FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

TAMPA METROPOLITAN AREA YOUNG
MEN'S CHRISTIAN ASSOCIATION, INC.

September 30, 2016

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RG&Co

RIVERO, GORDIMER & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Governance Board
Tampa Metropolitan Area Young Men's Christian Association, Inc.

We have audited the accompanying financial statements of Tampa Metropolitan Area Young Men's Christian Association, Inc. (the "Association") (a nonprofit organization), which comprise the statement of financial position as of September 30, 2016, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the nine months then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

ONE TAMPA CITY CENTER • SUITE 2600 • 201 N. FRANKLIN STREET • P. O. BOX 172359 • TAMPA, FLORIDA 33672 • 813- 875-7774 FAX 813-874-6785

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of September 30, 2016, and the changes in its net assets and its cash flows for the nine months then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Tampa Metropolitan Area Young Men's Christian Association, Inc.'s 2015 financial statements, and our report dated April 22, 2016, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* is 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 January 27, 2017, on our consideration of the Association's internal control over financial reporting and on our test 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.

Rivero, Gordimer & Company, P.A.

Tampa, Florida
January 27, 2017

Tampa Metropolitan Area Young Men's Christian Association, Inc.

STATEMENT OF FINANCIAL POSITION

September 30, 2016
(With comparative total for the year ended December 31, 2015)

	2016	2015
ASSETS		
Cash and cash equivalents (note A10)	$ 4,708,403	$ 4,008,120
Investments (notes A3, B and C)	8,091,186	7,924,977
Grants receivable (note A4)	449,519	309,372
Contributions receivable, net (notes A5 and D)	3,916,968	4,916,505
Other receivables	146,603	104,774
Prepaid expenses and other assets	591,589	797,350
Land, buildings and equipment (notes A6, A7 and E)	40,290,066	41,618,265
TOTAL ASSETS	$ 58,194,334	$ 59,679,363
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	$ 2,391,131	$ 1,455,107
Unearned membership dues	150,934	220,648
Unearned revenue (note A12)	284,847	304,291
Promissory note (note G)	15,962,500	16,400,000
Note payable (note H)	418,927	-
Capital lease obligations (note J)	680,204	1,078,737
Total liabilities	19,888,543	19,458,783
Net assets		
Unrestricted net assets		
Operating	8,565,106	9,502,351
Property and equipment	23,228,435	24,139,528
Total unrestricted net assets	31,793,541	33,641,879
Temporarily restricted net assets (note K)	6,295,797	6,362,248
Permanently restricted net assets	216,453	216,453
Total net assets	38,305,791	40,220,580
TOTAL LIABILITIES AND NET ASSETS	$ 58,194,334	$ 59,679,363

The accompanying notes are an integral part of this statement.

Tampa Metropolitan Area Young Men's Christian Association, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the nine months ended September 30, 2016
(With comparative total for the year ended December 31, 2015)

	Unrestricted	Temporarily Restricted	Permanently Restricted	September 30, 2016 Total	December 31, 2015 Total
Public support and revenue					
Public support					
Contributions	$ 1,241,394	$ 790,292	$ -	$ 2,031,686	$ 7,709,133
Grant revenue	1,380,205	89,211	-	1,469,416	1,785,919
Special events	70,586	-	-	70,586	210,776
United Way allocations	144,864	10,897	-	155,761	245,767
Total public support	2,837,049	890,400	-	3,727,449	9,951,595
Other revenue					
Program service fees	8,298,633	-	-	8,298,633	10,523,038
Membership dues	12,171,911	-	-	12,171,911	15,980,399
Investment income (loss) (note B)	485,963	7,014	-	492,977	(415,526)
Sales to members	431,604	-	-	431,604	599,984
Miscellaneous revenue	88,120	-	-	88,120	147,391
Total other revenue	21,476,231	7,014	-	21,483,245	26,835,286
Net assets released from restrictions	963,865	(963,865)	-	-	-
Total public support and revenue	25,277,145	(66,451)	-	25,210,694	36,786,881

