

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION
Grant Application
 Fiscal Year 2018

IMPORTANT:

- Please read the McKinney Community Development Corporation Grant Guidelines prior to completing this application.
- The Grant Guidelines and Application are available at www.mckinneycdc.org; by calling 972.547.7653 or by emailing cschneible@mckinneycdc.org
- **Please call to discuss your plans for submitting an application in advance of completing the form.** A completed application and all supporting documents are required to be submitted via email or on a thumb drive for consideration by the MCDC board. Please submit the application to:

McKinney Community Development Corporation
 5900 S. Lake Forest Blvd., Suite 110
 McKinney, TX 75070

- *If you are interested in preliminary Board of Directors review of your project proposal or idea, please complete and submit the **Letter of Inquiry** form, available at www.mckinneycdc.org, by calling 972.547.7653 or emailing cschneible@mckinneycdc.org.*

Applications must be completed in full, using this form, and received by MCDC, via email or on a thumb drive, by 5:00 p.m. on the date indicated in schedule below.

Please indicate the type of funding you are requesting:

- | | |
|---|--|
| <p><input checked="" type="checkbox"/> Project Grant
 Projects that are eligible for funding in accordance with the Type B sales tax statute (refer to examples in Grant Guidelines) and that advance the mission of MCDC.</p> | <p><input type="checkbox"/> Promotional or Community Event Grant (maximum \$15,000)
 Initiatives, activities or events that promote the City of McKinney for developing new or expanded business opportunities and/or tourism – and enhancing quality of life for McKinney residents.</p> |
|---|--|

Promotional and Community Event Grants:

Application Deadline	Presentation to MCDC Board	Board Vote and Award Notification
Cycle I: November 30, 2017	December 2017	January 2018
Cycle II: May 31, 2018	June 2018	July 2018

Project Grants:

Application Deadline	Presentation to MCDC Board	Board Vote and Award Notification
Cycle I: January 3, 2018	January 2018	February 2018
Cycle II: March 30, 2018	April 2018	May 2018
Cycle III: June 29, 2018	July 2018	August 2018

APPLICATION

INFORMATION ABOUT YOUR ORGANIZATION

Name: Boys & Girls Clubs of Collin County

Federal Tax I.D.: 75-1296869

Incorporation Date: April 21, 1969

Mailing Address: 7790 Main Street

City Frisco

ST: Texas

Zip: 75033

Phone: 469-888-4620

Fax: 469-888-4621

Email: lrogers@bgccc.org

Website: www.bgccc.org

Check One:

- Nonprofit – 501(c) Attach a copy of IRS Determination Letter
- Governmental entity
- For profit corporation
- Other

Professional affiliations and organizations to which your organization belongs:

Boys & Girls Clubs of America

REPRESENTATIVE COMPLETING APPLICATION:

Name: Liliana Rogers

Title: Chief Development Officer

Mailing Address: 7790 Main Street

City: Frisco

ST: Texas

Zip: 75033

Phone: 469-888-4620

Fax: 469-888-4621

Email: lrogers@bgccc.org

CONTACT FOR COMMUNICATIONS BETWEEN MCDC AND ORGANIZATION:

Name: Liliana Rogers

Title: Chief Development Officer

Mailing Address: 7790 Main Street

City: Frisco

ST: Texas

Zip: 75033

Phone 469-888-4620

Fax: 469-888-4621

Email: lrogers@bgccc.org

FUNDING

Total amount requested: \$40,000

Matching Funds Available (Y/N and amount): No

Will funding be requested from any other City of McKinney entity (e.g. Arts Commission, City of McKinney Community Support Grant)?

Yes

No

Please provide details and funding requested:

Roof replacement

PROJECT/PROMOTIONAL/COMMUNITY EVENT

Start Date: 3/10/18

Completion Date: 3/18/18

BOARD OF DIRECTORS *(may be included as an attachment)*

Please see the attachment

LEADERSHIP STAFF (may be included as an attachment)

Please see the attachment

Using the outline below, provide a written narrative no longer than 7 pages in length:

I. Applying Organization

Describe the mission, strategic goals and objectives, scope of services, day to day operations and number of paid staff and volunteers.

Disclose and summarize any significant, planned organizational changes and describe their potential impact on the Project/Promotional/Community Event for which funds are requested.

II. Project or Promotional/Community Event (whichever is applicable)

- Outline details of the Project/Promotional/Community Event for which funds are requested. Include information regarding scope, goals, objectives, target audience.
- **For Promotional Grants/Community Events** – describe how this initiative will **promote the City of McKinney for the purpose of business development and/or tourism.**
- Describe how the proposed Project/Promotional/Community Event fulfills strategic goals and objectives for your organization.
- Please also include planned activities, time frame/schedule, and estimated attendance and admission fees if applicable.
- Include the venue/location for Project/Promotional/Community Event?
- Provide a timeline for the Project/Promotional/Community Event.
- Detail goals for growth/expansion in future years.

Project Grants – please complete the section below:

- | | | |
|-----------------------------|---|-----------------------------|
| • An expansion/improvement? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| • A replacement/repair? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| • A multi-phase project? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| • A new project? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Has a feasibility study or market analysis been completed for this proposed project? *If so, please attach a copy of the Executive Summary.*

Not applicable

Provide specific information to illustrate how this Project/Promotional/Event aligns with one or more of the goals and strategies adopted by McKinney City Council and McKinney Community Development:

- Eligible for MCDC consideration under Sections 501 to 505 of the Texas Local Government Code (refer to MCDC Grant Guidelines)
- Support cultural, sports, fitness, entertainment, community projects and events that attract resident and visitor participation and contribute to quality of life, business development and growth of McKinney sales tax revenue
- Highlight and promote McKinney as a unique destination for residents and visitors alike
- Meet citizen needs for quality of life improvements, business development and sustainable economic growth for residents in the City of McKinney
- Demonstrate informed financial planning – addressing long-term costs, budget consequences and sustainability of projects for which funding is requested
- Educate the community about the impact local dining and shopping has on investment in quality of life improvements in McKinney

Indicate which goal(s) listed above will be supported by the proposed Project/Promotional/Event:

Eligible project, supports residential youth, promotes the McKinney community

Has a request for funding, for this Project/Promotional/Community Event, been submitted to MCDC in the past?

Yes

No

Date(s):

Financial

- Provide an overview of the organization's financial status including the impact of this grant request on organization mission and goals.
- Please attach your organization's budget for the current year and audited financial statements for the preceding two years. If audited financials are not available, please indicate why.

What is the total estimated cost for this Project/Promotional/Community Event?

\$ 106,052.35

(Please provide a budget specific to the proposed Project/Promotional/Community Event.)

What percentage of Project/Promotional/Community Event funding will be provided by the Applicant?

38%

Are Matching Funds available? Yes

No

Cash \$

Source

% of Total

In-Kind \$

Source

% of Total

Please provide details regarding other potential sources for funding. Include name of organization solicited; date of solicitation; amount of solicitation and date that notice of any award is expected.

IV. Marketing and Outreach

Describe marketing plans and outreach strategies for your organization, for the Project/Promotional/Community Event for which you are requesting funding – and how they are designed to help you achieve current and future goals.

V. Metrics to Evaluate Success

Outline the metrics that will be used to evaluate success of the proposed Project/Promotional/Community Event. If funding is awarded, a final report will be required summarizing success in achieving objectives outlined for the event.

Acknowledgements

If funding is approved by the MCDC board of directors, Applicant will assure:

- The Project/Promotional/Community Event for which financial assistance is sought will be administered by or under the supervision of the applying organization.
- All funds awarded will be used exclusively for the purpose described in this application.
- MCDC will be recognized in all marketing, advertising, outreach and public relations as a funder of the Project/Promotional/Community Event. Specifics to be agreed upon by applicant and MCDC and included in an executed performance agreement.
- Organization's officials who have signed the application are authorized by the organization to submit the application;
- Applicant will comply with the MCDC Grant Guidelines in executing the Project/Promotional/Community Event for which funds were received.
- A final report detailing the success of the Project/Promotional/Community Event, as measured against identified metrics, will be provided to MCDC no later than 30 days following the completion of the Project/Promotional/Community Event.
- Up to 80% of the approved grant may be provided, on a reimbursement basis, prior to conclusion of the Project/Promotional/Community Event with submission of invoices/receipts to MCDC. The final 20% may be paid following MCDC's receipt of unpaid invoices/receipts; documentation of fulfillment of obligations to MCDC; and final report on the Project/Promotional/Community Event.

