Young Men's Christian Association of Greater Oklahoma City

Financial Report
October 31, 2024 and 2023

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Arledge
certified public accountants

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of the Young Men's Christian Association of Greater Oklahoma City, (a nonprofit organization) (the "Association"), which comprise the statements of financial position as of October 31, 2024, and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of October 31, 2024, and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter—Significant Asset Acquisitions

As discussed in Note 16 to the financial statements, during the year ended October 30, 2024, the Organization completed significant asset acquisitions, including the purchase of Cleveland County and Great Plains. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2025, on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Association's internal control over financial reporting and compliance.

Arledge & Associates PC

Oklahoma City, Oklahoma
September 16, 2025

Young Men's Christian Association of Greater Oklahoma City

Statements of Financial Position
October 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	**$ 9,637,910**	$ 5,194,826
Receivables, net	**6,568,179**	5,336,015
Inventories and supplies	**182,352**	204,975
Prepaid insurance and other assets	**840,576**	410,628
Investments	**10,348,964**	8,455,434
Facilities, net	**38,985,776**	31,497,148
Right-of-use asset - finance lease, net	**807,415**	600,472
Right-of-use asset - operating lease, net	**708,692**	1,139,274
Swap Agreement	**346,769**	542,286
Total assets	**$ 68,426,633**	$ 53,381,058
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	**$ 2,169,329**	$ 2,199,190
Deferred revenues	**441,424**	316,565
Notes payable	**6,595,021**	7,546,889
Finance lease liabilities	**611,154**	503,455
Operating lease liabilities	**655,541**	1,172,693
Total liabilities	**10,472,469**	11,738,792
Net assets:		
Without donor restrictions net assets:		
Undesignated	**(49,227)**	(535,649)
Designated for maintenance	**447,478**	519,348
Designated for investments	**357,109**	293,852
Designated for facilities	**411,137**	382,564
Invested in facilities	**33,873,797**	25,820,168
Total without donor restrictions net assets	**35,040,294**	26,480,283
With donor restrictions net assets:		
For periods after October 31, 2024 and 2023	**1,215,285**	1,296,140
For investment	**10,014,262**	7,784,688
For facility acquisition	**11,684,323**	6,081,155
Total with donor restrictions net assets	**22,913,870**	15,161,983
Total net assets	**57,954,164**	41,642,266
Total liabilities and net assets	**$ 68,426,633**	$ 53,381,058

See notes to financial statements.

Young Men's Christian Association of Greater Oklahoma City

Statement of Activities and Changes in Net Assets
Year Ended October 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support:			
Contributions	$ 2,461,849	$ 6,517,732	$ 8,979,581
Contribution received in connection with acquisition of Cleveland County Family YMCA	6,150,624	-	6,150,624
Government grants and contracts	762,903	419,360	1,182,263
United Way allocations	209,836	-	209,836
	9,585,212	6,937,092	16,522,304
Membership dues	16,704,327	-	16,704,327
Program and facility fees	10,579,055	-	10,579,055
Sales to the public (net of direct related costs of $257,089)	135,184	-	135,184
Rental income	253,621	-	253,621
	27,672,187	-	27,672,187
Investment income	7,761	437,203	444,964
Loss on disposal of fixed assets	(52,925)	-	(52,925)
Inherent contribution received in connection with the acquisition of Great Plains Family YMCA	4,471,513	955,329	5,426,842
	4,426,349	1,392,532	5,818,881
	41,683,748	8,329,624	50,013,372
Net assets released from restrictions	2,814,422	(2,814,422)	-
Total revenues, gains and other support	44,498,170	5,515,202	50,013,372
Expenses:			
Youth development	14,641,681	-	14,641,681
Healthy living	12,624,592	-	12,624,592
Social responsibility	2,597,165	-	2,597,165
General and administrative	5,153,099	-	5,153,099
Fundraising	777,371	-	777,371
Rental activities	200,253	-	200,253
Total expenses	35,994,161	-	35,994,161
Excess (deficiency) of revenues over expenses	8,504,009	5,515,202	14,019,211
Other gains:			
Net unrealized and realized gains on investments	56,002	2,236,685	2,292,687
Increase (decrease) in net assets	8,560,011	7,751,887	16,311,898
Net assets, beginning of year	26,480,283	15,161,983	41,642,266
Net assets, end of year	$ 35,040,294	$ 22,913,870	$ 57,954,164

See notes to financial statements.