	Unrestricted	Temporarily Restricted	Permanently Restricted	September 30, 2016 Total	December 31, 2015 Total
Expenses					
Program services					
Adult wellness	5,688,653	-	-	5,688,653	7,481,416
Childcare and family	14,040,096	-	-	14,040,096	17,746,421
Comprehensive youth development	3,392,218	-	-	3,392,218	4,559,964
Total program services	23,120,967	-	-	23,120,967	29,787,801
Supporting services					
Management and general	3,570,729	-	-	3,570,729	3,979,962
Fundraising	433,787	-	-	433,787	480,766
Total supporting services	4,004,516	-	-	4,004,516	4,460,728
Total expenses	27,125,483	-	-	27,125,483	34,248,529
Change in net assets	(1,848,338)	(66,451)	-	(1,914,789)	2,538,352
Net assets at beginning of period	33,641,879	6,362,248	216,453	40,220,580	37,682,228
Net assets at end of period	$ 31,793,541	$ 6,295,797	$ 216,453	$ 38,305,791	$ 40,220,580

The accompanying notes are an integral part of this statement.

Tampa Metropolitan Area Young Men's Christian Association, Inc.

STATEMENT OF CASH FLOWS

For the nine months ended September 30, 2016
(With comparative total for the year ended December 31, 2015)

	2016	2015
Cash flows from operating activities		
Change in net assets	$ (1,914,789)	$ 2,538,352
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	3,315,073	3,969,461
(Gain) loss on disposal of equipment	(1,375)	33,200
Realized and unrealized gains (losses) on investments	492,977	(415,526)
Contributions restricted for investment in long-term assets	(790,292)	(5,124,726)
Changes in operating assets and liabilities		
Receivables	(42,836)	458,050
Prepaid expenses and other assets	205,761	106,666
Accounts payable and accrued expenses	936,024	(463,932)
Unearned membership dues	(69,714)	(72,296)
Unearned revenue	(19,444)	(151,060)
Total adjustments	4,026,174	(1,660,163)
Net cash provided by operating activities	2,111,385	878,189
Cash flows from investing activities		
Purchases of equipment and capital improvements	(1,985,499)	(6,512,311)
(Purchase) sale of investments, net	(659,186)	736,309
Net cash used by investing activities	(2,644,685)	(5,776,002)
Cash flows from financing activities		
Collection of contributions restricted for investment in long-term assets	1,650,689	1,659,889
Payments on promissory note	(437,500)	-
Proceeds for note payable	418,927	-
Payments on capital lease obligations	(398,533)	(520,719)
Net cash provided by financing activities	1,233,583	1,139,170
Net increase (decrease) in cash and cash equivalents	700,283	(3,758,643)
Cash and cash equivalents at beginning of period	4,008,120	7,766,763
Cash and cash equivalents at end of period	$ 4,708,403	$ 4,008,120
Supplemental disclosures of cash flow information		
Cash paid during the period		
Interest	$ 329,063	$ 440,969
Taxes	$ -	$ -
Non-cash investing and financing activities		
Equipment obtained under capital lease obligations	$ -	$ 590,249

The accompanying notes are an integral part of this statement.

Tampa Metropolitan Area Young Men's Christian Association, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the nine months ended September 30, 2016
(With comparative total for the year ended December 31, 2015)

	Program Services				Supporting Services			Total	
	Adult Wellness	Childcare and Family	Comprehensive Youth Development	Total Program	Management and General	Fund Raising	Total Support	Nine Months Ended September 30, 2016	Total Year Ended December 31, 2015
Salaries	$3,020,054	$5,699,373	$1,629,034	$ 10,348,461	$ 1,856,498	$ 295,589	$ 2,152,087	$ 12,500,548	$ 15,964,182
Employee benefits	189,663	412,390	140,426	742,479	213,801	34,685	248,486	990,965	1,402,575
Payroll taxes	322,296	606,622	172,357	1,101,275	29,621	31,244	60,865	1,162,140	1,467,710
Total salaries and related expenses	3,532,013	6,718,385	1,941,817	12,192,215	2,099,920	361,518	2,461,438	14,653,653	18,834,467
Contract services	24,894	899,948	647,354	1,572,196	427,232	9,396	436,628	2,008,824	2,468,413
Supplies	166,626	638,829	401,180	1,206,635	58,289	12,182	70,471	1,277,106	1,543,731
Telephone	46,490	126,880	8,256	181,626	71,370	597	71,967	253,593	308,950
Postage and shipping	1,949	32,603	735	35,287	37,009	1,040	38,049	73,336	113,082
Occupancy	709,903	2,195,489	118,269	3,023,661	40,602	350	40,952	3,064,613	4,009,344
Maintenance	113,977	120,480	38,534	272,991	39,368	831	40,199	313,190	443,615
Printing	6,519	32,353	7,303	46,175	479,629	18,453	498,082	544,257	434,724
Travel	5,941	191,095	62,007	259,043	41,331	7,883	49,214	308,257	401,837
Conference and meetings	89,517	71,093	46,254	206,864	143,570	11,898	155,468	362,332	448,316
National support and other dues	406	292,587	1,718	294,711	29,589	1,550	31,139	325,850	395,130
Awards and grants	-	23,000	-	23,000	6,500	-	6,500	29,500	52,939
Insurance	-	66,092	1,130	67,222	27,236	-	27,236	94,458	126,216
Miscellaneous	3,592	82,057	9,556	95,205	69,084	8,089	77,173	172,378	257,335
Subtotal	4,701,827	11,490,891	3,284,113	19,476,831	3,570,729	433,787	4,004,516	23,481,347	29,838,099
Depreciation and amortization	897,716	2,319,014	98,343	3,315,073	-	-	-	3,315,073	3,969,461
Interest and financing	89,110	230,191	9,762	329,063	-	-	-	329,063	440,969
Subtotal	986,826	2,549,205	108,105	3,644,136	-	-	-	3,644,136	4,410,430
Total expenses	$ 5,688,653	$ 14,040,096	$3,392,218	$ 23,120,967	$ 3,570,729	$ 433,787	$ 4,004,516	$ 27,125,483	$ 34,248,529

