



State of South Carolina Request for Contribution Distribution

This form is designed to collect the information required by South Carolina in accordance with Proviso 117.21 of the appropriations act and Executive Order 2022-19. This form must be submitted to the state agency that is providing the contribution for the designated organization. The state agency providing the contribution should use this form to collect information from the designated organization. The information must be collected from the designated organization before the funds can be disbursed.

Contribution Information		
Amount	State Agency Providing the Contribution	Purpose
\$500,000.00	P280 - Department of Parks, Recreation, and Tourism	Laurens County YMCA Child Development Center

Organization Information	
Entity Name	Laurens YMCA-Lakelands Region YMCA of SC
Address	410 Anderson Drive
City/State/Zip	Laurens, South Carolina 29360
Website	www.lakelandsymca.org
SCEIS Vendor #	7000283029
Entity Type	Nonprofit Organization

Organization Information

Entity Name	Laurens YMCA-Lakelands Region YMCA of SC
Address	410 Anderson Drive
City/State/Zip	Laurens, South Carolina 29360
Website	www.lakelandsymca.org
SCEIS Vendor #	7000283029
Entity Type	Nonprofit Organization

Organization Contact Information	
Contact Name	Brian Harlan
Position/Title	Chief Executive Officer
Telephone	864-984-2626
Email	brian@lakelandsymca.org

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Position/Title	Chief Executive Officer
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Email	brian@lakelandsymca.com

Plan/Accounting of how these funds will be spent:		
Description	Budget	Explanation
Project to include Architectural Design, Drawings, Civil Engineering, Contractor to construct	\$500,000.00	The total cost of the project is \$2,653,767. These funds will be used for the Architectural Design and Drawings which is \$79,000 as well as the balance
		balance of these funds in the amount of \$421,000 will be used for the
		required civil engineering, materials and labor.
Grand Total	\$500,000.00	

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		the Architectural Design and Drawings which is \$79,000 as well as the balance
		balance of these funds in the amount of \$421,000 will be used for the
		required civil engineering, materials and labor.
Grand Total	\$500,000.00	

Please explain how these funds will be used to provide a public benefit:

The funding will be used to construct an expansion to the YMCA Child Development facilities at the Anderson Drive location. The project will provide a world class facility for young children. The bid for this project is \$2.6 million. Community resources will cover the remainder of the costs. When the construction is completed, capacity will be increased to provide space for approximately 100 children including space for infants and young children. The class ratios are 1:5 for infants; 1:6 for age 1; 1:8 for age 2 and 1:12 for age 3. Funding will also purchase a blend of The Montessori Method and Creative Curriculum materials to ensure students are ready for preschool by age 4. At the present time there is a 8-month waiting list for vacancies in the YMCA child development setting. This project will create the infrastructure needed to provide year-round high quality child development services accessible to families living and working in Laurens, Watts Mill, Waterloo and areas connecting the communities.

Organization Certifications

- 1) Organization hereby gives assurance that no person shall, upon the grounds of race, creed, color, or national origin, be excluded from participation in, be denied the benefit of, or be otherwise subjected to discrimination under any program or activity for which this organization is responsible.
- 2) Organization certifies that it will provide quarterly spending reports to the Agency Providing Contribution listed above.
- 3) Organization certifies that it will provide an accounting at the end of the fiscal year to the Agency Providing Contribution listed above.
- 4) Organization certifies that it will allow the State Auditor to audit or cause to be audited the contributed funds.


Organization Signature

Chief Executive Officer

Title

Brian Harlan


Printed Name

26-Oct-23

Date

Certifications of State Agency Providing Contribution

- 1) State Agency certifies that the planned expenditure aligns with the Agency's mission and/or the purpose specified in the appropriations act.
- 2) State Agency certifies that the Organization has set forth a public purpose to be served through receipt of the expenditure.
- 3) State Agency certifies that it will make distributions directly to the organization.
- 4) State Agency certifies that it will provide the quarterly spending reports and accounting received from the organization to the Senate Finance Committee, House Ways and Means Committee, and the Executive Budget Office by June 30, 2024.
- 5) State Agency certifies that it will publish on their website any and all reports, accountings, forms, updates, communications, or other materials required by Proviso 117.21 of the appropriations act.
- 6) State Agency will certify to the Office of the Governor that it has complied with the requirements of Executive Order 2022-19 by June 30, 2024.


Agency Head Signature

Duane Parrish

Printed Name

11/1/2023

Date



FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

**Statement of Non-Discrimination
By Organizations Funded in the
South Carolina General Appropriations Act**

To meet requirements of a provision of the South Carolina General Appropriations Act regarding your funding, please fill in the blanks below, sign and return to PRT with your other credentials. If desired, you may retype the statement on your own letterhead.

Statement of Non-Discrimination

October 26, 2023

Date

Assurance is hereby given by the

Laurens YMCA - Lakelands Region YMCA of South Carolina
(Name of Organization)

that no person shall, upon the grounds of race, creed, color or national origin be excluded from participation in, be denied the benefit of or be otherwise subjected to discrimination under any program or activity for which this organization is responsible.

