate net asset groups:

Unrestricted Net Assets: Include resources available for the support of the YWCA’s operating activities. In addition, they include the YWCA’s net investment in fixed assets and other resources designated by the Board for specific purposes.

Temporarily Restricted Net Assets: Includes resources that have been donated to the YWCA subject to restrictions as defined by the donor or the timeframe in which the funds are to be used. These restrictions will be removed by satisfaction of the donor’s intended purpose or the passage of time.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE A: THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

Permanently Restricted Net Assets: Include resources that have donor-imposed restrictions that stipulate that resources be maintained in perpetuity. Permanently restricted net assets are composed of invested cash and cash equivalents and investments in marketable securities. As of March 31, 2017, all earnings generated by permanently restricted net assets have been appropriated for expenditure and are therefore unrestricted for use by the Board of Directors for any activities of the YWCA.

Cash

Cash balances are maintained at financial institutions located in New York State and insured by the FDIC up to \$250,000 at each financial institution. In the normal course of business, the cash account balances at any given time may exceed insured limits. However, the Organization has not experienced any losses in such accounts and does not believe it is exposed to significant risk in cash.

Investments

Investments in marketable securities are recorded at fair value based on quoted market prices. The Organization invests in various types of investment 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 reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

Accounts receivable

Management reviews accounts receivable on a periodic basis to determine if any receivables will potentially be uncollectible. For any accounts receivable balances that are determined to be uncollectible, after all attempts to collect a receivable have failed, the receivable is written off to bad debt expense. Based on the information available, the Organization believes no allowance for doubtful accounts is necessary at either March 31, 2017 or 2016. The Organization had bad debt expense of approximately \$2,600 and \$800 in 2017 and 2016, respectively.

Limited use assets

Limited use assets consist of funds deposited into replacement reserve accounts on behalf of Lynn's Place, L.P., Vermont Manor, L.P., and 175 N. Clinton Associates, L.P. in order to meet the requirements established under their partnership agreements.

Income taxes

The YWCA and 175 N. Clinton Housing Development Fund Corporation are not-for-profit corporations and are exempt from income taxes as organizations qualified under Section 501(c)(3) of the Internal Revenue Code. 175 N. Clinton Avenue, Inc., Culver GP Ltd. and Portland GP Ltd. are for-profit entities subject to federal and state income taxes. Vermont Manor, Lynn's Place, and 175 N. Clinton Associates, L.P. are not taxpaying entities for federal or New York State income tax purposes; accordingly, no income tax provision has been reflected in the accompanying consolidated financial statements as income or loss from Vermont Manor, Lynn's Place, and 175 N. Clinton Associates, L.P. and is included in the partners' individual income tax returns. YWCA Greater Rochester Special Projects LLC is a single member LLC and is considered a disregarded entity for tax purposes.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE A: THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

Fixed assets

Fixed assets are stated at cost or at the fair value at the date of donation. Depreciation and amortization expense is calculated using the straight-line method over the estimated useful lives of the assets, or for leasehold improvements, the shorter of the estimated useful life of the asset or remaining lease terms, which range from three to twenty years.

Donated services

Volunteers have donated significant amounts of time in support of the Organization's activities. However, the value of these services is not reflected in the accompanying statements, as these services do not meet the criteria for recognition as set forth under accounting principles generally accepted in the United States of America.

Contributions

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

In-kind contributions

Gifts and donations other than cash are recorded at fair market value at the date of contribution. Donated goods and services was \$43,705 and \$39,595 for the years ended March 31, 2017 and 2016, respectively. There were no in-kind contributions for year ended March 31, 2016. There were no contributions of fixed assets for the years ended March 31, 2017 and 2016.

Revenue

The Organization receives support and revenue primarily from federal, state and local government agencies and the United Way of Greater Rochester, as well as other third-party payers at various approved rates. Support and revenue is recognized as services are performed. Certain of these revenues are subject to retroactive audit by third-party payers. Any changes resulting from these audits are recognized in the year they become known. The Organization reviews all outstanding accounts receivable for collectability and records an allowance for doubtful accounts if necessary. The Organization has not recorded a provision for uncollectible accounts receivable, as all accounts are deemed fully collectible.

Grants

The YWCA receives grants to assist in carrying out its programs. Grant revenue is recognized as eligible expenses are incurred and the related services are provided. A receivable is recognized to the extent support earned exceeds cash advances. Amounts received in advance of the related costs being incurred and the related services provided are recorded as deferred revenue in the accompanying consolidated balance sheet.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE A: THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

Advertising

The Organization expenses advertising costs as incurred.

Comparatives for year ended March 31, 2016

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class or functional classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended March 31, 2016, from which the summarized information was derived.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at March 31, 2017 and 2016 and the reported amounts of public support, revenue and expenses for the years then ended. Actual results could differ from those estimates.

New accounting pronouncement

In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-03, "*Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*". ASU 2015-03 simplifies the presentation of debt issuance costs by requiring that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. Under the previous practice, debt issuance costs were recognized as an asset. The Organization has retrospectively adopted the amendments of ASU 2015-03 effective April 1, 2015. The Organization revised the balance sheet presentation of debt issuance costs from "Other Assets" to a deduction from the carrying amount of notes payable on the Consolidated Balance Sheets. The amount of debt issuance costs that were reclassified as of March 31, 2016, was approximately \$69,000.

Reclassifications

Certain prior year have been reclassified to conform with the current year presentation.

Subsequent events

The Organization has conducted an evaluation of potential subsequent events occurring after the balance sheet date through June 6, 2017, which is the date the consolidated financial statements are available to be issued. No subsequent events requiring disclosure were noted.



YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017  
(With Comparative Totals for 2016)

NOTE B: INVESTMENTS

Investments consisted of the following:

	March 31,	
	<u>2017</u>	<u>2016</u>
Common stocks	\$ 5,874,499	\$ 5,582,109
U.S. government obligations	449,777	486,289
Mortgage and asset - backed securities	395,631	522,477
Money funds	350,239	335,412
Hedge funds	560,905	534,259
Mutual funds	1,390,893	1,233,084
Corporate bonds	295,664	315,791
	<u>\$ 9,317,608</u>	<u>\$ 9,009,421</u>

Operating investment income includes interest earned on the YWCA's unrestricted cash and equivalents as well as interest earned on the financial empowerment program cash. Non-operating investment income represents income earned on YWCA's investments and other temporarily restricted cash and equivalents.

Investment income (loss) consisted of the following:

	March 31,	
	<u>2017</u>	<u>2016</u>
Non-operating:		
Interest and dividends	\$ 226,496	\$ 226,415
Realized gain	440,288	256,651
Unrealized gain (loss)	272,446	(601,100)
Service fees	(66,043)	(66,387)
	<u>\$ 873,187</u>	<u>\$ (184,421)</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017  
(With Comparative Totals for 2016)

NOTE C: ACCOUNTS RECEIVABLES - PROGRAM

Program receivables consisted of the following:

	<u>March 31,</u>	
	<u>2017</u>	<u>2016</u>
Unrestricted:		
Housing Program:		
New York State Office of Temporary and Disability Assistance	\$ 100,738	\$ 97,368
U.S. Department of HUD	17,258	12,367
U.S. Department of HHS	8,854	24,014
Department of Social Services	95,844	62,157
Department of Justice	55,255	25,791
Young Adult Services Program:		
City of Rochester	17,640	17,141
Other	<u>44,293</u>	<u>21,506</u>
	339,882	260,344
Temporarily restricted:		
Young Adult Services Program:		
United Way	<u>83,336</u>	<u>62,084</u>
	<u>83,336</u>	<u>62,084</u>
	<u>\$ 423,218</u>	<u>\$ 322,428</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE D: FIXED ASSETS

Fixed assets consisted of the following:

	<u>March 31,</u>	
	<u>2017</u>	<u>2016</u>
Land	\$ 97,500	\$ 97,500
Building	13,410,237	13,399,399
Leasehold improvements	620,903	620,903
Furniture and equipment	515,777	497,223
Land improvements	<u>385,331</u>	<u>385,331</u>
	15,029,748	15,000,356
Less accumulated depreciation and amortization	<u>7,425,535</u>	<u>6,884,219</u>
	<u>\$ 7,604,213</u>	<u>\$ 8,116,137</u>

NOTE E: TRANSACTIONS WITH PARTNERSHIPS

175 N. Clinton Associates, L.P.

The YWCA leases its office space from 175 N. Clinton Associates, L.P. in which along with its subsidiary 175 N. Clinton Avenue, Inc. has a 99.5% ownership interest. The term of the lease is thirty years, expiring June 30, 2043. At March 31, 2017, future minimum rental payments under the terms of this lease are as follows:

<u>Year ending March 31,</u>	<u>Amount</u>
2018	\$ 496,903
2019	507,923
2020	519,195
2021	530,725
2022	542,522
Thereafter	<u>14,881,510</u>
	<u>\$ 17,478,778</u>

In addition, the YWCA leases residential space on a year-to-year basis from 175 N. Clinton Associates, L.P.

Total rental expense under the terms of these leases was approximately \$467,000 and \$458,000 for the years ended March 31, 2017 and 2016, respectively. This amount was fully eliminated in consolidation for the years ended March 31, 2017 and 2016.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE E: TRANSACTIONS WITH PARTNERSHIPS, Cont'd

The YWCA has advanced \$1,000,000 to 175 N. Clinton Associates, L.P. as a non-interest bearing note which is eliminated in the accompanying consolidated balance sheets at March 31, 2017 and 2016. The entire principal is due and payable on December 31, 2043. The mortgage is collateralized by a ninth mortgage lien on 175 N. Clinton Associates, L.P. property.

The YWCA advanced \$141,000 for renovations to 175 N. Clinton Associates, L.P. which has also been eliminated in the accompanying consolidated balance sheets as of March 31, 2017 and 2016.

The YWCA advanced \$1,306,111 for renovations to 175 N. Clinton Associates, L.P. which has also been eliminated in the accompanying consolidated balance sheet as of March 31, 2017 and 2016.

As of March 31, 2014, the Project underwent a rehabilitation to update and preserve its 96 existing residential units and also construct an additional 14 units. The costs incurred were funded by various financing sources including an M&T Bank Loan, HHAP funds, Federal Home Loan Bank of NY AHP funds, Urban Initiative funds, ABC Weatherization funds, and additional City of Rochester HOME funds. In addition to these financing sources, the rehabilitation project required the refinancing of several existing notes and mortgages on the property including the NYS HTF mortgage, the City of Rochester notes, the Monroe County note, and the YWCA notes. The rehabilitation and new construction projects were completed in 2014. See Notes F and H for the terms of the debt associated with the rehabilitation and construction projects.

NOTE F: HOUSING PROGRAM

During fiscal 2001, the YWCA renovated a portion of its building located at 175 North Clinton Avenue for its Transitional Housing Program. This renovation was financed through funding from the U.S. Department of Housing and Urban Development (HUD), the City of Rochester and Monroe County as follows:

City of Rochester

175 North Clinton Associates, L.P. entered into an agreement with the City of Rochester (the "City"), whereby the City loaned the N. Clinton Partnership \$300,000, of which \$236,054 was advanced to the YWCA for redevelopment and management of the YWCA's Transitional Housing Program. These funds were passed through the City from HUD's Home Investment Partnership Program (HOME). This agreement was in the form of a non-interest bearing loan. 175 North Clinton Associates, L.P. then advanced \$236,054 of these funds to the YWCA and did not require repayment provided that the YWCA operates its Transitional Housing Program for a period of fifteen years. In 2016, the YWCA fulfilled their obligation and the City of Rochester forgave the balance of this loan.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE F: HOUSING PROGRAM, Cont'd

Monroe County

175 North Clinton Associates, L.P. entered into an agreement with Monroe County (the "County"), whereby the County loaned 175 North Clinton Associates, L.P. \$50,000 for the redevelopment and management of the YWCA's Transitional Housing Program. These funds were passed through the County by HUD's Home Investment Partnership Program (HOME). This agreement was in the form of a non-interest bearing loan. The loan to the N. Clinton Partnership would be forgiven provided that the YWCA operates its Transitional Housing Program for a period of twenty years. 175 North Clinton Associates, L.P. advanced these funds to the YWCA. This amount would not be repaid provided that the YWCA operates its transitional housing program in accordance with the original agreement. In 2016, the YWCA fulfilled their obligation and Monroe County forgave the balance of this loan.