The accompanying notes are an integral part of this statement.

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A brief description of the organization and a summary of its significant accounting policies consistently applied in the preparation of the accompanying financial statements follow:

1. Organization

The Tampa Metropolitan Area Young Men's Christian Association, Inc.'s (the "Association"), mission: To put Judeo-Christian principles into practice through programs that build healthy spirit, mind and body for all.

The accompanying financial statements include the Association's administrative office and the accounts of the Association's programs maintained in its following branches:

Bob Gilbertson Central City Family Branch
Bob Sierra Family Branch
Bob Sierra Youth & Family Center
Camp Cristina Branch
Campo Family Branch
Sulphur Springs
Downtown Branch (two sites)
Dade City Family Branch
East Pasco Branch
South Tampa Family Branch
North Brandon Family Branch
New Tampa Family Branch
Northwest Hillsborough Family Branch
Plant City Family Branch
The Family Y at Big Bend Road
The First Tee of Tampa Bay (two sites)
YMCA Childcare Services Branch
YMCA Express at West Park Village
Early Headstart

2. Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Association, the accounts of the Association are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes.

The Association follows the provisions of FASB Accounting Standards Codification Topic 958 "Not-for-Profit Entities" ("ASC 958"). This requires the Association to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets and unrestricted net assets. It also requires recognition of contributed services meeting certain criteria at fair value.

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Association utilizes restricted and unrestricted groupings to account for its resources. Contributions, grants receivable and pledges receivable are presented in these groupings as applicable, in the accompanying financial statements. ASC 958 requires a statement of financial position, a statement of activities and a statement of cash flows for not-for-profit organizations.

The assets, liabilities and net assets of the Association are reported in self-balancing fund groups as follows:

- Unrestricted - Accounts for all resources over which the Governance Board has discretionary control in carrying on the Association's operations.

- Temporarily Restricted - Accounts for all pledges and contributions restricted to specific Association projects most of which consist of specific programs or capital projects at the branches. Contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions. All contributions are available for unrestricted use unless specifically restricted by the donor.

- Permanently Restricted - Accounts for all pledges and contributions restricted into perpetuity. During 2008, the Association received a $100,000 donation to establish a permanent endowment fund. During 2015, an additional $116,453 was received. Terms of the donation require the funds to be segregated from the Association's operating fund. Earnings will be released to the Association for general operations.

3. Investments

Investments consist of mutual funds and money market funds and are presented at fair value.

4. Grants Receivable and Revenue

Grants receivable relate to support received from federal, state, and local grants. None of the amounts receivable at September 30, 2016 are deemed to be uncollectible. Therefore, no provision for uncollectible accounts has been made in the accompanying financial statements.

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue from federal, state, and local grants is recorded based upon terms of the grantor allotment which generally provide that revenue is earned when the allowable costs of the specific grant provisions have been incurred. Revenue is subject to audit by the grantor and, if the examination results in a disallowance of any expenditure, repayment could be required. Management does not believe that any disallowance that may occur as a result of these audits would have a material impact on the financial statements. The Schedule of Expenditures of Federal Awards provides information by federal grant for the nine months ended September 30, 2016.

