

**BOOTHBAY REGION YMCA**

**Financial Statements**

**Years Ended December 31, 2021 and 2020**



## 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 statement of financial position as of December 31, 2021 and 2020, 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, 2021 and 2020, 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 27, 2022

**BOOTHBAY REGION YMCA**  
**Statements of Financial Position**  
**December 31, 2021 and 2020**

	2021			2020 (Restated)		
	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	\$ 784,353	-	784,353	\$ 263,630	-	263,630
Cash and cash equivalents - designated & with restrictions	-	3,705,921	3,705,921	-	3,259,340	3,259,340
Accounts receivable, net of allowance for uncollectibles	263,019	-	263,019	2,325	-	2,325
Promises to give receivable	32,627	658,187	690,814	47,411	296,117	343,528
Prepaid expenses	56,532	-	56,532	32,556	-	32,556
Inventory	826	-	826	652	-	652
Total current assets	1,137,357	4,364,108	5,501,465	346,574	3,555,457	3,902,031
Property and equipment:						
Construction in progress	1,148,001	-	1,148,001	622,434	-	622,434
Land and land improvements	1,576,277	-	1,576,277	1,576,277	-	1,576,277
Building and improvements	13,746,858	-	13,746,858	13,023,126	-	13,023,126
Equipment	1,860,912	-	1,860,912	2,453,778	-	2,453,778
	18,332,048	-	18,332,048	17,675,615	-	17,675,615
Less: accumulated depreciation	(7,072,689)	-	(7,072,689)	(6,639,700)	-	(6,639,700)
Net property and equipment	11,259,359	-	11,259,359	11,035,915	-	11,035,915
Other assets:						
Right of use assets - finance lease	14,825	-	14,825	-	-	-
Right of use assets - operating lease	9,211	-	9,211	-	-	-
Promises to give receivable, net of current portion	48,926	1,002,256	1,051,182	-	676,429	676,429
Beneficial interests in perpetual trusts	-	557,339	557,339	-	482,317	482,317
Investments	7,157,559	62,000	7,219,559	6,128,430	62,000	6,190,430
Total other assets	7,230,521	1,621,595	8,852,116	6,128,430	1,220,746	7,349,176
<b>Total assets</b>	<b>\$ 19,627,237</b>	<b>5,985,703</b>	<b>25,612,940</b>	<b>\$ 17,510,919</b>	<b>4,776,203</b>	<b>22,287,122</b>
<b>LIABILITIES AND NET ASSETS</b>						
Current liabilities:						
Accounts payable	\$ 199,700	-	199,700	\$ 5,059	-	5,059
Accrued expenses	29,671	-	29,671	8,767	-	8,767
Deferred revenue	48,683	-	48,683	25,698	-	25,698
Funds held for others	-	-	-	-	95,845	95,845
Current portion of lease liabilities - finance lease	9,219	-	9,219	-	-	-
Current portion of lease liabilities - operating lease	6,107	-	6,107	-	-	-
Current portion of long-term debt	27,045	-	27,045	68,515	-	68,515
Total current liabilities	320,425	-	320,425	108,039	95,845	203,884
Long-term liabilities:						
Lease liabilities - finance lease, net of current portion	5,606	-	5,606	-	-	-
Lease liabilities - operating lease, net of current portion	3,104	-	3,104	-	-	-
Long-term debt, net of current portion	877,207	-	877,207	1,164,185	-	1,164,185
Total long-term liabilities	885,917	-	885,917	1,164,185	-	1,164,185
Total liabilities	1,206,342	-	1,206,342	1,272,224	95,845	1,368,069
Net assets:						
Without donor restrictions	18,420,895	-	18,420,895	16,238,695	-	16,238,695
With donor restrictions	-	5,985,703	5,985,703	-	4,680,358	4,680,358
Total net assets	18,420,895	5,985,703	24,406,598	16,238,695	4,680,358	20,919,053
<b>Total liabilities and net assets</b>	<b>\$ 19,627,237</b>	<b>5,985,703</b>	<b>25,612,940</b>	<b>\$ 17,510,919</b>	<b>4,776,203</b>	<b>22,287,122</b>

See accompanying notes to financial statements.