Signature

Title

[Signature]
CEO

Sincerely,

[Signature]
Brian Harlan

Chief Executive Officer

Lakelands Region YMCA of South Carolina-Laurens

LAKELANDS REGION YMCA OF SOUTH CAROLINA

Serving the Communities of Laurens, Greenwood, Abbeville and Gray Court

410 Anderson Drive, Laurens, SC 29360

P 864 984 2626 F 864 984 6089

**SOUTH CAROLINA DEPARTMENT OF PARKS, RECREATION
&
TOURISM**

PROCUREMENT CERTIFICATION FORM

GRANTEE NAME: Laurens ymca

PROJECT NAME: Child Development Center

I hereby certify that all labor, materials and contracts acquired or performed in the accomplishment of the above named project will be accomplished in accordance with the named entity's established procurement guidelines. Any questions, concerns or grievances should be directed to this agency.

Brian Harlan
PRINTED NAME

CEO
TITLE


SIGNATURE

10-26-23
DATE

AUDITED FINANCIAL STATEMENT

**LAKELANDS REGION
YOUNG MEN'S CHRISTIAN ASSOCIATION AND SUBSIDIARY
REPORT ON FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

**LAKELANDS REGION
YOUNG MEN'S CHRISTIAN ASSOCIATION
AND SUBSIDIARY**

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Lakelands Region Young Men's Christian
Association of South Carolina

Opinion

We have audited the accompanying consolidated financial statements of Lakelands Region Young Men's Christian Association of South Carolina (a nonprofit organization) and subsidiary, which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Lakelands Region Young Men's Christian Association of South Carolina and affiliates as of December 31, 2022, and the changes in their net assets and their cash flows for the year 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. 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 Lakelands Region Young Men's Christian Association of South Carolina 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lakelands Region Young Men's Christian Association of South Carolina's ability to continue as a going concern within one year after the date that the combined 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 combined 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 combined financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined 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 Lakelands Region Young Men's Christian Association of South Carolina '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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lakelands Region Young Men's Christian Association of South Carolina 's ability to continue as a going concern for a reasonable period of time.

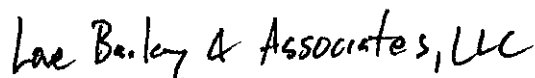
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position, consolidating statement of activities, statement of financial position – by location, statement of activities – by location and statement of functional expenses – by location as listed in the table of contents, are presented for purposes of additional analysis and is not a required part of the 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2023, on our consideration of the Lakelands Region Young Men's Christian Association of South Carolina'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 Lakelands Region Young Men's Christian Association of South Carolina's internal control over financial reporting and compliance.



Love Bailey & Associates, LLC
Laurens, South Carolina
March 6, 2023

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,247,336
Accounts receivable	49,930
Prepaid expenses	20,103
Total current assets	<u>1,317,369</u>

PROPERTY, PLANT AND EQUIPMENT, net	<u>8,327,077</u>
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OTHER ASSETS

Investments	<u>733,869</u>
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Total assets	<u><u>\$ 10,378,315</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and other accrued liabilities	\$ 46,524
Payroll liabilities	71,888
Due to members	6,411
Deferred revenue	15,406
Current portion of note payable	54,608
Current portion of capital lease payable	57,685
Total current liabilities	<u>252,522</u>

LONG-TERM LIABILITIES

Note payable	196,103
Capital lease	110,830
Total noncurrent liabilities	<u>306,933</u>

NET ASSETS

Without donor restrictions	5,214,491
With donor restrictions	4,604,369
Total net assets	<u>9,818,860</u>

Total liabilities and net assets	<u><u>\$ 10,378,315</u></u>
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The accompanying notes are an integral part of these financial statements.

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING ACTIVITIES			
Membership and program revenues			
Memberships	\$ 1,624,850	\$ -	\$ 1,624,850
Programs	1,560,759	-	1,560,759
Total membership and program	<u>3,185,609</u>	<u>-</u>	<u>3,185,609</u>
Other revenues			
Contributions	455,002	100,000	555,002
United Way	17,489	-	17,489
Special events	38,485	-	38,485
Facility rental	63,090	-	63,090
Grants	41,030	314,050	355,080
ARP Funds	-	500,500	500,500
In-kind	62,200	-	62,200
Other	5,908	-	5,908
Total other revenues	<u>683,204</u>	<u>914,550</u>	<u>1,597,754</u>
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>140,013</u>	<u>(140,013)</u>	<u>-</u>
Total revenue and other support	<u>4,008,826</u>	<u>774,537</u>	<u>4,783,363</u>
EXPENSES			
Program services	3,431,023	-	3,431,023
Management and general	651,757	-	651,757
Fundraising	25,033	-	25,033
Total expenses	<u>4,107,813</u>	<u>-</u>	<u>4,107,813</u>
Changes in net assets from operating activities	(98,987)	774,537	675,550
NONOPERATING ACTIVITIES			
Interest and dividends	9,068	2,950	12,018
Investment expense	(3,914)	(2,966)	(6,880)
Gain on sale of assets	-	18,850	18,850
Realized and unrealized gains on investments	(97,049)	(42,123)	(139,172)
Interest expense	<u>(13,580)</u>	<u>-</u>	<u>(13,580)</u>
Changes in net assets from nonoperating activities	<u>(105,475)</u>	<u>(23,289)</u>	<u>(128,764)</u>
Changes in net assets	<u>(204,462)</u>	<u>751,248</u>	<u>546,786</u>
NET ASSETS			
Beginning of year	<u>5,418,953</u>	<u>3,853,121</u>	<u>9,272,074</u>
End of year	<u>\$ 5,214,491</u>	<u>\$ 4,604,369</u>	<u>\$ 9,818,860</u>