5. Contributions Receivable

Contributions receivable represent unconditional promises to give by donors and are reflected in the financial statements at their net realizable value. The allowance is based on prior years' experience and management's analysis of specific promises made.

6. Land, Buildings and Equipment

Land, buildings and equipment are recorded at either cost or fair value at the date of receipt of donation. The Association follows the practice of capitalizing, at costs, all expenditures for property and equipment in excess of $2,000 and a useful life of three years. The Association's policy is to test land, building and equipment for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. There were no events or changes in circumstances indicating that the carrying amounts may not be recoverable at September 30, 2016.

7. Depreciation and Amortization

Depreciation and amortization are recorded based on the cost of the underlying assets over the estimated useful lives, principally on a straight-line basis. Furniture and equipment are depreciated over their estimated useful lives (primarily three to seven years). Buildings and leasehold improvements are depreciated or amortized over their estimated useful lives (primarily fifteen to thirty years).

8. Donated Services

No amounts have been recorded for donated services, since no objective basis is available to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time in the Association's program services and its fund-raising campaign.

9. Gift In-Kind

The Association is the recipient of materials and rental facilities of approximately $8,000 for the nine months ended September 30, 2016, which have been recorded in the accompanying statement of functional expenses as supplies and occupancy expenses, as well as in the accompanying statement of activities as contributions.

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

10. Cash Equivalents

Cash equivalents consist of highly liquid short-term money market instruments or certificates of deposit with an original maturity of three months or less.

11. Unearned Membership Dues

The Association's members pay membership fees in advance for annual, semi-annual, or quarterly membership. Certain prepaid memberships were received but not earned as of September 30, 2016. Included in the accompanying financial statements are $150,934 of unearned membership fees at September 30, 2016.

12. Unearned Revenue

Unearned revenue includes income received in advance of $190,000 in 2013 for a 50 year cell tower lease on the property of one of the Association's branches. Approximately $182,000 has not been earned as of September 30, 2016.

13. Functional Allocation of Expenses

The costs of providing the Association's various programs and other activities have been summarized on a functional basis in the accompanying statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited as shown in the statement of functional expenses.

14. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. The most sensitive estimates affecting the financial statements are the collectability of pledges and the useful lives of capital assets. Actual results could differ from these estimates.

15. Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total, but not by asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles accepted in the United States of America. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended December 31, 2015, from which the summarized information was derived.

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

16. Income Taxes

The Association is a non-profit agency under the laws of the State of Florida and is exempt from federal taxes under Section 501(c)(3) of the Internal Revenue Code.

The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Association believes that it has no liability for taxes with respect to business income. However, such status is subject to final determination upon examination of the related income tax returns by the appropriate taxing authorities.

The Association follows Accounting Standards Codification Topic 740, "Income Taxes" ("ASC 740"), A component of this standard prescribes a recognition and measurement threshold of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Association's policy is to recognize interest and penalties associated with tax positions under this standard as a component of tax expense, and none was recognized since there was no material impact of the application of this standard for the nine months ended September 30, 2016. The Association's information returns are open to IRS examination for the 2013 tax year and all subsequent periods.

17. Special Events

The Association conducts special events for the purpose of raising money for annual operations. The Association had special events revenue of approximately $152,000 and related expenses of approximately $81,400 during the nine months ended September 30, 2016.

NOTE B - INVESTMENTS

Investments include the following as of September 30, 2016:

	Cost	Market
Managed portfolio of mutual funds	$ 7,365,794	$ 7,932,254
Money market funds	158,932	158,932
Total investments	$ 7,524,726	$ 8,091,186

NOTE B - INVESTMENTS - Continued

Investment income for the nine months ended September 30, 2016 is summarized as follows:

Interest and dividends	$	65,701
Investment fees paid		(20,353)
Realized and unrealized losses		447,629
Total investment income	$	492,977

NOTE C - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Association has adopted the FASB Accounting Standards Codification Topic. 820, "Fair and Value Measurements" ("ACS 820") which establishes a framework for using fair value to measure assets and liabilities and defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) as opposed to the price that would be paid to acquire the asset or received to assume the liability (an entry price).

Under ACS 820, a fair value measure should reflect the assumptions that market participants would use in pricing the asset or liability, including the assumptions about the risk inherent in a particular valuation technique, the effect of a restriction on the sale or use of an asset and the risk of nonperformance. ACS 820 requires disclosures that stratify statement of financial position amounts measured at fair value based on inputs the Association used to derive fair value measurements.

