



**BOOTHBAY REGION YMCA**

**Financial Statements**

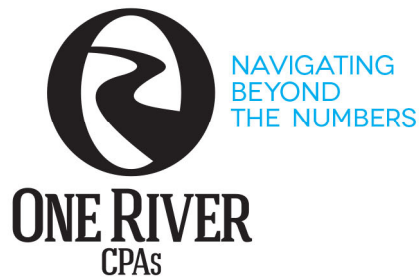
**Years Ended December 31, 2025 and 2024**

**BOOTHBAY REGION YMCA**  
**Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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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, 2025 and 2024, 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, 2025 and 2024, 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 opinions.

### **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 27, 2026

**BOOTHBAY REGION YMCA**  
**Statements of Financial Position**  
**December 31, 2025 and 2024**

|  | 2025                          |                            |                   | 2024                          |                            |                   |
|--|-------------------------------|----------------------------|-------------------|-------------------------------|----------------------------|-------------------|
|  | Without donor<br>restrictions | With donor<br>restrictions | Total             | Without donor<br>restrictions | With donor<br>restrictions | Total             |
| <b>ASSETS</b>  |                               |                            |                   |                               |                            |                   |
| Current assets:  |                               |                            |                   |                               |                            |                   |
| Cash and cash equivalents - without restrictions             | \$ 361,973                    | -                          | 361,973           | \$ 563,400                    | -                          | 563,400           |
| Cash and cash equivalents - designated and with restrictions | -                             | 1,226,144                  | 1,226,144         | -                             | 3,670,587                  | 3,670,587         |
| Accounts and grants receivable, net of allowance             | 29,336                        | -                          | 29,336            | 37,889                        | -                          | 37,889            |
| Promises to give receivable                                  | 49,181                        | 277,398                    | 326,579           | 98,304                        | 430,398                    | 528,702           |
| Prepaid expenses   | 60,864                        | -                          | 60,864            | 57,163                        | -                          | 57,163            |
| Inventory  | 2,375                         | -                          | 2,375             | 2,606                         | -                          | 2,606             |
| Total current assets   | 503,729                       | 1,503,542                  | 2,007,271         | 759,362                       | 4,100,985                  | 4,860,347         |
| Property and equipment:                                      |                               |                            |                   |                               |                            |                   |
| Construction in progress                                     | 247,504                       | -                          | 247,504           | 213,736                       | -                          | 213,736           |
| Land and land improvements                                   | 3,182,083                     | -                          | 3,182,083         | 2,888,060                     | -                          | 2,888,060         |
| Building and improvements                                    | 22,215,305                    | -                          | 22,215,305        | 20,255,235                    | -                          | 20,255,235        |
| Equipment  | 947,973                       | -                          | 947,973           | 957,053                       | -                          | 957,053           |
| Property and equipment, cost                                 | 26,592,865                    | -                          | 26,592,865        | 24,314,084                    | -                          | 24,314,084        |
| Less: accumulated depreciation                               | (8,546,381)                   | -                          | (8,546,381)       | (8,000,131)                   | -                          | (8,000,131)       |
| Net property and equipment                                   | 18,046,484                    | -                          | 18,046,484        | 16,313,953                    | -                          | 16,313,953        |
| Other assets:  |                               |                            |                   |                               |                            |                   |
| Right of use assets - finance lease                          | 17,731                        | -                          | 17,731            | 33,299                        | -                          | 33,299            |
| Right of use assets - operating lease                        | 11,917                        | -                          | 11,917            | 19,899                        | -                          | 19,899            |
| Promises to give receivable, net of current portion          | 77,014                        | 252,485                    | 329,499           | 7,620                         | 445,718                    | 453,338           |
| Beneficial interests in perpetual trusts                     | -                             | 556,189                    | 556,189           | -                             | 506,548                    | 506,548           |
| Investments  | 7,728,581                     | 194,235                    | 7,922,816         | 7,001,982                     | 170,667                    | 7,172,649         |
| Total other assets   | 7,835,243                     | 1,002,909                  | 8,838,152         | 7,062,800                     | 1,122,933                  | 8,185,733         |
| <b>Total assets</b>  | <b>\$ 26,385,456</b>          | <b>2,506,451</b>           | <b>28,891,907</b> | <b>\$ 24,136,115</b>          | <b>5,223,918</b>           | <b>29,360,033</b> |
| <b>LIABILITIES AND NET ASSETS</b>                            |                               |                            |                   |                               |                            |                   |
| Current liabilities:   |                               |                            |                   |                               |                            |                   |
| Accounts payable   | \$ 176,561                    | -                          | 176,561           | \$ 87,640                     | -                          | 87,640            |
| Accrued expenses   | 130,425                       | -                          | 130,425           | 113,113                       | -                          | 113,113           |
| Deferred revenue   | 73,337                        | -                          | 73,337            | 82,929                        | -                          | 82,929            |
| Current portion of lease liabilities - finance lease         | 17,302                        | -                          | 17,302            | 15,875                        | -                          | 15,875            |
| Current portion of lease liabilities - operating lease       | 8,489                         | -                          | 8,489             | 7,982                         | -                          | 7,982             |
| Current portion of notes payable                             | 8,146                         | -                          | 8,146             | 33,594                        | -                          | 33,594            |
| Total current liabilities                                    | 414,260                       | -                          | 414,260           | 341,133                       | -                          | 341,133           |
| Long-term liabilities:                                       |                               |                            |                   |                               |                            |                   |
| Lease liabilities - finance lease, net of current portion    | 2,505                         | -                          | 2,505             | 19,808                        | -                          | 19,808            |
| Lease liabilities - operating lease, net of current portion  | 3,429                         | -                          | 3,429             | 11,917                        | -                          | 11,917            |
| Notes payable, net of current portion                        | 282,395                       | -                          | 282,395           | 796,941                       | -                          | 796,941           |
| Total long-term liabilities                                  | 288,329                       | -                          | 288,329           | 828,666                       | -                          | 828,666           |
| <b>Total liabilities</b>                                     | <b>702,589</b>                | <b>-</b>                   | <b>702,589</b>    | <b>1,169,799</b>              | <b>-</b>                   | <b>1,169,799</b>  |
| Net assets:  |                               |                            |                   |                               |                            |                   |
| Without donor restrictions                                   | 25,682,867                    | -                          | 25,682,867        | 22,966,316                    | -                          | 22,966,316        |
| With donor restrictions                                      | -                             | 2,506,451                  | 2,506,451         | -                             | 5,223,918                  | 5,223,918         |
| Total net assets   | 25,682,867                    | 2,506,451                  | 28,189,318        | 22,966,316                    | 5,223,918                  | 28,190,234        |
| <b>Total liabilities and net assets</b>                      | <b>\$ 26,385,456</b>          | <b>2,506,451</b>           | <b>28,891,907</b> | <b>\$ 24,136,115</b>          | <b>5,223,918</b>           | <b>29,360,033</b> |