Young Men's Christian Association of Greater Oklahoma City

Statement of Activities and Changes in Net Assets
Year Ended October 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support:			
Contributions	$ 2,062,812	$ 5,818,570	$ 7,881,382
Government grants and contracts	2,085,500	-	2,085,500
United Way allocations	105,941	148,609	254,550
	4,254,253	5,967,179	10,221,432
Membership dues	13,877,361	-	13,877,361
Program and facility fees	10,110,139	22,971	10,133,110
Sales to the public (net of direct related costs of $213,274)	133,351	-	133,351
Rental income	199,700	-	199,700
	24,320,551	22,971	24,343,522
Investment income	6,969	266,060	273,029
Loss on disposal of fixed assets	(7,005)	-	(7,005)
	(36)	266,060	266,024
	28,574,768	6,256,210	34,830,978
Net assets released from restrictions	1,261,174	(1,261,174)	-
Total revenues, gains and other support	29,835,942	4,995,036	34,830,978
Expenses:			
Youth development	13,038,989	-	13,038,989
Healthy living	10,582,431	-	10,582,431
Social responsibility	2,390,618	-	2,390,618
General and administrative	4,895,988	-	4,895,988
Fundraising	698,496	-	698,496
Rental activities	194,306	-	194,306
Total expenses	31,800,828	-	31,800,828
Excess (deficiency) of revenues over expenses	(1,964,886)	4,995,036	3,030,150
Other gains:			
Net unrealized and realized gains on investments	9,891	299,350	309,241
Increase (decrease) in net assets	(1,954,995)	5,294,386	3,339,391
Net assets, beginning of year	28,435,278	9,867,597	38,302,875
Net assets, end of year	$ 26,480,283	$ 15,161,983	$ 41,642,266

See notes to financial statements.

Young Men's Christian Association of Greater Oklahoma City

Statements of Cash Flows
Years Ended October 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Increase (Decrease) in net assets	**$ 16,311,898**	$ 3,339,391
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	**2,062,915**	1,721,156
Payment initial direct cost right-of-use asset	**-**	(1,350)
Gain (loss) on disposal of facilities, net	**(52,925)**	7,005
Unrealized and realized loss (gain) on investments, net	**(2,292,687)**	(309,241)
Investment income restricted or designated for investment	**(437,203)**	(189,411)
Contributions received which are restricted for investment in endowment or facility acquisition	**(5,603,939)**	(5,530,757)
Changes in operating assets and liabilities:		
Receivables	**(1,232,164)**	(1,795,924)
Inventories and supplies	**22,623**	(65,676)
Prepaid insurance and other assets	**(429,948)**	(157,644)
Accounts payable and accrued expenses	**(29,861)**	127,839
Operating lease liabilities	**53,151**	33,419
Deferred revenue	**124,859**	(35,331)
Net cash provided by (used in) operating activities	**8,496,719**	(2,856,524)
Cash flows from investing activities:		
Purchase of investments	**(3,806,051)**	(2,084,489)
Proceeds from maturities and sales of investments	**4,042,119**	4,247,167
Purchase of facilities	**(9,353,198)**	(1,341,683)
Net cash provided by (used in) investing activities	**(9,117,130)**	820,995
Cash flows from financing activities:		
Principal payments on notes payable	**(1,095,455)**	(714,582)
Proceeds from notes payable	**353,665**	-
Principle payments on financing leases	**(235,857)**	(160,771)
Contributions restricted for investment in endowment	**771**	600
Contributions restricted for facilities acquisition	**5,603,168**	5,530,157
Investment income restricted for reinvestment	**437,203**	189,411
Net cash provided by (used in) financing activities	**5,063,495**	4,844,815
Net change in cash and cash equivalents	**4,443,084**	2,809,286
Cash and cash equivalents, beginning of year	**5,194,826**	2,385,540
Cash and cash equivalents, end of year	**$ 9,637,910**	$ 5,194,826
Supplemental disclosure of cash flow information:		
Interest Paid	**$ 244,011**	$ 246,571
Noncash investing and financing transactions		
Finance lease obligation for equipment	**343,556**	523,791
Operating lease obligation for facilities and equipment	**180,418**	1,579,098

See notes to financial statements.

Young Men's Christian Association of Greater Oklahoma City

Statement of Functional Expenses
Year Ended October 31, 2024

	Programs						
	Youth Development	Healthy Living	Social Responsibility	General & Administrative	Fundraising	Rental Activity	Total
Expenses:							
Salary and wages	$ 6,927,709	$ 6,301,633	$ 1,057,169	$ 2,211,677	$ 398,973	$ -	$ 16,897,161
Employee benefits	816,691	663,494	139,909	366,905	65,751	-	2,052,750
Payroll taxes	607,955	539,641	96,313	154,621	31,943	-	1,430,473
Contracted services	271,290	76,225	89,396	236,019	12,269	-	685,198
Supplies	1,275,756	377,938	351,581	45,335	83,697	-	2,134,307
Telephone	131,468	120,279	71,120	51,265	13,933	-	388,066
Postage and shipping	2,346	1,939	250	6,856	5,088	-	16,478
Occupancy	2,558,926	2,585,156	264,448	330,544	21,005	143,572	5,903,651
Equipment rental and maintenance	262,729	618,509	34,222	995,346	20,960	-	1,931,767
Printing and promotion	112,897	72,996	11,582	21,491	15,975	-	234,941
Travel and employee expenses	546,340	75,332	77,613	95,155	28,077	-	822,518
Conferences and training	22,067	27,379	12,999	3,429	9,050	-	74,924
National support	-	-	-	346,333	-	-	346,333
Organizational dues	15,888	12,409	23,476	5,767	1,485	-	59,024
Interest	81,638	152,907	5,615	-	3,852	-	244,011
Miscellaneous	268,412	287,301	22,542	113,144	18,246	-	709,645
Depreciation and amortization	739,569	711,454	338,929	169,212	47,069	56,681	2,062,915
Total expenses	$ 14,641,681	$ 12,624,592	$ 2,597,165	$ 5,153,099	$ 777,371	$ 200,253	$ 35,994,162

See notes to financial statements.

