



**BOOTHBAY REGION YMCA**

**Financial Statements**

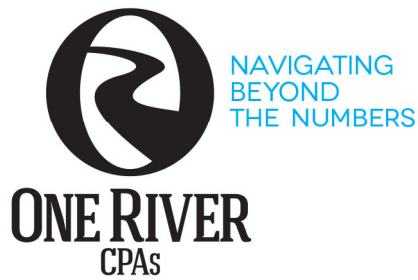
**Years Ended December 31, 2024 and 2023**

**BOOTHBAY REGION YMCA**  
**Financial Statements**  
**Years Ended December 31, 2024 and 2023**

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## Independent Auditors' Report

To the Board of Trustees of  
Boothbay Region YMCA

### Opinion

We have audited the accompanying financial statements of Boothbay Region YMCA (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boothbay Region YMCA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibility of Management for the Financial Statements

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

*One River, CPAs*

Augusta, Maine  
May 21, 2025

**BOOTHBAY REGION YMCA**  
**Statements of Financial Position**  
**December 31, 2024 and 2023**

	2024			2023		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents - without restrictions	\$ 563,400	-	563,400	\$ 463,499	-	463,499
Cash and cash equivalents - designated and with restrictions	-	3,670,587	3,670,587	-	155,453	155,453
Accounts and grants receivable, net of allowance	37,889	-	37,889	25,458	3,766	29,224
Promises to give receivable	98,304	430,398	528,702	81,857	2,474,217	2,556,074
Prepaid expenses	57,163	-	57,163	31,323	-	31,323
Inventory	2,606	-	2,606	423	-	423
Total current assets	759,362	4,100,985	4,860,347	602,560	2,633,436	3,235,996
Property and equipment:						
Construction in progress	213,736	-	213,736	123,484	-	123,484
Land and land improvements	2,888,060	-	2,888,060	2,959,145	-	2,959,145
Building and improvements	20,255,235	-	20,255,235	20,167,063	-	20,167,063
Equipment	957,053	-	957,053	1,001,054	-	1,001,054
Property and equipment, cost	24,314,084	-	24,314,084	24,250,746	-	24,250,746
Less: accumulated depreciation	(8,000,131)	-	(8,000,131)	(7,193,254)	-	(7,193,254)
Net property and equipment	16,313,953	-	16,313,953	17,057,492	-	17,057,492
Other assets:						
Right of use assets - finance lease	33,299	-	33,299	48,868	-	48,868
Right of use assets - operating lease	19,899	-	19,899	23,839	-	23,839
Promises to give receivable, net of current portion	7,620	445,718	453,338	34,833	339,401	374,234
Beneficial interests in perpetual trusts	-	506,548	506,548	-	471,160	471,160
Investments	7,001,982	170,667	7,172,649	5,938,339	139,253	6,077,592
Total other assets	7,062,800	1,122,933	8,185,733	6,045,879	949,814	6,995,693
<b>Total assets</b>	<b>\$ 24,136,115</b>	<b>5,223,918</b>	<b>29,360,033</b>	<b>\$ 23,705,931</b>	<b>3,583,250</b>	<b>27,289,181</b>
<b>LIABILITIES AND NET ASSETS</b>						
Current liabilities:						
Accounts payable	\$ 87,640	-	87,640	\$ 149,835	-	149,835
Accrued expenses	113,113	-	113,113	87,055	-	87,055
Deferred revenue	82,929	-	82,929	87,180	-	87,180
Current portion of lease liabilities - finance lease	15,875	-	15,875	14,565	-	14,565
Current portion of lease liabilities - operating lease	7,982	-	7,982	7,086	-	7,086
Current portion of notes payable	33,594	-	33,594	1,104,987	-	1,104,987
Total current liabilities	341,133	-	341,133	1,450,708	-	1,450,708
Long-term liabilities:						
Lease liabilities - finance lease, net of current portion	19,808	-	19,808	35,683	-	35,683
Lease liabilities - operating lease, net of current portion	11,917	-	11,917	16,754	-	16,754
Notes payable, net of current portion	796,941	-	796,941	830,744	-	830,744
Total long-term liabilities	828,666	-	828,666	883,181	-	883,181
<b>Total liabilities</b>	<b>1,169,799</b>	<b>-</b>	<b>1,169,799</b>	<b>2,333,889</b>	<b>-</b>	<b>2,333,889</b>
Net assets:						
Without donor restrictions	22,966,316	-	22,966,316	21,372,042	-	21,372,042
With donor restrictions	-	5,223,918	5,223,918	-	3,583,250	3,583,250
Total net assets	22,966,316	5,223,918	28,190,234	21,372,042	3,583,250	24,955,292
<b>Total liabilities and net assets</b>	<b>\$ 24,136,115</b>	<b>5,223,918</b>	<b>29,360,033</b>	<b>\$ 23,705,931</b>	<b>3,583,250</b>	<b>27,289,181</b>

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Statements of Activities**  
**Years Ended December 31, 2024 and 2023**