Federal Home Loan Bank

In March 1994, 175 N. Clinton Avenue, Inc. borrowed \$250,000 with no interest through the Federal Home Loan Bank of New York. This loan does not require repayment as long as the YWCA runs an affordable housing program for a period of twenty years in accordance with the guidelines of the note agreement. The loan was collateralized by a mortgage on the real property owned by the mortgagor, 175 North Clinton Associates, L.P. The YWCA leases this real property and has an ownership interest in the property through 175 North Clinton Avenue, Inc. This amount was advanced to the YWCA and was included in "Notes Payable" in the accompanying consolidated balance sheet at March 31, 2016. In 2017, the YWCA fulfilled their obligation and Federal Home Loan Bank of New York forgave the balance of this loan.

During the year ended March 31, 2016, the YWCA entered into an agreement with the Federal Home Loan Bank of New York ("FHLB") whereby the FHLB loaned the YWCA \$1,306,111 for the renovation of the facility for the Affordable Housing Program. This agreement is in the form of a non-interest bearing loan. The loan to the YWCA will be forgiven provided that the YWCA operates its Affordable Housing Program for a period of fifteen years. The YWCA advanced these fund to 175 North Clinton Associates, L.P. This amount will not be repaid provided that the YWCA operates its affordable housing program in accordance with the original agreement. At March 31, 2017 and 2016, this amount is included in "Notes Payable" in the accompanying consolidated balance sheet.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017  
(With Comparative Totals for 2016)

NOTE G: CAPITAL ADVANCES

Capital advances consisted of the following:

	March 31,	
	2017	2016
<p>The YWCA received a capital advance in the amount of \$240,149 from HUD's Supportive Housing Program. These funds were used to renovate a portion of its building, formerly occupied by the daycare program into seven transitional housing units. Under the terms of this agreement, the YWCA must operate its Transitional Housing Program for a period of twenty years, or it will be required to repay the advance. Because the YWCA considers the likelihood that it will not operate the program in accordance with the terms of the agreement remote, revenue from the capital advance is being recognized on a straight-line basis over the twenty-year term. During each of the years ended March 31, 2017 and 2016, \$12,007 of revenue was recognized under this agreement.</p>	\$ 42,033	\$ 54,040
<p>In 2003, Lynn's Place, L.P. borrowed \$90,000 from the Federal Home Loan Bank of New York to renovate their building. The note is non-interest bearing and does not require payments as long as Lynn's Place, L.P. maintains an affordable housing program for a period of fifteen years. Since the possibility that Lynn's Place, L.P. will not maintain an affordable housing program is remote, Lynn's Place, L.P. is amortizing the note over fifteen years. The unamortized balance of this note is \$10,500 at December 31, 2016 and amortization of the note was \$6,000 for each of the years ended December 31, 2016 and 2015.</p>	10,500	16,500
Balance forward	52,533	70,540

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017  
(With Comparative Totals for 2016)

NOTE G: CAPITAL ADVANCES, Cont'd

	March 31,	
	<u>2017</u>	<u>2016</u>
Balance forward	\$ 52,533	\$ 70,540
In 2002, Vermont Manor, L.P. borrowed \$120,000 from the Federal Home Loan Bank of New York to renovate its building. The note is non-interest bearing and does not require payment as long as Vermont Manor, L.P. maintains an affordable housing program for a period of fifteen years. Since the possibility that Vermont Manor, L.P. will not maintain an affordable housing program is remote, Vermont Manor, L.P. is amortizing the note over fifteen years. The unamortized balance of this note is \$4,667 at December 31, 2016 and amortization of the note was \$8,000 for each of the years ended December 31, 2016 and 2015.	<u>4,667</u>	<u>12,667</u>
	57,200	83,207
Less current portion	<u>22,674</u>	<u>26,007</u>
	<u>\$ 34,526</u>	<u>\$ 57,200</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE H: NOTES PAYABLE

Notes payable consist of the following:

	<u>March 31,</u>	
	<u>2017</u>	<u>2016</u>
County of Monroe - Non-interest bearing note requiring principal repayment in 2033, collateralized by the land and building of Lynn's Place, L.P.	\$ 50,000	\$ 50,000
First Niagara Bank - Note requiring monthly repayments of \$1,368 plus including at 6.17%, through April 2013. Effective May 1, 2013, monthly installments were adjusted to \$1,052 including interest at 2.28% through May 2018 when a balloon payment of all unpaid principal is due. Collateralized by the land and building of Vermont Manor, L.P.	164,489	172,163
City of Rochester - Note accruing interest at the rate of 5.375% and requiring principal and entire accrued interest repayment in 2032, collateralized by the land and building of Vermont Manor, L.P.	145,000	145,000
New York State Housing Trust Fund Corporation (HTFC) - Mortgage due and payable 30 years from the date of the final disbursement (September 1995). Interest is calculated at 1% per annum and payable annually from excess income (as defined in the mortgage agreement). Any interest not paid will accrue and be payable when sufficient excess income exists. Collateralized by a second mortgage lien on 175 N. Clinton Associates, LP property.	<u>1,900,000</u>	<u>1,900,000</u>
Balance forward	2,259,489	2,267,163



YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017  
(With Comparative Totals for 2016)

NOTE H: NOTES PAYABLE, Cont'd

	March 31,	
	<u>2017</u>	<u>2016</u>
Balance forward	\$ 2,259,489	\$ 2,267,163
City of Rochester- Mortgage payable with interest at 1% due annually through the fifteenth anniversary (May 2008) of the first disbursement (May 1993) at which time the loan was to be converted to a grant if the project was repurchased by the YWCA. Otherwise, the principal was to be due and payable upon refinancing by the present borrower or by sale of the project to a for-profit entity. Neither of these events is deemed to have occurred and the loan has continued under the same terms. The mortgage is collateralized by a sixth mortgage lien on 175 North Clinton Associates, LP's property	200,000	200,000
M&T Bank - Mortgage in the original amount of \$550,000 payable in monthly payments of \$4,656 including interest at 5.96% through July 2028. The loan is secured by a first mortgage lien on 175 North Clinton Associates LP's property and a guaranty by the YWCA and Conifer Realty, LLC.	457,536	484,823
NYS Homeless Housing and Assistance Corporations - Mortgage in the original amount of \$2,062,000 does not bear interest or require payments until maturity in 2038. The mortgage is collateralized by a third mortgage lien on 175 North Clinton Associates, LP's property. The remaining proceeds were received in fiscal 2016. A portion of these proceeds will be held in an escrow account for future capital expenditures.	<u>2,062,000</u>	<u>2,062,000</u>
Balance forward	4,979,025	5,013,986

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017  
 (With Comparative Totals for 2016)

NOTE H: NOTES PAYABLE, Cont'd

	<u>March 31,</u>	
	<u>2017</u>	<u>2016</u>
Balance forward	\$ 4,979,025	\$ 5,013,986
<p>City of Rochester - Mortgage payable in the original amount of \$375,000. The loan will bear interest at 1% with annual payments of interest only out of cash flow. The loan will be due 30 years from the first fiscal year end after permanent loan commencement. The mortgage will be collateralized by a fourth mortgage lien on 175 North Clinton Associates, LP's property.</p>		
	375,000	375,000
Federal Home Loan Bank (see Note F)	1,306,111	1,306,111
Notes forgiven during the year (see Note F)	-	250,000
	<u>6,660,136</u>	<u>6,945,097</u>
Less unamortized debt issuance costs	64,192	69,452
Less current portion	<u>37,426</u>	<u>35,151</u>
	<u>\$ 6,558,518</u>	<u>\$ 6,840,494</u>

Future principal payments on long-term debt are due as follows:

<u>Year ending March 31,</u>	<u>Amount</u>
2018	\$ 37,426
2019	187,886
2020	33,234
2021	35,269
2022	37,430
Thereafter	<u>6,328,891</u>
	<u>\$ 6,660,136</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE I: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following:

	March 31,	
	2017	2016
Young Adult Services - United Way	\$ 83,336	\$ 62,084
Housing - Other	16,000	10,000
Young Adult Services - Other	3,540	-
Angel Fund	22,507	22,507
Racial Equity	137,200	135,000
Trauma / Leadership staff training	20,000	-
	<u>\$ 282,583</u>	<u>\$ 229,591</u>

NOTE J: RETIREMENT PLANS

The YWCA participates in the National YWCA Retirement Fund, an employer sponsored cash balance defined benefit plan offered and administered by the National YWCA to all affiliated YWCA member associations. The Plan consists of individual employee accounts and grows through employee contributions and interest credits which are based on either a fixed rate or a variable rate based on an index. The Plan covers all employees meeting eligibility requirements. Accrued pension costs are funded currently and are calculated as a fixed percentage of participants' payroll. Pension expense for the years ended March 31, 2017 and 2016 was approximately \$55,000 and \$61,000, respectively.

Effective January 1, 2009, the Organization established a 401(k) plan, which covers all eligible employees. Matching contributions are not being made to this Plan. The Organization made no contributions to the Plan in 2017 or 2016.

NOTE K: PAYMENTS TO REGIONAL ASSOCIATION

In accordance with its affiliation agreement, the YWCA is required to pay assessments to the national YWCA. The assessment methodology is based on the YWCA's revenue. The expense recognized under the terms of this agreement for each of the years ended March 31, 2017 and 2016 was approximately \$18,000.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE L: COMMITMENTS AND CONTINGENCIES

Third-party payers

Third-party payers, especially governmental funders, have increased substantially their scrutiny of payments made to their designated service providers. Specific areas for review by the governmental payers and their investigative personnel include appropriate billing practices, reimbursement maximization strategies, technical regulation compliance, etc. The stated purpose for these reviews is to recover reimbursements which the payers believe may be inappropriate.

The YWCA has reviewed its internal records and policies with respect to such matters. However, due to the nature of these matters, it is difficult to estimate the ultimate liability, if any, which it may incur for such matters.

NOTE M: ENDOWMENTS

Effective April 1, 2008 the Organization adopted the provisions of generally accepted accounting principles in the United States of America (GAAP) relating to endowment funds. There was no adjustment to the classification of net assets as a result of the adoption of these provisions.

Total permanently restricted net assets in the endowment as of April 1, 2015 were \$1,934,729. This represents one endowment fund that is a donor-restricted perpetual endowment fund that is deemed to be permanently restricted by explicit donor stipulation.