Young Men's Christian Association of Greater Oklahoma City

Statement of Functional Expenses
Year Ended October 31, 2023

	Programs						
	Youth Development	Healthy Living	Social Responsibility	General & Administrative	Fundraising	Rental Activity	Total
Expenses:							
Salary and wages	$ 6,095,935	$ 4,944,859	$ 1,031,509	$ 2,300,950	$ 304,196	$ -	$ 14,677,449
Employee benefits	716,117	466,837	126,262	366,378	47,514	-	1,723,108
Payroll taxes	550,127	432,512	95,051	148,790	26,122	-	1,252,602
Contracted services	205,217	28,177	97,665	218,844	110,213	-	660,116
Supplies	1,051,688	364,351	273,449	84,737	54,311	-	1,828,536
Telephone	143,681	121,655	22,809	50,290	13,491	-	351,926
Postage and shipping	2,441	1,972	310	3,962	2,851	-	11,536
Occupancy	2,344,017	2,198,318	410,276	247,667	15,072	134,112	5,349,462
Equipment rental and maintenance	234,598	710,720	52,520	699,912	18,102	-	1,715,852
Printing and promotion	139,201	106,657	19,511	81,240	34,432	-	381,041
Travel and employee expenses	454,535	71,239	59,050	121,103	17,839	-	723,766
Conferences and training	32,882	36,628	26,067	39,417	10,901	-	145,895
National support	-	-	-	365,306	-	-	365,306
Organizational dues	13,430	8,296	42,106	6,816	5,128	-	75,776
Interest	97,379	137,216	7,693	-	4,284	-	246,572
Miscellaneous	201,838	242,276	11,406	94,312	7,647	-	557,479
Depreciation and amortization	755,903	710,718	114,934	66,264	26,393	60,194	1,734,406
Total expenses	$ 13,038,989	$ 10,582,431	$ 2,390,618	$ 4,895,988	$ 698,496	$ 194,306	$ 31,800,828

See notes to financial statements.

Note 1. Summary of Significant Accounting Policies

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

Basis of financial statements: The financial statements of the Association have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Association are classified and reported as follows:

Net Assets with donor Restrictions: Net assets subject to donor-imposed stipulations that they be maintained permanently by the Association, or stipulations that can be met either by actions of the Association and/or the passage of time; however, those donations with donor restrictions whose restrictions are met in the same fiscal year are classified as without donor restrictions. The donors of these assets may permit the Association to use all or part of the income earned on related investments for general or specific purposes. Currently, substantially all income from donations with donor restrictions net assets is available for any activities of the Association.

Net Assets without donor Restrictions: Net assets for which the donor has not imposed a restriction that the assets be used for a specific purpose or held for a certain period of time. Net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. The Board of Directors of the Association has designated portions of the net assets without donor restrictions for maintenance, investment, and facility development. In addition, the Association has invested net assets without donor restrictions in the existing facilities of the Association.

Contributions are reported as increases in the appropriate category of net assets. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations of donations with donor restrictions recognized in net assets (i.e., the donor-stipulated purpose has been fulfilled, and/or the stipulated time period has elapsed) are reported as net assets released from restriction in the statement of activities. Donations with donor imposed restrictions to acquire long-lived assets are considered met in the period in which the assets are acquired or placed in service.

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

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

Note 1. Summary of Significant Accounting Policies (Continued)

Rental income is recognized when earned in accordance with the terms of the respective leases. Accordingly, rental income is recognized over the terms of the respective leases.

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

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

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

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

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

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

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

Note 1. Summary of Significant Accounting Policies (Continued)

Revenue recognition: The Association has multiple revenue streams that are accounted for as reciprocal exchange transactions including membership and programs fees.

Because the Association's performance obligations relate to contracts with a duration of one year or less, the Association has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to the performance obligation that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

Membership dues are recognized ratably over the period of the membership, which varies based on when members join or leave the Association. Unearned membership revenue is reflected as deferred revenue on the consolidated financial statements of financial position. Members are provided with monthly access to the YMCA locations and variety of services, and revenue is recognized monthly as the services are provided.

Program service fees are reported at the amount that reflects the consideration to which the Association expects to be entitled in exchange for providing services to their program participants. Program fees include fitness classes, child care, day camps, overnight camps, swim lessons, and various other programs. Performance obligations are generally providing a service at a point in time. Revenue is recognized at the time the program is held. Unearned program fees are reflected as deferred revenue on the consolidated statements of financial position.

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

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

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

- Increases/decreases in net assets with donor restrictions if the terms of the gift that gave rise to the investment or applicable law require a portion of income or gains and losses to be added to the principal of a permanent endowment.
- Increases/decreases in net assets without donor restrictions in all other cases.

