YOUNG MEN'S CHRISTIAN ASSOCIATION
BUFFALO NIAGARA
(d/b/a YMCA BUFFALO NIAGARA)

Financial Statements
With Independent Auditor's Report

December 31, 2024

Dopkins & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

CONTENTS

Dopkins & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
and the Board of Directors
Young Men's Christian Association Buffalo Niagara
(d/b/a YMCA Buffalo Niagara)

Opinion
We have audited the accompanying financial statements of Young Men's Christian Association Buffalo Niagara (d/b/a YMCA Buffalo Niagara) (the Association), which comprise the statement of financial position as of December 31, 2024, the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Responsibilities 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 the Association's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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Auditor's 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 auditor's 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 GAAS 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 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 GAAS, 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 the Association'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 the Association'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.

Report on Summarized and Comparative Information
We have previously audited the Association's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 26, 2024. In our opinion, the summarized and comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Dopkins & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS

May 5, 2025

YMCA BUFFALO NIAGARA

STATEMENT OF FINANCIAL POSITION
December 31, 2024
(With Comparative Financial Information as of December 31, 2023)

ASSETS	**2024**	2023
Current Assets		
Cash and cash equivalents	**$ 1,023,909**	$ 2,729,478
Receivables, net	**841,616**	836,603
Prepaid expenses	**17,790**	23,691
Total current assets	**1,883,315**	3,589,772
Other Assets		
Cash designated for capital expenditure	**3,658,686**	3,578,637
Capital campaign pledges receivable, net, less current maturities	**4,155**	136,232
Investments	**18,172,981**	16,260,508
Beneficial interest in trusts	**147,777**	141,812
Interest rate swap	**184,988**	164,573
	22,168,587	20,281,762
Right-of-Use Asset - Operating Lease	**687,762**	254,323
Property and Equipment, net	**35,937,551**	37,060,275
Total assets	**$ 60,677,215**	$ 61,186,132
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current maturities of long-term debt	**$ 1,367,518**	$ 1,342,950
Current portion of operating lease liability	**22,130**	47,235
Accounts payable	**769,906**	751,554
Accrued expenses	**691,736**	671,843
Accrued loss contingency	**-**	1,475,000
Deferred revenue	**1,182,006**	1,250,993
Total current liabilities	**4,033,296**	5,539,575
Long-Term Debt, less current maturities	**13,997,940**	15,328,585
Operating Lease Liability, less current portion	**722,610**	218,995
Total liabilities	**18,753,846**	21,087,155
Net Assets		
Without donor restrictions:		
Undesignated	**22,791,497**	22,685,746
Board designated - endowment	**16,800,815**	14,888,396
	39,592,312	37,574,142
With donor restrictions	**2,331,057**	2,524,835
Total net assets	**41,923,369**	40,098,977
Total liabilities and net assets	**$ 60,677,215**	$ 61,186,132

See Notes to Financial Statements.

YMCA BUFFALO NIAGARA

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended December 31, 2024
(With Summarized Comparative Financial Information for the Year Ended December 31, 2023)

	2024			2023
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Total
Operating activities:				
Public support:				
Annual campaign	**$ 543,169**	**$ -**	**$ 543,169**	$ 545,302
Special events, net	**322,646**	**-**	**322,646**	252,063
Contributions	**875,795**	**25,000**	**900,795**	1,066,324
	1,741,610	**25,000**	**1,766,610**	1,863,689
Operating revenue:				
Membership fees	**11,472,093**	**-**	**11,472,093**	10,056,002
Program service fees	**8,177,656**	**-**	**8,177,656**	7,527,780
Government contracts	**4,706,283**	**-**	**4,706,283**	4,553,971
Rental income	**103,286**	**-**	**103,286**	113,712
Merchandise sales	**39,145**	**-**	**39,145**	31,039
Miscellaneous	**61,344**	**-**	**61,344**	145,812
	24,559,807	**-**	**24,559,807**	22,428,316
Total operating revenues	**26,301,417**	**25,000**	**26,326,417**	24,292,005
Operating expenses:				
Program services:				
Youth development	**11,344,655**	**-**	**11,344,655**	10,231,724
Healthy living	**12,000,816**	**-**	**12,000,816**	11,921,180
Social responsibility	**230,149**	**-**	**230,149**	257,652
	23,575,620	**-**	**23,575,620**	22,410,556
Support services:				
Management and general	**2,840,974**	**-**	**2,840,974**	2,705,604
Fundraising	**313,410**	**-**	**313,410**	286,907
	3,154,384	**-**	**3,154,384**	2,992,511
Total operating expenses	**26,730,004**	**-**	**26,730,004**	25,403,067
Operating loss	**(428,587)**	**25,000**	**(403,587)**	(1,111,062)
Non-operating activities:				
Investment income, net	**2,134,636**	**54**	**2,134,690**	2,472,671
Change in fair value of beneficial interest in trusts	**3,249**	**5,965**	**9,214**	15,435
Change in fair value of interest rate swaps	**20,414**	**-**	**20,414**	(78,100)
Net gain (loss) on sale/disposal of property and equipment	**40,500**	**-**	**40,500**	(102,085)
Capital campaign contributions	**-**	**23,161**	**23,161**	58,770
Deferred naming rights revenue	**-**	**-**	**-**	600,000
Loss contingency (Note 17)	**-**	**-**	**-**	(1,475,000)
Net assets released from restriction	**247,958**	**(247,958)**	**-**	-
Total non-operating activities	**2,446,757**	**(218,778)**	**2,227,979**	1,491,691
Change in net assets	**2,018,170**	**(193,778)**	**1,824,392**	380,629
Net assets, beginning of year	**37,574,142**	**2,524,835**	**40,098,977**	39,718,348
Net assets, end of year	**$ 39,592,312**	**$ 2,331,057**	**$ 41,923,369**	$ 40,098,977