	2024			2023		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Operating activities:						
Revenue and support:						
Program fees	\$ 913,156	-	913,156	\$ 835,194	-	835,194
Membership dues	1,097,725	-	1,097,725	901,598	-	901,598
Facility rentals	111,441	-	111,441	18,490	-	18,490
Sales, net	50	-	50	985	-	985
Donations and grants	1,237,433	2,962,147	4,199,580	841,652	3,023,036	3,864,688
Special events	2,808	-	2,808	13,850	-	13,850
Miscellaneous	271,695	-	271,695	256,097	191	256,288
Interest and dividends	172,995	56,775	229,770	169,784	10,139	179,923
Total revenue and gains	3,807,303	3,018,922	6,826,225	3,037,650	3,033,366	6,071,016
Net assets released from restrictions	1,432,669	(1,432,669)	-	1,510,440	(1,510,440)	-
Total revenues, gains and other support	5,239,972	1,586,253	6,826,225	4,548,090	1,522,926	6,071,016
Expenses:						
Program services:						
Aquatics	704,753	-	704,753	733,695	-	733,695
Camp and afterschool	836,732	-	836,732	793,666	-	793,666
Child Care	558,190	-	558,190	503,124	-	503,124
Wellness and other programs	1,355,700	-	1,355,700	1,342,482	-	1,342,482
Total program services	3,455,375	-	3,455,375	3,372,967	-	3,372,967
Supporting services:						
Management and general	605,017	-	605,017	627,765	-	627,765
Fundraising	253,017	-	253,017	233,775	-	233,775
Total supporting services	858,034	-	858,034	861,540	-	861,540
Total expenses	4,313,409	-	4,313,409	4,234,507	-	4,234,507
Change in net assets from operations	926,563	1,586,253	2,512,816	313,583	1,522,926	1,836,509
Non-operating activities:						
(Losses) gains on disposal of property and equipment	(1,500)	-	(1,500)	433	-	433
Realized and unrealized gains on investments	669,211	19,027	688,238	352,191	12,547	364,738
Change in beneficial interests in trusts	-	35,388	35,388	-	36,424	36,424
Total non-operating activities	667,711	54,415	722,126	352,624	48,971	401,595
Change in net assets	1,594,274	1,640,668	3,234,942	666,207	1,571,897	2,238,104
Net assets, beginning of year	21,372,042	3,583,250	24,955,292	20,705,835	2,011,353	22,717,188
<b>Net assets, end of year</b>	<b>\$ 22,966,316</b>	<b>5,223,918</b>	<b>28,190,234</b>	<b>\$ 21,372,042</b>	<b>3,583,250</b>	<b>24,955,292</b>

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2024**

						<b>Supporting Services</b>		<b>Total</b>
	<b>Aquatics Programs</b>	<b>Camp and Afterschool Programs</b>	<b>Child Care</b>	<b>Wellness and Other Programs</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	
Salaries	\$ 244,455	410,538	376,397	464,342	1,495,732	320,391	112,639	1,928,762
Payroll taxes and benefits	42,782	53,862	75,601	79,343	251,588	74,582	24,870	351,040
Contract services	9,919	58,953	11,802	11,837	92,511	116,151	60,919	269,581
Supplies	7,803	27,070	11,296	110,787	156,956	3,376	6,492	166,824
Telephone and internet	11,051	7,666	1,842	20,260	40,819	-	-	40,819
Postage	58	58	58	58	232	779	4,486	5,497
Occupancy	116,972	143,549	28,819	179,266	468,606	3,642	410	472,658
Advertising and marketing	669	179	145	1,564	2,557	539	14,657	17,753
Travel and training	3,943	11,579	402	3,060	18,984	3,445	468	22,897
Equipment expense	6,138	13,001	2,691	8,441	30,271	7,999	901	39,171
Dues and licenses	3,976	4,872	2,933	3,468	15,249	39,485	12,825	67,559
Interest	914	18,553	914	4,685	25,066	12,364	1,393	38,823
Depreciation and amortization	252,727	84,787	42,802	462,650	842,966	11,053	1,245	855,264
Miscellaneous and bad debt	3,346	2,065	2,488	5,939	13,838	11,211	11,712	36,761
<b>Total expenses</b>	<b>\$ 704,753</b>	<b>836,732</b>	<b>558,190</b>	<b>1,355,700</b>	<b>3,455,375</b>	<b>605,017</b>	<b>253,017</b>	<b>4,313,409</b>

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2023**

						<b>Supporting Services</b>		<b>Total</b>
	<b>Aquatics Programs</b>	<b>Camp and Afterschool Programs</b>	<b>Child Care</b>	<b>Wellness and Other Programs</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	
Salaries	\$ 254,373	406,958	314,469	431,713	1,407,513	313,987	110,237	1,831,737
Payroll taxes and benefits	49,817	59,498	68,895	80,444	258,654	87,249	30,281	376,184
Contract services	9,172	41,849	9,902	29,664	90,587	101,552	30,605	222,744
Supplies	11,378	31,578	13,494	119,723	176,173	7,048	36,384	219,605
Telephone and internet	10,199	9,563	1,700	18,699	40,161	-	-	40,161
Postage	139	62	62	230	493	634	4,453	5,580
Occupancy	148,452	128,130	46,238	222,374	545,194	4,127	465	549,786
Advertising and marketing	514	117	91	996	1,718	89	10	1,817
Travel and training	4,467	11,829	1,405	2,314	20,015	4,397	1,091	25,503
Equipment expense	10,571	20,341	1,599	12,063	44,574	12,580	1,417	58,571
Dues and licenses	2,871	3,264	2,619	2,810	11,564	35,160	10,785	57,509
Interest	1,635	1,635	1,635	1,635	6,540	22,113	2,492	31,145
Depreciation and amortization	227,591	76,455	38,671	416,510	759,227	11,989	1,351	772,567
Miscellaneous and bad debt	2,516	2,387	2,344	3,307	10,554	26,840	4,204	41,598
<b>Total expenses</b>	<b>\$ 733,695</b>	<b>793,666</b>	<b>503,124</b>	<b>1,342,482</b>	<b>3,372,967</b>	<b>627,765</b>	<b>233,775</b>	<b>4,234,507</b>