Note 1. Summary of Significant Accounting Policies (Continued)

Generally, losses on the investments included in net assets with donor restrictions will reduce this category of net assets to the extent donor-imposed restrictions on net appreciation of investments have not been met before the loss occurs. Any remaining losses reduce net assets without donor restrictions but can be restored through subsequent investment gains. Losses on beneficial interests in assets held by others are included in net assets with donor restrictions.

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

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

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

	Minimum Percent	Maximum Percent	Target Percent
Large cap stocks	20%	40%	30%
Small and mid cap stocks	5%	20%	10%
International equities	5%	25%	15%
Emerging market equities	0%	15%	5%
Investment grade fixed income	10%	35%	20%
High yield fixed income	0%	10%	5%
International fixed income	0%	20%	10%
Alternative investments	0%	10%	5%
Cash	0%	5%	0%

The Association has an endowment spending formula for spending the earnings from the Endowment Fund. Unless specified otherwise by the donor, the Association allocates 4.0 percent of the related investment's average market value for the prior 12 quarters as determined as of June 30 of each year for the subsequent year's operating activities.

Donated services: Services are recognized at fair value as contributions when services received (a) are received with an unconditional commitment from the donor and (b) create or enhance nonfinancial assets, or require specialized skills, provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

A substantial number of volunteers have donated time to the Association for other projects such as fundraising, coaching, the running of certain programs and events, and administration of the Association. No amounts have been reflected in the financial statements for such services.

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

Note 1. Summary of Significant Accounting Policies (Continued)

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

	Years
Buildings	25-45
Improvements	5-25
Furniture and equipment	5-10
Vehicles	5

Income taxes: The Association is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code, and accordingly, no provision has been made for income taxes in the accompanying financial statements. Management evaluated the Association's tax positions and concluded that they had taken no uncertain tax positions that require adjustment to the financial statements. With few exceptions, the Association is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years before 2022.

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

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

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

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

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

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

Financial assets and liabilities carried at fair value on a recurring basis include investments and beneficial interest in assets held by others (see Note 4).

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

Leases: Starting in November 1, 2022, The Association adopted the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842). Under the guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The Association adopted this standard using the modified retrospective approach. The Association elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed the Association to carry forward the historical lease classification. The Association has also elected the practical expedient to not separate lease components from nonlease components. As a result of the adoption of Topic 842, the Association recognized $1,579,098 for the year ended October 31, 2023 in obligations under operating leases in the Statement of Financial Position. There was no impact on net assets.

The association has entered into various noncancelable operating leases for facilities. In addition, the Association has entered into operating and finance leases for equipment. The Association determines if an arrangement is a lease at inception.

Operating leases (with the exception of leases with a term of twelve months or less) are recorded in operating lease right of use assets and obligations under operating leases liabilities in the statements of financial position. Finance leases are recorded in finance lease right of use assets, net and obligations under finance leases in the statements of financial position. Leases with a term of twelve months or less are considered short term leases and are accounted for as equipment expense in the statement of activities as rental payments are incurred. The Association does not separate lease components from non-lease components.

Operating and finance lease assets represent the Association's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating and finance lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. When the lease does not provide an implicit rate, the Association uses a secured borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Association uses the implicit rate when readily determinable. The Association's lease terms may include options to extend. Operating lease expense for lease payments are recognized on a straight-line basis over the lease term. Finance lease expense includes two components: straight line amortization expense over the life of the underlying equipment and interest expense on the outstanding liability.

Note 2. Basic Programs Offered by the Association

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

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

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

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

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

Healthy living: Being healthy means more than simply being physically active. It's about maintaining a balanced spirit, mind, and body through a wide array of group exercise classes from water aerobics to cycling. The Association is a place where you can work toward that balance by challenging yourself to

learn a new skill or hobby, fostering connections with friends through our lifelong learning programs, or bringing your loved ones closer together through our many family-centered activities. At the Association, it's not about the activity you choose as much as it is about the benefits of living healthier on the inside as well as the outside.

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

The Association provides educational programs to promote healthier decisions and offers a variety of programs that support physical, intellectual, and spiritual strength like Silver Sneakers and Active Older Adults programming.

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

Note 2. Basic Programs Offered by the Association (Continued)

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

To bring about meaningful change, individuals need ongoing encouragement and tools. The Association is here day-in and day-out to provide the resources our communities need. The Association addresses social issues through our YMCA Lincoln Park Senior Center, the YMCA Military Welcome Center, environmental education camp at YMCA Camp Classen, and the Safety Around Water program that teaches underserved kids how to swim.