- The required performance agreement will contain a provision certifying that the applicant does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. Further, should the applicant be convicted of a violation under 8 U.S.C. § 1324a(f), the applicant will be required to repay the amount of the public subsidy provided under the agreement plus interest, at an agreed to interest rate, not later than the 120th day after the date the MCDC notifies the applicant of the violation.

We certify that all figures, facts and representations made in this application, including attachments, are true and correct to the best of our knowledge.

Chief Executive Officer



Signature

Printed Name

E. Michael Simpson

Date

3/29/18

Representative Completing Application



Signature

Printed Name

Liliana Rogers

Date

3/29/18

INCOMPLETE APPLICATIONS, OR THOSE RECEIVED AFTER THE DEADLINE, WILL NOT BE CONSIDERED.



Attachments Included

- **Narrative**
- **Project Budget**
- **IRS Determination Letter**
- **Board of Directors**
- **Leadership Staff**
- **BGCCC Balance Sheet YTD**
- **P&L February 2018**
- **BGCCC 2018 Approved Budget**
- **BGCCC 2016 Audited Financials**
- **BGCCC 2015 Audited Financials**



MCKINNEY COMMUNITY DEVELOPMENT CORPORATION - GRANT PROPOSAL

Organization:

Boys & Girls Clubs of Collin County	EIN #75-1296869
Name and Title of Contact Person:	Liliana Rogers, Chief Development Officer
Address:	7790 Main Street
City, State and Zip Code:	Frisco, TX 75033
Phone:	469-888-4620
Email Address:	lrogers@bgccc.org
Website Address:	www.bgccc.org

The mission of the Boys & Girls Clubs of Collin County is to enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens.

Boys & Girls Clubs of Collin County (BGCCC) has a 50-year history of creating great futures in North Texas. Strategically located in low-income neighborhoods, BGCCC provides a safe, positive environment during the most vulnerable hours of a child's day, the after-school hours. We convert these hours into time that helps children and teenagers reach their full potential. The clubs serve local Collin County youth in the Frisco, Plano and McKinney areas. BGCCC is the largest youth serving non-profit organization in Collin County. Our services are vital in helping create and sustain a healthy, safe, educated community in Collin County.

The clubs serve 3,050 members, giving them a safe place to learn and grow into productive and caring citizens. 46% of the members served are female and 54% are male. The majority of members in the program are African-American (56%); 19% are Hispanic; 15% are Caucasian; 2% are Asian; and 8% are multi-ethnicity. The primary population served is ages 5-18 with 65% of the youth between the ages of 5-12. BGCCC serves children from all levels of household income. 64% of members are eligible for free/reduced lunch and 26.1% of members come from households with an income level that is at or below the federal poverty line for a family of four. 55% of members live in a household with a single caregiver. BGCCC partners with other local non-profit agencies to help identify youth that are in need of assistance.

Specific to the McKinney branch, our club serves 928 youth. 69% of the members qualify for free/reduced lunch. With the assistance of the staff and volunteers, the youth completed 43,050 homework hours and were served 50,469 meals!

BGCCC offers daily access to a broad range of programs in five core program areas: Character and Leadership Development; Education and Career Development; Health and Life Skills; The Arts; and Sports, Fitness and Recreation; and, several specialized initiatives. All programs are designed to drive positive outcomes for youth and reinforce necessary life skills.



In 2017 at the McKinney location, our impressive portfolio of programs to educate the youth along with providing healthy lifestyle habits, tools for their academic success, and qualities to build their character and leadership skills included the following: Drama Matters, Project Learn, Triple Play Games Tournament, Club Tech: NetSmartz and SMART (Skills Mastery and Resistance Training) Moves.

Our organization is guided by our Board of Directors which consists of 21 members that reside and take pride in our three communities. Chief Executive Officer, E. Michael Simpson, is responsible for the strategic planning and operation of the Clubs in support of its mission and goals. The Chief Development Officer, Chief Financial Officer, and Chief Operations Officer help to oversee the remainder of the administrative positions. 45 full and part-time staff and over 5,000 volunteers support the clubs.

The majority of BGCCC's volunteer mentors and tutors are recruited through our collaborations with corporations such as Capital One and Toyota. All volunteers receive extensive orientation and training before working with members.

BGCCC is proud of the successes of our club members! The outstanding academic results and lifestyle accomplishments of the BGCCC youth participating in the many programs should be noted.

- **100% of high school seniors who were actively involved in the clubs graduated and moved on to higher education or enlisted in the military;**
- **100% of the club members were promoted to the next grade level;**
- **100% targeted youth became more knowledgeable of STEaM based jobs and career opportunities;**
- **100% of the alumni continue to utilize what they have learned at the club within their community; and,**
- **No members were affiliated with gangs or involved in the juvenile justice system.**

Boys & Girls Clubs of Collin County is committed to being an excellent steward of public trust and community resources. We pride ourselves on being one of the leanest nonprofit organizations in the region with 82 percent of expenses going directly to programming for our members with only 7 percent going to administrative expenses and 11 percent to fundraising expenses as reflected in our 2017 990.

Project description, purpose and outcome.

In 2005, the roof for the McKinney club was updated. In 2011, the roof began leaking. Patches to the existing roof have been periodically applied since the leaks began. In March of this year, the roof was replaced at a cost of \$106,052.35. As the functionality of the club was being sacrificed due to the water leaks and damage, the work had to commence immediately. BGCCC budget allowed for \$66,052.35 for the replacement of the roof, approximately \$40,000 short of project completion. This necessitated use of other funds from designated programming areas.



These past couple of months the weather has been very rainy. During that time, our members missed out on quality programming time that typically occurs on a day-to-day basis due to the lack of space at the club plus having to be transported to another facility for sports activities. Therefore, the funds that were tapped, not only included the roof repairs, but also the associated expenditures tied to the repeated leaks that impacted the club.

BGCCC respectfully requests \$40,000 to replenish funds that were re-allocated to this roof repair from our programming needs.

By implementing the repairs, areas of the club that had been nonfunctional could again be utilized.

Promote the City of McKinney.

Boys & Girls Clubs of Collin County would be thrilled to acknowledge the contributions of McKinney Community Development Corporation for their support of the roof restoration program in appropriate communications. This media acknowledgment includes, but is not limited to, our e-newsletter, Facebook, Twitter and the BGCCC website.

Specific goals and objectives fulfilled in regards to the project.

By restoring the facility, our members can fully utilize that space to participate in the value-added programs that are necessary to their success, academically and physically. We continue to serve children to further their education to become more prepared as future citizens in their community while giving them a solid foundation of skills and tools for their tomorrow.

Time frame to completion. Location of the project.

The replacement of the roof was completed March of this year due to urgency of the repair needs. However, some funds were pulled from our programming revenue that is crucial to the success of our youth. Therefore, we are seeking \$40,000 in funding to replenish this deficit.

The Boys & Girls Clubs of Collin County, McKinney Branch
701 S. Church Street
McKinney, Texas 75069

Timeline.

March 10th-18th of 2018 – roof replaced

Future plans.

Our vision is to provide a world-class Club experience that assures success is within reach of every young person who walks through our doors, with all members on track to graduate from high school with a plan for the future, demonstrating good character and citizenship, and living a healthy lifestyle.



Financial

Balance Sheet Year to Date and P&L as of Feb 2018 - attachments

If awarded the grant, these funds will alleviate the unexpected financial burden that we had to go through to complete the roof replacement. We will now be able to replenish the program funds and continue to provide our members with quality services.

Organization budget and audited financials - attachments

Other Funding Sources

McKinney Community Development Corporation, \$40,000, Pending
Boys & Girls Clubs of Collin County, \$66,052.35, Paid

Marketing and Outreach

BGCCC's 50-year history of creating great futures for low-income and at-risk youth in the North Texas area will further drive our passion to provide beneficial programs to local youth. In addition to securing funds through grant writing, we fundraise with annual events including the following: gala, golf tournament, poker tournament and a cycling event. We procure funds through government grants as well. Support for our many, varied programs at the three clubs also comes from individual and corporate donors.

Our sustainability stems from a diverse revenue structure and strategy. Some of our major contributors include Capital One, Bank of America, Alliance Data, Dallas Women's Foundation, Bob & Joy Darling, Sean Lee, United Way of Metropolitan Dallas, Texas Health Presbyterian Hospital Plano, Toyota Financial Services, the City of Frisco, the City of McKinney, the City of Plano and the Andrea-Mennen Foundation.

Metrics to Evaluate Success

Replacement of the McKinney club roof allows the members full access to the club space in order to provide them with efficient programming.