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

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 1,706,585	\$ 263,331	\$ 19,897	\$ 1,989,813
Payroll taxes	128,449	18,713	1,487	148,649
Employee benefits	123,214	31,552	1,563	156,329
Advertising	3,230	1,077	-	4,307
Bank service charges	-	51,146	-	51,146
Depreciation and amortization	696,658	53,656	-	750,314
Dues and subscriptions	377	19,636	-	20,013
Insurance	62,280	49,834	-	112,114
Equipment leases	40,970	-	-	40,970
Office supplies	-	19,866	-	19,866
Miscellaneous	2,122	-	-	2,122
Postage	536	496	-	1,032
Professional fees	-	42,185	-	42,185
Rent	10,887	-	-	10,887
Repairs and maintenance	172,997	-	-	172,997
Software and support	17,154	-	-	17,154
Supplies	171,244	35,273	2,086	208,603
Training	2,956	6,441	-	9,397
Travel and transportation	19,080	3,864	-	22,944
Telephone	17,439	10,061	-	27,500
Utilities	245,952	-	-	245,952
Van operations	8,893	-	-	8,893
Y USA fees	-	44,626	-	44,626
Total expenses	<u>\$ 3,431,023</u>	<u>\$ 651,757</u>	<u>\$ 25,033</u>	<u>\$ 4,107,813</u>

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

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Changes in net assets	\$ 546,786
Adjustments to reconcile changes in net assets to net cash provided by operating activities	
Depreciation	750,314
(Increase) decrease in:	
Accounts receivable	(34,769)
Other assets	7,405
Increase (Decrease) in:	
Accounts payable and accrued liabilities	15,455
Net cash provided by operating activities	<u>1,285,191</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of equipment	(1,064,968)
Net investment losses	24,252
Net cash used in investing activities	<u>(1,040,716)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Net payments on notes	(127,673)
Net payments on lease	(21,596)
Net proceeds from notes	244,316
Net cash provided by financing activities	<u>95,047</u>

Net increase in cash 339,522

CASH

Beginning of year	<u>907,814</u>
End of year	<u><u>\$ 1,247,336</u></u>

SUPPLEMENTAL INFORMATION

Interest paid	<u><u>\$ 13,580</u></u>
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The accompanying notes are an integral part of the financial statements.

**LAKELANDS REGION YOUNG MEN’S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – DESCRIPTION OF ASSOCIATION

Lakelands Region Young Men’s Christian Association of South Carolina’s (the “YMCA”) mission is to put Christian principles into practice through programs that build a healthy spirit, mind, and body for all. These programs include athletic and fitness activities for adults and youth, as well as community service programs such as after-school programs and day camps. The Association operates YMCA facilities in Laurens, Gray Court and Greenwood, South Carolina and is dependent on the economic conditions of the surrounding areas. The Association is supported by memberships, program fees, and contributions.

General and administrative activities include the functions necessary to provide support for the Association’s program activities. General and administrative activities include those that provide governance (Board of Directors), oversight, business management, financial recordkeeping, budgeting, legal services, human resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

Fundraising activities include publicizing and conducting fundraising campaigns; maintaining donor lists; conducting special fundraising events; and other activities involved with soliciting contributions from corporations, foundations, individuals, and others.

The YMCA created a foundation called Lakelands Region YMCA of SC Foundation (the “Foundation”). The Foundation was formed with the primary purpose of promoting the YMCA.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Lakelands Region Young Men’s Christian Association of South Carolina and its wholly-owned subsidiary, Lakelands Region YMCA of SC Foundation. All significant intercompany balances and transactions have been eliminated in consolidation.

Financial Statement Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not-for-Profit Organizations (the “Guide”). (ASC) 958-205 was effective January 1, 2018.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(Continued)

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Cash and cash equivalents

The YMCA considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Accounts Receivable and Bad Debt Reserve

Accounts receivable consist primarily of noninterest-bearing amounts due from member dues, grants, gifts and fees.

Net assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions

Net assets without donor restrictions are resources available to support operations. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the YMCA, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions

Net assets with donor restrictions are resources that are restricted by a donor for a particular purpose or in a particular future period. The YMCA's unspent contributions are classified in this class if the donor limited their use. During the year ended December 31, 2022, the YMCA expended funds from net assets with donor restrictions in the amount of \$600,638, for the following purposes:

CDC grants	\$ 285,870
Other grants	28,180
Total released from restriction	<u>\$ 314,050</u>

The YMCA transferred their portion of the endowment fund of \$540,083 to the Foundation in October 2022. This amount is included in amount release from restrictions.