*See accompanying notes to financial statements.*



**BOOTHBAY REGION YMCA**  
**Statements of Cash Flows**  
**Years Ended December 31, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
Cash flows from operating activities:		
Change in net assets	\$ 3,234,942	2,238,104
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized and unrealized gains on investments	(688,238)	(364,738)
Change in beneficial interests in trusts	(35,388)	(36,424)
Losses (gains) on disposal of property and equipment	1,500	(433)
Depreciation	855,264	772,567
(Increase) decrease in:		
Accounts receivable	(8,665)	(18,313)
Promises to give receivable	1,948,268	(1,697,109)
Prepaid expenses	(25,840)	65,026
Inventory	(2,183)	150
Increase (decrease) in:		
Accounts payable	(62,195)	93,492
Accrued expenses	26,058	(5,017)
Deferred revenue	(4,251)	(12,318)
Net cash provided by operating activities	5,239,272	1,034,987
Cash flows from investing activities:		
Purchase of property and equipment	(293,157)	(1,098,448)
Proceeds from sale of property and equipment	195,500	-
Purchase of investments, net	(406,819)	(51,807)
Net cash used in investing activities	(504,476)	(1,150,255)
Cash flows from financing activities:		
Payments on finance lease liabilities	(14,565)	(16,866)
Payments on notes payable	(1,105,196)	(414,069)
Net cash used in financing activities	(1,119,761)	(430,935)
Net increase (decrease) in cash and cash equivalents	3,615,035	(546,203)
Cash, cash equivalents, and restricted cash, beginning of year	618,952	1,165,155
<b>Cash, cash equivalents, and restricted cash, end of year</b>	<b>\$ 4,233,987</b>	<b>618,952</b>
<b>Cash, cash equivalents, and restricted cash:</b>		
Cash and cash equivalents - without restrictions	\$ 563,400	463,499
Cash and cash equivalents - designated and with restrictions	3,670,587	155,453
<b>Total cash, cash equivalents, and restricted cash:</b>	<b>\$ 4,233,987</b>	<b>618,952</b>
Supplemental disclosure of cash flow information:		
Interest paid	\$ 38,823	31,145
Non-cash investing and financing activities:		
Additions of right of use assets and lease obligations	\$ -	27,667
Property and equipment financed with debt	\$ -	216,737

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2024 and 2023**

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**NOTE 1 – NATURE OF OPERATIONS**

**Nature of Activities** - The Boothbay Region YMCA (the Y) is a nonprofit organization established under the laws of the State of Maine, operated exclusively for charitable purposes. As the leading provider of human services in the Boothbay Region, the Y plays a critical role in nurturing the potential of youth, improving the region's health and well-being, and inspiring social responsibility. Rooted in its mission, the Y is committed to strengthening the foundations of community life for people of all ages, backgrounds, and abilities.

With a membership of approximately 3,100 individuals—men, women, and children of diverse races, religions, incomes, and life experiences—the Y serves as a welcoming and inclusive hub for connection, wellness, and personal growth. Every program and service is designed with the Y's core values in mind, aiming to create positive, lasting change for individuals and families in the region.

**Program Services** - The Y offers a broad range of community-focused programs that are accessible and impactful. From open gym and swim times to group fitness classes, swim lessons, and youth and adult sports leagues, the Y creates meaningful opportunities for physical activity and social engagement. Programs in music, theater, and dance foster creativity and expression, while teen-specific activities provide safe and constructive spaces for youth to build confidence and community.

The Y also provides a full range of youth development programs aimed at building self-esteem, leadership, and healthy habits. Youth and teens, especially those in grades 6 through 12, regularly use the Y after school for physical activity, social connection, and nutritious snacks in a safe and supportive environment. Through the generosity of donors to the Annual Fund Campaign, the Y is proud to offer free memberships to all local high school students, ensuring every teen has access to the programs and services they need to thrive—regardless of their family's financial situation.

Youth sports programs, tennis, and arts and humanities further support the development of character, teamwork, and core values. The Y-Arts program provides a space for youth and adults to explore the performing arts, including singing, dancing, and theater. With a strong emphasis on inclusion, the Y-Arts for All initiative welcomes individuals of all abilities, including those with disabilities, and has significantly expanded the Y's commitment to accessibility and community belonging through the arts.