**BOOTHBAY REGION YMCA**  
**Statements of Activities**  
**Years Ended December 31, 2021 and 2020**

	2021			2020 (Restated)		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Operating activities:						
Revenue and support:						
Program	\$ 549,965	-	549,965	\$ 382,748	-	382,748
Membership dues	618,459	-	618,459	549,739	-	549,739
Facility rentals	48,589	-	48,589	21,668	-	21,668
Sales	1,729	-	1,729	2,013	-	2,013
Donations	2,095,748	1,974,291	4,070,039	659,009	1,164,349	1,823,358
Special events	27,205	-	27,205	17,563	-	17,563
Change in beneficial interests in trusts	11,620	-	11,620	8,907	-	8,907
Miscellaneous	249,071	-	249,071	218,365	-	218,365
Dividend income	103,760	39,926	143,686	137,567	-	137,567
Total revenue and gains	3,706,146	2,014,217	5,720,363	1,997,579	1,164,349	3,161,928
Net assets released from restrictions	783,894	(783,894)	-	957,945	(957,945)	-
Net asset reclassifications	-	-	-	242,224	(242,224)	-
Total revenues, gains and other support	4,490,040	1,230,323	5,720,363	3,197,748	(35,820)	3,161,928
Expenses:						
Program services:						
Wellness	323,990	-	323,990	377,764	-	377,764
Aquatics	676,187	-	676,187	705,978	-	705,978
Camp	508,925	-	508,925	345,913	-	345,913
Child enrichment	320,564	-	320,564	347,252	-	347,252
Other youth programs	499,274	-	499,274	420,515	-	420,515
Total program services	2,328,940	-	2,328,940	2,197,422	-	2,197,422
Supporting services:						
Management and general	623,104	-	623,104	631,711	-	631,711
Fundraising	224,706	-	224,706	297,452	-	297,452
Total supporting services	847,810	-	847,810	929,163	-	929,163
Total expenses	3,176,750	-	3,176,750	3,126,585	-	3,126,585
Change in net assets from operations	1,313,290	1,230,323	2,543,613	71,163	(35,820)	35,343
Non-operating activities:						
Realized and unrealized gains on investments	878,080	-	878,080	568,112	-	568,112
Change in beneficial interests in trusts	-	75,022	75,022	-	50,522	50,522
Total non-operating activities	878,080	75,022	953,102	568,112	50,522	618,634
Change in net assets	2,191,370	1,305,345	3,496,715	639,275	14,702	653,977
Net assets, beginning of year	16,238,695	4,680,358	20,919,053	15,599,420	4,665,656	20,265,076
Cumulative effect adjustment for adoption of Topic 842	(9,170)	-	(9,170)	-	-	-
<b>Net assets, end of year</b>	<b>\$ 18,420,895</b>	<b>5,985,703</b>	<b>24,406,598</b>	<b>\$ 16,238,695</b>	<b>4,680,358</b>	<b>20,919,053</b>

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2021**

	Program Services						Supporting Services		Total
	Wellness Programs	Aquatics Programs	Camp Programs	Child Enrichment Services	Other Youth Programs	Total Program Services	Management and General	Fundraising	
Salaries	\$ 122,260	205,587	293,148	225,567	178,888	1,025,450	355,957	110,451	1,491,858
Payroll taxes and benefits	27,800	51,903	40,507	48,596	48,202	217,008	84,689	25,150	326,847
Supplies	5,241	3,561	32,892	12,244	49,629	103,567	4,764	12,496	120,827
Contractual	18,400	4,407	11,767	2,488	27,679	64,741	70,694	54,730	190,165
Travel	-	3,181	4,228	192	61	7,662	615	1,191	9,468
Advertising	1,338	1,216	322	339	769	3,984	418	927	5,329
Occupancy	40,804	40,656	50,052	13,400	51,540	196,452	-	-	196,452
Depreciation	57,751	260,103	25,765	6,573	87,986	438,178	-	-	438,178
Insurance	11,528	51,920	5,143	1,312	17,563	87,466	-	-	87,466
Telephone	8,944	8,474	8,476	1,009	11,298	38,201	-	-	38,201
Repairs and maintenance	24,445	25,240	26,941	1,368	11,675	89,669	150	-	89,819
Postage and printing	-	-	-	-	-	-	706	4,990	5,696
Dues & licenses	110	631	1,670	362	139	2,912	33,755	9,987	46,654
Food & beverage	1,226	1,440	1,926	6,323	4,934	15,849	1,715	4,034	21,598
Interest	1,024	14,915	1,462	439	4,972	22,812	6,433	-	29,245
Bad debts/provision for uncollectible promises to give	-	-	-	-	-	-	7,832	-	7,832
Miscellaneous	-	-	-	-	-	-	55,376	750	56,126
Vehicle Expenses	3,119	2,953	4,626	352	3,939	14,989	-	-	14,989
<b>Total expenses</b>	<b>\$ 323,990</b>	<b>676,187</b>	<b>508,925</b>	<b>320,564</b>	<b>499,274</b>	<b>2,328,940</b>	<b>623,104</b>	<b>224,706</b>	<b>3,176,750</b>