YMCA BUFFALO NIAGARA

STATEMENT OF CASH FLOWS
Year Ended December 31, 2024
(With Comparative Financial Information for the Year Ended December 31, 2023)

	2024	2023
Cash Flows From Operating Activities		
Change in net assets	**$ 1,824,392**	$ 380,629
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	**2,297,187**	2,295,164
Noncash deferred naming rights revenue	**-**	(600,000)
Amortization of deferred financing costs	**36,873**	36,873
Noncash operating lease expense (benefit)	**45,071**	(6,494)
Non-operating cash contributions from capital campaign	**(23,161)**	(52,104)
Non-operating contributions receivable from capital campaign	**-**	(6,666)
Net realized and unrealized gains on investments	**(1,464,534)**	(1,762,593)
Change in fair value of beneficial interest in trusts	**(9,214)**	(15,435)
Net (gain) loss on sale/disposal of property and equipment	**(40,500)**	102,085
Contributions of marketable securities	**(18,738)**	(5,353)
Change in fair value of interest rate swaps	**(20,415)**	78,100
Changes in assets and liabilities:		
(Increase) decrease in:		
Receivables	**78,854**	(100,233)
Prepaid expenses	**5,901**	(15,698)
Increase (decrease) in:		
Accounts payable	**(11,729)**	159,979
Accrued expenses	**(1,455,107)**	1,567,150
Deferred revenue	**(68,987)**	(224,442)
Net cash provided by operating activities	**1,175,893**	1,830,962
Cash Flows From Investing Activities		
Purchases of property and equipment	**(1,144,382)**	(1,020,531)
Proceeds from sale of property and equipment	**40,500**	-
Proceeds from sale of investments	**3,897,079**	2,866,004
Purchase of investments	**(4,326,280)**	(3,327,328)
Distributions received through beneficial interest in trusts	**3,249**	5,217
Net cash used in investing activities	**(1,529,834)**	(1,476,638)
Cash Flows From Financing Activities		
Proceeds from Employee Retention Credit	**-**	2,817,092
Principal payments on long-term debt	**(1,342,950)**	(1,318,834)
Proceeds from capital campaign pledges	**71,371**	113,022
Net cash provided by (used in) financing activities	**(1,271,579)**	1,611,280
Increase (decrease) in cash and cash equivalents	**(1,625,520)**	1,965,604
Cash and cash equivalents:		
Beginning	**6,308,115**	4,342,511
Ending	**$ 4,682,595**	$ 6,308,115
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	**$ 810,710**	$ 863,302
Supplemental Schedule of Non-Cash Investing and Financing Activities		
Property and equipment purchases included in accounts payable	**$ 31,991**	$ 1,910
Non-operating contributions receivable from capital campaign	**$ -**	$ 6,666

See Notes to Financial Statements.