**Roof Replacement Budget
January through December 2018**

Ordinary Income/Expense	
Income	
MCDC Grant	40,000
BGCCC	66,052.35
Total Income	<u>106,052.35</u>
Gross Profit	<u>106,052.35</u>
Expense	
Roof Replacement	<u>106,052.35</u>
Total Expense	<u>106,052.35</u>
Net Ordinary Income	0

CINCINNATI OH 45999-0038

In reply refer to: 0248222395
Dec. 05, 2013 LTR 4168C 0
75-1296869 000000 00
00034179
BODC: TE

BOYS & GIRLS CLUB OF COLLIN COUNTY
701 S CHURCH ST
MCKINNEY TX 75069



027523

Employer Identification Number: 75-1296869
Person to Contact: MISS CONVERSE
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Nov. 25, 2013, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(03) of the Internal Revenue Code in a determination letter issued in May 1970.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

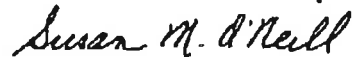
Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

0248222395
Dec. 05, 2013 LTR 4168C 0
75-1296869 000000 00
00034180

BOYS & GIRLS CLUB OF COLLIN COUNTY
701 S CHURCH ST
MCKINNEY TX 75069

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,



Susan M. O'Neill, Department Mgr.
Accounts Management Operations

CINCINNATI OH 45999-0038

027523.392981.26491.1008 1 AT 0.384 530
|||||



BOYS & GIRLS CLUB OF COLLIN COUNTY
701 S CHURCH ST
MCKINNEY TX 75069

027523

CUT OUT AND RETURN THE VOUCHER AT THE BOTTOM OF THIS PAGE IF YOU ARE MAKING A PAYMENT,
EVEN IF YOU ALSO HAVE AN INQUIRY.



The IRS address must appear in the window.

Use for payments

BODCD-TE

0248222395

Letter Number: LTR4168C
Letter Date : 2013-12-05
Tax Period : 000000

INTERNAL REVENUE SERVICE

CINCINNATI OH 45999-0038



751296869

BOYS & GIRLS CLUB OF COLLIN COUNTY
701 S CHURCH ST
MCKINNEY TX 75069

751296869 JA BOYS 00 2 000000 670 000000000000

2017 BGCC Board Information

Board Member	Spouse	Joined Board	Officer/ Committees	Company	Home Address	Phones	Email	Ethnicity
Von Best	Rosanne	9/22/2009	Past President	The Frisco Bar & Grill 4851 Legacy Drive #504 Frisco, TX 75034	4800 Star Ridge Lane Frisco, Texas 75034	Cell: 214-587-1125	thevond@hotmail.com	Caucasian
Tony Carver	Tara	1/26/2016		Encore Wire Corporation 1329 Millwood Rd McKinney, TX 75069	412 Bengie St. McKinney, TX 75069	Cell: 903-452-0563	tony.carver@encorewire.com	Caucasian
Damon Chronis	Jule	2/21/2012	Treasurer	Ryan, LLC Three Galleria Tower, 13155 Noel Rd. # 100 Dallas TX 75240	5945 Kensington Drive Plano, TX 75093	Work: 972-934-0022 Home: 972-473-8789 Cell: 214-454-6477	damon.chronis@ryan.com	Caucasian
Angela Driggers		5/28/2014		Texas Instruments 12500 TI Boulevard MS 8686 Dallas, TX 75243	917 Granger Dr. Allen, TX 75013	Office: 214-479-3430 Cell: 972-754-9116 Home: 972-727-5951	a-driggers@ti.com	Caucasian
Christy Escandon	Richard	1/26/2016		Texas Health Presbyterian Hospital of Plano 6200 W. Parker Rd. Plano, TX 75093	11805 State Highway 205 Lawn, TX 75166	Cell: 469-338-8249 Work: 972-981-7200	christyescandon@texashhealth.org	Hispanic
Michael Feeney	Sarah	2/24/2015		Capital One 8058 Dominion Pkwy Plano, TX 75024	5411 Buena Vista Frisco, TX 75034	H- 214-618-3550 C-469-261-6222 (Preferred)	michael.feeney@capitalone.com	Caucasian
Jessica Fister Johnson	Tony	11/20/2013			5804 Garrett Drive Plano, TX 75093	Home: 972-473-7424 Cell: 925-351-8646	jessica.johnson@cbrands.com	Caucasian
Kristin Grammar	Matt	7/16/2017		TIG Commercial Real Estate 2600 Dallas Parkway, Suite 290 Frisco, TX 75034	3700 Legacy Drive #5204 Frisco, TX 75034	Mobile: 972-415-4158	kgrammar@tqusa.com	Caucasian
John Hoffman		Re-elected 01-21-2014	Secretary	Consultant 1001 Hyde Park Drive McKinney, TX 75069	1001 Hyde Park Drive McKinney, TX 75069	Home: 972-542-2961 Cell: 214-562-6235	jwhofms@msh.com	Caucasian
Chris Jamison	Carey	8/18/2014		Happy State Bank 700 Central Expressway South, Ste 120 Allen, TX 75013	2112 San Andres Frisco, TX 75033	Office: 214-383-5700 Direct: 214-383-5720 Cell: 214-717-8177	chrisjamison@sbcglobal.net	Caucasian
Tomasz Kwiatkowski		5/22/1017		Prairie Capital Bank 2500 Legacy Drive, #150 Frisco, TX 75034	4800 Printers Way Apt #4067 Frisco, TX 75033	Cell: 214-264-6720	tomasz.kwiatkowski@plainscapital.com	Caucasian
Randy Lawrence	Marianne	7/27/2010		Altria Reg. V.P. - Retired	4856 Orchard Park Drive Frisco, TX 75034	Home: 214-387-0460 Cell: 804-334-3571	rl2247@cloud.com	Caucasian
Brandi McKay		6/7/2017		Scheef & Stone, LLP 2600 Network Blvd, #400 Frisco, TX 75034	12645 Trolley Dr. Frisco, TX 75035	Work: 214-472-2145 Home: 214-725-7647	brandi.mckay@solidcounsel.com	Caucasian
Ken Moraif	Fay	1/22/2013		Money Matters with Ken Moraif 2820 Dallas Parkway Plano, TX 75093	1424 Eastwick Lane Plano, TX 75093	Cell: 972-365-0112 Work: 469-246-3604	ken@money matters.net	Caucasian
Richard Riccardi	Cathy	4/29/2016		Blount Fine Foods 2200 Redbud Blvd McKinney, TX 75069	661 Forest Oak Drive Fairview, TX 75069	Cell: 214-704-4590 Work: 972-548-9001	rriccardi@yahoo.com	Caucasian
Reed Schmittler	Cindy	2/16/2010		PTG 2400 Dallas Pkwy, Ste 280 Plano, TX 75093	5857 Bedrock Plano, TX 75093	Work: 972-943-9999 Home: 972-735-9711 Cell: 972-365-3500	reed@thepatsolution.com	Caucasian
Bryan Sherman	Helli	2/17/2014	President	Bank of America Home Loans 6400 Legacy Drive, Plano Tx 75024	5835 Imperial Meadow Dr, Frisco, TX 75035	Work: 214-209-6486 Home: 214-705-7728 Cell: 214-786-6061	bahermanbpc@att.net	Caucasian
Art Spitzer	Jodi	11/17/2014	V.P. Resource Development	FedEx Office 7900 Legacy Drive Plano, TX 75024	7802 Glenmeagle Dr. Dallas, TX 75248	Work: 469-980-3211 Mobile: 602-750-1228	art.spitzer@fedex.com	Caucasian
Psychelia Terry	Von	9/19/2016		UJ Global Brands 15222 King Rd, Suite 701 Frisco, TX 75034	1003 Swan Lake Dr Frisco, TX 75033	Work: 469-731-5640 Cell: 214-476-3169	psyche@ujglobalbrands.com	African American

2017 BGCCC Board Information

Vontoba Terry	Psychella	9/19/2016	UJ Global Brands 15222 King Rd. Suite 701 Frisco, TX 75034	1003 Swan Lake Dr Frisco, TX 75033	Work: 469-731-5640 Cell: 214-476-3169	vontoba@ujglobalbrands.com	African American
Cliff Whisenhunt	Brenda	1/26/2016	First National Bank Southwest 4500 Preston Rd. Frisco, TX 75034	2220 Canyon Trail Carrollton, TX 75007	Work: 469-633-8400 Cell: 214-693-8399	cwhisenhunt@firsouthwest.com	Caucasian