(Continued)

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Net assets with donor restrictions consist of the following at December 31, 2022:

Purpose restricted:	
Endowment	\$ 733,869
Abbeville Building	3,095,000
Abbeville Suites	175,000
ARP Funds	<u>500,500</u>
Total net assets with donor restrictions	<u>\$ 4,604,369</u>

Advertising

The YMCA expenses advertising and marketing costs as they are incurred. Advertising costs for the year ended December 31, 2022 were \$4,307.

Contributions

In accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Income taxes

The YMCA is incorporated and exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the Code). The tax years ending 2020, 2019 and 2018 are still open to audit for both federal and state purposes. Contributions to the Association are tax deductible to donors under section 170 of the Code. The YMCA is not classified as a private foundation.

Donated services

A portion of the YMCA's services are conducted by volunteers. The value of these contributions is not included in these financial statements, since it is not susceptible to objective measurement.

(Continued)

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Property, plant and equipment

Property, plant and equipment are reflected at cost if purchased, and at fair market value as of the date of donation. All land, buildings and equipment are capitalized if the useful life when acquired is more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings and improvements	40 years
Land improvements	40 years
Equipment	5–10 years
Vehicles	5 years

Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the YMCA.

New Accounting Standards

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU 2018-10, Codification Improvements to Topic 842, Leases; ASU 2018-11, Leases (Topic 842): Targeted Improvements; ASU 2018-20, Narrow-scope Improvements for Lessors; and ASU 2019-01, Leases (Topic 842): Codification Improvements; ASU 2020-05, Leases (Topic 842): Lessors—Certain Leases with Variable Lease Payments; and ASU 2021-09, Leases (Topic 842): Discount Rate for Lessees That Are Not Public Business Entities. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the statement of financial position.

The Organization elected to adopt these ASUs effective January 1, 2022 and utilized all of the available practical expedients. The adoption had a material impact on the Organization's statement of financial position but did not have a material impact on the statement of activities. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases. The accounting for finance leases remained substantially unchanged.

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 – CONCENTRATION OF CREDIT RISK

The YMCA maintains its cash balances in one financial institution. Custodial credit risk is the risk that, in the event of a failure of a bank or counterparty, the YMCA will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. The YMCA does not have a policy for custodial credit risk. At December 31, 2022, the carrying amount of the YMCA's deposits was \$1,247,336 and the bank balance was \$1,258,024. The YMCA did not have any deposits uninsured or collateralized at December 31, 2022.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The YMCA reports certain assets and liabilities at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Organization's assessment of the quality, risk, or liquidity profile of the asset or liability.

(Continued)

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS, Continued

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified in the following, at December 31, 2022:

Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Investments Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
US Corporate stocks	\$ 733,869	\$ 733,869	\$ -	\$ -
	<u>\$ 733,869</u>	<u>\$ 733,869</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 5 – INVESTMENTS

Investments consist of various debt and equity securities and are carried at fair market value. Cost, market values and unrealized gains and losses are summarized as follows:

	Cost	Estimated Market Value	Unrealized Gain/(Loss)
Cornerstone Investments	873,041	733,869	(139,172)
	<u>\$ 873,041</u>	<u>\$ 733,869</u>	<u>\$ (139,172)</u>

Net realized and unrealized (losses) are computed as follows:

Unrealized loss on investments at December 31, 2022	\$ (139,172)
Realized gains during the year	<u>18,850</u>
Net realized and unrealized losses on investments	<u>\$ (120,322)</u>

Net investment income for year ended December 31, 2022 is summarized as follows:

	<u>With Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>Total</u>
Interest and dividends	\$ 12,018	\$ -	\$ 12,018
Realized gains/(losses)	18,850	-	18,850
Unrealized gains/(losses)	(139,172)	-	(139,172)
Investment expenses	-	(6,880)	(6,880)
Net Investment Income (loss)	<u>(108,304)</u>	<u>(6,880)</u>	<u>(115,184)</u>
Beginning balance	<u>841,232</u>	<u>7,821</u>	<u>849,053</u>
Ending balance	<u>\$ 732,928</u>	<u>\$ 941</u>	<u>\$ 733,869</u>

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment at December 31, 2022, consist of the following:

	<u>Greenwood</u>	<u>Laurens</u>	<u>Uptown</u>	<u>Abbeville</u>	<u>Total</u>
Capital assets not being depreciated:					
Land	\$ 542,801	\$ 221,703	\$ -	\$ -	\$ 764,504
Capital assets being depreciated:					
Buildings and improvements	5,193,982	3,827,658	400,640	3,583,006	13,005,286
Land improvements	403,596	268,884	-	-	672,480
Furniture and equipment	1,883,817	873,532	40,876	2,641	2,800,866
Vehicles	37,588	47,578	-	-	85,166
Total capital assets being depreciated	7,518,983	5,017,652	441,516	3,585,647	16,563,798
Accumulated depreciation	<u>(5,174,352)</u>	<u>(3,553,605)</u>	<u>(19,313)</u>	<u>(253,955)</u>	<u>(9,001,225)</u>
Total capital assets being depreciated	<u>2,344,631</u>	<u>1,464,047</u>	<u>422,203</u>	<u>3,331,692</u>	<u>7,562,573</u>
Capital assets, net	<u>\$ 2,887,432</u>	<u>\$ 1,685,750</u>	<u>\$ 422,203</u>	<u>\$ 3,331,692</u>	<u>\$ 8,327,077</u>

Land, buildings and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Depreciation expense for the year ended December 31, 2022 was \$750,314.