As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law

Effective September 17, 2010, the New York Prudent Management of Institutional Funds Act (NYPMIFA) was enacted to replace and update the Uniform Management of Institutional Funds Act (UMIFA), which was adopted in New York in 1978. The Board of Directors of YWCA has interpreted NYPMIFA 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. As a result of this interpretation, the YWCA classifies as permanently restricted net assets (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 the applicable donor gift instrument at the time the accumulation is added to the fund. 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 Organization in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Organization considers the following factors:

- (1) The duration and preservation of the fund
- (2) The purposes of the YWCA and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE M: ENDOWMENTS, Cont'd

- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the YWCA
- (7) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the YWCA; and
- (8) The investment policies of the YWCA

In accordance with NYPMIFA the YWCA may determine, after consideration of the eight objectives described above, it would be prudent to appropriate funds below the historical dollar value of the permanent endowment. However, the YWCA must inform all available donors of endowment gifts made pursuant to gift instruments executed before September 17, 2010 to opt out of the new rule permitting institutions to appropriate below the historic dollar value of endowment funds. The donor may or may not permit this additional appropriation. If the donor is unavailable or does not stipulate within 90 days the YWCA may appropriate below the historical dollar value of the permanent endowment if it is deemed prudent. Management has determined that there are no available donors requiring such notice and that the YWCA may make additional appropriation without further donor approval. As of March 31, 2017, the YWCA had restricted investments of \$1,934,729 which are impacted by NYPMIFA.

For the years ended March 31, 2017 and 2016, the Organization had the following endowment-related activities:

Endowment net assets at April 1, 2015	\$ 1,934,729
Investment return:	
Interest and dividend income	48,622
Net losses (realized and unrealized)	<u>(48,622)</u>
Total investment return and change in endowment funds	<u>-</u>
Endowment net assets at March 31, 2016	1,934,729
Investment return:	
Interest and dividend income	47,030
Net gains (realized and unrealized)	<u>147,994</u>
Total investment return	195,024
Appropriated for expenditure	<u>(195,024)</u>
Total change in endowment funds	<u>-</u>
Endowment net assets at March 31, 2017	<u>\$ 1,934,729</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE M: ENDOWMENTS, Cont'd

Funds with deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires the YWCA to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported in unrestricted net assets. As of March 31, 2017 and 2016, there were no such deficiencies.

Return objectives and risk parameters

The Investment Goal of the YWCA is to meet or exceed the benchmark for a particular investment class in order to provide income for programs. The investment strategy is to emphasize total return, which is the return from capital appreciation, dividend and interest income. Long-term returns preserve the principal and spending of the Organization. Therefore, a significant percentage of fund assets will be in equities. The New York Prudent Investor Act states that fiduciaries will no longer be protected from liability by purchasing investments that generate a reasonable rate of interest, yet merely preserve the original value of the endowment.

The risk in the portfolio will be an overall level of risk consistent with the benchmark in each asset class. The funds will experience volatility of returns and fluctuations of market value. The Board of Directors supports an investment strategy that minimizes the probability of losses.

The Board of Directors requires that all of the Fund assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Fund, with minimal impact on market price.

Strategies employed for achieving objectives

Diversification of assets will be employed to ensure that adverse results from one security or security class will not have any unduly detrimental effect on the entire portfolio. The permanently restricted assets are pooled as part of the total investment portfolio. Asset classes and appropriate percentages for the investment of assets are as follows:

<u>Description</u>	<u>Range</u>	<u>Target</u>
Equities	50% - 75%	65%
Fixed income obligations	20% - 50%	23%
Alternative strategies	0% - 15%	12%

Although the targeted averages total 100%, managers may invest in cash equivalents either as temporary investments or as dictated by investment prudence. No more than 5% of the fund may be invested in securities of one issuer, with the exception of U.S. government securities or agencies.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE M: ENDOWMENTS, Cont'd

Spending policy and how the investment objectives relate to spending policy

The YWCA distributes income for current operations at an annual level based on the average market value on a five year trailing 20 quarter basis. The Board of Directors will utilize YWCA investment income to support program development and operations while insuring that their asset base remains stable. The rate of withdrawal per year must be in line with the strategic directions as approved by the Board.

NOTE N: FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America ("GAAP") establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2017 and 2016:

*Money funds:* Fair value equals cost.

*Mutual funds, common stocks and corporate bonds:* Valued at the closing price reported on the active market on which the individual funds, bonds and stocks are traded.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE N: FAIR VALUE MEASUREMENTS, Cont'd

*Mortgage and asset-backed securities, U.S. obligations:* Valued based on terms and conditions using trades, bid price or spread, two sided markets, quotes, benchmark curves, discount rates, TRACE trade reports, financial statements and trustee reports.

*Hedge fund:* Valued at fair value based on Net Asset Value ("NAV") as of March 31, 2017 and classified as Level 3 investments have a fair value of \$560,905. These investments are primarily invested in absolute return funds, fixed income funds, opportunistic equities, private investments, tactical trading, and short term investment funds. These investments may have time restriction on redemptions. The redemption requirements vary from quarterly to annually with timely notice. Investments in fund of hedge funds may be subject to initial period lock-up restrictions or gates. All activity into and out of these investments are conducted on the basis of net asset value per share.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization 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.



YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE N: FAIR VALUE MEASUREMENTS, Cont'd

The following presents the financial instruments measured at fair value on a recurring basis at March 31, 2017 and 2016:

	Assets at Fair Value as of March 31, 2017			
	Level 1	Level 2	Level 3	Total
Assets:				
Investments				
Common stock:				
Foreign	\$ 60,396	\$ -	\$ -	\$ 60,396
Consumer Goods	578,948	-	-	578,948
Healthcare	588,341	-	-	588,341
Technology	2,671,340	-	-	2,671,340
Industrial Goods	291,423	-	-	291,423
Basic Materials	333,406	-	-	333,406
Utilities	119,266	-	-	119,266
Services	553,565	-	-	553,565
Financial	677,814	-	-	677,814
Total common stocks	5,874,499	-	-	5,874,499
US Government obligations:				
US Government Agencies	449,777	-	-	449,777
Mortgage and asset backed- securities:				
Federal National Mortgage Association	-	316,126	-	316,126
Other asset backed securities	-	79,505	-	79,505
Total mortgage and asset backed-securities	-	395,631	-	395,631
Corporate Bonds	295,664	-	-	295,664
Money Funds	350,239	-	-	350,239
Hedge Fund	-	-	560,905	560,905
Fixed Income Mutual Funds	1,390,893	-	-	1,390,893
	<u>\$ 8,361,072</u>	<u>\$ 395,631</u>	<u>\$ 560,905</u>	<u>\$ 9,317,608</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017