BOYS & GIRLS CLUBS
OF COLLIN COUNTY

Staff Listing

Jay Arreguin, Frisco Branch Director

Brenda Austin, Frisco Branch Director

Laura Bese, Director of Special Events

Kareem Evans, McKinney Branch Director

Karen Johnson, Plano Branch Director

Darion McCoy, Plano Branch Director

Malanie Miller, McKinney Assistant Branch Director

Vanessa Ramirez, Director of Volunteer Services

Joan Roe, Chief Financial Officer

Liliana Rogers, Chief Development Officer

Cristy Shirley, Operations Support Manager

Mike Simpson, Chief Executive Officer

Debra Sweezer, Chief Operations Officer

Boys & Girls Clubs of Collin County
Balance Sheet Prev Year Comparison
As of February 28, 2018

	Feb 28, 18	Feb 28, 17	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
BBVA Compass	94.00	0.00	94.00	100.0%
Checking--BGCCC North TX Camp	12,731.66	12,731.66	0.00	0.0%
Checking/Small Business/Capital	36,871.36	19,631.00	17,240.36	87.82%
Edward Jones	0.00	785,638.00	-785,638.00	-100.0%
Fidelity Investments	16.89	16.89	0.00	0.0%
Index Account/Capital One Bank	164,605.78	32,233.07	132,372.71	410.67%
Petty Cash	300.00	300.00	0.00	0.0%
U. S. Trust	802,397.19	0.00	802,397.19	100.0%
Total Checking/Savings	1,017,016.88	850,550.62	166,466.26	19.57%
Accounts Receivable				
Pledges	300.00	24,100.00	-23,800.00	-98.76%
Total Accounts Receivable	300.00	24,100.00	-23,800.00	-98.76%
Other Current Assets				
Clearing Account	-149,593.60	7,000.00	-156,593.60	-2,237.05%
Pre Paid Health Insurance	17,372.58	19,002.31	-1,629.73	-8.58%
Prepaid Auto, Liability Ins.	2,044.31	1,502.99	541.32	36.02%
Total Other Current Assets	-130,176.71	27,505.30	-157,682.01	-573.28%
Total Current Assets	887,140.17	902,155.92	-15,015.75	-1.66%
Fixed Assets				
Accumulated Depreciation	-2,383,998.92	-2,128,811.45	-255,187.47	-11.99%
Building	3,759,736.21	3,647,964.39	111,771.82	3.06%
Construction in Progress	40,000.00	30,126.85	9,873.15	32.77%
Equip/Computers/Software/Furn	832,414.37	809,698.74	22,715.63	2.81%
Land	510,435.00	510,435.00	0.00	0.0%
Leasehold Improvements	367,703.53	321,781.56	45,921.97	14.27%
Vehicles	632,385.84	632,385.84	0.00	0.0%
Total Fixed Assets	3,758,676.03	3,823,580.93	-64,904.90	-1.7%
Other Assets				
Employee Loan/Advance	0.00	350.00	-350.00	-100.0%
Security Deposits	3,550.00	3,550.00	0.00	0.0%
Series Z Preferred Stock	1,000.00	1,000.00	0.00	0.0%
Total Other Assets	4,550.00	4,900.00	-350.00	-7.14%
TOTAL ASSETS	4,650,366.20	4,730,636.85	-80,270.65	-1.7%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	51,708.72	90,909.39	-39,200.67	-43.12%
Total Accounts Payable	51,708.72	90,909.39	-39,200.67	-43.12%
Credit Cards				
All Credit Cards				

Boys & Girls Clubs of Collin County
Balance Sheet Prev Year Comparison
As of February 28, 2018

	Feb 28, 18	Feb 28, 17	\$ Change	% Change
Capital One	735.10	132.89	602.21	453.16%
Fleet Services Exxon Mobil Univ	189.55	254.60	-65.05	-25.55%
Fleet Services Quik Trip cr crd	328.37	408.52	-80.15	-19.62%
Home Depot Cr Card	0.00	195.17	-195.17	-100.0%
Sam's Club Credit	1,024.66	490.69	533.97	108.82%
Total All Credit Cards	2,277.68	1,481.87	795.81	53.7%
Total Credit Cards	2,277.68	1,481.87	795.81	53.7%
Other Current Liabilities				
Payroll Liabilities				
Flexible Spending Account	1,561.62	413.40	1,148.22	277.75%
Pension	10,992.52	-240.99	11,233.51	4,661.4%
Total Payroll Liabilities	12,554.14	172.41	12,381.73	7,181.56%
Total Other Current Liabilities	12,554.14	172.41	12,381.73	7,181.56%
Total Current Liabilities	66,540.54	92,563.67	-26,023.13	-28.11%
Long Term Liabilities				
Loans				
Capital One Line of Credit	0.00	100,000.00	-100,000.00	-100.0%
Happy State Bank Loan	9,450.50	27,898.77	-18,448.27	-66.13%
Real Estate Loan - Capital One	786,982.70	807,145.74	-20,163.04	-2.5%
Total Loans	796,433.20	935,044.51	-138,611.31	-14.82%
Total Long Term Liabilities	796,433.20	935,044.51	-138,611.31	-14.82%
Total Liabilities	862,973.74	1,027,608.18	-164,634.44	-16.02%
Equity				
Fund Bal - Perm Restricted	5,000.00	5,000.00	0.00	0.0%
Fund Bal - Temp. Restricted	798,238.00	12,608.00	785,630.00	6,231.2%
Fund Bal - Unrestricted	3,109,959.83	3,048,782.52	61,177.31	2.01%
Retained Earnings	76,992.16	846,807.31	-769,815.15	-90.91%
Net Income	-202,797.53	-210,169.16	7,371.63	3.51%
Total Equity	3,787,392.46	3,703,028.67	84,363.79	2.28%
TOTAL LIABILITIES & EQUITY	4,650,366.20	4,730,636.85	-80,270.65	-1.7%

Boys & Girls Clubs of Collin County
Profit & Loss
February 2018

Ordinary Income/Expense	<hr/>
Income	
Branch Income	
Field Trips	190.00
Late & NSF Fees	65.00
Membership Dues Income	1,930.00
Program Fees Income	195.00
Supply	35,061.00
T- Shirts	60.00
Total Branch Income	<hr/> 37,501.00
Campaign Net	
Campaign Income	26,948.81
Campaign Income - Expense	-2,259.19
Total Campaign Net	<hr/> 24,689.62
Contributions Income	
Non - Cash (In-Kind)	12,000.00
Un-restricted	
Corporations - Un Restricted	1,653.11
Individuals - Un Restricted	4,360.42
Total Un-restricted	<hr/> 6,013.53
United Way of Metro Dallas	2,916.67
Total Contributions Income	<hr/> 20,930.20
Grants	
Government Grants	9,776.32
Total Grants	<hr/> 9,776.32
Investment Income	
Dividends	331.09
Interest	48.93
Other Income	142.38
Realized Gains/Losses /Short Te	-1,721.24
Unrealized Gains/Losses	-22,845.73
Total Investment Income	<hr/> -24,044.57
Miscellaneous Income	
Commission/Dividends	5.75
Keystone/Torch Club/Peanut Patr	1,167.00
Parent Club Fundraising	1,731.00
Total Miscellaneous Income	<hr/> 2,903.75
Total Income	<hr/> 71,756.32
Gross Profit	<hr/> 71,756.32
Expense	
Advertisement	140.00
Bank Chrgs/CrCard Fees/Late Fee	
U.S. Trust Fees	511.49
Bank Chrgs/CrCard Fees/Late Fee - Other	1,339.37
Total Bank Chrgs/CrCard Fees/Late Fee	<hr/> 1,850.86

Boys & Girls Clubs of Collin County
Profit & Loss
February 2018

Depreciation Expense	21,495.13
Dues/Membership/Subscrip./Fees	75.00
Entertainment	
Meals - Non Travel	94.97
Total Entertainment	94.97
Equipment Rental	1,638.19
Fringe Benefits	
Disability Insurance	710.96
FSA Forfeitures	-70.00
Medical/Life/Dental/Vision	13,216.18
Pension Plan	5,565.53
Total Fringe Benefits	19,422.67
Insurance	
D&O Ins	235.17
Liability Insurance	2,057.58
Property Insurance	1,404.83
Vehicle Insurance	3,330.57
Worker's Compensation	1,497.49
Total Insurance	8,525.64
Interest Expense	
Loan Interest	3,275.09
Total Interest Expense	3,275.09
Occupancy Expense	
Rent	3,550.00
Rent - Non Cash	12,000.00
Repairs & Maint.	680.38
Utilities	
Gas and Electric	7,258.16
Water	883.72
Total Utilities	8,141.88
Total Occupancy Expense	24,372.26
Payroll Expenses	
Admin Payroll Exp	
Payroll Taxes - Medicare	138.75
Payroll Taxes - Social Security	593.44
Payroll Taxes - Texas SUTA	24.78
Salary & Wages Expense-Holiday	326.99
Salary & Wages Expense-Overtime	0.00
Salary & Wages Expense-PTO	22.88
Salary & Wages Expense-Regular	9,728.96
Total Admin Payroll Exp	10,835.80
Fundraising Payroll Exp	
Payroll Taxes - Social Security	1,226.00
Payroll Taxes - Texas SUTA	39.41
Salary & Wages Expense-Holiday	952.22