These strata include:

- Level 1 valuations, where the valuation is based on quoted market prices for identical assets or liabilities traded in active markets (which include exchanges and over-the counter markets with sufficient volume),

- Level 2 valuations, where the valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market, and

- Level 3 valuations, where the valuation is generated from model-based techniques that use significant assumptions not observable in the market, but observable based on Association-specific data.

NOTE C - FAIR VALUE OF FINANCIAL INSTRUMENTS - Continued

The following table presents financial assets and liabilities measured at fair value on a recurring basis as of:

September 30, 2016	Level 1	Level 2	Level 3	Fair Value
Assets				
Mutual funds				
International	$ 2,107,347	$ -	$ -	$ 2,107,347
Balanced	840,540	-	-	840,540
Domestic - stock	2,347,603	-	-	2,347,603
Domestic - equity	813,952	-	-	813,952
Taxable bond	1,637,754	-	-	1,637,754
Nontraditional bond	185,058	-	-	185,058
Money market funds	158,932	-	-	158,932
	$ 8,091,186	$ -	$ -	$ 8,091,186

NOTE D - CONTRIBUTIONS RECEIVABLE

Contributions receivable, net represent unconditional promises to give by donors from various fundraising campaigns by the Association. During 2016, the Association maintained several capital campaigns for the purpose of raising contributions for investments in long-term assets. Contributions receivable, less discount and allowances, at September 30, 2016 are summarized as follows:

	Annual Campaign	Capital Campaigns	Total
Total contributions receivable	$ 768,574	$ 3,838,031	$ 4,606,605
Less allowance for uncollectible amounts	(401,114)	(68,278)	(469,392)
Less discount for present value (3.5%)	-	(220,245)	(220,245)
Net contributions receivable	$ 367,460	$ 3,549,508	$ 3,916,968

Anticipated collection periods of contributions receivable at September 30, 2016 are summarized as follows:

Due within one year	$ 1,724,253
Due within two to five years	2,192,715
	$ 3,916,968

NOTE E - LAND, BUILDINGS AND EQUIPMENT

A summary of land, buildings and equipment at September 30, 2016 is as follows:

Land	$ 7,489,267
Buildings and improvements	63,388,190
Furniture and equipment	12,629,449
Capital leased equipment	1,468,750
Construction in progress	70,256
	85,045,912
Less accumulated depreciation	(44,755,846)
Total land, building and equipment	$ 40,290,066

NOTE F - COMMITMENTS

1. Pension Plans

Substantially all full time Association employees are participants in a retirement plan administered by the Young Men's Christian Association Retirement Fund (the Plan). The Plan is a defined contribution plan and requires a contribution of 12% of participants' salaries. To be eligible to be enrolled in the Plan, participants must have completed 1,000 hours of service during each of any two 12-month periods, beginning with date of hire. These two years do not have to be consecutive. Participants must be at least 21 years of age. Once participants are eligible, they will be enrolled in the plan and immediately vested. Total expense was approximately $647,000 for the nine months ended September 30, 2016.

2. Operating Leases

A portion of the Association's operations are conducted in facilities under leases classified as operating leases. In addition, certain equipment is also leased under operating leases. The following is a schedule by years of minimum rental payments for such operating leases expiring at various dates through 2022:

Year ending September 30,	
2017	$ 207,385
2018	170,149
2019	60,040
2020	40,879
2021	40,879
Thereafter	40,879
Total minimum payments required	$ 560,211

Rent expense for the nine months ended September 30, 2016 was approximately $354,000.

NOTE F - COMMITMENTS - Continued

3. Letter of Credit

In June 2016, the Association renewed a $125,000 standby letter of credit from Regions Bank in favor of the Association's insurance carrier. There were no drawings for the years ended September 30, 2016.

4. National Support

The Association is a member of the YMCA of the USA. The Association pays approximately 1% of earned revenue subject to financial support and not to exceed a maximum threshold established by the YMCA of the USA for national support. The national support expense was approximately $326,000 for the nine months ended September 30, 2016. The amount is included in national support on the statement of functional expenses.