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Statements of Activities**  
**Years Ended December 31, 2025 and 2024**

|  | 2025                          |                            |                   | 2024                          |                            |                   |
|--|-------------------------------|----------------------------|-------------------|-------------------------------|----------------------------|-------------------|
|  | Without donor<br>restrictions | With donor<br>restrictions | Total             | Without donor<br>restrictions | With donor<br>restrictions | Total             |
| Operating activities:                                |                               |                            |                   |                               |                            |                   |
| Revenue and support:                                 |                               |                            |                   |                               |                            |                   |
| Program fees   | \$ 960,545                    | -                          | 960,545           | \$ 913,156                    | -                          | 913,156           |
| Membership dues                                      | 1,179,808                     | -                          | 1,179,808         | 1,097,725                     | -                          | 1,097,725         |
| Facility rentals                                     | 38,381                        | -                          | 38,381            | 111,441                       | -                          | 111,441           |
| Sales, net   | 141                           | -                          | 141               | 50                            | -                          | 50                |
| Donations and grants                                 | 543,785                       | 555,847                    | 1,099,632         | 1,237,433                     | 2,962,147                  | 4,199,580         |
| Special events                                       | 1,335                         | -                          | 1,335             | 2,808                         | -                          | 2,808             |
| Miscellaneous  | 284,016                       | -                          | 284,016           | 271,695                       | -                          | 271,695           |
| Interest and dividends                               | 257,032                       | 84,172                     | 341,204           | 172,995                       | 56,775                     | 229,770           |
| Total revenue and gains                              | 3,265,043                     | 640,019                    | 3,905,062         | 3,807,303                     | 3,018,922                  | 6,826,225         |
| Net assets released from restrictions                | 3,427,585                     | (3,427,585)                | -                 | 1,432,669                     | (1,432,669)                | -                 |
| Total revenues, gains and other support              | 6,692,628                     | (2,787,566)                | 3,905,062         | 5,239,972                     | 1,586,253                  | 6,826,225         |
| Expenses:  |                               |                            |                   |                               |                            |                   |
| Program services:                                    |                               |                            |                   |                               |                            |                   |
| Aquatics   | 792,638                       | -                          | 792,638           | 704,753                       | -                          | 704,753           |
| Camp and afterschool                                 | 833,016                       | -                          | 833,016           | 836,732                       | -                          | 836,732           |
| Child Care   | 592,854                       | -                          | 592,854           | 558,190                       | -                          | 558,190           |
| Wellness and other programs                          | 1,496,603                     | -                          | 1,496,603         | 1,355,700                     | -                          | 1,355,700         |
| Total program services                               | 3,715,111                     | -                          | 3,715,111         | 3,455,375                     | -                          | 3,455,375         |
| Supporting services:                                 |                               |                            |                   |                               |                            |                   |
| Management and general                               | 625,449                       | -                          | 625,449           | 605,017                       | -                          | 605,017           |
| Fundraising  | 226,063                       | -                          | 226,063           | 253,017                       | -                          | 253,017           |
| Total supporting services                            | 851,512                       | -                          | 851,512           | 858,034                       | -                          | 858,034           |
| Total expenses                                       | 4,566,623                     | -                          | 4,566,623         | 4,313,409                     | -                          | 4,313,409         |
| Change in net assets from operations                 | 2,126,005                     | (2,787,566)                | (661,561)         | 926,563                       | 1,586,253                  | 2,512,816         |