Boys & Girls Clubs of Collin County
Profit & Loss
February 2018

Salary & Wages Expense-Overtime	0.00
Salary & Wages Expense-PTO	205.90
Salary & Wages Expense-Regular	19,770.66
Total Fundraising Payroll Exp	22,194.19
Programs Payroll Exp	
Payroll Taxes - Medicare	1,605.10
Payroll Taxes - Social Security	5,636.92
Payroll Taxes - Texas SUTA	539.28
Salary & Wages Expense-Holiday	3,377.39
Salary & Wages Expense-Overtime	156.74
Salary & Wages Expense-PTO	2,238.50
Salary & Wages Expense-Regular	88,292.73
Total Programs Payroll Exp	101,846.66
Total Payroll Expenses	134,876.65
Professional Fees	
Accounting	761.16
BackGround Checks/Drug Testing	642.54
Marketing	25.04
Services	2,518.85
Total Professional Fees	3,947.59
Program Expense/Not Supplies	1,032.48
Repair and Maintenance	
Computer Repairs	872.80
Total Repair and Maintenance	872.80
Supplies	
Marketing/Fundraising	748.50
Office	982.94
Operating	2,361.84
Total Supplies	4,093.28
T-Shirts/Uniforms/Clothing	104.03
Telephone	2,322.85
Training/Conferences/Convention	250.00
Travel/Transportation	
Travel	40.00
Total Travel/Transportation	40.00
Vehicles Expense	
Gas/Oil	2,236.38
Maintenance/Repair	1,629.03
Total Vehicles Expense	3,865.41
Total Expense	232,294.90
Net Ordinary Income	-160,538.58
Other Income/Expense	
Other Income	
Interest Income	19.99
Total Other Income	19.99

Boys & Girls Clubs of Collin County
Profit & Loss
February 2018

Net Other Income
Net Income

19.99
-160,518.59



**Profit & Loss Budget vs. Actual
January through December 2018**

Approved Budget

Ordinary Income/Expense	
Income	
Branch Income	570,000.00
Campaign Net	1,060,000.00
Capital Project	
Contributions Income	935,000.00
Grants	710,000.00
Investment Income	
Miscellaneous Income	20,000.00
Total Income	<u>3,295,000.00</u>
Gross Profit	3,295,000.00
Expense	
Advertisement	0.00
Awards/Gifts	500.00
Bank Chrgs/CrCard Fees/Late Fee	18,000.00
Depreciation Expense	255,000.00
Dues/Membership/Subscrip./Fees	18,000.00
Entertainment	2,500.00
Equipment Rental	22,000.00
Field Trips	50,000.00
Fringe Benefits	225,000.00
Insurance	95,000.00
Interest Expense	45,000.00
Licenses and Permits	2,500.00
Miscellaneous Expense	0.00
Occupancy Expense	300,000.00
Payroll Expenses	1,850,000.00
Postage and Delivery	2,500.00
Printing and Reproduction	0.00
Professional Fees	80,000.00
Program Expense/Not Supplies	40,000.00
Repair and Maintenance	15,000.00
Supplies	35,000.00
T-Shirts/Uniforms/Clothing	8,000.00
Telephone	30,000.00
Training/Conferences/Convention	7,000.00
Travel/Transportation	45,000.00
Vehicles Expense	70,000.00
Total Expense	<u>3,216,000.00</u>
Net Ordinary Income	79,000.00

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.

Financial Statements

For the Year Ended December 31, 2016

CHARLES O. PAUL
CERTIFIED PUBLIC ACCOUNTANT

7408 Continental Trail
N. Richland Hills, TX 76182
(817) 498-0884
Fax (817) 605-0074

P.O. Box 820402
Fort Worth, TX 76182
Charles@CharlesPaulCPA.com

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Boys & Girls Clubs of Collin County, Inc.**

We have audited the accompanying financial statements of Boys & Girls Clubs of Collin County, Inc. (the Organization) which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys & Girls Clubs of Collin County, Inc. as of December 31, 2016 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Boys & Girls Clubs of Collin County, Inc.'s 2015 financial statements, and our report dated June 6, 2016 expressed an unmodified opinion on those 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 statement from which it has been derived.



**CHARLES O. PAUL, CPA
May 22, 2017**

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Statement of Financial Position
December 31, 2016
With Summarized Financial Information
At December 31, 2015

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 203,196	\$ 167,779
Unconditional promises to give	34,943	49,393
Other current assets	5,897	18,723
Property and equipment, net of accumulated depreciation	3,852,355	3,830,024
Other assets	4,750	4,400
Restricted cash	785,629	-
Total assets	<u><u>\$ 4,886,770</u></u>	<u><u>\$ 4,070,319</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable and accrued expenses	\$ 53,774	\$ 64,671
Deferred revenue	28,632	61,639
Notes payable	891,165	877,619
Total liabilities	<u><u>973,571</u></u>	<u><u>1,003,929</u></u>
Commitments and contingencies		
Net assets:		
Unrestricted	3,109,961	3,048,782
Temporarily restricted	798,238	12,608
Permanently restricted	5,000	5,000
Total net assets	<u><u>3,913,199</u></u>	<u><u>3,066,390</u></u>
 Total liabilities and net assets	 <u><u>\$ 4,886,770</u></u>	 <u><u>\$ 4,070,319</u></u>

The accompanying notes are an integral part of the financial statements
(3)

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Statement of Activities
For the Year Ended December 31, 2016
With Summarized Financial Information
For the Year Ended December 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>2015</u>
SUPPORT AND REVENUE:					
Program fees	\$ 532,045	\$ -	\$ -	\$ 532,045	\$566,749
United Way contributions	85,519	-	-	85,519	120,774
Special events, net of \$448,095 in expenses	930,628	-	-	930,628	838,683
Contributions	504,829	-	-	504,829	560,646
Contributions - in-kind	337,476	-	-	337,476	1,305,830
Bequest	-	782,980	-	782,980	
Grants	657,712	-	-	657,712	532,896
Investment income	72	2,650	-	2,722	1,206
Other income	24,992	-	-	24,992	41,191
Assets released from restriction	-	-	-	-	-
	<u>3,073,273</u>	<u>785,630</u>	<u>-</u>	<u>3,858,903</u>	<u>\$3,967,975</u>
Expenses:					
Program services	2,448,753	-	-	2,448,753	2,328,427
Supporting services:					
Administration	224,653	-	-	224,653	199,018
Fundraising	338,688	-	-	338,688	319,219
Total supporting services	<u>563,341</u>	<u>-</u>	<u>-</u>	<u>563,341</u>	<u>518,237</u>
Asset impairment	-	-	-	-	186,565
Total expenses	<u>3,012,094</u>	<u>-</u>	<u>-</u>	<u>3,012,094</u>	<u>3,033,229</u>
Change in net assets	61,179	785,630	-	846,809	<u>\$ 934,746</u>
Net assets, beginning of year	<u>3,048,782</u>	<u>12,608</u>	<u>5,000</u>	<u>3,066,390</u>	
Net assets, end of year	<u>\$ 3,109,961</u>	<u>\$ 798,238</u>	<u>\$ 5,000</u>	<u>\$ 3,913,199</u>	