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

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

Note 3. Receivables

At October 31, receivables consisted of the following:

	2024	2023
United Way allocation	$ 137,388	$ 147,887
Program receivables	913,935	861,408
Foundation grant receivables	157,000	20,000
Pledge Receivables	5,757,429	4,661,304
Total receivables	6,965,752	5,690,599
Discount to net present value	(397,573)	(354,584)
Receivables, net	$ 6,568,179	$ 5,336,015

Receivables at October 31, 2024 are expected to be collected as follows:

2025	3,194,520
2026	1,915,674
2027	1,453,983
2028	249,229
2029	152,346
	$ 6,965,752

Note 4. Investments

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

	2024		2023	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Endowment money market	$ 117,651	$ 117,651	$ 78,013	$ 78,013
Mutual funds	8,323,797	9,580,029	7,658,944	7,559,510
U.S. treasury securities 0-12 months	-	-	398,411	398,411
Beneficial interests in assets held by others (Note 7)	496,631	651,284	269,036	419,500
Total Investments	$ 8,938,079	$ 10,348,964	$ 8,404,404	$ 8,455,434

Realized gain was $114,200 in 2024 and realized loss was $24,158 in 2023, neither of which were recognized for financial reporting purposes in a year prior to the year of realization.

Note 5. Fair Value Measurements

The Association measures investments on a fund-by-fund basis and reports them at fair value in one of three categories based on inputs. The following tables summarize the levels in the fair value hierarchy of the Association's assets (liabilities) at October 31:

	2024			
	Level 1	Level 2	Level 3	Total
Endowment money market	$ 117,651	$ -	$ -	$ 117,651
Mutual funds	9,580,029	-	-	9,580,029
Beneficial interests in assets held by others (Note 7)	-	-	651,284	651,284
	$ 9,697,680	$ -	$ 651,284	$ 10,348,964

	2023			
	Level 1	Level 2	Level 3	Total
Endowment money market	$ 78,013	$ -	$ -	$ 78,013
Mutual funds	7,559,510	-	-	7,559,510
U.S. treasury securities 0-12 months	398,411	-	-	398,411
Beneficial interests in assets held by others (Note 7)	-	-	419,500	419,500
	$ 8,035,934	$ -	$ 419,500	$ 8,455,434

Note 5. Fair Value Measurements (Continued)

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

	Beneficial Interests in Assets Held by Others	
	2024	2023
Balance at November 1	$ 419,500	$ 393,000
Acquired funds held for Norman at CFO	142,618	-
Net investment performance	174,495	49,265
Distributions to the Association	(85,329)	(22,765)
Balance at October 31	$ 651,284	$ 419,500

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

Note 6. Facilities

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

	2024	2023
Land	$ 2,160,599	$ 1,935,599
Donated leases	870,000	870,000
Buildings and improvements	49,558,587	46,584,525
Leasehold improvements	17,177,463	11,454,811
Furniture and equipment	2,991,027	2,862,592
Vehicles	570,541	481,234
Construction in Progress	620,739	354,070
	73,948,956	64,542,831
Less accumulated depreciation and amortization	(34,963,180)	(33,045,683)
Facilities, net	$ 38,985,776	$ 31,497,148

The Association entered into a lease agreement with the City of Oklahoma City for eight acres of land in a park in Cleveland County, Oklahoma, with an appraised value of $870,000. The lease calls for the Association to develop and maintain a recreational facility for its sole use and its sole cost on the property in lieu of cash rentals. On October 26, 2021 an amendment was made to the original lease period of 20 years. The new lease period is for 40 years beginning on the original date the facility was placed in service, with two 10-year renewal options. The facility was placed in service in January 2006. Accordingly, the Association recognized $870,000 of donated land lease in net assets with donor restrictions. The lease is being amortized over the original term and renewal periods with the amount of the amortization being released to net assets without donor restrictions each year. During 2024 and 2023, $21,750 each year was released from net assets with donor restrictions.

Note 7. Beneficial Interest in Assets Held by Others

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

A summary of funds held at OCCF and CFO for the benefit of the Association at September 30, 2024 and 2023, the most recent date for which such information is available, is as follows:

	2024	2023
Total funds held at OCCF and CFO for the benefit of the Association	$ 1,870,084	$ 1,579,000
Value of such funds contributed by others, for which OCCF and CFO retains variance power	1,218,800	1,159,500
Funds contributed by the Association, held in trust by OCCF and CFO, and reflected on the Association's statements of financial position	$ 651,284	$ 419,500

The Association received total distributions from OCCF and CFO of $85,329 and $22,765 in the years ended October 31, 2024 and 2023, respectively, which are reflected in the accompanying statements of activities.

Note 8. Notes Payable

At October 31, notes payable consist of the following:

	2024	2023
2.75% refinancing loan with monthly sinking fund installments of $29,183 with maturity of July 2026, secured by real estate for Earlywine Park YMCA	$ 680,000	$ 1,005,000
Swap + 1.6% construction loan with monthly installments of $38,840 with a balloon payment in April 2030, secured by The YMCA Association Office and the YMCA E.K. Gaylord building	3,908,514	4,462,607
4.00% lease to own with maturity of May 2028, secured by real estate for Guthrie YMCA with monthly installments of $3,544	141,738	177,805
Interest-free loan through John Deere for a tractor. Monthly installments of $434.52 through December 21, 2026.2.75% EIDL loan with monthly installments of $8,683,maturity of August 2050. A SBA (Small Business Administration) loan that was secured during COVID-19 pandemic.	11,297 1,975,209	- 2,000,000
	$ 6,716,758	$ 7,645,412

During 2015, the Association refinanced the September 2006 serial revenue bonds (Series 2006 Young Men's Christian Association of Greater Oklahoma City Earlywine Project). The debt (Series 2015 Authority Note) of $3,325,000 was issued by a bank and has an interest rate of 2.75 percent with a maturity date of July 2026. The terms of the loan require semi-annual payments of interest and principal through a trustee. Related issuance costs totaled $59,567 and are being amortized over the life of the loan.