| Non-operating activities:                            |                               |                            |                   |                               |                            |                   |
| (Losses) gains on disposal of property and equipment | (19,246)                      | -                          | (19,246)          | (1,500)                       | -                          | (1,500)           |
| Realized and unrealized gains on investments         | 609,792                       | 20,458                     | 630,250           | 669,211                       | 19,027                     | 688,238           |
| Change in beneficial interests in trusts             | -                             | 49,641                     | 49,641            | -                             | 35,388                     | 35,388            |
| Total non-operating activities                       | 590,546                       | 70,099                     | 660,645           | 667,711                       | 54,415                     | 722,126           |
| Change in net assets                                 | 2,716,551                     | (2,717,467)                | (916)             | 1,594,274                     | 1,640,668                  | 3,234,942         |
| Net assets, beginning of year                        | 22,966,316                    | 5,223,918                  | 28,190,234        | 21,372,042                    | 3,583,250                  | 24,955,292        |
| <b>Net assets, end of year</b>                       | <b>\$ 25,682,867</b>          | <b>2,506,451</b>           | <b>28,189,318</b> | <b>\$ 22,966,316</b>          | <b>5,223,918</b>           | <b>28,190,234</b> |

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2025**

|                               |                          |                                      |                   |                                    |                               | <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                      | \$ 273,003               | 383,135                              | 386,241           | 480,596                            | 1,522,975                     | 334,295                       | 115,676            | 1,972,946        |
| Payroll taxes and benefits    | 51,426                   | 56,809                               | 84,343            | 93,109                             | 285,687                       | 79,963                        | 26,132             | 391,782          |
| Contract services             | 10,737                   | 46,822                               | 13,408            | 10,965                             | 81,932                        | 121,487                       | 25,515             | 228,934          |
| Supplies                      | 8,301                    | 43,496                               | 14,604            | 123,779                            | 190,180                       | 2,919                         | 7,786              | 200,885          |
| Telephone and internet        | 12,604                   | 14,526                               | 2,101             | 23,107                             | 52,338                        | -                             | -                  | 52,338           |
| Postage                       | 36                       | 121                                  | 32                | 37                                 | 226                           | 412                           | 4,496              | 5,134            |
| Occupancy                     | 145,075                  | 163,593                              | 37,774            | 236,519                            | 582,961                       | 3,767                         | 424                | 587,152          |
| Advertising and marketing     | 1,805                    | 819                                  | 464               | 2,689                              | 5,777                         | 2,140                         | 24,414             | 32,331           |
| Travel and training           | 5,044                    | 7,878                                | 711               | 2,155                              | 15,788                        | 3,132                         | 395                | 19,315           |
| Equipment expense             | 9,254                    | 16,861                               | 1,600             | 7,392                              | 35,107                        | 6,376                         | 718                | 42,201           |
| Dues and licenses             | 4,111                    | 4,226                                | 3,724             | 5,217                              | 17,278                        | 50,082                        | 14,668             | 82,028           |
| Interest                      | 423                      | 1,782                                | 423               | 2,884                              | 5,512                         | 5,722                         | 645                | 11,879           |
| Depreciation and amortization | 264,841                  | 88,279                               | 44,140            | 501,110                            | 898,370                       | -                             | -                  | 898,370          |
| Miscellaneous and bad debt    | 5,978                    | 4,669                                | 3,289             | 7,044                              | 20,980                        | 15,154                        | 5,194              | 41,328           |
| <b>Total expenses</b>         | <b>\$ 792,638</b>        | <b>833,016</b>                       | <b>592,854</b>    | <b>1,496,603</b>                   | <b>3,715,111</b>              | <b>625,449</b>                | <b>226,063</b>     | <b>4,566,623</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**  
**Statements of Cash Flows**  
**Years Ended December 31, 2025 and 2024**