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2020 (Restated)**

	Program Services						Supporting Services		Total
	Wellness Programs	Aquatics Programs	Camp Programs	Child Enrichment Services	Other Youth Programs	Total Program Services	Management and General	Fundraising	
Salaries	\$ 167,012	222,381	210,594	244,677	133,818	978,482	356,788	61,368	1,396,638
Payroll taxes and benefits	41,637	70,402	23,144	54,034	35,046	224,263	77,113	14,176	315,552
Supplies	5,167	3,495	5,272	15,267	37,572	66,773	4,666	14,572	86,011
Contractual	12,941	2,055	11,401	2,019	22,984	51,400	111,716	203,347	366,463
Travel	251	1,757	2,919	676	36	5,639	1,201	11	6,851
Advertising	2,265	1,877	894	121	1,671	6,828	1,987	132	8,947
Occupancy	36,271	36,362	27,690	13,881	45,815	160,019	-	-	160,019
Depreciation	58,328	262,698	26,022	6,638	88,864	442,550	-	-	442,550
Insurance	9,219	41,523	4,114	1,049	14,046	69,951	-	-	69,951
Telephone	8,489	8,042	5,511	957	10,722	33,721	-	-	33,721
Repairs and maintenance	32,103	35,132	22,518	2,253	21,466	113,472	1,092	-	114,564
Postage and printing	168	145	15	-	53	381	3,002	3,012	6,395
Dues & licenses	297	367	763	160	197	1,784	24,168	834	26,786
Food & beverage	903	1,181	806	4,846	604	8,340	4,675	-	13,015
Interest	1,174	17,107	1,677	503	5,703	26,164	7,380	-	33,544
Bad debts/provision for uncollectible promises to give	27	22	2	-	8	59	21,986	-	22,045
Miscellaneous	-	-	-	-	-	-	15,937	-	15,937
Vehicle expenses	1,512	1,432	2,571	171	1,910	7,596	-	-	7,596
<b>Total expenses</b>	<b>\$ 377,764</b>	<b>705,978</b>	<b>345,913</b>	<b>347,252</b>	<b>420,515</b>	<b>2,197,422</b>	<b>631,711</b>	<b>297,452</b>	<b>3,126,585</b>