The accompanying notes are an integral part of the financial statements

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Statement of Cash Flows
For the Year Ended December 31, 2016
With Summarized Financial Information
For the Year Ended December 31, 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ 846,809	\$ 934,746
Adjustments to reconcile the increase in net assets to net cash provided by operating activities:		
Assets acquired through in-kind donation	(220,476)	(1,190,980)
Depreciation	218,362	167,361
Asset impairment	-	186,565
Change in promises to give	14,450	34,115
Change in other assets	12,476	13,799
Change in accounts payable and accrued liabilities	(43,904)	34,854
Net cash provided by operating activities	827,717	180,460
Cash flows from investing activities:		
Proceeds from sale of land	23,000	
Increase in restricted cash	(785,629)	-
Capital expenditures	(43,217)	(77,075)
Net cash provided by (used in) investing activities	(805,846)	(77,075)
Cash flows from financing activities:		
Proceeds from line of credit	50,000	-
Net payments on notes payable	(36,454)	(34,678)
Net cash used in financing activities	13,546	(34,678)
Net decrease in cash and cash equivalents	35,417	68,707
Cash and cash equivalents, beginning of year	167,779	99,072
Cash and cash equivalents, end of year	\$ 203,196	\$ 167,779
Schedule of non-cash investing and financing activities:		
None		
Supplemental cash flow information:		
Interest received	2,722	\$ 194
Interest paid	(43,568)	(46,749)

The accompanying notes are an integral part of the financial statements
(5)

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2016
With Summarized Financial Information
For the Year Ended December 31, 2015

	Program Services				Supporting Services				
	McKinney Branch	Plano Branch	Frisco Branch	Other Programs	Total	General & Administrative	Fund Raising	Total	Total
Salaries	\$ 413,662	\$ 461,973	\$ 392,594	\$ -	\$ 1,268,229	\$ 132,408	\$ 275,392	\$ 407,800	\$ 1,676,029
Payroll taxes	33,206	37,944	32,239	-	103,389	9,489	15,689	25,178	128,567
Employee benefits	43,758	53,277	40,471	-	137,506	39,172	13,775	52,947	190,453
Total salaries and related expenses	490,626	553,194	465,304	-	1,509,124	181,069	304,856	485,925	1,995,049
Professional fees	\$ 11,821	\$ 11,392	\$ 11,798	\$ 770	\$ 35,781	\$ 9,913	\$ 10,315	\$ 20,228	\$ 56,009
Supplies and program expense	10,631	11,128	16,755	21,734	60,248	5,572	2,546	8,118	68,366
Telephone	6,405	6,857	7,170	-	20,432	2,004	1,911	3,915	24,347
Postage and shipping	22	23	22	19	86	275	1,387	1,662	1,748
Dues and memberships	2,367	2,357	2,381	-	7,105	75	580	655	7,760
Occupancy	42,861	168,499	59,158	-	270,518	6,613	5,528	12,141	282,659
Local transportation/travel	25,187	32,287	28,842	1,887	88,203	1,599	4,785	6,384	94,587
Conferences and conventions	260	260	435	-	955	627	100	727	1,682
Uniforms and clothing	1,938	2,197	2,403	1,834	8,372	-	-	-	8,372
Fieldtrips	13,712	14,801	22,738	-	51,251	-	-	-	51,251
Awards and grants	61	130	-	400	591	465	-	465	1,056
Equipment repair	2,825	4,473	3,287	-	10,585	2,903	1,671	4,574	15,159
Bank and merchant fees	3,471	3,790	4,699	-	11,960	203	1,570	1,773	13,733
Miscellaneous	641	1,001	805	530	2,977	1,964	1,158	3,122	6,099
Dues to Affiliates	3,272	3,272	3,272	-	9,816	-	-	-	9,816
Equipment rental	3,238	6,170	6,288	-	15,696	2,646	2,205	4,851	20,547
Insurance	26,722	31,115	28,709	-	86,546	3,133	-	3,133	89,679
Licenses and permits	735	333	924	-	1,992	177	76	253	2,245
Interest	-	-	42,610	-	42,610	958	-	958	43,568
Depreciation	156,169	300,085	242,296	27,174	725,724	39,127	33,632	72,959	798,683
	71,393	51,136	91,376	-	213,905	4,457	-	4,457	218,362
Total	\$ 718,188	\$ 904,415	\$ 798,976	\$ 27,174	\$ 2,448,753	\$ 224,653	\$ 338,688	\$ 563,341	\$ 3,012,094
									\$ 2,846,664

The accompanying notes are an integral part of the financial statements
(6)

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

1. Summary of Significant Accounting Policies

(a) Organization and Operations

The Boys & Girls Clubs of Collin County, Inc. (the "Organization") is a Texas nonprofit corporation incorporated in 1968 under the laws of the State of Texas for the purpose of enhancing the quality of life for the youth of Collin County by providing a diversity of quality programs in the areas of character and leadership development, education and career development, health and life skills, sport fitness, recreation and the arts.

(b) Financial Statement Presentation

For financial reporting purposes, the Organization's net assets are grouped and reported by the following three classifications:

Unrestricted - includes funds that represent resources over which the Board of Directors has discretionary control to carry out operations of the Organization in accordance with its bylaws.

Temporarily Restricted - includes funds that represent resources expendable only for those operating purposes specified by the donor. Resources of this classification originate principally from grants and gifts.

Permanently Restricted - includes funds that have been accepted with donor stipulations that the principal be maintained intact in perpetuity with only the income to be utilized.

(c) Accounts Receivable

The Organization charges fees for certain services/activities. Income from these services/activities is recorded when earned. All services/activities must be paid for by the time the services/activities occur. Any payments deemed to be insufficient funds ("NSF" checks) are recorded as receivables. The organization automatically debits customer's bank accounts for NSF checks. Any NSF checks that cannot be collected through this process after 30 days are charged against an allowance for uncollectible accounts. At December 31, 2016 the Organization had no material accounts receivable that were deemed to be uncollectible.

(d) Income Taxes

The Organization is exempt from federal income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code and qualifies as a publicly supported Organization under Section 509(a)(1) of the Internal Revenue Code.

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

(e) Fixed Assets

Expenditures for furniture and equipment are stated at cost. Donated assets are recorded at their estimated fair market value at the date of contribution. Such donations are recorded as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit instructions regarding their use are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expiration of donor restrictions when the assets are placed into service. The Organization capitalized fixed assets over \$1,000 and with a useful life in excess of one year. Fixed assets are evaluated periodically to determine if an impairment of their value has occurred. It is the opinion of management that no such impairment has occurred.

Depreciation of fixed assets is calculated on the straight-line method over the following useful lives:

Equipment	3-8 years
Buildings	35-40 years

(f) Functional Expenses Allocation

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

(g) Contributions and Grants

Contributions and Grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. 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. If the restrictions are met in the year of contribution, the amounts of temporarily restricted gifts are listed as unrestricted contributions.

(h) Contributed Materials and Services

A substantial number of volunteers have donated significant amounts of time to the Organization's activities. However, the Organization only recognizes donated services that create or enhance nonfinancial assets, or that require specialized skills, provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amounts have been presented in the financial statements for contributed services, as these amounts are immaterial. The Organization recorded a total of \$117,000 in in-kind contributions related to facility rental and \$220,476 for assets that were donated in 2016.

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

(i) Cash and Cash Equivalents

The Organization considers all highly liquid instruments purchased with maturity of three months or less to be cash equivalents. The Organization places its cash with quality financial institutions and limits its exposure by controlling the cash balances it maintains in any one financial institution. The Organization has never experienced losses from credit risk associated with its cash balances.

(j) Investments

Investments are carried at their value, as determined by quoted market prices. Investment income is included in unrestricted income, unless restricted by a donor.

(k) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(l) Comparative Prior Year Information

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

(m) Subsequent Events

Management evaluates subsequent events through the date of the report, which is the date the financial statements were available to be issued.

(n) Accounting Pronouncements

In January 2016, the Financial Accounting Standards Board issued a pronouncement related to accounting for leases. The effect of this change will require that Organizations who enter into leases of more than twelve months record those leases as assets and liabilities. The standard is effective for the Organization's year that ends December 31, 2020. The Organization has not yet assessed the impact of this new accounting standard.

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

2. Fixed Assets

The composition of fixed assets at December 31, 2016 is as follows:

Land	\$ 510,435
Buildings and improvements	3,999,873
Equipment	<u>1,442,084</u>
	5,952,392
Less accumulated depreciation	<u>2,128,811</u>
	<u>\$3,823,581</u>

3. Commitments and Contingencies

Grants and bequests require the fulfillment of certain conditions as set forth in the grant instrument. Failure to fulfill the conditions could result in the return of funds to the grantor. Although that remains a possibility, the Board deems such contingency remote since by accepting the gifts and their terms, the Organization has, in essence, accommodated the provisions of the gift.