The YMCA received a building donation located in Abbeville County during the year ended December 31, 2019. The fair market value of the building was \$3,095,000. The YMCA is required to retain ownership of the building for 5 years. The YMCA received two additional donations of parcels at the same location in Abbeville County during the year ended December 31, 2022. The fair market value of the parcels was \$275,000. The YMCA is required to retain ownership of the property for 5 years.

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 – LONG TERM LIABILITIES PAYABLE

Notes Payable

Notes payable at December 31, 2022 consist of the following:

Note payable to a financial institution that accrues interest at 4.80 percent with a monthly principle and interest payment of \$5,454 through January 2027. The note is secured by the Laurens YMCA facility.

	\$ 250,711
	<u>302,583</u>
Less current portion	<u>(54,608)</u>
Long term portion	<u>\$ 196,103</u>

Scheduled maturities of the long-term portion of the notes payable at December 31, 2022 are as follows:

Year ending December 31:

2024	\$ 57,288
2025	60,099
2026	63,048
2027	<u>15,668</u>
	<u>\$ 196,103</u>

Interest expense for the year ended December 31, 2022 was \$13,580.

Capital Lease

The YMCA has entered into a lease agreement as lessee in order to finance acquisition of new workout equipment. The lease period for the agreement encompass 75 percent of the useful life of the asset and the phone system will revert over to the YMCA at the end of the lease period. As such, the Organization has classified the lease as a capital lease for accounting purposes. The lease carries a 0% implied and stated interest rate.

The following is an analysis of equipment leased under capital leases as of December 31, 2022:

Fitness equipment	\$ 244,317
Less: accumulated depreciation	<u>(75,802)</u>
Carrying value	<u>\$ 168,515</u>

(Continued)

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 – LONG TERM LIABILITIES PAYABLE, Continued

The future minimum lease payments as of December 31, 2022 were as follows:

2023	\$ 57,685
2024	55,535
2025	55,295
Total minimum lease payments	<u>\$ 168,515</u>

NOTE 8 – LIQUIDITY

The YMCA's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 1,247,336
Accounts receivable	49,930
Prepaid expenses	20,103
	<u>\$ 1,317,369</u>

NOTE 9 – LEASES

Operating Leases

During the year ended December 31, 2022, the YMCA leased space for a childcare facility at First Baptist Church. This lease is a month-to-month type operating lease and calls for monthly rental payments in the amount of \$907. Rent expense under this lease for the year was \$10,887.

NOTE 10 – RISK MANAGEMENT

The YMCA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Association carries commercial insurance.

The Association continues to carry commercial insurance for all other risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION OF SOUTH CAROLINA AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 11 –EMPLOYEE BENEFIT PLANS

The YMCA participates in a multiple-employer, defined contribution, money purchase, church pension plan under which contributions plus interest credits are accumulated in individual accounts to provide benefits to eligible employees after they retire or terminate employment. It covers all full-time, part-time, and seasonal employees who are at least 21 years of age or older and have completed at least 1,000 hours of service within any plan year. The plan year is July 1 to June 30. The two twelve month periods do not have to be consecutive. The 1,000 hours of service are not based on actual hours worked. The plan document outlines the number of hours credited for various hours worked by employees. Hours of service are maintained for employees not yet reaching the age of 21 and will be counted towards their years of service such as that they may be eligible the first day after the month (or the first day of the month if born on the first day of the month) they attain age 21. All amounts contributed are fully vested at the time of the contribution.

The YMCA has elected to implement the Participant non-contributory plan and makes all of the required contributions. The rate of contributions is stated as a percentage of compensation. The rate was eight percent for the year ended December 31, 2022. Participants may elect to contribute to the plan on an after-tax basis. After-tax contributions are maintained by the plan separately from the employer contributions. YMCA contributions to the plan for the year ended December 31, 2022 were \$70,603.

The YMCA offers health, dental, and group life insurance benefits to its full-time employees. They are eligible for coverage the first day of the month following their date of hire. The Association pays 99% of single coverage for eligible employees. Any coverage for other family members is the responsibility of the employee. Full-time employees are also eligible for group life benefits based on their salary level. Each employee receives life insurance coverage at two times their annual salary plus \$15,000 coverage through the health and dental provider.

NOTE 12 – RELATED PARTY TRANSACTIONS

The YMCA is affiliated with the YMCA of the USA and is required to pay dues equal to two percent of net income on an annual basis. During the year ended December 31, 2022, the YMCA paid \$44,626 in dues. These dues were based on net revenue from the year ended December 31, 2021.

NOTE 13 – COMMITMENTS

The YMCA is required to submit dues of two percent of net revenue for the year ended December 31, 2022 to the YMCA of the USA in the year ending December 31, 2023.