Wellness - The Y's Wellness Department supports more than 2,500 participants annually through a robust portfolio of programs designed to meet a wide spectrum of health needs. The Y is proud to offer several Evidence-Based Health Initiatives, such as Boxing for Parkinson's, LIVESTRONG at the YMCA for adult cancer survivors, Enhanced Fitness, and A Matter of Balance for fall prevention. These programs not only improve health outcomes but are often offered at no cost to ensure they remain accessible to all. For children, the Fit Kids initiative helps combat childhood obesity through fun, educational fitness activities and healthy snack programming. Adults and seniors benefit from a variety of fitness options, including Aerobics for All, Zumba, Total Body Challenge, and TRX. Active older adults are also supported with specialized classes, cooking workshops, and field trips that promote social connection and lifelong well-being.

Aquatics - Recognizing the unique needs of a coastal community, the Y's Aquatics Program is essential in promoting water safety and lifelong swimming skills. Every 2nd grader in the region is offered free swim lessons, and children in the Y's Child Enrichment programs benefit from regular, structured time in the pool. The Dolphin Swim Team offers youth an opportunity to develop physical skills and teamwork in a supportive environment. Aquatic therapy and rehabilitation programming are also available, meeting the needs of the region's aging population and those recovering from injury or managing chronic conditions.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2024 and 2023**

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**NOTE 1 – NATURE OF OPERATIONS, CONTINUED**

Camp - Each summer, the Y operates a vibrant day camp at Camp Knickerbocker, a collaborative effort with a neighboring YMCA. Serving over 577 children annually, the camp provides a safe, nurturing, and adventure-filled environment for youth ages 5 to 14. Campers participate in hiking, swimming, boating, games, and outdoor exploration—all while developing friendships, self-confidence, and lifelong memories. The Y works diligently to ensure that no child is turned away due to financial hardship, raising over \$67,000 in 2024 and \$63,000 in 2023 to provide camp scholarships to more than 55 local children. Specialized camp programs like the Baldwin Adventure Center challenge pre-teens to grow through experiential learning, while Leaders in Training (LIT) programs prepare teens for leadership roles both at camp and in their communities. In partnership with local organizations, the Y also provides thousands of free summer meals, ensuring that children have access to healthy breakfasts and lunches when school is out of session.

Child Care - In addition to school-age and youth services, the Y's early childhood education programs play a vital role in supporting working families and promoting developmental success. The Harbor Montessori School and Child Enrichment Center offer nurturing, inclusive environments rooted in child-led exploration and learning. Through the integration of arts, nature, and play, these programs foster emotional, cognitive, and physical growth. The addition of a natural playground and outdoor learning center provides children with hands-on, creative experiences that encourage social and environmental awareness. To ensure affordability and accessibility, the Y partners with the State of Maine to offer state-subsidized child care slots, allowing more families to benefit from high-quality early learning regardless of income.

At every level, the Boothbay Region YMCA remains steadfast in its charitable purpose—to serve all, without exception. Through collaborative partnerships, financial assistance, and mission-driven leadership, the Y continues to transform lives and build a stronger, healthier, and more connected community.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting** - The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Basis of Presentation** - The Y records resources for accounting and reporting purposes into two net asset categories: net assets without donor restrictions, and net assets with donor restrictions, based on the existence or absence of donor-imposed restrictions.

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions. Such net assets are available at the discretion of the Y's management and Board of Trustees for any purpose consistent with the Y's mission.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Y and/or passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**Reclassifications** – Certain amounts in the prior year financial statements have been reclassified to conform to the presentation in the current year. The programs identified, expense groupings, and allocation methods used to prepare the statement of functional expenses for 2023 were modified to conform to the current year presentation. There was no impact to the 2023 net assets or change in net assets as a result of such reclassifications.

**Measure of Operations** - The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Y's ongoing program services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

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*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2024 and 2023**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Accounting 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 disclosures of contingent matters at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

**Revenue Recognition** - The Y recognizes contributions, net of allowances for estimated uncollectable amounts, when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. The Y discounts multi-year promises to give (pledges) that are expected to be collected after one year using a risk adjusted discount rate. Multi-year pledges are recorded at fair value at the date of the pledge.

A portion of the Y's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Y has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statements of financial position.

The Y has multiple revenue streams that are accounted for as reciprocal exchange transactions including membership and program fees and government contract revenues. Because the Y's performance obligations relate to contracts with a duration of less than one year, the Y has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

Membership dues and program fees consist of amounts that families and individuals pay to participate in health, fitness, education and recreation activities and programs and are recognized as revenue ratably over the period of membership or the duration of the program. All the Y's revenue from contracts with customers are from performance obligations satisfied over time. Prices are specific to a distinct performance obligation and do not consist of multiple transactions. Those that are designated for or related to future years' activities are deferred and recognized as revenue in the period in which they apply.

**Donated Services** - Donated services, if any, are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Y.

**Functional Allocation of Expenses** - The costs of providing various programs and other activities are summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Y allocates salaries and benefits based on time and effort, occupancy (including repairs, maintenance, insurance, depreciation, and interest) based on square footage, and member service expenses based on time and effort by membership staff spent on each program.