Note 8. Notes Payable (Continued)

The Association's Swap Agreement is reported at fair value as a level three category based on input. The following table summarizes the changes in the fair value of the Association's Level 3 Swap Agreement for the period ending October 31:

	Swap Agreement	
	2024	2023
Balance at November 1	$ 542,286	$ 578,286
Change in value of Swap	(195,517)	(36,000)
Balance at October 31	$ 346,769	$ 542,286

The Swap Agreement is formally designated and qualifies as a fair value hedge and is recorded at fair value in the Statement of Financial Position in other assets and/or other liabilities. Gains and losses due to changes in fair value of the interest rate swap agreement completely offset changes in the fair value of the hedged portion of the underlying debt. Therefore, no gain or loss has been recognized due to hedge ineffectiveness. The YMCA does not hold or issue any derivative instrument for trading or speculative purposes.

At October 31, 2024, the aggregate future principal payments on notes payable are as follows:

Years ending October 31:	
2025	798,320
2026	821,836
2027	486,215
2028	481,729
2029	470,540
Thereafter	3,311,346
	$ 6,369,986

At October 31, notes payable are as follows:

	2024	2023
Principal	$ 6,705,461	$ 7,645,412
Issuance costs	(8,464)	(13,347)
Sinking fund	(113,280)	(109,720)
Accrued Interest	11,304	24,544
	$ 6,595,021	$ 7,546,889

The Association increased a revolving line of credit to $800,000 at 7.25 percent maturing in April 2025. The credit line was renewed through July 31, 2025 and renewable upon submission of audited financial statements. As of October 31, 2024 and 2023, no amounts were outstanding on this line of credit.

During 2010, the Association entered into an operating agreement with the City of Edmond whereby each party contributed up to $6,000,000 for the design and construction of a recreation facility in the City of Edmond located at Mitch Park. Subsequently, the Association agreed to increase the funding for the project

Note 8. Notes Payable (Continued)

by approximately $235,000. The City of Edmond owns the facility, and the Association has a 20-year exclusive agreement for the operation of the facility with two 10-year renewal The City of Edmond owns the facility, and the Association has a 20-year exclusive agreement for the operation of the facility with two 10-year renewal options. The City of Edmond maintains the exterior of the facility and the related landscaping. The Association is responsible for all other costs related to operating the facility. The facility opened in February 2014 and the Association recorded total costs of $6,588,386 as leasehold improvements which are being amortized over the life of the agreement.

As of May 5, 2020 the YMCA entered into an interest rate swap agreement as part of refinancing the Mitch Park mortgage note. The interest rate swap allows the YMCA to convert a portion of interest rate exposure from fixed rate to floating rate in order to more closely align interest expense with interest income received on its cash equivalent and variable rate balance. The YMCA had $3,561,745 and $3,920,321 of notional amount of interest rate swap agreements as of October 31, 2024 and 2023, respectively, expiring on May 6, 2030. Under the Swap Agreement, the YMCA receives a fixed rate of interest and pays an average variable rate of 1.2% with a 50 bps minimum adjusted monthly. At October 31, 2024, the weighted average rate was 6.22%.

During 2021, the Association received the COVID-19 Economic Injury Disaster Loan ("EIDL") in the amount of $150,000 and in 2022 received an additional $1,850,000, for a total loan amount of $2,000,000. The EIDL, established as part of the CARES Act, provides loans to qualifying businesses to be used for working capital and other normal operating expenses. The loan is payable over 30-years at an interest rate of 2.75%. The loan payments were deferred for thirty months, during which interest accrued, and payments of principal and interest are made over the remaining loan term. The Association began making payments in March 2023 towards accrued interest.

Note 9. Leases

The Association leases certain program facilities and fitness equipment from third parties under the terms of non-cancellable operating and finance lease agreements that expire at various dates through August 2033. As of October 31, 2024, the leases have remaining terms that vary from six months to approximately eight years.

The components of lease costs were as follows for the year ended October 31, 2024:

	2024
Operating lease cost:	
Fixed rent expense	$ 797,269
Finance lease cost:	
Amortization of right-of-use assets	192,513
Interest expense	85,043
Total lease costs	$ 1,074,825

Note 9. Leases (Continued)

Future payments due under operating and finance leases as of October 31, 2024 are as follows:

	Operating	Finance
2025	330,837	262,958
2026	150,323	187,809
2027	112,107	102,127
2028	50,691	72,182
2029	31,719	56,383
Thereafter	121,590	14,736
Total minimum lease payments	797,267	696,195
Less: imputed interest	(141,726)	(85,041)
Total lease liabilities	$ 655,541	$ 611,154

Total lease expense was $1,720,237 and $1,176,303 in the years ended October 31, 2024 and 2023, respectively.