NOTE 14 – SUBSEQUENT EVENTS

Subsequent events were evaluated through March 6, 2023, which is the date the financial statements were available to be issued.

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

	LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION	LAKELANDS REGION YMCA OF SOUTH CAROLINA FOUNDATION	CONSOLIDATED TOTAL
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 1,247,336	\$ -	\$ 1,247,336
Accounts receivable	49,930	-	49,930
Prepaid expenses	20,103	-	20,103
Total current assets	<u>1,317,369</u>	<u>-</u>	<u>1,317,369</u>
PROPERTY, PLANT AND EQUIPMENT, net	<u>8,327,077</u>	<u>-</u>	<u>8,327,077</u>
OTHER ASSETS			
Investments	<u>-</u>	<u>733,869</u>	<u>733,869</u>
Total assets	<u>\$ 9,644,446</u>	<u>\$ 733,869</u>	<u>\$ 10,378,315</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable and other accrued liabilities	\$ 46,524	\$ -	\$ 46,524
Payroll liabilities	71,888	-	71,888
Due to members	6,411	-	6,411
Deferred revenue	15,406	-	15,406
Current portion of note payable	54,608	-	54,608
Current portion of lease payable	57,685	-	57,685
Total current liabilities	<u>252,522</u>	<u>-</u>	<u>252,522</u>
LONG-TERM LIABILITIES, less current portion			
Note payable	196,103	-	196,103
Capital lease	110,830	-	110,830
Total noncurrent liabilities	<u>306,933</u>	<u>-</u>	<u>306,933</u>
NET ASSETS			
Without donor restrictions	5,214,491	-	5,214,491
With donor restrictions	3,870,500	733,869	4,604,369
Total net assets	<u>9,084,991</u>	<u>733,869</u>	<u>9,818,860</u>
Total liabilities and net assets	<u>\$ 9,644,446</u>	<u>\$ 733,869</u>	<u>\$ 10,378,315</u>

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION	LAKELANDS REGION YMCA OF SOUTH CAROLINA FOUNDATION	CONSOLIDATED TOTAL
OPERATING ACTIVITIES			
Membership and program revenues			
Memberships	\$ 1,624,850	\$ -	\$ 1,624,850
Programs	1,560,759	-	1,560,759
Total memberships and programs	<u>3,185,609</u>	<u>-</u>	<u>3,185,609</u>
Other revenues			
Contributions	555,002	-	555,002
United Way	17,489	-	17,489
Special events	38,485	-	38,485
Facility rental	63,090	-	63,090
Grants	355,080	-	355,080
ARP Funds	500,500	-	500,500
In-kind	62,200	-	62,200
Other	5,908	-	5,908
Total other revenues	<u>1,597,754</u>	<u>-</u>	<u>1,597,754</u>
Total revenue and other support	<u>4,783,363</u>	<u>-</u>	<u>4,783,363</u>
EXPENSES			
Program services	3,431,023	-	3,431,023
Management and general	651,757	-	651,757
Fundraising	25,033	-	25,033
Total expenses	<u>4,107,813</u>	<u>-</u>	<u>4,107,813</u>
Changes in net assets from operating activities	<u>675,550</u>	<u>-</u>	<u>675,550</u>
NONOPERATING ACTIVITIES			
Interest and dividends	9,068	2,950	12,018
Investment expense	(3,914)	(2,966)	(6,880)
Gain on sale of assets	-	18,850	18,850
Realized and unrealized gains on investments	(97,049)	(42,123)	(139,172)
Interest expense	(13,580)	-	(13,580)
Changes in net assets from nonoperating activities	<u>(105,475)</u>	<u>(23,289)</u>	<u>(128,764)</u>
Changes in net assets before transfers	570,075	(23,289)	546,786
Transfers in/(out)	<u>(540,083)</u>	<u>540,083</u>	<u>-</u>
Changes in net assets	29,992	516,794	546,786
NET ASSETS			
Beginning of year	9,054,999	217,075	9,272,074
End of year	<u>\$ 9,084,991</u>	<u>\$ 733,869</u>	<u>\$ 9,818,860</u>