**Advertising** - The Y expenses advertising costs as incurred. Certain advertising costs allocated among program and supporting services are included in occupancy and membership services expenses on the statements of functional expenses, in addition to what is presented as direct advertising expenses

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Income Taxes** - The Y has received a favorable determination letter from the Internal Revenue Service stating that it is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code of 1986 (IRC), as an organization described in Section 501(c)(3), except for income taxes pertaining to unrelated business income.

The Financial Accounting Standards Board (FASB) guidance requires tax effects from uncertain tax positions to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. Management has determined that there are no material uncertain positions that require recognition in the financial statements. Additionally, no provision for income taxes is reflected in these financial statements. Interest and penalties would be recognized as tax expense; however, there is no interest or penalties recognized in the statements of activities. The Y's tax return is subject to examination by the Internal Revenue Services (IRS), generally for three years after they are filed.

**Cash and Cash Equivalents** - For purposes of the statements of cash flows, the Y considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents, excluding those amounts that are part of its investment accounts.

**Concentrations of Credit Risk** - The Y maintains cash balances at several financial institutions located in Maine. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. In addition, sweep accounts are maintained to provide additional coverage for balances in excess of \$250,000. At December 31, 2024 and 2023, none of the Y's cash balances were uninsured. The Y has not experienced, nor does it anticipate, any losses with respect to such accounts.

**Accounts Receivable** - Accounts receivable consists primarily of receivables from program registrants. An allowance is determined by management based on historical collections, specific participants' circumstances, and economic conditions. Member receivables are written off when management has exhausted collections efforts and deems the accounts uncollectible. The Y does not accrue interest on unpaid accounts receivable.

**Investments** - Investments are reported at fair value and are based primarily on quoted market prices or estimated fair value.

**Inventory** - Inventory, stated at cost (first-in, first-out), consists of food and merchandise available for resale. Inventory is determined by a physical count at year-end.

**Property and Equipment** - Property and equipment acquisitions with individual costs in excess of \$5,000 are capitalized. The Y uses the straight-line method to compute depreciation expense and assumes useful lives of five to ten years for equipment and five to thirty years for building and improvements. A portion of depreciation is included in membership services and allocated to all programs in the statements of functional expenses.

**Impairment of Long-lived Assets** - The carrying value of the Y's long-lived assets is reviewed to determine if facts or circumstances suggest that the assets may be impaired or that the remaining useful, depreciable life may need to be changed. The Y considers internal and external factors related to each asset, including future asset utilization and business climate. If these factors and the projected undiscounted cash flows of the asset over the remaining life indicate that the asset will not be recoverable, the carrying value will be adjusted down to the estimated fair value, if less than book value.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Split Interest Agreements with Donors** - The Y has various types of split interest agreements with donors. Perpetual trusts are valued based upon the fair value of the assets contributed to the trust which approximates the fair value of the beneficial interest in the trust. The Y is the income beneficiary of several irrevocable trusts invested in perpetuity by donors with local banks who also serve as trustees. Under the terms of the trust agreements, the income earned on the investments is available for use by the Y for general purposes. The Y's beneficial interests in these trusts are restricted in perpetuity as the assets are not available for use. The beneficial interests are reviewed annually and adjusted to market value. The change in value is reported as revenue and support with donor restrictions in the statements of activities.

**Deferred Revenue** - Membership dues and program fees that are designated for or related to future years' activities are deferred and recognized as revenue in the period in which they apply.

**Subsequent Events** - Management has evaluated subsequent events through the date of this report, the date the financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.

**NOTE 3 – PROMISES TO GIVE RECEIVABLE**

The Y holds fundraising campaigns to raise funds to pay for the construction and renovation of its main facility and childcare facility in Boothbay Harbor, Maine and its Camp in Boothbay, Maine; to establish an endowment to fund scholarships to keep fees low; and to support the Summer Camp Program. Promises to give are considered donor-restricted funds with temporary purposes. Net assets are released from restrictions as expenses are incurred that relate to the construction and renovation of the new facility or to the applicable campaigns.

Promises to give receivable, net of allowance for uncollectible promises and unamortized discount are summarized as follows at December 31:

	<u>2024</u>	<u>2023</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 528,702	2,556,074
One year to five years	516,487	395,711
Total unconditional promises	1,045,189	2,951,785
Less:		
Allowance for uncollectible promises to give	-	-
Discount to present value	63,149	21,477
Total discounted unconditional promises	982,040	2,930,308
Less current portion	528,702	2,556,074
<b>Total promises to give receivable, net of current portion</b>	<b>\$ 453,338</b>	<b>374,234</b>

Promises to give receivable in more than one year are discounted at 5.30% at December 31, 2024 and 2.25% at 2023.

Included in pledges receivable are amounts promised by certain members of the Board of Trustees and Senior Management. At December 31, 2024 and 2023, those amounts totaled approximately \$114,900 and \$196,902, respectively.

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*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
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**NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS**

The FASB defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Y's principal or most advantageous market in an orderly transaction between market participants on the measurement date.

The standard establishes a fair value hierarchy which requires the Y to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Y has the ability to access as of the measurement date.
- Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect the Y's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following are descriptions of the valuation methods and assumptions used by the Y to estimate the fair values of certain financial instruments:

*Cash and cash equivalents:* valued at acquisition cost (Level 1 inputs).