4. Note Payable

\$250,000 line of credit with a local bank. The note is due on demand, but if no demand is made it is due June 21, 2017. The note bears interest at The Wall Street Journal prime rate (3.75% at December 31, 2016) and is secured by real estate. \$ 50,000

Note payable to a local bank. The note is due in monthly installments through August 2018. The note bears interest at 4.819% and is payable in monthly installments of \$1,617. The note is secured by automotive equipment. 30,878

Note payable to a local bank. The note is due in monthly installments through October 2024. The note bears interest at 4.819% and is payable in monthly installments of \$4,992 with a balloon payment at the end of the note of \$629,672. The note is secured by the Organization's real estate. 810,287

\$ 891,165

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

Maturities of the debt above are as follows:

2017	88,287
2018	20,966
2019	21,999
2020	23,083
2021	24,220
Thereafter	712,610

5. Retirement Plan

In December, 2002, the organization adopted a pension plan for its employees to be known as the Boys and Girls Clubs of Collin County, Inc. Pension Plan. Employees that are 21 and have completed one year of employment are eligible for coverage. Employees become 100% vested after five years of participation. Only employer contributions to the plan are allowed which are calculated at 5% of eligible employee's compensation.

Total amounts contributed by the Organization to the plan above were \$35,325 for the year ended December 31, 2016.

6. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are comprised of \$798,238 which is restricted for the construction of a camp site. During 2016, the Organization received a \$782,980 bequest, which is included in the restricted balance above along with income that has been earned on the balance. The Will of the donor requires that the balance be expended within ten years or the funds are to be returned to the other heirs. The Organization is attempting to have the living heirs waive their claims to the funds so that they can be expended as the as unrestricted resources.

There were no assets released from restriction during 2016.

Permanently restricted net assets were comprised of funds donated for a permanent endowment fund.

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.

Financial Statements

For the Year Ended December 31, 2015

CHARLES O. PAUL
CERTIFIED PUBLIC ACCOUNTANT

7408 Continental Trail
N. Richland Hills, TX 76182
(817) 498-0884
Fax (817) 605-0074

P.O. Box 820402
Fort Worth, TX 76182
Charles@CharlesPaulCPA.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Boys & Girls Clubs of Collin County, Inc.

We have audited the accompanying financial statements of Boys & Girls Clubs of Collin County, Inc. (the Organization) which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys & Girls Clubs of Collin County, Inc. as of December 31, 2015 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Boys & Girls Clubs of Collin County, Inc.'s 2014 financial statements, and our report dated June 24, 2015 expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statement from which it has been derived.



**CHARLES O. PAUL, CPA
June 6, 2016**

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Statement of Financial Position
December 31, 2015
With Summarized Financial Information
At December 31, 2014

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 167,779	\$ 99,072
Unconditional promises to give	49,393	83,508
Other current assets	18,723	29,122
Property and equipment, net of accumulated depreciation	3,830,024	2,915,895
Other assets	<u>4,400</u>	<u>7,800</u>
Total assets	<u>\$ 4,070,319</u>	<u>\$ 3,135,397</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable and accrued expenses	\$ 64,671	\$ 79,357
Deferred revenue	61,639	12,099
Notes payable	<u>877,619</u>	<u>912,297</u>
Total liabilities	<u>1,003,929</u>	<u>1,003,753</u>
Commitments and contingencies		
Net assets:		
Unrestricted	3,048,782	2,114,036
Temporarily restricted	12,608	12,608
Permanently restricted	<u>5,000</u>	<u>5,000</u>
Total net assets	<u>3,066,390</u>	<u>2,131,644</u>
Total liabilities and net assets	<u>\$ 4,070,319</u>	<u>\$ 3,135,397</u>

The accompanying notes are an integral part of the financial statements

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Statement of Activities
For the Year Ended December 31, 2015
With Summarized Financial Information
For the Year Ended December 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>2014</u>
SUPPORT AND REVENUE:					
Program fees	\$ 566,749	\$ -	\$ -	\$ 566,749	\$523,043
United Way contributions	120,774	-	-	120,774	116,076
Special events, net of \$381,236 in expenses	838,683	-	-	838,683	864,946
Contributions	560,646	-	-	560,646	368,222
Contributions - in-kind	1,305,830	-	-	1,305,830	173,065
Grants	532,896	-	-	532,896	607,907
Investment income	1,206	-	-	1,206	194
Other income	41,191	-	-	41,191	41,832
Assets released from restriction	-	-	-	-	-
	<u>3,967,975</u>	-	-	<u>3,967,975</u>	<u>\$2,695,285</u>
Expenses:					
Program services	2,328,427	-	-	2,328,427	2,204,181
Supporting services:					
Administration	199,018	-	-	199,018	173,355
Fundraising	319,219	-	-	319,219	286,464
	<u>518,237</u>	-	-	<u>518,237</u>	<u>459,819</u>
Total supporting services					
Asset impairment	186,565	-	-	186,565	
Total expenses	<u>3,033,229</u>	-	-	<u>3,033,229</u>	<u>2,664,000</u>
Change in net assets	934,746	-	-	934,746	<u>\$ 31,285</u>
Net assets, beginning of year	<u>2,114,036</u>	<u>12,608</u>	<u>5,000</u>	<u>2,131,644</u>	
Net assets, end of year	<u>\$ 3,048,782</u>	<u>\$ 12,608</u>	<u>\$ 5,000</u>	<u>\$ 3,066,390</u>	

The accompanying notes are an integral part of the financial statements
(4)

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Statement of Cash Flows
For the Year Ended December 31, 2015
With Summarized Financial Information
For the Year Ended December 31, 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Change in net assets	\$ 934,746	\$ 31,285
Adjustments to reconcile the increase in net assets to net cash provided by operating activities:		
Assets acquired through in-kind donation	(1,190,980)	-
Depreciation	167,361	189,331
Asset impairment	186,565	-
Change in promises to give	34,115	(75,294)
Change in other assets	13,799	(9,623)
Change in accounts payable and accrued liabilities	34,854	23,014
Net cash provided by operating activities	<u>180,460</u>	<u>158,713</u>
Cash flows from investing activities:		
Capital expenditures	<u>(77,075)</u>	<u>(112,726)</u>
Net cash provided by (used in) investing activities	<u>(77,075)</u>	<u>(112,726)</u>
Cash flows from financing activities:		
Payments on notes payable	<u>(34,678)</u>	<u>(71,562)</u>
Net cash used in financing activities	<u>(34,678)</u>	<u>(71,562)</u>
Net decrease in cash and cash equivalents	68,707	(25,575)
Cash and cash equivalents, beginning of year	<u>99,072</u>	<u>124,647</u>
Cash and cash equivalents, end of year	<u><u>\$ 167,779</u></u>	<u><u>\$ 99,072</u></u>
Schedule of non-cash investing and financing activities:		
None		
Supplemental cash flow information:		
Interest received	1,206	\$ 194
Interest paid	(43,304)	(46,749)

The accompanying notes are an integral part of the financial statements
(5)

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2015
With Summarized Financial Information
For the Year Ended December 31, 2014

	Program Services				Supporting Services					
	McKinney Branch	Plano Branch	Frisco Branch	Other Programs	Total	General & Administrative	Fund Raising	Total	2014	
Salaries	\$ 345,872	\$ 395,091	\$ 359,535	\$ -	\$ 1,100,498	\$ 111,275	\$ 251,933	\$ 363,208	\$ 1,463,706	\$ 1,404,050
Payroll taxes	29,472	35,059	31,107	-	95,638	8,632	18,344	26,976	122,614	121,374
Employee benefits	44,391	49,466	38,045	-	131,902	49,397	9,687	59,084	190,986	154,936
Total salaries and related expenses	419,735	479,616	428,687	-	1,328,038	169,304	279,964	449,268	1,777,306	1,680,360
Professional fees	\$ 8,933	\$ 9,898	\$ 10,847	\$ 292	\$ 29,970	\$ 7,546	\$ 4,081	\$ 11,627	\$ 41,597	\$ 35,497
Supplies and program expense	17,205	24,875	27,866	22,285	92,231	2,701	7,731	10,432	102,663	69,301
Telephone	5,827	6,376	6,125	-	18,328	1,749	1,571	3,320	21,648	23,104
Postage and shipping	-	-	56	-	56	421	3,204	3,625	3,681	1,692
Dues and memberships	2,209	2,234	2,259	-	6,702	450	1,548	1,998	8,700	7,500
Occupancy	47,478	150,411	107,181	-	305,070	3,002	2,340	5,342	310,412	298,441
Local transportation/travel	38,351	37,642	38,807	-	114,800	466	8,280	8,746	123,546	92,312
Conferences and conventions	1,164	1,229	1,229	-	3,622	25	875	900	4,522	3,385
Uniforms and clothing	2,239	2,119	2,052	1,297	7,707	-	-	-	7,707	5,720
Fieldtrips	13,671	16,594	32,039	-	62,304	-	-	-	62,304	58,920
Awards and grants	281	230	317	-	828	341	-	341	1,169	3,790
Equipment repair	6,581	4,585	4,630	-	15,796	1,521	2,690	4,211	20,007	21,468
Bank and merchant fees	4,387	3,335	5,401	-	13,723	523	1,423	1,946	15,669	12,995
Miscellaneous	1,378	1,380	1,121	7,660	11,539	1,646	3,480	5,126	16,665	9,793
Dues to Affiliates	3,203	3,203	3,203	-	9,609	-	-	-	9,609	9,609
Equipment rental	3,705	6,257	6,257	-	16,219	1,539	1,567	3,106	19,325	10,995
Insurance	25,379	29,454	27,238	-	82,071	3,126	-	3,126	85,197	78,087
Licenses and permits	1,169	869	1,304	-	3,342	465	465	930	4,272	4,951
Interest	-	-	43,304	-	43,304	-	-	-	43,304	46,749
Depreciation	183,160	301,291	321,236	31,534	837,221	25,521	39,255	64,776	901,997	794,309
	54,762	31,924	76,482	-	163,168	4,193	-	4,193	167,361	189,331
Total	\$ 657,657	\$ 812,831	\$ 826,405	\$ 31,534	\$ 2,328,427	\$ 199,018	\$ 319,219	\$ 518,237	\$ 2,846,664	\$ 2,664,000