|   | <b>2025</b>         | <b>2024</b>      |
|---|---------------------|------------------|
| Cash flows from operating activities:   |                     |                  |
| Change in net assets  | \$ (916)            | 3,234,942        |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |                     |                  |
| Net realized and unrealized gains on investments  | (630,250)           | (688,238)        |
| Change in beneficial interests in trusts  | (49,641)            | (35,388)         |
| Losses on disposal of property and equipment  | 19,246              | 1,500            |
| Depreciation  | 898,370             | 855,264          |
| (Increase) decrease in:   |                     |                  |
| Accounts receivable   | 8,553               | (8,665)          |
| Promises to give receivable   | 325,962             | 1,948,268        |
| Prepaid expenses  | (3,701)             | (25,840)         |
| Inventory   | 231                 | (2,183)          |
| Increase (decrease) in:   |                     |                  |
| Accounts payable  | 88,921              | (62,195)         |
| Accrued expenses  | 17,312              | 26,058           |
| Deferred revenue  | (9,592)             | (4,251)          |
| Net cash provided by operating activities   | 664,495             | 5,239,272        |
| Cash flows from investing activities:   |                     |                  |
| Purchase of property and equipment  | (2,635,954)         | (293,157)        |
| Proceeds from sale of property and equipment  | 1,376               | 195,500          |
| Purchase of investments, net  | (119,917)           | (406,819)        |
| Net cash used in investing activities   | (2,754,495)         | (504,476)        |
| Cash flows from financing activities:   |                     |                  |
| Payments on finance lease liabilities   | (15,876)            | (14,565)         |
| Payments on notes payable   | (539,994)           | (1,105,196)      |
| Net cash used in financing activities   | (555,870)           | (1,119,761)      |
| Net (decrease) increase in cash and cash equivalents  | (2,645,870)         | 3,615,035        |
| Cash, cash equivalents, and restricted cash, beginning of year                              | 4,233,987           | 618,952          |
| <b>Cash, cash equivalents, and restricted cash, end of year</b>                             | <b>\$ 1,588,117</b> | <b>4,233,987</b> |
| <b>Cash, cash equivalents, and restricted cash:</b>   |                     |                  |
| Cash and cash equivalents - without restrictions  | \$ 361,973          | 563,400          |
| Cash and cash equivalents - designated and with restrictions                                | 1,226,144           | 3,670,587        |
| <b>Total cash, cash equivalents, and restricted cash:</b>                                   | <b>\$ 1,588,117</b> | <b>4,233,987</b> |
| Supplemental disclosure of cash flow information:   |                     |                  |
| Interest paid   | \$ 11,879           | 38,823           |
| Non-cash investing and financing activities:  |                     |                  |
| Additions of right of use assets and lease obligations                                      | \$ -                | -                |
| Property and equipment financed with debt   | \$ -                | -                |

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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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 and operated exclusively for charitable purposes. As the region's leading provider of human services, the Y is dedicated to strengthening community through youth development, healthy living, and social responsibility.

In 2025, the Y celebrated 70 years of serving the Boothbay Region, continuing a legacy of care, inclusion, and responsiveness to community needs. With a membership of approximately 3,100 individuals from more than 20 towns and over 103,000 annual visits, the Y serves as a vital community hub where individuals and families of all backgrounds can connect, grow, and thrive.