*See accompanying notes to financial statements.*

**BOOTHBAY REGION YMCA**  
**Statements of Cash Flows**  
**Years Ended December 31, 2021 and 2020**

	2021	2020 (Restated)
Cash flows from operating activities:		
Change in net assets	\$ 3,496,715	653,977
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized and unrealized gains on investments	(878,080)	(568,112)
Change in beneficial interests in trusts	(75,022)	(50,522)
Forgiveness of PPP loans	(705,400)	-
Depreciation	438,178	442,550
(Increase) decrease in:		
Accounts receivable	(260,694)	15,565
Promises to give receivable	(722,039)	(181,350)
Prepaid expenses	(23,976)	1,653
Inventory	(174)	-
Increase (decrease) in:		
Accounts payable	194,641	(124,555)
Accrued expenses	20,904	(43,350)
Deferred revenue	22,985	(16,520)
Funds held for others	(95,845)	-
<b>Net cash provided by operating activities</b>	<b>1,412,193</b>	<b>129,336</b>
Cash flows from investing activities:		
Purchase of property and equipment	(656,216)	(841,055)
(Purchase of) proceeds from sales of investments, net	(151,049)	371,867
<b>Net cash used in investing activities</b>	<b>(807,265)</b>	<b>(469,188)</b>
Cash flows from financing activities:		
Payments on line of credit, net	-	(205,232)
Payments on finance lease liabilities	(8,679)	-
Payments on operating lease liabilities	(5,897)	-
Payments on long-term debt	(130,748)	-
Proceeds from assumption of debt	507,700	497,700
<b>Net cash provided by financing activities</b>	<b>362,376</b>	<b>292,468</b>
Net increase (decrease) in cash and cash equivalents	967,304	(47,384)
Cash, cash equivalents, and restricted cash, beginning of year	3,522,970	3,570,354
<b>Cash, cash equivalents, and restricted cash, end of year</b>	<b>\$ 4,490,274</b>	<b>3,522,970</b>
<b>Cash, cash equivalents, and restricted cash:</b>		
Cash and cash equivalents - without restrictions	\$ 784,353	263,630
Cash and cash equivalents - designated & with restrictions	3,705,921	3,259,340
<b>Total cash, cash equivalents, and restricted cash:</b>	<b>\$ 4,490,274</b>	<b>3,522,970</b>
Supplemental disclosure of cash flow information:		
Interest paid	\$ 29,245	33,544
Non-cash investing and financing activities:		
Forgiveness of PPP loans	\$ 705,400	-

*See accompanying notes to financial statements.*



**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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**NOTE 1 - NATURE OF OPERATIONS**

**Nature of Activities** - Boothbay Region YMCA (the Y) is a nonprofit corporation organized under the general laws of the State of Maine and operated exclusively for charitable purposes. The Y is a membership organization comprised of approximately 2,800 men, women and children of all ages, abilities, incomes, races and religions.

The Y is the largest organization delivering human services in the Boothbay Region; as such, it seeks to promote the spiritual, physical and mental welfare of all people served.

**Impact of COVID-19** – The Boothbay Region Y's operations continue to be significantly impacted by COVID-19 with 2021 membership and program revenues still being down 6% and 15%, respectively, from 2019, although both increased from 2020. During this period, the Y has worked to serve the community while adhering to the State of Maine's COVID-19 mandates and capacity limitations. The Y continues to pivot its programs and provide food distribution and essential childcare and youth activities.

**Program Services** - The Boothbay Region YMCA is a membership association of men, women and children of all ages, abilities, incomes, races and religions. The Y offers several programs to serve all ages such as: open gym, open swim, group exercise on land and in the water, swim lessons, youth sports, senior social events, music theatre and dance, and martial arts.

Wellness - The Wellness Department provides a full range of programs to our over 2,800 members of all ages. The Y's Diabetes Prevention Program helps adults at high risk of developing Type 2 diabetes reduce their risk by taking necessary steps to improve their health and well-being. Livestrong at the Y is an evidence-based program that helps adult cancer survivors reclaim their health and well-being following a cancer diagnosis. This 12-week program is provided free to our community. The Y has focused on ending childhood obesity by providing a Fit Kids program to teach fun exercise and healthy snack options. They also have a full range of programs from Aero Dancing and Zumba, to more challenging classes like Total Body Challenge, TRX and cardio tennis. Active older adults are provided with many classes such as managing concerns about falling, cooking classes and various field trips. Most of our wellness classes are offered free to members.

Aquatics – The Aquatics programs play a significant role in the coastal community to ensure children are safe around water. The Y provides free swim lessons to every 2nd grader in the community. The Y's Child Enrichment program has weekly swim lessons built into its curriculum. Our Dolphin Swim Team provides 41 swimmers a chance to promote teamwork, interaction, and development of social and physical skills. We offer a full range of aquatic therapy and rehabilitation programming for the many seniors that have retired to the area.