NOTE G - PROMISSORY NOTE

The Association was obligated under a promissory note in the amount of $23,400,000 in favor of the Hillsborough County Industrial Development Authority (the "Authority") in conjunction with the Authority's issuance of $23,400,000 in Hillsborough County Industrial Development Authority Variable Rate Demand Revenue Bonds (Tampa Metropolitan Area Young Men's Christian Association, Inc. Project) Series 2000 (the "Bonds") issued on June 28, 2000, to finance the cost of acquisition, construction, renovation, and equipping of certain YMCA facilities to be located in Hillsborough County, Florida.

The bond proceeds were loaned to the Association under a loan agreement between the Authority and the Association. The Authority, through a trust indenture between the Authority and the Bank of New York (the "Trustee"), assigned its rights under the loan agreement and the promissory note to the Trustee as security for the bonds, which was secured by a letter of credit in an amount sufficient to pay the outstanding principal and interest on, or purchase price of the bonds, not to exceed $23,736,575.

On May 15, 2013, the Association entered into a Revenue Refunding Bond ("Financing Agreement") with the Authority and Regions Capital Advantage, Inc. ("Bondholder") to repay and retire the outstanding principal on the Bonds described above with the issuance of an industrial revenue bond in the amount of $16,400,000. At the same time, the Association entered into a loan agreement with Regions Bank for a loan of $16,400,000. The Financing Agreement bears interest at a fixed rate of 2.65% and is secured by contributions receivable and property of the Association. Principal payments were deferred through June 1, 2016, therefore, the Association began making principal payments during the year ended September 30, 2016. Interest payments are due and payable monthly through maturity on May 1, 2029. The Financing Agreement contains certain financial and non-financial covenants, including specific semi-annual financial ratios with which the Association is in compliance at September 30, 2016.

NOTE G - PROMISSORY NOTE - Continued

Bond principal maturities are as follows:

Year ending September 30,	
2017	$ 1,050,000
2018	1,050,000
2019	1,050,000
2020	1,133,335
2021	1,250,000
Thereafter	10,429,165
	$ 15,962,500

NOTE H - NOTE PAYABLE

On May 9, 2016, the Association entered into a commercial loan agreement with Regions Bank to finance construction in process to renovate the Bob Sierra branch. The Association can draw on the loan up to $1,500,000. Principal payments begin March 2017 which range from $8,675 to $10,208 plus 3.8% interest with a balloon payment due May 2025 for the remaining unpaid principal and interest. The loan is secured by real property and has a balance of $418,927 at September 30, 2016. See note L for subsequent activity.

Principal maturities are as follows:

Year ending September 30,	
2017	$ 60,725
2018	104,100
2019	104,100
2020	110,332
2021	39,670
Thereafter	-
	$ 418,927

NOTE I - LINE OF CREDIT

The Association has a $2,250,000 secured line of credit as of September 30, 2016 from Regions Bank until August 2017 to assist the Association with working capital needs during a capital campaign. The line of credit bears interest at the London Interbank Offered Rate plus 2.00% and is secured by pledge receivables. The Association is charged an unused balance fee of 0.25% of the available credit line. No draws were made on the financial instrument during the year ended September 30, 2016.

NOTE J - CAPITAL LEASES

The Association leases fitness equipment and buses which are accounted for as capital leases. The following is a schedule of leased equipment under capital leases at September 30, 2016:

Leased equipment	$ 1,468,750
Less accumulated depreciation	(997,231)
	$ 471,519

Minimum lease payments under capital leases at September 30, 2016 and for each of the next five years and in the aggregate are as follows:

Year ending September 30,	
2017	$ 497,796
2018	203,334
Total minimum payments required	701,130
Less amount representing interest	(20,926)
Total minimum payments required	$ 680,204

NOTE K - TEMPORARILY RESTRICTED CONTRIBUTIONS

Temporarily restricted net assets at September 30, 2016 consist of the following:

2016 Annual Campaign	$ 12,180
South County Capital Campaign	5,440,506
Facility and Programs	843,111
Total	$ 6,295,797

NOTE L - SUBSEQUENT EVENTS

Subsequent to September 30, 2016, the Association drew an additional $820,758 on the Regions Bank construction loan, leaving a balance of $1,239,685. See Note H for further discussion. The Association has evaluated events and transactions occurring subsequent to September 30, 2016 as of January 27, 2017, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TAMPA METROPOLITAN AREA YOUNG MEN'S
CHRISTIAN ASSOCIATION, INC.