The Y's mission-driven approach ensures that access is never limited by financial circumstance. Through philanthropic support and intentional pricing strategies, the Y provides subsidized memberships and program access, reinforcing its commitment to belonging and well-being for all.

**Program Services** - The Y offers a broad and diverse range of programs that promote physical activity, creativity, and social engagement. These include open gym and swim, group exercise classes, youth and adult sports leagues, and a wide range of arts and humanities programming.

Youth development remains central to the Y's work. The Y provides a safe, welcoming environment for middle and high school students, offering after-school access to recreation, connection, and nutrition. In 2025, every local high school student received a free Y membership, ensuring equitable access to programs and services that support their growth and well-being.

The Y-Arts program continues to expand opportunities in music, theater, and dance. Through the Y-Arts for All initiative, the Y has strengthened accessibility and inclusion, welcoming individuals of all abilities and deepening its impact as a center for creative expression and community belonging.

**Wellness** - The Y's Wellness Department supports more than 2,500 participants annually through programs designed to improve health outcomes and quality of life. Evidence-based initiatives – including LIVESTRONG at the YMCA, Boxing for Parkinson's, Enhanced Fitness, and A Matter of Balance – address critical health needs and are often offered at no cost to participants.

The Y also offers a wide range of group fitness programs, youth wellness initiatives such as Fit Kids, and specialized offerings for older adults. These programs promote physical health, social connection, and long-term well-being, particularly for populations at higher risk of isolation or chronic illness.

**Aquatics** – Aquatics programming is essential to the Y's role in a coastal community. In 2025, 100% of second graders in the region received free swim lessons, ensuring that children develop critical water safety skills.

Additional offerings include swim team, instructional programs, and aquatic therapy services that support individuals recovering from injury or managing chronic conditions. These programs are particularly important for the region's aging population and contribute to both safety and quality of life.

**Camp** – Each summer, the Y operate Camp Knickerbocker, serving hundreds of children in a safe, engaging outdoor environment that promotes confidence, independence, and social development.

In 2025:

- 332 children attended Camp K
- 100% of requested financial aid (\$23,596) was met through donor support

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*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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

The Y remains committed to ensuring that no child is turned away due to financial hardship. Camp programming also includes leadership development opportunities such as the Leaders in Training (LIT) program, preparing teens for future roles in the workforce and community.

**Child Care** – The Y’s early childhood education program – including the Harbor Montessori School and Child Enrichment Center – provide high-quality, inclusive environments that support working families and promote school readiness.

Programs emphasize child-led learning through the integration of arts, nature, and play. Enhancements such as outdoor learning environments further support creativity and development. Through partnerships with the State of Maine, the Y offers subsidized child care, ensuring accessibility for families across income levels.

**Financial Accessibility & Philanthropy** – The Y’s ability to serve the community is made possible through a combination of membership dues, program fees, and strong philanthropic support. In 2025:

Membership dues accounted for approximately 30% of operating revenue

29% of members contributed philanthropic support beyond their membership dues

Because the true cost of service exceeds earned revenue, all memberships are effectively subsidized. The Y also provides nearly \$100,000 annually in free and sliding-scale memberships, ensuring that financial barriers do not prevent participation.

Philanthropy – including the Annual Fund, Camp K Fund, and endowment – remains essential to sustaining operations, expanding access, and maintaining program quality.

**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**  
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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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*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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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, 2025 and 2024, 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.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
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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:

|  | 2025              | 2024           |
|--|-------------------|----------------|
| Unconditional promises expected to be collected in:              |                   |                |
| Less than one year   | \$ 326,579        | 528,702        |
| One year to five years   | 363,850           | 516,487        |
| Total unconditional promises                                     | 690,4229          | 1,045,189      |
| Less:  |                   |                |
| Allowance for uncollectible promises to give                     | -                 | -              |
| Discount to present value  | 34,351            | 63,149         |
| Total discounted unconditional promises                          | 656,078           | 982,040        |
| Less current portion   | 326,579           | 528,702        |
| <b>Total promises to give receivable, net of current portion</b> | <b>\$ 329,499</b> | <b>453,338</b> |

Promises to give receivable in more than one year are discounted at 4.50% at December 31, 2025 and 5.30% at 2024.