The weighted average remaining lease term and weighted average discount rate were as follows as of October 31, 2024:

	Operating	Finance
Weighted Average Remaining Lease Term	5.36 years	2.53 years
Weighted Average Discount Rate	8.08%	5.87%

Supplemental cash flow information related to lease were as follows for the year ended October 31, 2024:

	2024
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	797,269
Financing cash flows from finance leases	696,196

Note 10. Retirement Plan

The Association participates in the YMCA Retirement Fund Retirement Plan, which is a defined contribution, money purchase, church plan that is intended to satisfy the qualification requirements of Section 401(a) of the Internal Revenue Code of 1986, as amended, and The YMCA Retirement Fund Tax-Deferred Savings Plan, which is a retirement income account plan as defined in section 403(b)(9) of the code. Both plans are sponsored by The Young Men's Christian Association Retirement Fund (the Fund). The Fund is a not-for-profit, tax-exempt pension fund incorporated in the State of New York in 1922, organized and operated for the purpose of providing retirement and other benefits for employees of YMCAs throughout the United States. The plans are operated as church pension plans. Participation is available to all duly organized and

Note 10. Retirement Plan (Continued)

reorganized YMCAs and their eligible employees. As a defined contribution plan, the Retirement Plan and the Tax-Deferred Savings Plan have no unfunded benefit obligations.

In accordance with the agreement, contributions for the YMCA Retirement Fund Plan are a percentage of the participating employee's salary. Total contributions charged to retirement expense in 2024 and 2023 were $999,041 and $831,492, respectively.

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

Note 11. Commitments and Contingencies

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

In the normal course of operations, the Association receives grants and other forms of reimbursement from various federal, state and local agencies. The activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds.

Management believes that the liability, if any, for a reimbursement which may arise as the result of audits would not be material.

Note 12. Accounting for Endowments

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

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted	$ -	7,551,120	7,551,120
Board-designated	316,174	-	316,174
Total October 31, 2022	316,174	7,551,120	7,867,294
Investment return:			
Investment income	6,969	266,049	273,018
Net appreciation	9,891	299,350	309,241
Total investment return	16,860	565,399	582,259
Contributions	15,669	600	16,269
Appropriations	(10,719)	(376,559)	(387,278)
Donor-restricted	-	7,740,560	7,740,560
Board-designated	337,984	-	337,984
Total October 31, 2023	337,984	7,740,560	8,078,544
Investment return:			
Investment income	7,761	437,203	444,964
Net appreciation	56,002	2,214,275	2,270,277
Total investment return	63,763	2,651,478	2,715,241
Contributions	21,831	771	22,602
Appropriations	(14,845)	(452,578)	(467,423)
Donor-restricted	-	9,940,231	9,940,231
Board-designated	408,733	-	408,733
Total October 31, 2024	$ 408,733	$ 9,940,231	$ 10,348,964

Note 13. Rentals Income

The YMCA leased office space to tenants under operating leases with term expiration dates ranging from 2024 to 2028. As of October 31, 2024, the minimum future cash from rentals receivable (excluding tenant reimbursements for operating expenses) under noncancelable operating leases for office space in each of the next five years are as follows:

Years ending October 31:	
2025	$ 136,815
2026	140,960
2027	114,710
2028	53,708
	$ 446,193

Note 14. Liquidity and Availability of Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of October 31, 2024 and 2023 are comprised of the following:

October 31,	2024	2023
Cash and cash equivalents	$ 9,637,910	$ 5,194,826
Investments	10,348,964	8,455,434
United Way receivable	137,388	147,887
Foundation grant receivable	157,000	20,000
Program receivable, net	913,935	861,408
Pledge receivable, net	5,359,856	1,215,398
Total financial assets available within one year	26,555,053	15,894,953
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restricted by donors with purpose restrictions	(11,684,323)	(6,041,675)
Restricted by donors in perpetuity	(5,861,550)	(5,861,550)
Total amounts available for general expenditures within one year	9,009,180	3,991,728
Amounts unavailable to management without Board's approval:		
Designated for Maintenance	(447,478)	(519,348)
Designated for Investment	(357,109)	(293,852)
Designated for Facilities	(411,137)	(382,564)
Total amounts unavailable to management without Board's approval	(1,215,724)	(1,195,764)
Total financial assets available to management for general expenditure within one year	$ 7,793,456	$ 2,795,964

The Association is substantially supported by program revenues and regularly monitors liquidity required to meet its operating needs while striving to maximize the investment of available funds. As part of the organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs the Association has a committed line of credit of $800,000 that matures on April 2025, which it could draw upon. Additionally, the Association's Board of Directors has designated a portion of its resources without donor restrictions as board-designated. These funds are invested for long-term appreciation and current income but remain available to be spent at the board's discretion.