(With Comparative Totals for 2016)

NOTE N: FAIR VALUE MEASUREMENTS, Cont'd

	Assets at Fair Value as of March 31, 2016			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Investments				
Common stock:				
Foreign	\$ 52,567	\$ -	\$ -	\$ 52,567
Consumer Goods	683,948	-	-	683,948
Healthcare	729,273	-	-	729,273
Technology	1,676,709	-	-	1,676,709
Industrial Goods	293,369	-	-	293,369
Basic Materials	463,211	-	-	463,211
Utilities	125,880	-	-	125,880
Services	777,543	-	-	777,543
Financial	<u>779,609</u>	<u>-</u>	<u>-</u>	<u>779,609</u>
Total common stocks	5,582,109	-	-	5,582,109
US Government obligations:				
US Government Agencies	486,289	-	-	486,289
Mortgage and asset backed- securities:				
Federal National Mortgage Association	-	456,837	-	456,837
FHR	-	14,071	-	14,071
Other asset backed securities	<u>-</u>	<u>51,569</u>	<u>-</u>	<u>51,569</u>
Total mortgage and asset backed-securities	-	522,477	-	522,477
Corporate Bonds	315,791	-	-	315,791
Money Funds	335,412	-	-	335,412
Hedge Fund	-	-	534,259	534,259
Fixed Income Mutual Funds	<u>1,233,084</u>	<u>-</u>	<u>-</u>	<u>1,233,084</u>
	<u>\$ 7,952,685</u>	<u>\$ 522,477</u>	<u>\$ 534,259</u>	<u>\$ 9,009,421</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Cont'd

MARCH 31, 2017  
(With Comparative Totals for 2016)

NOTE N: FAIR VALUE MEASUREMENTS, Cont'd

The following is a reconciliation of the beginning and ending balances for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the years ended March 31, 2017 and 2016:

	<u>Hedge Fund</u>
Beginning balance at April 1, 2015	\$ 575,152
Total gains or losses realized/(unrealized):	
Included in earnings	(40,893)
Purchases, issuances, distributions and settlements	<u>-</u>
Balance at March 31, 2016	<u>\$ 534,259</u>
Total gains or losses realized/(unrealized):	
Included in earnings	\$ 24,306
Purchases, issuances, distributions and settlements	<u>2,340</u>
Balance at March 31, 2017	<u>\$ 560,905</u>

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF  
ROCHESTER AND MONROE COUNTY**

**OTHER FINANCIAL INFORMATION**

INDEPENDENT AUDITOR'S REPORT ON OTHER FINANCIAL INFORMATION

Board of Directors  
Young Women's Christian Association of Rochester and Monroe County

We have audited the consolidated financial statements of Young Women's Christian Association of Rochester and Monroe County as of and for the year ended March 31, 2017, and our report thereon dated June 6, 2017, which expressed an unmodified opinion on those financial statements, appears on page 3. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental consolidating information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

We have also audited the consolidated financial statements of Young Women's Christian Association of Rochester and Monroe County as of and for the year ended March 31, 2016, and our report thereon dated June 6, 2016, expressed an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the 2016 consolidated financial statements as a whole. The 2016 supplemental financial information was presented for purposes of additional analysis and was not a required part of the 2016 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2016 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 financial statements or to the 2016 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Our report as of the same date, on the 2016 supplemental financial information stated that, in our opinion, such information was fairly stated in all material respects in relation to the financial statements for the year ended March 31, 2016, as a whole.

*Mengel, Metzger, Barr & Co. LLP*

Rochester, New York  
June 6, 2017

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

CONSOLIDATING BALANCE SHEET

MARCH 31, 2017  
(With Comparative Totals for 2016)