Included in pledges receivable are amounts promised by certain members of the Board of Trustees and Senior Management. At December 31, 2025 and 2024, those amounts totaled approximately \$94,256 and \$114,900, respectively.

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*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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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, 2025 and 2024, are summarized as follows:

|                               | <b>2025</b>         |                                |                |                  |
|-------------------------------|---------------------|--------------------------------|----------------|------------------|
|                               | <b>Fair Value</b>   | <b>Fair Value Measurements</b> |                |                  |
|                               |                     | <b>Level 1</b>                 | <b>Level 2</b> | <b>Level 3</b>   |
| Cash equivalents              | \$ 26,278           | 26,278                         | -              | -                |
| Mutual funds and ETFs         | 6,409,773           | 6,409,773                      | -              | -                |
| Closed-end funds              | 1,486,765           | -                              | -              | 1,486,765        |
| Beneficial interest in trusts | 556,189             | -                              | -              | 556,189          |
|                               | <b>\$ 8,479,005</b> | <b>6,436,051</b>               | <b>-</b>       | <b>2,042,954</b> |

*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS, CONTINUED**

|                               | 2024         |                         |         |           |
|-------------------------------|--------------|-------------------------|---------|-----------|
|                               | Fair Value   | Fair Value Measurements |         |           |
|                               |              | Level 1                 | Level 2 | Level 3   |
| 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   |
|                               | \$ 7,679,197 | 5,783,544               | -       | 1,895,653 |

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, 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              |
| December 31, 2024                                 | 1,895,653           |
| Contributions to closed-end funds                 | 57,860              |
| Change in value of closed-end funds               | 39,800              |
| Change in value of beneficial interest agreements | 49,641              |
| <b>December 31, 2025</b>                          | <b>\$ 2,042,954</b> |

**NOTE 5 – AVAILABILITY AND LIQUIDITY**

The following represents the Y's financial assets at December 31, 2025:

|  |                     |
|--|---------------------|
| Cash and cash equivalents  | \$ 1,588,117        |
| Accounts and grants receivable, net of allowance   | 29,336              |
| Current portion of promises to give  | 326,579             |
| Investments  | 7,922,816           |
| Total financial assets   | 9,866,848           |
| Less amounts not available to be used within one year:   |                     |
| Net assets with donor restrictions   | 2,506,451           |
| Less: perpetual trust anticipated distribution   | 28,000              |
| Less: net assets with temporary restrictions to be met<br>in less than a year                  | 39,861              |
|  | 2,434,590           |
| <b>Financial assets available to meet general expenditures<br/>over the next twelve months</b> | <b>\$ 7,432,258</b> |

*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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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 (6.75% at December 31, 2025) and are unsecured. At December 31, 2025 and 2024, the line of credit had balances of \$0.

**NOTE 7 – NOTES PAYABLE**

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

|   | 2025                     | 2024                  |
|---|--------------------------|-----------------------|
| Note payable to Bangor Savings Bank, due in monthly installments of \$3,537, including interest at 3.18%, through January 2041. The note was paid in full during 2025.  | -                        | 532,069               |
| 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. | 290,541                  | 298,466               |
| Total notes payable   | 290,541                  | 830,535               |
| Less: current portion   | 8,146                    | 33,594                |
| <b><u>Notes payable, net of current portion</u></b>   | <b><u>\$ 282,395</u></b> | <b><u>796,941</u></b> |

Maturities of notes payable as of December 31, 2025 are as follows:

|                           |                          |
|---------------------------|--------------------------|
| Years ending December 31: |                          |
| 2026                      | \$ 8,146                 |
| 2027                      | 8,373                    |
| 2028                      | 8,606                    |
| 2029                      | 8,845                    |
| 2030                      | 9,092                    |
| Thereafter                | 247,479                  |
|                           | <b><u>\$ 290,541</u></b> |

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*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 8 – LEASING ACTIVITIES**

The Y has operating and financing leases of office and fitness equipment. The leases have remaining terms of one to four years. Monthly payments on the leases totals \$2,293 at December 31, 2025.