*Mutual Funds and Exchange-Traded Funds (ETFs):* Consist of mutual funds which are invested in fixed-income and equity securities. The fair value of mutual funds, which are readily marketable, is determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs).

*Closed-end Funds:* Consist of closed-end funds that are invested in various securities and private equity. The fair value of closed-end funds are not readily marketable (Level 3 inputs).

*Beneficial interest in trusts:* Consist of interests in perpetual trusts. The fair value of beneficial interest in trusts is determined by obtaining quoted prices on nationally recognized securities exchanges for the securities within the perpetual trusts and adjusting for the Y's proportional interest in the trusts (Level 3 inputs).

Investments measured at fair value at December 31, 2024 and 2023, are summarized as follows:

<b>2024</b>				
	<b>Fair Value</b>	<b>Fair Value Measurements</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Cash equivalents	\$ 805,789	805,789	-	-
Mutual funds and ETFs	4,977,755	4,977,755	-	-
Closed-end funds	1,389,105	-	-	1,389,105
Beneficial interest in trusts	506,548	-	-	506,548
	<u>\$ 7,679,197</u>	<u>5,783,544</u>	<u>-</u>	<u>1,895,653</u>

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*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
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**NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS, CONTINUED**

	2023			
	Fair Value	Fair Value Measurements		
		Level 1	Level 2	Level 3
Cash equivalents	\$ 898,363	898,363	-	-
Mutual funds and ETFs	4,649,765	4,649,765	-	-
Closed-end funds	529,464	-	-	529,464
Beneficial interest in trusts	471,160	-	-	471,160
	<u>\$ 6,548,752</u>	<u>5,548,128</u>	<u>-</u>	<u>1,000,624</u>

Mutual funds, beneficial interest in trusts, and closed-end funds are measured on a recurring basis.

The reconciliation of the changes in the beneficial interest in trusts and closed-end funds, measured at fair value using significant unobservable inputs (Level 3), is as follows:

December 31, 2022	\$ 434,736
Contributions to closed-end funds	529,469
Change in value of closed-end funds	(5)
Change in value of beneficial interest agreements	36,424
December 31, 2023	1,000,624
Contributions to closed-end funds	782,831
Change in value of closed-end funds	76,810
Change in value of beneficial interest agreements	35,388
<b>December 31, 2024</b>	<b>\$ 1,895,653</b>

**NOTE 5 – AVAILABILITY AND LIQUIDITY**

The following represents the Y's financial assets at December 31, 2024:

Cash and cash equivalents	\$ 4,233,986
Accounts and grants receivable, net of allowance	37,889
Current portion of promises to give	528,702
Investments	7,172,649
Total financial assets	11,973,226
Less amounts not available to be used within one year:	
Net assets with donor restrictions	5,223,917
Less: perpetual trust anticipated distribution	28,000
Less: net assets with temporary restrictions to be met in less than a year	92,850
	5,103,067
<b>Financial assets available to meet general expenditures over the next twelve months</b>	<b>\$ 6,870,159</b>

*See independent auditors' report.*



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**NOTE 6 – LINE OF CREDIT**

The Y has a line of credit with a local bank which provides borrowings up to \$500,000. Advances are payable on demand including variable interest at the *Wall Street Journal* Prime rate (8.5% at December 31, 2024), and are unsecured. At December 31, 2024 and 2023, the line of credit had balances of \$0.

**NOTE 7 – NOTES PAYABLE**

The Y's notes payable consists of the following at December 31:

	<u>2024</u>	<u>2023</u>
Note payable to The First National Bank due on demand with monthly interest only payments at 5.00% and annual principal payments of \$390,000 starting September 2023, through September 2026, and final balance due September 2027. Balance was paid in full during the first quarter of 2024.	\$ -	1,078,855
Note payable to Bangor Savings Bank, due in monthly installments of \$3,537, including interest at 3.18%, through January 2041. The note is secured by real estate.	532,069	556,876
Note payable to U.S. Small Business Administration pursuant to the Economic Injury Disaster Loan program, due in monthly installments of \$1,332 started in July 2022, including interest at 2.75% through June 2050. The note is secured by all assets of the Y.	298,466	300,000
Total notes payable	830,535	1,935,731
Less: current portion	33,594	1,104,987
<b>Notes payable, net of current portion</b>	<b>\$ 796,941</b>	<b>830,744</b>

Maturities of notes payable as of December 31, 2024 are as follows:

Years ending December 31:	
2025	\$ 33,594
2026	34,655
2027	35,749
2028	36,838
2029	38,041
Thereafter	651,658
	<b>\$ 830,535</b>

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*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
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**NOTE 8 – LEASING ACTIVITIES**

The Y has operating and financing leases of office and fitness equipment. The leases have remaining terms of three to four years. Monthly payments on the leases totals \$2,293 at December 31, 2024.