Camp - The Y day camp operations seek to provide “memories for a lifetime” for the over 240 children that attend each summer. Through a collaborative effort with a neighboring YMCA, the beautiful Y's Camp Knickerbocker campus provides a safe and nurturing environment for almost 200 campers a day, ages 5-16. This resource is critical for the working parents of the community. Over \$72,000 and \$40,000 was raised in 2021 and 2020, respectively, to sponsor more than 50 children who would otherwise not be able to experience a summer filled with hiking, swimming, boating, games, and adventure. The Baldwin Adventure Center provides young teens with an alternative challenge. Self-esteem and team building are an essential component of this program. Leaders in Training programs are developmental leadership programs that prepare teens to not only become staff members at camp but to also become productive members and volunteers in their home communities. The Y continues to provide thousands of free summer meals, offering nutritious breakfasts and lunches with the help of our collaborative partners at Central Lincoln County YMCA, Healthy Lincoln County, Lincoln Health's Coulombe Center for Health Improvement and the local school systems.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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

Child Enrichment Services - The Y's Harbor Montessori School and Child Enrichment Center offers a nurturing and inclusive learning environment designed to promote social, emotional, cognitive, physical, and language development. The Y's traditional Montessori setting fosters creativity, curiosity, and exploration in a child-led classroom. The addition of the Y's natural playground and arts & environmental learning center provides children a natural, creative learning space for outdoor play to promote healthy social, emotional, physical, and cognitive development. The State of Maine contracts with the Y to provide state-subsidized child care slots.

Other Youth Programs - The Y offers a full range of youth sports programming, arts and humanities, and tennis. These programs help develop self-esteem and core values. The youth/teen center is open to all middle and high school students. Through the Annual Fund Campaign, the high school initiative is able to ensure that all high school students receive a free Y membership and have access to the programs and services that the Y offers. The Y-Arts program provides a safe and supportive environment for youth and adults to explore their creative side through the performing arts. The Y-Arts for all programming includes singing and dancing for anyone who may have a disability and has expanded the Y's inclusive footprint in the 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 directors 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 accounts in the prior year financial statements have been reclassified to conform to the presentation in the current year.

**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.

**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.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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

**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 have been 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 maintenance, 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

**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.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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

**Income Taxes, Continued** - 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 tax years after 2017 are still open to audit for federal purposes.

**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, 2021 and 2020, 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 \$1,000 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.

**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.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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

**Change in Accounting Principles** - In February 2016, the Financial Accounting Standards Board (FASB) issued (ASU) 2016-02, *Leases*. This ASU affects any entity that enters into a lease, with some specified scope exemptions. The main difference between previous GAAP and this ASU is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP. The Y elected to adopt ASU 2016-02 early in 2021 on the modified retrospective basis whereby the cumulative adjustment is recorded to the beginning net assets balance as of January 1, 2021. The effects of adopting ASU 2016-02 created a new asset and liability line for right of use assets and lease liabilities. Assets were increased by \$14,866, liabilities were increased by \$24,036, and net assets were reduced by \$9,170.

**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.

**Funds Held for Others** – Funds held for others represent donations made for the Town of Boothbay for sidewalk improvements near the Y. The Y submitted these funds to the Town of Boothbay in 2021.

**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 facility in Boothbay, Maine; to establish an endowment to fund scholarships to keep fees low; and to support the Camping Program. Promises to give are considered donor-restricted funds with temporary purposes. Expenses are released from restriction as expenses are incurred that relate to the construction and/or 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:

	2021	2020
Unconditional promises expected to be collected in:		
Less than one year	\$ 690,814	343,528
One year to five years	1,101,940	710,749
Thereafter	3,000	-
	1,795,754	1,054,277
Less:		
Allowance for uncollectible promises to give	-	-
Discount to present value	53,758	34,320
	1,741,996	1,019,957
Less current portion	690,814	343,528
<b>Total, less current portion</b>	<b>\$ 1,051,182</b>	<b>676,429</b>

Promises to give receivable in more than one year are discounted at 1.75% at both December 31, 2021 and 2020.

Included in pledges receivable are amounts promised by certain members of the Board of Trustees and Senior Management. At December 31, 2021 and 2020, those amounts totaled approximately \$405,782 and \$116,224, respectively.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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**NOTE 3 - PROMISES TO GIVE RECEIVABLE, CONTINUED**

Conditional promises to give at December 31, 2021 and 2020, consist of \$100,000 and \$0. These conditional promises to give are not reflected in the statement of financial position.

**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).

*Equity Securities and Mutual Funds:* Consist of mutual funds which are primarily invested in 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).

*Fixed Income Securities:* Y fixed income securities are invested primarily in high grade fixed income securities, which are one to three years in duration. The fair values of these investments are readily marketable and are determined by obtaining quoted prices on a nationally recognized securities exchange (Level 1 inputs).