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

|  | 2025      | 2024      |
|--|-----------|-----------|
| <b>Weighted Average Remaining Lease Term</b> |           |           |
| Finance leases                               | 1.2 years | 2.2 years |
| Operating leases                             | 1.7 years | 2.5 years |
| <b>Weighted Average Discount Rate</b>        |           |           |
| Finance leases                               | 8.85%     | 8.85%     |
| Operating leases                             | 7.80%     | 7.14%     |

Maturities of lease liabilities as of December 31, 2025 are as follows:

|   | Finance          | Operating     |
|---|------------------|---------------|
| Years ending December 31:                 |                  |               |
| 2026                                      | \$ 18,336        | 9,180         |
| 2027                                      | 2,541            | 2,330         |
| 2028                                      | -                | 960           |
| 2029                                      | -                | 626           |
| 2030                                      | -                | -             |
| Total lease payments                      | 20,877           | 13,096        |
| Less: interest                            | 1,069            | 1,179         |
| <b>Present value of lease liabilities</b> | <b>\$ 19,808</b> | <b>11,917</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:

|  | 2025             | 2024          |
|--|------------------|---------------|
| <b>Operating lease expense included in management and general expenses</b> | <b>\$ 9,180</b>  | <b>8,540</b>  |
| Finance lease costs:   |                  |               |
| Amortization of lease assets included in management and general expenses   | \$ 15,568        | 15,568        |
| Interest on lease liabilities included in management and general expenses  | 2,461            | 3,771         |
| <b>Total finance lease costs</b>   | <b>\$ 18,029</b> | <b>19,339</b> |

The operating cash outflows from finance leases consisted of \$2,461 and \$3,771 for the years ended December 31, 2025 and 2024.

*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 9 – NET ASSETS**

Net assets consisted of the following at December 31:

|   | 2025                  |                           |                           |                   |
|---|-----------------------|---------------------------|---------------------------|-------------------|
|   | Without               | With Donor Restrictions   |                           | Total             |
|   | Donor<br>Restrictions | Temporary<br>Restrictions | Permanent<br>Restrictions |                   |
| Endowment funds                         | \$ 7,414,581          | 122,235                   | 72,000                    | 7,608,816         |
| Beneficial interest in perpetual trusts | -                     | -                         | 556,189                   | 556,189           |
| Unrestricted                            | (112,061)             | -                         | -                         | (112,061)         |
| Unrestricted - board designated         | 333,863               | -                         | -                         | 333,863           |
| Donor designations                      | -                     | 1,756,027                 | -                         | 1,756,027         |
| Property and equipment, net of debt     | 18,046,483            | -                         | -                         | 18,046,483        |
| <b>Total net assets</b>                 | <b>\$ 25,682,867</b>  | <b>1,878,262</b>          | <b>628,189</b>            | <b>28,189,318</b> |

|   | 2024                  |                           |                           |                   |
|---|-----------------------|---------------------------|---------------------------|-------------------|
|   | Without               | With Donor Restrictions   |                           | Total             |
|   | Donor<br>Restrictions | Temporary<br>Restrictions | Permanent<br>Restrictions |                   |
| 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>4,645,369</b>          | <b>578,548</b>            | <b>28,190,232</b> |

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

|  | 2025                | 2024             |
|--|---------------------|------------------|
| Board designated endowment funds               | \$ 7,414,582        | 6,704,982        |
| Use in future years                            | 254,000             | 237,000          |
| Approved addition to capital improvements fund | 60,000              | 60,000           |
| Capital improvements fund                      | 19,863              | 28,202           |
| <b>Total board designated net assets</b>       | <b>\$ 7,748,445</b> | <b>7,030,184</b> |

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

|  | 2025                | 2024             |
|--|---------------------|------------------|
| Board designated net assets, beginning of year | \$ 7,030,184        | 5,954,063        |
| Net investment return (loss)                   | 833,369             | 805,257          |
| Contributions/transfers                        | 191,078             | 560,689          |
| Appropriations/expenditures                    | (306,186)           | (289,825)        |
| <b>Total board designated net assets</b>       | <b>\$ 7,748,445</b> | <b>7,030,184</b> |

*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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**NOTE 9 – NET ASSETS, CONTINUED**