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
STATEMENT OF FINANCIAL POSITION - BY LOCATION
DECEMBER 31, 2022

	<u>GREENWOOD</u>	<u>LAURENS</u>	<u>ABBEVILLE</u>	<u>UPTOWN</u>	<u>TOTAL</u>
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 1,146,766	\$ 76,446	\$ 23,924	\$ 200	\$ 1,247,336
Accounts receivable	38,638	11,292	-	-	49,930
Prepaid expenses	11,057	9,046	-	-	20,103
Due to/ due from	(799,271)	933,251	151,549	(285,529)	-
Total current assets	<u>397,190</u>	<u>1,030,035</u>	<u>175,473</u>	<u>(285,329)</u>	<u>1,317,369</u>
PROPERTY, PLANT AND EQUIPMENT, net	<u>2,887,432</u>	<u>1,685,750</u>	<u>3,331,692</u>	<u>422,203</u>	<u>8,327,077</u>
Total assets	<u>\$ 3,284,622</u>	<u>\$ 2,715,785</u>	<u>\$ 3,507,165</u>	<u>\$ 136,874</u>	<u>\$ 9,644,446</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and other accrued liabilities	\$ 45,168	\$ 1,356	\$ -	\$ -	\$ 46,524
Payroll liabilities	39,554	32,334	-	-	71,888
Due to members	6,411	-	-	-	6,411
Deferred revenue	13,745	1,661	-	-	15,406
Current portion of note payable	-	54,608	-	-	54,608
Current portion of lease payable	15,532	34,387	-	7,766	57,685
Total current liabilities	<u>120,410</u>	<u>124,346</u>	<u>-</u>	<u>7,766</u>	<u>252,522</u>
LONG-TERM LIABILITIES, less current portion					
Note payable	-	196,103	-	-	196,103
Capital lease	30,998	64,333	-	15,499	110,830
Total noncurrent liabilities	<u>30,998</u>	<u>260,436</u>	<u>-</u>	<u>15,499</u>	<u>306,933</u>
NET ASSETS					
Without donor restrictions	3,142,722	1,822,176	137,165	112,428	5,214,491
With donor restrictions	-	500,500	3,370,000	-	3,870,500
Total net assets	<u>3,142,722</u>	<u>2,322,676</u>	<u>3,507,165</u>	<u>112,428</u>	<u>9,084,991</u>
Total liabilities and net assets	<u>\$ 3,294,130</u>	<u>\$ 2,707,458</u>	<u>\$ 3,507,165</u>	<u>\$ 135,693</u>	<u>\$ 9,644,446</u>

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
STATEMENT OF ACTIVITIES - BY LOCATION
YEAR ENDED DECEMBER 31, 2022

	<u>GREENWOOD</u>	<u>LAURENS</u>	<u>ABBEVILLE</u>	<u>UPTOWN</u>	<u>Total</u>
OPERATING ACTIVITIES					
Membership and program revenues					
Memberships	\$ 1,116,674	\$ 483,255	\$ 23,272	\$ 1,649	\$ 1,624,850
Programs	721,208	724,901	114,455	195	1,560,759
Total memberships and programs	<u>1,837,882</u>	<u>1,208,156</u>	<u>137,727</u>	<u>1,844</u>	<u>3,185,609</u>
Other revenues					
Contributions	125,845	94,157	275,000	60,000	555,002
United Way	16,739	750	-	-	17,489
Special events	1,830	36,655	-	-	38,485
Facility rental	10,080	27,410	25,600	-	63,090
Grants	69,180	285,900	-	-	355,080
ARP Funds	-	500,500	-	-	500,500
In-kind	14,037	15,549	32,030	584	62,200
Other	2,000	3,908	-	-	5,908
Total other revenues	<u>239,711</u>	<u>964,829</u>	<u>332,630</u>	<u>60,584</u>	<u>1,597,754</u>
Total revenue and other support	<u>2,077,593</u>	<u>2,172,985</u>	<u>470,357</u>	<u>62,428</u>	<u>4,783,363</u>
EXPENSES					
Program services	2,154,177	1,177,254	99,592	-	3,431,023
Management and general	430,143	215,363	6,251	-	651,757
Fundraising	23,946	1,087	-	-	25,033
Total expenses	<u>2,608,266</u>	<u>1,393,704</u>	<u>105,843</u>	<u>-</u>	<u>4,107,813</u>
Changes in net assets from operating activities	<u>(530,673)</u>	<u>779,281</u>	<u>364,514</u>	<u>62,428</u>	<u>675,550</u>
NONOPERATING ACTIVITIES					
Interest and dividends	9,068	-	-	-	9,068
Investment expense	-	(3,914)	-	-	(3,914)
Gain on sale of assets	-	-	-	-	-
Realized and unrealized gains on investments	-	(97,049)	-	-	(97,049)
Interest expense	-	(13,580)	-	-	(13,580)
Changes in net assets from nonoperating activities	<u>9,068</u>	<u>(114,543)</u>	<u>-</u>	<u>-</u>	<u>(105,475)</u>
Changes in net assets before transfers	<u>(521,605)</u>	<u>664,738</u>	<u>364,514</u>	<u>62,428</u>	<u>570,075</u>
Transfers in/(out) to Foundation	<u>-</u>	<u>(540,083)</u>	<u>-</u>	<u>-</u>	<u>(540,083)</u>
Changes in net assets	<u>(521,605)</u>	<u>124,655</u>	<u>364,514</u>	<u>62,428</u>	<u>29,992</u>
Beginning of year	<u>3,664,327</u>	<u>2,198,021</u>	<u>3,142,651</u>	<u>50,000</u>	<u>9,054,999</u>
End of year	<u>\$ 3,142,722</u>	<u>\$ 2,322,676</u>	<u>\$ 3,507,165</u>	<u>\$ 112,428</u>	<u>\$ 9,084,991</u>