September 30, 2016

Tampa Metropolitan Area Young Men's Christian Association, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the nine months ended September 30, 2016

Federal Grantor / Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Expenditures	Amounts Provided to Subrecipients
U.S. Department of Health and Human Services				
Indirect Program				
Early Childhood Development				
Passed-through Hillsborough County				
Board of Commissioners				
Head Start	04CH4768/02	93.600	$ 765,295	$ 476,078
Total U.S. Department of Health and Human Services			765,295	476,078
U.S. Department of Housing and Urban Development				
Indirect Program				
Strengthens Communities				
Passed-through Hillsborough County				
Board of Commissioners	11-1138	14.218	13,325	-
Total U.S. Department of Housing and Urban Development			13,325	-
Total expenditures of federal awards			$ 778,620	$ 476,078

The accompanying notes are an integral part of this schedule.

Tampa Metropolitan Area Young Men's Christian Association, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

September 30, 2016

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Tampa Metropolitan Area Young Men's Christian Association, Inc. (the "Association") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Association, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Association.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Association has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - CONTINGENCIES

These federal programs are subject to financial and compliance audits by grantor agencies which, if instances of material noncompliance are found, may result in disallowed expenditures and affect the Association's continued participation in specific programs. The amounts, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Association expects such amounts, if any, to be immaterial.

INDEPENDENT AUDITORS' 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*

TAMPA METROPOLITAN AREA YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.

September 30, 2016

RG&Co

Member
American Institute of Certified Public Accountants
Florida Institute of Certified Public Accountants

Herman V. Lazzara
Stephen G. Douglas
Marc D. Sasser
Michael E. Helton
Sam A. Lazzara
Christopher F. Terrigino
Kevin R. Bass
James K. O'Connor
Jonathan E. Stein
Cesar J. Rivero, of Counsel
Richard B. Gordimer, of Counsel

RIVERO, GORDIMER & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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

Governance Board
Tampa Metropolitan Area Young Men's Christian Association, Inc.

We have audited, in accordance with the 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, the financial statements of Tampa Metropolitan Area Young Men's Christian Association, Inc. (the "Association") (a nonprofit organization), which comprise the statement of financial position as of September 30, 2016, and the related statements of activities, and cash flows for the nine months then ended, and the related notes to the financial statements, and have issued our report thereon dated January 27, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

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.

ONE TAMPA CITY CENTER • SUITE 2600 • 201 N. FRANKLIN STREET • P. O. BOX 172359 • TAMPA, FLORIDA 33672 • 813- 875-7774 FAX 813-874-6785

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free from 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 Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rivero, Gordimer & Company, P.A.

Tampa, Florida
January 27, 2017

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

TAMPA METROPOLITAN AREA YOUNG MEN'S
CHRISTIAN ASSOCIATION, INC.

September 30, 2016

RG&Co

RIVERO, GORDIMER & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Governance Board
Tampa Metropolitan Area Young Men's Christian Association, Inc.

Report on Compliance for Each Major Federal Program

We have audited Tampa Metropolitan Area Young Men's Christian Association, Inc.'s (the "Association") (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Association's major federal programs for the nine months ended September 30, 2016. The Association's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Association's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200*, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Association's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Association's compliance.

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Opinion on Each Major Federal Program

In our opinion, the Association complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the nine months ended September 30, 2016.

Report on Internal Control Over Compliance

Management of the Association is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Association's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bueno, Jordimer & Company, P.A.

Tampa, Florida
January 27, 2017

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

TAMPA METROPOLITAN AREA YOUNG MEN'S
CHRISTIAN ASSOCIATION, INC.

September 30, 2016

Tampa Metropolitan Area Young Men's Christian Association, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the nine months ended September 30, 2016

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting	
Material weakness(es) identified?	____ yes __X__ no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Awards

Internal control over major programs	
Material weakness(es) identified?	____ yes __X__ no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	____ yes __X__ none reported
Type of auditors' report issued on compliance for major federal programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ yes __X__ no

Identification of major federal programs:

CFDA Number	Name of Federal Program
93.600	Head Start

Dollar threshold used to distinguish between type A and type B programs	$ 750,000
Auditee qualified as low-risk auditee under provisions of the Uniform Guidance?	__X__ yes ____ no

Section II - Financial Statement Findings

No matters were reported for the nine months ended September 30, 2016 and there were no prior year audit findings to be reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported for the nine months ended September 30, 2016 and there were no prior year audit findings to be reported.

Section IV - Other Issues

No summary schedule of prior year audit findings is required because there were no prior year audit findings related to federal programs.