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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

Investments measured at fair value at December 31, 2021 and 2020, are summarized below:

Level 1 investments without donor restrictions at December 31, 2021 and 2020, are composed of the following:

2021		
	Market	Cost
Cash equivalents	\$ -	-
Mutual Funds and ETFs	7,073,027	5,289,453
Total per investment statements		
	7,073,027	5,289,453
Realized and unrealized gains allocated to unrestricted		
	84,532	40,069
<b>Total on Statements of Financial Position</b>		
	<b>\$ 7,157,559</b>	<b>5,329,522</b>
2020		
	Market	Cost
Cash equivalents	\$ -	-
Mutual Funds and ETFs	6,067,303	4,838,770
Total per investment statements		
	6,067,303	4,838,770
Realized and unrealized gains allocated to unrestricted		
	61,127	28,284
<b>Total on Statements of Financial Position</b>		
	<b>\$ 6,128,430</b>	<b>4,867,054</b>

Level 1 investments with donor restrictions in perpetuity at December 31, 2021 and 2020 are composed of the following:

2021		
	Market	Cost
Cash equivalents	\$ -	-
Mutual Funds and ETFs	146,532	102,069
Total per investment statements		
	146,532	102,069
Realized and unrealized gains allocated to unrestricted		
	(84,532)	(40,069)
<b>Total on Statements of Financial Position</b>		
	<b>\$ 62,000</b>	<b>62,000</b>
2020		
	Market	Cost
Cash equivalents	\$ -	-
Mutual Funds and ETFs	123,127	90,284
Total per investment statements		
	123,127	90,284
Realized and unrealized gains allocated to unrestricted		
	(61,127)	(28,284)
<b>Total on Statements of Financial Position</b>		
	<b>\$ 62,000</b>	<b>62,000</b>

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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**NOTE 5 – AVAILABILITY AND LIQUIDITY**

The following represents the Y's financial assets at December 31 2021:

		2021	
Cash	\$	4,490,274	
Accounts receivable		263,019	
Current portion of promises to give		690,814	
Investments		7,219,559	
Total financial assets	\$	12,663,666	
Less amounts not available to be used within one year:			
Net assets with donor restrictions		5,985,703	
Less: perpetual trust anticipated distribution		24,000	
Less: net assets with temporary restrictions to be met in less than a year		33,000	
		5,928,703	
<b>Financial assets available to meet general expenditures over the next twelve months</b>	<b>\$</b>	<b>6,734,963</b>	

**NOTE 6 - PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at December 31:

		2021	2020
Land and improvements	\$	1,576,277	1,576,277
Buildings and building improvements		13,746,858	13,023,126
Construction in progress		1,148,001	622,434
Equipment		1,860,912	2,453,778
		18,332,048	17,675,615
Less: accumulated depreciation		7,072,689	6,639,700
<b>Net investment in property and equipment</b>	<b>\$</b>	<b>11,259,359</b>	<b>11,035,915</b>

**NOTE 7 - 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 (3.25% at December 31, 2021), and are unsecured. At December 31, 2021 and 2020, the line of credit had balances of \$0.

**NOTE 8 - NOTES PAYABLE**

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

		2021	2020
Note payable to First National Bank that was refinanced in 2021.	\$	-	735,000



**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

**NOTE 8 - NOTES PAYABLE, CONTINUED**

	2021	2020
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.	604,252	347,700
Note payable to U.S. Small Business Administration pursuant to the Economic Injury Disaster Loan program, due in monthly installments of \$1,332 starting in June 2022, including interest at 2.75% through June 2050. The note is secured by all assets of the Y.	300,000	150,000
	904,252	1,232,700
Less: current portion	27,045	68,515
	\$ 877,207	1,164,185

Maturities of long-term debt are as follows:

Years ending December 31:	
2022	\$ 27,045
2023	31,702
2024	32,652
2025	33,732
2026	34,797
Thereafter	744,324
	\$ 904,252

**NOTE 9 – LEASING ACTIVITIES**

The Y has operating and financing leases of office and fitness equipment. The leases have remaining terms of two years. Monthly payments on the leases total to \$1,340.