The following summarizes the weighted average remaining lease term and discount rate as of December 31:

	<u>2024</u>	<u>2023</u>
<b>Weighted Average Remaining Lease Term</b>		
Finance leases	2.2 years	3.2 years
Operating leases	2.2 years	3.2 years
<b>Weighted Average Discount Rate</b>		
Finance leases	8.85%	8.88%
Operating leases	4.75%	5.50%

Maturities of lease liabilities as of December 31, 2024 are as follows:

Years ending December 31:	<u>Finance</u>	<u>Operating</u>
2025	\$ 18,336	8,717
2026	18,336	8,801
2027	2,541	2,051
2028	-	796
2029	-	591
Total lease payments	39,213	20,956
Less: interest	3,531	1,057
<b>Present value of lease liabilities</b>	<b>\$ 35,682</b>	<b>19,899</b>

The following summarizes the line items in the statements of activities which include the components of lease expense for the year ended December 31:

	<u>2024</u>	<u>2023</u>
<b>Operating lease expense included in management and general expenses</b>	<b>\$ 8,540</b>	<b>8,220</b>
Finance lease costs:		
Amortization of lease assets included in management and general expenses	\$ 15,568	16,886
Interest on lease liabilities included in management and general expenses	3,771	3,889
<b>Total finance lease costs</b>	<b>\$ 19,339</b>	<b>20,775</b>

The operating cash outflows from finance leases consisted of \$3,771 and \$3,889 for the years ended December 31, 2024 and 2023.

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**NOTE 9 – NET ASSETS**

Net assets consisted of the following at December 31:

2024				
	Without Donor Restrictions	With Donor Restrictions Temporary Restrictions	Permanent Restrictions	Total Net Assets
Endowment funds	\$ 6,704,982	98,667	72,000	6,875,649
Beneficial interest in perpetual trusts	-	-	506,548	506,548
Unrestricted	154,249	-	-	154,249
Unrestricted - board designated	325,201	-	-	325,201
Donor designations	-	4,546,702	-	4,546,702
Property and equipment, net of debt	15,781,883	-	-	15,781,883
<b>Total net assets</b>	<b>\$ 22,966,315</b>	<b>4,546,369</b>	<b>578,548</b>	<b>28,190,232</b>

2023				
	Without Donor Restrictions	With Donor Restrictions Temporary Restrictions	Permanent Restrictions	Total Net Assets
Endowment funds	\$ 5,638,339	77,253	62,000	5,777,592
Beneficial interest in perpetual trusts	-	-	471,160	471,160
Unrestricted	(3,784)	-	-	(3,784)
Unrestricted - board designated	315,724	-	-	315,724
Donor designations	-	2,972,837	-	2,972,837
Property and equipment, net of debt	15,421,760	-	-	15,421,760
<b>Total net assets</b>	<b>\$ 21,372,039</b>	<b>3,050,090</b>	<b>533,160</b>	<b>24,955,289</b>

The Y's Board designated net assets consist of the following at December 31:

	2024	2023
Board designated endowment funds	\$ 6,704,982	5,638,339
Use in future years	237,000	240,000
Approved addition to capital improvements fund	60,000	60,000
Capital improvements fund	28,202	15,724
<b>Total board designated net assets</b>	<b>\$ 7,030,184</b>	<b>5,954,063</b>

Changes in Board designated net assets consist of the following for the years ended December 31:

	2024	2023
Board designated net assets, beginning of year	\$ 5,954,063	5,581,187
Net investment return (loss)	805,257	489,792
Contributions/transfers	560,689	214,442
Appropriations/expenditures	(289,825)	(331,358)
<b>Total board designated net assets</b>	<b>\$ 7,030,184</b>	<b>5,954,063</b>

*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
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**NOTE 9 – NET ASSETS, CONTINUED**

The Y's net assets with donor restrictions consist of the following at December 31:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specified purpose:		
Capital campaign	\$ 4,453,852	2,965,237
Other specific programs	92,850	7,600
	<u>4,546,702</u>	<u>2,972,837</u>
Endowments subject to spending policy and appropriation:		
Donor-restricted funds to be maintained in perpetuity	72,000	62,000
Unappropriated income	98,667	77,253
	<u>170,667</u>	<u>139,253</u>
Not subject to spending policy or appropriation	506,548	471,160
<b>Total net assets with donor restrictions</b>	<b>\$ 5,223,917</b>	<b>3,583,250</b>

The sources of net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors consist of the following for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Capital campaign	\$ 1,432,669	1,501,116
Capital improvements	-	-
Food initiative	-	-
Other programs	7,600	9,324
<b>Total net assets released from donor restrictions</b>	<b>\$ 1,440,269</b>	<b>1,510,441</b>

**NOTE 10 – ENDOWMENT COMPOSITION**

**Interpretation of Relevant Law** - The State of Maine has passed a version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Board of Trustees of the Y has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Y classifies as net assets with permanent donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

**BOOTHBAY REGION YMCA**  
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**NOTE 10 – ENDOWMENT COMPOSITION, CONTINUED**

The remaining portion of the donor-restricted endowment fund that is not classified in net assets with permanent donor restrictions is classified as net assets with temporary donor restrictions until those amounts are appropriated for expenditure by the Y in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Y considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

Endowment fund balances as consisted of the following at December 31:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 6,704,982	-	6,704,982
Donor designated endowment funds:			
Amounts required to be maintained in perpetuity	-	72,000	72,000
Accumulated investment gains	-	98,667	98,667
<b>Total endowment funds</b>	<b>\$ 6,704,982</b>	<b>170,667</b>	<b>6,875,649</b>

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 5,638,339	-	5,638,339
Donor designated endowment funds:			
Amounts required to be maintained in perpetuity	-	62,000	62,000
Accumulated investment gains	-	77,253	77,253
<b>Total endowment funds</b>	<b>\$ 5,638,339</b>	<b>139,253</b>	<b>5,777,592</b>

**Return Objectives and Risk Parameters** - The Y has adopted investment and spending policies for assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Y must hold in perpetuity or for a donor-specified period.