Note 15. Net Assets

Net assets are available for the following purposes as of October 31, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Undesignated	$ 33,824,570	$ -	$ 33,824,570
Board designated for			
Maintenance	447,478	-	447,478
Investments	357,109	-	357,109
Facilities	411,137	-	411,137
Donor restricted endowment funds			
Original donor restricted gift amount and and amounts required to be maintained in perpetuity	-	5,861,550	5,861,550
Accumulated investment gains	-	4,152,712	4,152,712
Donor restricted for specific purpose	-	12,899,608	12,899,608
Total	$ 35,040,294	$ 22,913,870	$ 57,954,164

Net assets are available for the following purposes as of October 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Undesignated	$ 25,284,519	$ -	$ 25,284,519
Board designated for			
Maintenance	519,348	-	519,348
Investments	293,852	-	293,852
Facilities	382,564	-	382,564
Donor restricted endowment funds			
Original donor restricted gift amount and and amounts required to be maintained in perpetuity	-	4,732,846	4,732,846
Accumulated investment gains	-	3,051,841	3,051,841
Donor restricted for specific purpose	-	7,377,296	7,377,296
Total	$ 26,480,283	$ 15,161,983	$ 41,642,266

Net assets with donor restrictions released from restrictions for the year ended October 31, 2024 and 2023 are as follows:

	2024	2023
Construction or acquisition of property or equipment	$ 850,359	$ 22,047
Program Services	1,511,485	862,568
Appropriation of endowment assets	452,578	376,559
	$ 2,814,422	$ 1,261,174

Note 16. Acquisition of Cleveland County Family YMCA and Great Plains Family YMCA

On January 31, 2024, the Association acquired substantially all assets and assumed certain liabilities of the Cleveland County Family YMCA ("Cleveland County"). No monetary consideration was paid; the Association's consideration consisted of the assumption of specific post-closing liabilities, a commitment to operate a Cleveland County, and the provision of post-closing administrative support to the Cleveland County.

The following major classes of assets and liabilities were recognized at their estimated fair values as of the acquisition date:

Asset/(Liability)	Amount
Cash and restricted cash	$ 597,310
Certificates of deposit	160,977
Property and equipment, net	5,757,387
Beneficial interest in assets held by others	142,618
Other assets	28,649
Accounts payable	(31,158)
Operating leases payable	(305,159)
Notes payable	(200,000)
Net assets acquired	6,150,624

Post-closing, the Association agreed to provide administrative support to the Cleveland County to assist with winding down operations. Certain assets acquired, including accumulated reserves, gifts, and grants, are subject to use restrictions for the exclusive benefit of the Cleveland County. The Cleveland County was dissolved following the transaction, and all remaining obligations not assumed by the Association were settled by the Cleveland County prior to dissolution.

In addition, the Association acquired substantially all assets of the Great Plains Family YMCA ("Great Plains"). No monetary or other consideration was transferred; the Association's assumption of certain post-closing liabilities and commitment to operate Great Plains constituted the consideration for the transaction.

The following assets were recognized at fair value as of the acquisition date:

Asset	Amount
Cash and restricted cash	$ 1,305,580
Investments (with donor restrictions)	955,329
Property and equipment, net	3,165,933
Net assets acquired	5,426,842

Certain assets acquired, including investments, are subject to donor-imposed restrictions and are reported as net assets with donor restrictions. No goodwill was recognized, and the excess of the fair value of net assets acquired over consideration transferred was recognized as an inherent contribution in the statement of activities.

Note 17. Subsequent events

After October 31, 2024, the Organization's Board of Directors approved and executed several significant property and lease transactions:

Property Sales and Purchases:
In March 2025, the Board approved the sale of the North Side YMCA property to Casady School for $3.75 million, with a three-year leaseback to the YMCA and the sale of Camp Peck, an 80-acre property, for $900,000. The transaction is expected to close in the subsequent fiscal year. In addition, the Board approved the purchase of Camp Dakani for $375,000 from Campfire Heart of Oklahoma and the purchase and lease agreement with Oklahoma State University (OSU) for the Stillwater YMCA property for a period of up to 4 years. OSU will carry the property insurance, with the Organization reimbursing OSU for the cost. Further, a memorandum of understanding (MOU) has been signed with the City of Midwest City and Mid-Del Schools and SSM.

Lease and Capital Project Approvals:
In April 2025, the Board approved an amendment to the Main Street YMCA lease, reducing leased square footage and rental costs by 50%. This change is expected to materially improve the branch's financial performance by 2026. In June 2025, the Board approved a capital spending plan for Camp Classen, totaling approximately $4 million in proposed projects. As of the approval date, $2 million had been received in paid pledges and $1.5 million was committed by the Chickasaw Nation over the next four years.

Management has evaluated these transactions and determined that they represent nonrecognized subsequent events under FASB ASC 855-10, as the conditions arose after the financial position date. Accordingly, no adjustments have been made to the financial statements as of October 31, 2024. The Organization will recognize the financial effects of these transactions in the period in which the sales, purchases, lease amendments, or capital projects are completed.