The following summarizes the weighted average remaining lease term and discount rate as of December 31, 2021:

<b>Weighted Average Remaining Lease Term</b>	
Finance leases	1.6 years
Operating leases	1.3 years
<b>Weighted Average Discount Rate</b>	
Finance leases	5.65%
Operating leases	3.25%

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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**NOTE 9 – LEASING ACTIVITIES, CONTINUED**

Maturities of lease liabilities as of December 31, 2021 are as follows:

Years Ending December 31:	Finance	Operating
2022	\$ 9,219	6,107
2023	5,606	3,104
<b>Total</b>	<b>\$ 14,825</b>	<b>9,211</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, 2021:

<b>Operating lease expense included in management and general expenses</b>	<b>\$ 6,300</b>
Finance lease costs:	
Amortization of lease assets included in management and general expenses	\$ 9,333
Interest on lease liabilities included in management and general expenses	1,061
<b>Total finance lease costs</b>	<b>\$ 10,394</b>

The operating cash outflows from finance leases consisted of \$1,101 for the year ended December 31, 2021.

**NOTE 10 - BOARD DESIGNATED NET ASSETS**

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

	2021	2020
Use in future years	\$ 294,815	267,600
Approved addition to capital improvements fund	60,000	60,000
Capital improvements fund	80,264	50,257
<b>Total board designated net assets</b>	<b>\$ 435,079</b>	<b>377,857</b>

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

	2021	2020
Board designated net assets, beginning of year	\$ 377,857	263,210
Additions	354,822	387,837
Appropriations/expenditures	(297,600)	(273,190)
<b>Total board designated net assets</b>	<b>\$ 435,079</b>	<b>377,857</b>

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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**NOTE 11 - NET ASSETS WITH TEMPORARY DONOR RESTRICTIONS**

The Y's temporarily restricted net assets consist of the following at December 31:

	2021	2020
Gifts and other unexpended revenues and gains restricted to:		
Food initiative	\$ 40,695	88,695
Literacy	7,000	12,000
Capital improvements	24,163	24,163
Capital campaign	5,292,806	4,009,483
Swim lessons	1,700	1,700
<b>Totals</b>	<b>\$ 5,366,364</b>	<b>4,136,041</b>

The sources of net assets released from temporary 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:

	2021	2020
Capital campaign	\$ 707,393	917,009
Food initiative	48,096	35,625
Literacy	5,000	-
Diabetes	-	5,311
<b>Totals</b>	<b>\$ 760,489</b>	<b>957,945</b>

**NOTE 12 - 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.

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

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
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**NOTE 12 - ENDOWMENT COMPOSITION, CONTINUED**

Endowments consisted of the following at December 31:

	2021			
	Without	With Donor Restrictions		Total
	Donor Restrictions	Temporary Restrictions	Permanent Restrictions	
Donor designated endowment funds	\$ -	-	62,000	62,000
Beneficial interest in perpetual trust	-	-	557,339	557,339
Other Endowment Funds				
Undesignated	-	-	-	-
Donor Advised	-	-	-	-
Designated	-	-	-	-
Subtotal Other Endowment Funds	-	-	-	-
<b>Total Endowment Funds</b>	<b>\$ -</b>	<b>-</b>	<b>619,339</b>	<b>619,339</b>

  

	2020			
	Without	With Donor Restrictions		Total
	Donor Restrictions	Temporary Restrictions	Permanent Restrictions	
Donor designated endowment funds	\$ -	-	62,000	62,000
Beneficial interest in perpetual trust	-	-	482,317	482,317
Other Endowment Funds				
Undesignated	-	-	-	-
Donor Advised	-	-	-	-
Designated	-	-	-	-
Subtotal Other Endowment Funds	-	-	-	-
<b>Total Endowment Funds</b>	<b>\$ -</b>	<b>-</b>	<b>544,317</b>	<b>544,317</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.