LAKELANDS REGION YOUNG MEN'S CHRISTIAN ASSOCIATION
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	GREENWOOD	LAURENS	ABBEVILLE	UPTOWN	TOTAL
Salaries and wages	\$ 1,039,320	\$ 820,773	\$ 110,915	\$ 18,805	\$ 1,989,813
Payroll taxes	79,308	59,533	8,369	1,439	148,649
Employee benefits	65,447	88,026	2,856	-	156,329
Advertising	1,969	2,338	-	-	4,307
Bank service charges	43,280	7,866	-	-	51,146
Depreciation and amortization	347,178	286,803	98,812	17,521	750,314
Dues and subscriptions	5,134	5,719	-	9,160	20,013
Insurance	59,183	35,590	8,792	8,549	112,114
Equipment leases	37,153	3,817	-	-	40,970
Office supplies	9,328	1,758	2,117	6,663	19,866
Miscellaneous	1,039	1,083	-	-	2,122
Postage	575	457	-	-	1,032
Professional fees	24,876	14,933	1,876	500	42,185
Rent	-	10,887	-	-	10,887
Repairs and maintenance	76,411	74,876	2,964	18,746	172,997
Software and support	10,453	6,701	-	-	17,154
Supplies and materials	121,557	76,731	7,693	2,622	208,603
Training	6,094	3,143	160	-	9,397
Travel and transportation	14,858	8,086	-	-	22,944
Telephone	14,655	12,845	-	-	27,500
Utilities	128,064	91,779	21,922	4,187	245,952
Van operations	8,893	-	-	-	8,893
Y USA fees	27,734	16,892	-	-	44,626
Total expenses	\$ 2,122,509	\$ 1,630,636	\$ 266,476	\$ 88,192	\$ 4,107,813



CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

March 6, 2023

To the Board of Directors
Lakelands Region Young Men's Christian
Association of South Carolina

We have audited the consolidated financial statements of the Lakelands Region Young Men's Christian Association of South Carolina (the "Association") as of and for the year ended December 31, 2022, and have issued our report thereon dated March 6, 2023. 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.

Report on Internal Control over Financial Reporting

In planning and performing our audit, we considered the Association's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

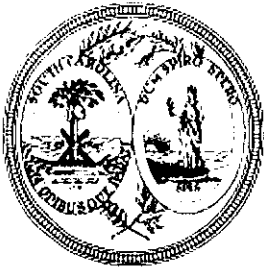
Love Bailey & Associates, LLC

Love Bailey & Associates
Laurens, South Carolina
March 6, 2023

ORGANIZATION BUDGET

LAKELANDS YMCA	
2023 LAKELAND YMCA BUDGET	
January - December 2023	
	Total
Income	
0100 Contribution	421,268.69
0300 Special Events	36,119.01
0400 Facility Rental	95,785.00
0800 United Way Contribution	19,517.20
1100 Membership	1,687,703.86
1300 Program Income	1,574,169.25
Total Income	\$ 3,834,563.01
Gross Profit	\$ 3,834,563.01
Expenses	
2100 Salaries	2,127,976.52
2200 Employee Benefits	150,827.12
2300 Payroll Related	182,096.73
2400 Legal & Professional Fees	14,925.00
2500 Supplies & Materials	213,627.97
2800 Utilities & Maintenance	540,075.31
3100 Advertising	2,280.51
3200 Travel & Transportation	22,864.85
3300 Meetings & Training	12,545.10
3500 Dues	77,278.58
3700 Finance costs	138,574.17
3800 Insurance Premiums	131,417.50
5300 Leases	96,465.72
5555101 Charitable Contributions - G	1,050.00
Total Expenses	\$ 3,712,005.08
Net Operating Income	\$ 122,557.93
Other Expenses	
4000 Depreciation	528,409.20
Total Other Expenses	\$ 528,409.20
Net Other Income	-\$ 528,409.20
Net Income	-\$ 405,851.27

Depreciation funded: 23%



State of South Carolina
Office of the Secretary of State
The Honorable Mark Hammond

5/2/2023

Lakelands Region Young Men's Christian Association of South Carolina
Brian Harlan
1760 CALHOUN RD
GREENWOOD, SC29649-8909

RE: Registration Confirmation

Charity Public ID: P2231

Dear Brian Harlan :

This letter confirms that the Secretary of State's Office has received and accepted your Registration, therefore, your charitable organization is in compliance with the registration requirement of the "South Carolina Solicitation of Charitable Funds Act." The registration of your charitable organization will expire on 5/15/2024.

If any of the information on your Registration form changes throughout the course of the year, please contact our office to make updates. It is important that this information remain updated so that our office can keep you informed of any changes that may affect your charitable organization.

If you have not yet filed your annual financial report or an extension for the annual financial report, the annual financial report is still due 4½ months after the close of your fiscal year.

- Annual financial reports must either be submitted on the Internal Revenue Service Form 990 or 990-EZ or the Secretary of State's Annual Financial Report Form.
- If you wish to extend the filing of that form with us, please submit a written request by email or fax to our office using the contact information below. Failure to submit the annual financial report may result in an administrative fine of up to \$2,000.00.

If you have any questions or concerns, please visit our website at www.sos.sc.gov or contact our office using the contact information below.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Wickersham", followed by a horizontal line.

Kimberly S. Wickersham
Director, Division of Public Charities