ASSETS	Unrestricted	Temporarily Restricted	Permanently Restricted	Total YWCA	175 North Clinton Associates, LP	Lynn's Place	Vermont Manor	Eliminations	Total	
									2017	March 31, 2016
<u>CURRENT ASSETS</u>										
Cash	\$ -	\$ 109,045	\$ -	\$ 109,045	\$ 26,404	\$ 12,045	\$ 13,190	\$ -	\$ 160,684	\$ 192,258
Accounts receivable	333,976	83,336	-	417,312	4,895	1,011	-	-	423,218	322,428
Accrued interest receivable	7,813	-	-	7,813	-	-	-	-	7,813	7,813
Due to/from partnerships, net	14,000	-	-	14,000	-	(5,489)	(11,000)	-	(2,489)	(2,489)
Other	15,248	-	-	15,248	31,931	2,300	6,251	-	55,730	42,487
<b>TOTAL CURRENT ASSETS</b>	<b>371,037</b>	<b>192,381</b>	<b>-</b>	<b>563,418</b>	<b>63,230</b>	<b>9,867</b>	<b>8,441</b>	<b>-</b>	<b>644,956</b>	<b>562,497</b>
<u>OTHER ASSETS</u>										
Investments, at market value	7,292,677	90,202	1,934,729	9,317,608	-	-	-	-	9,317,608	9,009,421
Limited use assets	-	-	-	-	665,093	67,366	102,544	-	835,003	796,556
Loans to related parties	3,109,761	-	-	3,109,761	-	-	-	(3,109,761)	-	-
Investment in partnerships	1,548,130	-	-	1,548,130	-	-	-	(1,376,798)	171,332	171,332
Fixed assets, net	90,647	-	-	90,647	6,406,651	560,799	546,116	-	7,604,213	8,116,137
	12,041,215	90,202	1,934,729	14,066,146	7,071,744	628,165	648,660	(4,486,559)	17,928,156	18,093,446
	<u>\$ 12,412,252</u>	<u>\$ 282,583</u>	<u>\$ 1,934,729</u>	<u>\$ 14,629,564</u>	<u>\$ 7,134,974</u>	<u>\$ 638,032</u>	<u>\$ 657,101</u>	<u>\$ (4,486,559)</u>	<u>\$ 18,573,112</u>	<u>\$ 18,655,943</u>
<u>LIABILITIES AND NET ASSETS</u>										
<u>CURRENT LIABILITIES</u>										
Accounts payable	\$ 85,926	\$ -	\$ -	\$ 85,926	\$ 36,260	\$ 2,679	\$ 6,458	\$ -	\$ 131,323	\$ 116,301
Accrued payroll and related liabilities	177,763	-	-	177,763	-	-	-	-	177,763	153,071
Deferred revenue and other liabilities	225,076	-	-	225,076	24,173	-	-	-	249,249	234,551
Current portion of capital advances	12,007	-	-	12,007	-	6,000	4,667	-	22,674	26,007
Current portion of notes payable	-	-	-	-	29,508	-	7,918	-	37,426	35,151
<b>TOTAL CURRENT LIABILITIES</b>	<b>500,772</b>	<b>-</b>	<b>-</b>	<b>500,772</b>	<b>89,941</b>	<b>8,679</b>	<b>19,043</b>	<b>-</b>	<b>618,435</b>	<b>565,081</b>
<u>OTHER LIABILITIES</u>										
Capital advances	30,026	-	-	30,026	-	4,500	-	-	34,526	57,200
Notes payable, net of unamortized debt issuance costs of \$64,192 and \$69,452 in 2017 and 2016, respectively	1,306,111	-	-	1,306,111	6,206,947	50,000	301,571	(1,306,111)	6,558,518	6,840,494
Other liabilities	-	-	-	-	-	-	114,311	-	114,311	106,517
Due to related parties	-	-	-	-	1,141,000	562,650	100,000	(1,803,650)	-	-
	1,336,137	-	-	1,336,137	7,347,947	617,150	515,882	(3,109,761)	6,707,355	7,004,211
<u>NONCONTROLLING (DEFICIENCY) INTEREST IN CONSOLIDATED SUBSIDIARIES</u>										
	-	-	-	-	-	-	-	(45,785)	(45,785)	9,372
<b>NET ASSETS</b>	<b>10,575,343</b>	<b>282,583</b>	<b>1,934,729</b>	<b>12,792,655</b>	<b>(302,914)</b>	<b>12,203</b>	<b>122,176</b>	<b>(1,331,013)</b>	<b>11,293,107</b>	<b>11,077,279</b>
	<u>\$ 12,412,252</u>	<u>\$ 282,583</u>	<u>\$ 1,934,729</u>	<u>\$ 14,629,564</u>	<u>\$ 7,134,974</u>	<u>\$ 638,032</u>	<u>\$ 657,101</u>	<u>\$ (4,486,559)</u>	<u>\$ 18,573,112</u>	<u>\$ 18,655,943</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2017  
(With Comparative Totals for 2016)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total YWCA	175 North Clinton Associates, LP	Lynn's Place	Vermont Manor	Eliminations	Total	
									Year ended March 31,	
									2017	2016
<b>PUBLIC SUPPORT AND REVENUE:</b>										
Public support:										
United Way	\$ -	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 186,260
Contributions	104,048	142,740	-	246,788	-	-	-	-	246,788	208,358
Special events	187,980	-	-	187,980	-	-	-	-	187,980	199,799
Donated goods and services	43,705	-	-	43,705	-	-	-	-	43,705	39,595
Released from restrictions:										
United Way	228,748	(228,748)	-	-	-	-	-	-	-	-
Other	111,000	(111,000)	-	-	-	-	-	-	-	-
<b>Total public support</b>	<b>675,481</b>	<b>52,992</b>	<b>-</b>	<b>728,473</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>728,473</b>	<b>634,012</b>
Revenue:										
Fees and grants from government agencies	1,627,126	-	-	1,627,126	-	-	-	-	1,627,126	1,666,096
Grants for capital improvements	290,000	-	-	290,000	-	-	-	-	290,000	326,054
Rental revenue	-	-	-	-	1,060,642	90,001	123,792	(466,648)	807,787	800,448
Program service fees	44,676	-	-	44,676	-	-	-	-	44,676	32,934
Other	99,692	-	-	99,692	29,919	8,581	9,513	-	147,705	146,422
<b>Total revenue</b>	<b>2,061,494</b>	<b>-</b>	<b>-</b>	<b>2,061,494</b>	<b>1,090,561</b>	<b>98,582</b>	<b>133,305</b>	<b>(466,648)</b>	<b>2,917,294</b>	<b>2,971,954</b>
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>2,736,975</b>	<b>52,992</b>	<b>-</b>	<b>2,789,967</b>	<b>1,090,561</b>	<b>98,582</b>	<b>133,305</b>	<b>(466,648)</b>	<b>3,645,767</b>	<b>3,605,966</b>
Expenses:										
Program services:										
Young Adult Services	399,587	-	-	399,587	-	-	-	(15,306)	384,281	476,683
Housing	1,893,096	-	-	1,893,096	-	-	-	(418,287)	1,474,809	1,448,088
Racial Equity	223,050	-	-	223,050	-	-	-	(2,382)	220,668	177,896
Partnerships	-	-	-	-	1,430,279	120,279	148,701	-	1,699,259	1,702,662
	2,515,733	-	-	2,515,733	1,430,279	120,279	148,701	(435,975)	3,779,017	3,805,329
Management and general	352,122	-	-	352,122	-	-	-	(27,865)	324,257	286,315
Fundraising	204,090	-	-	204,090	-	-	-	(2,808)	201,282	190,429
<b>TOTAL EXPENSES</b>	<b>3,071,945</b>	<b>-</b>	<b>-</b>	<b>3,071,945</b>	<b>1,430,279</b>	<b>120,279</b>	<b>148,701</b>	<b>(466,648)</b>	<b>4,304,556</b>	<b>4,282,073</b>
CHANGE IN NET ASSETS BEFORE NONCONTROLLING INTEREST IN CONSOLIDATED SUBSIDIARIES AND INVESTMENT INCOME (LOSS)	(334,970)	52,992	-	(281,978)	(339,718)	(21,697)	(15,396)	-	(658,789)	(676,107)
Noncontrolling interest in consolidated subsidiaries	-	-	-	-	-	-	-	1,699	1,699	37,949
Investment income (loss)	873,187	-	-	873,187	-	-	-	-	873,187	(184,421)
<b>CHANGE IN NET ASSETS</b>	<b>538,217</b>	<b>52,992</b>	<b>-</b>	<b>591,209</b>	<b>(339,718)</b>	<b>(21,697)</b>	<b>(15,396)</b>	<b>1,699</b>	<b>216,097</b>	<b>(822,579)</b>
Net assets at beginning of year	10,037,126	229,591	1,934,729	12,201,446	90,531	33,900	137,572	(1,386,170)	11,077,279	11,728,772
Transfer of partnership interest	-	-	-	-	-	-	-	-	-	171,332
Partnership distributions	-	-	-	-	(53,727)	-	-	53,458	(269)	(246)
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 10,575,343</b>	<b>\$ 282,583</b>	<b>\$ 1,934,729</b>	<b>\$ 12,792,655</b>	<b>\$ (302,914)</b>	<b>\$ 12,203</b>	<b>\$ 122,176</b>	<b>\$ (1,331,013)</b>	<b>\$ 11,293,107</b>	<b>\$ 11,077,279</b>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF ROCHESTER AND MONROE COUNTY