**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.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

**NOTE 12 - ENDOWMENT COMPOSITION, CONTINUED**

**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, 2021 and 2020, the appropriation percentage totaled 5%.

**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, 2021 and 2020.

**NOTE 13 - NET ASSET COMPOSITION**

Net assets consisted of the following at December 31:

	2021			
	Without Donor Restrictions	With Donor Restrictions		Total
		Temporary Restrictions	Permanent Restrictions	Net Assets
Endowment funds	\$ -	-	62,000	62,000
Beneficial interest in perpetual trusts	-	-	557,339	557,339
Unrestricted	7,330,709	-	-	7,330,709
Unrestricted - board designated	435,079	-	-	435,079
Donor designations	-	5,366,364	-	5,366,364
Property & equipment, net of debt	10,655,107	-	-	10,655,107
<b>Total net assets</b>	<b>\$ 18,420,895</b>	<b>5,366,364</b>	<b>619,339</b>	<b>24,406,598</b>

	2020			
	Without Donor Restrictions	With Donor Restrictions		Total
		Temporary Restrictions	Permanent Restrictions	Net Assets
Endowment funds	\$ -	-	62,000	62,000
Beneficial interest in perpetual trusts	-	-	482,317	482,317
Unrestricted	5,546,595	-	-	5,546,595
Unrestricted - board designated	377,857	-	-	377,857
Donor designations	-	4,136,041	-	4,136,041
Property & equipment, net of debt	10,314,243	-	-	10,314,243
<b>Total net assets</b>	<b>\$ 16,238,695</b>	<b>4,136,041</b>	<b>544,317</b>	<b>20,919,053</b>

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

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**NOTE 14 - 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:

	2021	2020
Program fees	\$ 588,304	399,710
Less: financial assistance provided	38,339	16,962
<b>Program fees, net</b>	<b>549,965</b>	<b>382,748</b>
Membership dues	682,718	617,438
Less: financial assistance provided	64,259	67,699
<b>Membership dues, net</b>	<b>\$ 618,459</b>	<b>549,739</b>

**NOTE 15 - 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. Participation is mandatory for all eligible employees. Total plan costs for the years ended December 31, 2021 and 2020 were \$51,373 and \$56,263, 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 16 - RELATED PARTIES**

The Y pays dues to YMCA of the USA. Dues paid to YMCA of the USA for the years 2021 and 2020, were \$29,715 and \$19,182, respectively.

**NOTE 17 - 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.

**BOOTHBAY REGION YMCA**  
**Notes to Financial Statements**  
**Years Ended December 31, 2021 and 2020**

**NOTE 18 - RESTATEMENT**

As a result of having to remit payment of funds to the Town of Boothbay, the Y noted that money received in prior years (2013 to 2016) had been recorded as gifts to the Y, when instead they were gifts to the Town of Boothbay that the Y was holding on behalf of the Town of Boothbay. Thus, the 2020 financial statements required restatement. The Y noted a few other errors in prior years that they included with the restatement of the 2020 financial statements. The following financial statement line items changed from what was previously reported for 2020:

**Statement of Financial Position**

	<b>Previously Reported</b>	<b>Restatement Adjustments</b>	<b>Restated</b>
Cash and cash equivalents - without restrictions	\$ 30,623	(9,217)	21,406
Cash and cash equivalents - designated & with restrictions	3,492,347	9,217	3,501,564
Net property and equipment	11,049,243	(13,328)	11,035,915
Total assets	22,300,450	(13,328)	22,287,122
Funds held for others	-	95,845	95,845
Total current liabilities	108,039	95,845	203,884
Net assets without donor restrictions	16,019,016	219,679	16,238,695
Net assets with donor restrictions	5,009,210	(328,852)	4,680,358
Total net assets	21,028,226	(109,173)	20,919,053
Total liabilities and net assets	\$ 22,300,450	(13,328)	22,287,122

**Statement of Activities**

	<b>Previously Reported</b>	<b>Restatement Adjustments</b>	<b>Restated</b>
Revenue and support:			
Miscellaneous	\$ 220,698	(2,333)	218,365
Total revenues, gains and other support	3,164,261	(2,333)	3,161,928
Expenses:			
Program services:			
Wellness	375,638	2,126	377,764
Total program service expenses	2,195,296	2,126	2,197,422
Supporting Services:			
Management and general	622,842	8,869	631,711
Total supporting services	920,294	8,869	929,163
Total expenses	3,115,590	10,995	3,126,585
Change in net assets	667,305	(13,328)	653,977
Net assets, beginning of year	20,360,921	(95,845)	20,265,076
Net assets, end of year	\$ 21,028,226	(109,173)	20,919,053