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**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
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**NOTE 10 – ENDOWMENT COMPOSITION, CONTINUED**

**Investment Objective** - Strategies Employed for Achieving Objectives: The Y targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters. The intended overall rate of return of the portfolio is a reasonable "real" rate, consistent with the risk levels established by the Investment Committee. The objective is that the minimum acceptable rate of return over a full market cycle of 3 to 5 years is one that equals or exceeds the assumed spending rate plus the rate of inflation.

**Spending Policy and How the Investment Objectives Relate to Spending Policy** - The Y's current investment spending policy for appropriating distributions is calculated on a percentage of its endowment fund value based on a two-year rolling average. This percentage is determined by the Board of Trustees on an annual basis. For the years ended December 31, 2024 and 2023, the appropriation percentage totaled 0%.

Changes in endowment net assets were the following for the years ended December 31:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 5,638,339	139,253	5,777,592
Net investment return	804,836	21,414	826,250
Contributions and transfers	560,689	10,000	570,689
Appropriation of endowment assets pursuant to spending-rate policy	(298,880)	-	(298,880)
<b>Endowment net assets, end of year</b>	<b>\$ 6,704,984</b>	<b>170,667</b>	<b>6,875,651</b>

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 5,234,740	126,307	5,361,047
Net investment loss	488,477	12,946	501,423
Contributions and transfers	214,442	-	214,442
Appropriation of endowment assets pursuant to spending-rate policy	(299,320)	-	(299,320)
<b>Endowment net assets, end of year</b>	<b>\$ 5,638,339</b>	<b>139,253</b>	<b>5,777,592</b>

**Funds with Deficiencies** - From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires the Y to retain as a fund of perpetual duration. Deficiencies of this nature that are in excess of related donor-restricted amounts with temporary restrictions are reported in net assets without donor restrictions. There were no such amounts as of December 31, 2024 and 2023.

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**BOOTHBAY REGION YMCA**  
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**NOTE 11 – FINANCIAL ASSISTANCE PROVIDED**

The Y provides financial assistance, through contributions and other fundraising, to help defray the costs of membership and program and other fees for individuals with need. Membership dues and program fees are recorded net of such assistance in the accompanying statements of activities. Such amounts were as follows for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Program fees	\$ 1,005,374	880,045
Less: financial assistance provided	92,218	44,852
<b>Program fees, net</b>	<b>913,156</b>	<b>835,193</b>
Membership dues	1,173,966	968,358
Less: financial assistance provided	76,241	66,760
<b>Membership dues, net</b>	<b>\$ 1,097,725</b>	<b>901,598</b>

**NOTE 12 – DEFINED CONTRIBUTION PLANS**

The Y participates in the YMCA Retirement Fund Retirement Plan which is a defined contribution, money purchase, church plan that is intended to satisfy the qualification requirements of Section 401(a) of the Internal Revenue Code of 1986, as amended and The YMCA Retirement Fund Tax-Deferred Savings Plan which is a retirement income account plan as defined in Section 403(b)(9) of the code. Both plans are sponsored by The Young Men's Christian Association Retirement Fund (Fund). The Fund is a not-for-profit, tax-exempt pension fund incorporated in the State of New York (1922) organized and operated for the purpose of providing retirement and other benefits for employees of YMCAs throughout the United States. The plans are operated as church pension plans. Participation is available to all duly organized and reorganized YMCAs and their eligible employees. As a defined contribution plan, the Retirement Plan and Tax-Deferred Savings Plan have no unfunded benefit obligations.

In accordance with the agreement, contributions for the YMCA Retirement Fund Retirement Plan are a percentage of the participating employees' salary. These amounts are paid by the Y. The Y contributes 7% of the employee's gross salary and the employee contributes 5%. All full-time employees at least 21 years of age are eligible for participation after two full years of employment with 1000 hours in each year. The two years does not have to be consecutive. Participation is mandatory for all eligible employees under the age of 60. Total plan costs for the years ended December 31, 2024 and 2023 were \$79,465 and \$73,492, respectively.

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

**NOTE 13 – RELATED PARTIES**

The Y pays dues to YMCA of the USA. Dues paid to YMCA of the USA for the years 2024 and 2023, were \$52,049 and \$46,095, respectively.

**NOTE 14 – CONTINGENCIES**

The Y receives grants and fees from federal and state agencies and applied for refunds under the Employee Retention Tax Credit program, which are subject to audit by the granting agency. If instances of non-compliance are found, those audits could result in adjustments to settlements and requests for funds to be returned. As of this date, it is not possible to determine liabilities, if any, that may arise from future audits and as such, Management has not recorded any provisions in the financial statements.

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*See independent auditors' report.*