STATEMENT OF UNRESTRICTED OPERATING REVENUE AND FUNCTIONAL EXPENSES

YEAR ENDED MARCH 31, 2017  
(With Comparative Totals for 2016)

	Young Adult Services	Housing	Racial Equity	Sub-total	Management and general	Fundraising	Total	
							Year ended March 31,	
							2017	2016
<b>PUBLIC SUPPORT AND REVENUE:</b>								
Public support:								
Contributions	\$ 6,960	\$ 10,975	\$ 10,000	\$ 27,935	\$ -	\$ 76,113	\$ 104,048	\$ 98,358
Special events	-	-	13,797	13,797	-	174,183	187,980	199,799
Donated goods and services	-	2,670	11,500	14,170	-	29,535	43,705	39,595
Released from restrictions:								
United Way	228,748	-	-	228,748	-	-	228,748	206,935
Other	-	1,000	110,000	111,000	-	-	111,000	159,964
Total public support	235,708	14,645	145,297	395,650	-	279,831	675,481	704,651
Revenue:								
Fees and grants from government agencies	50,321	1,569,305	7,500	1,627,126	-	-	1,627,126	1,666,096
Grants for capital improvements	-	285,760	-	285,760	4,240	-	290,000	326,054
Program service fees:								
Paid by user	-	8,101	-	8,101	-	-	8,101	3,060
On behalf of user	-	36,575	-	36,575	-	-	36,575	29,874
Other	3,200	9,750	63,371	76,321	23,371	-	99,692	98,929
Total revenue	53,521	1,909,491	70,871	2,033,883	27,611	-	2,061,494	2,124,013
Allocation of management and general	-	27,611	-	27,611	(27,611)	-	-	-
TOTAL PUBLIC SUPPORT AND REVENUE	289,229	1,951,747	216,168	2,457,144	-	279,831	2,736,975	2,828,664
Expenses:								
Salaries	231,299	865,582	132,710	1,229,591	198,462	69,622	1,497,675	1,548,026
Salary related expense	50,882	181,670	22,581	255,133	35,417	14,773	305,323	299,808
Occupancy	20,644	429,024	2,841	452,509	34,746	3,363	490,618	482,882
Professional fees	35,620	186,862	19,380	241,862	40,025	29,478	311,365	285,059
Supplies and printing	16,354	22,898	28,806	68,058	17,469	51,486	137,013	113,022
Trainings	17,017	35,247	1,521	53,785	7,488	4,356	65,629	63,685
Minor equipment purchases and repairs	2,429	26,027	1,015	29,471	7,590	115	37,176	18,652
Specific assistance to individuals	9,925	86,996	-	96,921	-	-	96,921	90,216
Membership dues	7,093	15,703	1,613	24,409	1,812	320	26,541	23,315
Donated goods and services	-	2,670	11,500	14,170	-	29,535	43,705	39,595
Other	5,504	17,281	1,083	23,868	7,815	1,042	32,725	33,479
	396,767	1,869,960	223,050	2,489,777	350,824	204,090	3,044,691	2,997,739
Allocation of management and general	55,501	264,123	31,200	350,824	(350,824)	-	-	-
TOTAL EXPENSES	452,268	2,134,083	254,250	2,840,601	-	204,090	3,044,691	2,997,739
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES BEFORE CONTRIBUTION OF PARTNERSHIP INTEREST, INVESTMENT INCOME (LOSS) AND DEPRECIATION AND AMORTIZATION	(163,039)	(182,336)	(38,082)	(383,457)	-	75,741	(307,716)	(169,075)
Depreciation and amortization	(2,820)	(23,136)	-	(25,956)	(1,298)	-	(27,254)	(39,400)
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES BEFORE CONTRIBUTION OF PARTNERSHIP INTEREST AND INVESTMENT INCOME (LOSS)	<u>\$ (165,859)</u>	<u>\$ (205,472)</u>	<u>\$ (38,082)</u>	<u>\$ (409,413)</u>	<u>\$ (1,298)</u>	<u>\$ 75,741</u>	<u>\$ (334,970)</u>	<u>\$ (208,475)</u>