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

|  | 2025                | 2024             |
|--|---------------------|------------------|
| Subject to expenditure for specified purpose:            |                     |                  |
| Capital campaign   | \$ 1,716,166        | 4,453,852        |
| Other specific programs                                  | 39,861              | 92,850           |
|  | 1,756,027           | 4,546,702        |
| Endowments subject to spending policy and appropriation: |                     |                  |
| Donor-restricted funds to be maintained in perpetuity    | 72,000              | 72,000           |
| Unappropriated income                                    | 122,235             | 98,667           |
|  | 194,235             | 170,667          |
| Not subject to spending policy or appropriation          | 556,189             | 506,548          |
| <b>Total net assets with donor restrictions</b>          | <b>\$ 2,506,451</b> | <b>5,223,917</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:

|  | 2025                | 2024             |
|--|---------------------|------------------|
| Capital campaign   | \$ 2,954,676        | 1,432,669        |
| Capital improvements                                     | -                   | -                |
| Youth programs   | 81,350              | -                |
| Y Arts programs  | 31,327              | -                |
| Other programs   | 14,000              | 7,600            |
| <b>Total net assets released from donor restrictions</b> | <b>\$ 3,081,353</b> | <b>1,440,269</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.

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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:

|  | 2025                             |                            |                  |
|--|----------------------------------|----------------------------|------------------|
|  | Without<br>Donor<br>Restrictions | With Donor<br>Restrictions | Total            |
| Board-designated endowment funds                   | \$ 7,414,582                     | -                          | 7,414,582        |
| Donor designated endowment funds:                  |                                  |                            |                  |
| Amounts required to be<br>maintained in perpetuity | -                                | 72,000                     | 72,000           |
| Accumulated investment gains                       | -                                | 122,235                    | 122,235          |
| <b>Total endowment funds</b>                       | <b>\$ 7,414,582</b>              | <b>194,235</b>             | <b>7,608,817</b> |

|  | 2024                             |                            |                  |
|--|----------------------------------|----------------------------|------------------|
|  | Without<br>Donor<br>Restrictions | With Donor<br>Restrictions | Total            |
| Board-designated endowment funds                   | \$ 6,704,982                     | -                          | 6,704,982        |
| Donor designated endowment funds:                  |                                  |                            |                  |
| Amounts required to be<br>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> |

**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**  
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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, 2025 and 2024, the appropriation percentage totaled 0%.

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

|   | 2025                             |                            |                  |
|---|----------------------------------|----------------------------|------------------|
|   | Without<br>Donor<br>Restrictions | With Donor<br>Restrictions | Total            |
| Endowment net assets, beginning of year                               | \$ 6,704,983                     | 170,667                    | 6,875,650        |
| Net investment return   | 832,841                          | 23,568                     | 856,409          |
| Contributions and transfers   | 191,078                          | -                          | 191,078          |
| Appropriation of endowment assets<br>pursuant to spending-rate policy | (314,320)                        | -                          | (314,320)        |
| <b>Endowment net assets, end of year</b>                              | <b>\$ 7,414,582</b>              | <b>194,235</b>             | <b>7,608,817</b> |
|   | 2024                             |                            |                  |
|   | Without<br>Donor<br>Restrictions | With Donor<br>Restrictions | Total            |
| Endowment net assets, beginning of year                               | \$ 5,638,339                     | 139,253                    | 5,777,592        |
| Net investment loss   | 804,836                          | 21,414                     | 826,250          |
| Contributions and transfers   | 560,689                          | 10,000                     | 570,689          |
| Appropriation of endowment assets<br>pursuant to spending-rate policy | (298,882)                        | -                          | (298,882)        |
| <b>Endowment net assets, end of year</b>                              | <b>\$ 6,704,982</b>              | <b>170,667</b>             | <b>6,875,649</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, 2025 and 2024.

*See independent auditors' report.*

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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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:

|                                     | 2025                | 2024             |
|-------------------------------------|---------------------|------------------|
| Program fees                        | \$ 1,060,591        | 1,005,374        |
| Less: financial assistance provided | 100,046             | 92,218           |
| <b>Program fees, net</b>            | <b>960,545</b>      | <b>913,156</b>   |
| Membership dues                     | 1,272,511           | 1,173,966        |
| Less: financial assistance provided | 92,703              | 76,241           |
| <b>Membership dues, net</b>         | <b>\$ 1,179,808</b> | <b>1,097,725</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 one year of employment with over 1,000 hours in one year. Employees are vested after three years of employment. Participation is mandatory for all eligible employees under the age of 60. Total plan costs for the years ended December 31, 2025 and 2024 were \$98,436 and \$79,465, 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 2025 and 2024, were \$65,971 and \$52,049, 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.*