The accompanying notes are an integral part of the financial statements
(6)

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

1. Summary of Significant Accounting Policies

(a) Organization and Operations

The Boys & Girls Clubs of Collin County, Inc. (the "Organization") is a Texas nonprofit corporation incorporated in 1968 under the laws of the State of Texas for the purpose of enhancing the quality of life for the youth of Collin County by providing a diversity of quality programs in the areas of character and leadership development, education and career development, health and life skills, sport fitness, recreation and the arts.

(b) Financial Statement Presentation

For financial reporting purposes, the Organization's net assets are grouped and reported by the following three classifications:

Unrestricted - includes funds that represent resources over which the Board of Directors has discretionary control to carry out operations of the Organization in accordance with its bylaws.

Temporarily Restricted - includes funds that represent resources expendable only for those operating purposes specified by the donor. Resources of this classification originate principally from grants and gifts.

Permanently Restricted - includes funds that have been accepted with donor stipulations that the principal be maintained intact in perpetuity with only the income to be utilized.

(c) Accounts Receivable

The Organization charges fees for certain services/activities. Income from these services/activities is recorded when earned. All services/activities must be paid for by the time the services/activities occur. Any payments deemed to be insufficient funds ("NSF" checks) are recorded as receivables. The organization automatically debits customer's bank accounts for NSF checks. Any NSF checks that cannot be collected through this process after 30 days are charged against an allowance for uncollectible accounts. At December 31, 2015 the Organization had no material accounts receivable that were deemed to be uncollectible.

(d) Income Taxes

The Organization is exempt from federal income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code and qualifies as a publicly supported Organization under Section 509(a)(1) of the Internal Revenue Code.

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

(e) Fixed Assets

Expenditures for furniture and equipment are stated at cost. Donated assets are recorded at their estimated fair market value at the date of contribution. Such donations are recorded as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit instructions regarding their use are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expiration of donor restrictions when the assets are placed into service. The Organization capitalized fixed assets over \$1,000 and with a useful life in excess of one year. Fixed assets are evaluated periodically to determine if an impairment of their value has occurred. It is the opinion of management that no such impairment has occurred.

Depreciation of fixed assets is calculated on the straight-line method over the following useful lives:

Equipment	3-8 years
Buildings	35-40 years

(f) Functional Expenses Allocation

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

(g) Contributions and Grants

Contributions and Grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. 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. If the restrictions are met in the year of contribution, the amounts of temporarily restricted gifts are listed as unrestricted contributions.

(h) Contributed Materials and Services

A substantial number of volunteers have donated significant amounts of time to the Organization's activities. However, the Organization only recognizes donated services that create or enhance nonfinancial assets, or that require specialized skills, provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amounts have been presented in the financial statements for contributed services, as these amounts are immaterial. The Organization recorded a total of \$114,850 in in-kind contributions related to facility rental and \$1,190,980 for assets that were donated in 2015.

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

(i) Cash and Cash Equivalents

The Organization considers all highly liquid instruments purchased with maturity of three months or less to be cash equivalents. The Organization places its cash with quality financial institutions and limits its exposure by controlling the cash balances it maintains in any one financial institution. The Organization has never experienced losses from credit risk associated with its cash balances.

(j) Investments

Investments are carried at their value, as determined by quoted market prices. Investment income is included in unrestricted income, unless restricted by a donor.

(k) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(l) Comparative Prior Year Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2014, from which the summarized information was derived.

(m) Subsequent Events

Management evaluates subsequent events through the date of the report, which is the date the financial statements were available to be issued.

(n) Accounting Pronouncements

In January 2016, the Financial Accounting Standards Board issued a pronouncement related to accounting for leases. The effect of this change will require that Organizations who enter into leases of more than twelve months record those leases as assets and liabilities. The standard is effective for the Organization's year that ends December 31, 2020. The Organization has not yet assessed the impact of this new accounting standard.

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

2. Fixed Assets

The composition of fixed assets at December 31, 2015 is as follows:

Land	\$ 533,435
Buildings and improvements	5,065,302
Equipment	<u>1,300,686</u>
	5,699,423
Less accumulated depreciation	<u>1,869,399</u>
	<u><u>\$3,830,024</u></u>

During 2015, the City of Frisco agreed to donate the building in which the Organization operates its Frisco activities. The property was appraised and the net difference between the net value of the Organization's improvements and the fair value of the property was recorded to Land and Buildings and improvements resulting in \$973,240 being recorded as an in-kind donation.

3. Commitments and Contingencies

Grants and bequests require the fulfillment of certain conditions as set forth in the grant instrument. Failure to fulfill the conditions could result in the return of funds to the grantor. Although that remains a possibility, the Board deems such contingency remote since by accepting the gifts and their terms, the Organization has, in essence, accommodated the provisions of the gift.

4. Note Payable

Note payable to a local bank. The note is due in monthly installments through August 2018. The note bears interest at 4.819% and is payable in monthly installments of \$1,617.

The note is secured by automotive equipment. \$ 48,379

Note payable to a local bank. The note is due in monthly installments through October 2024. The note bears interest at 4.819% and is payable in monthly installments of \$4,992 with a balloon payment at the end of the note of \$629,672.

The note is secured by the Organization's real estate. 829,240

\$ 877,619

BOYS & GIRLS CLUBS OF COLLIN COUNTY, INC.
Notes to Financial Statements

Maturities of the debt above are as follows:

2016	\$36,489
2017	38,287
2018	20,966
2019	21,999
2020	23,083
Thereafter	736,795

The Organization has a \$250,000 operating line of credit with a bank that is due on demand, but if no demand is made, the line of credit is due in June 2017. The line of credit carries an interest rate of the bank's index rate plus 1.25% (4.50% at December 2015) and is secured by the Organization's McKinney real estate.

5. Retirement Plan

In December, 2002, the organization adopted a pension plan for its employees to be known as the Boys and Girls Clubs of Collin County, Inc. Pension Plan. Employees that are 21 and have completed one year of employment are eligible for coverage. Employees become 100% vested after five years of participation. Only employer contributions to the plan are allowed which are calculated at 5% of eligible employee's compensation.

Total amounts contributed by the Organization to the plan above were \$51,234 for the year ended December 31, 2015.

6. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are comprised of \$12,608 which is restricted for the construction of a camp site. Assets released from restriction were used for capital expenditures.

Permanently restricted net assets were comprised of funds donated for a permanent endowment fund.

7. Subsequent Events

Subsequent to December 31, 2015, the Organization sold .17 acres of the property next to the Organization's McKinney branch. The land was not expected to be utilized by the Organization. The contract value for the land was \$23,000. When the property was donated to the Organization in 2008 and recorded at the estimated fair value at that date. The sale indicates that the value of the property has declined and the Organization has recorded an asset impairment loss on the statement of activities of \$186,565.

In May 2016, the Organization was notified that it is a beneficiary of an estate. On June 6, 2016, the Organization received a listing of the assets to be received which consists primarily of equity securities. The estimated fair value of the securities and cash at that date is \$780,195. There are no restrictions as to use of these assets.