YMCA BUFFALO NIAGARA

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2024
(With Summarized Comparative Financial Information for the Year Ended December 31, 2023)

	PROGRAM SERVICES					SUPPORT SERVICES				TOTAL	
	Youth Development	Healthy Living	Social Responsibility	**2024 Total**	2023 Total	Management and General	Fund - Raising	**2024 Total**	2023 Total	**2024**	2023
Salaries	$ 7,468,723	$ 4,884,146	$ 78,283	**$ 12,431,152**	$ 11,943,913	$ 1,428,010	$ 210,509	**$ 1,638,519**	$ 1,493,582	**$ 14,069,671**	$ 13,437,495
Employee benefits	492,951	403,643	5,601	**902,195**	889,253	280,820	51,997	**332,817**	299,633	**1,235,012**	1,188,886
Payroll taxes	760,283	476,250	8,022	**1,244,555**	1,151,266	155,497	17,181	**172,678**	136,131	**1,417,233**	1,287,397
Total salaries and related expenses	8,721,957	5,764,039	91,906	**14,577,902**	13,984,432	1,864,327	279,687	**2,144,014**	1,929,346	**16,721,916**	15,913,778
Purchased services	86,030	32,165	714	**118,909**	78,663	543,581	11,472	**555,053**	647,649	**673,962**	726,312
Supplies	647,906	412,636	33,904	**1,094,446**	1,027,631	12,964	9,588	**22,552**	22,143	**1,116,998**	1,049,774
Telephone	40,320	87,295	1,682	**129,297**	135,045	13,049	30	**13,079**	12,254	**142,376**	147,299
Postage and shipping	230	8,703	1,497	**10,430**	14,004	6,852	2,240	**9,092**	5,576	**19,522**	19,580
Occupancy	586,055	2,105,346	55,630	**2,747,031**	2,622,898	235,390	-	**235,390**	220,620	**2,982,421**	2,843,518
Equipment rental and maintenance	81,107	160,248	2,557	**243,912**	236,540	15,477	690	**16,167**	16,896	**260,079**	253,436
Advertising and promotion	318,761	92,481	262	**411,504**	109,503	11,941	860	**12,801**	3,773	**424,305**	113,276
Travel	115,421	48,216	4,807	**168,444**	163,228	25,872	2,436	**28,308**	29,384	**196,752**	192,612
Training and meetings	33,466	32,334	821	**66,621**	52,527	32,461	4,013	**36,474**	34,994	**103,095**	87,521
Membership dues	149,939	163,941	2,052	**315,932**	306,119	47,166	2,394	**49,560**	50,735	**365,492**	356,854
Finance costs	219,494	1,080,025	2,798	**1,302,317**	1,270,868	15,815	-	**15,815**	16,325	**1,318,132**	1,287,193
Miscellaneous	(6,845)	97,166	3,885	**94,206**	116,452	13,561	-	**13,561**	298	**107,767**	116,750
Total expenses before depreciation	10,993,841	10,084,595	202,515	**21,280,951**	20,117,910	2,838,456	313,410	**3,151,866**	2,989,993	**24,432,817**	23,107,903
Depreciation	350,814	1,916,221	27,634	**2,294,669**	2,292,646	2,518	-	**2,518**	2,518	**2,297,187**	2,295,164
	$ 11,344,655	$ 12,000,816	$ 230,149	**$ 23,575,620**	$ 22,410,556	$ 2,840,974	$ 313,410	**$ 3,154,384**	$ 2,992,511	**$ 26,730,004**	$ 25,403,067

Note 1. Nature of the Association and Significant Accounting Policies

Nature of the Association:

Young Men's Christian Association Buffalo Niagara (d/b/a YMCA Buffalo Niagara) (YMCA or the Association) is a nonprofit organization with the following mission statement:

> "YMCA Buffalo Niagara is a charitable, community-based organization committed to providing programs designed to build a healthy spirit, mind and body for all."

The Association's goal is to advance its cause of strengthening the community through youth development, healthy living and social responsibility. The YMCA is a powerful association of men, women, and children committed to bringing about lasting personal and social change. With a focus on nurturing the potential of every child and teen, improving the nation's health and well-being, and providing opportunities to give back and support its neighbors, the YMCA enables youth, adults, families and communities to be healthy, confident, connected and secure.

Program activities:

A summary of the Association's significant program activities follows:

Youth Development – The YMCA is committed to nurturing the potential of every child and teen. The YMCA believes that all children deserve the opportunity to discover who they are and what they can achieve. That is why the YMCA helps young people cultivate the values, skills and relationships that lead to positive behaviors, better health and educational achievement. YMCA programs, such as school age child care, summer camp and preschool education, offer a range of experiences that enrich cognitive, social, physical and emotional growth.

Healthy Living – The YMCA is a leading voice on health and well-being. The YMCA brings families closer together, encourages good health and fosters connections through fitness, sports, fun and shared interests. As a result, people in the community are receiving the support, guidance and resources they need to achieve greater health in spirit, mind and body. This is particularly important as the nation struggles with an obesity crisis, families struggle with work/life balance and individuals search for personal fulfillment.

Social Responsibility – The YMCA believes in giving back and supporting its neighbors. The YMCA has been listening and responding to the community's most critical social needs. YMCA programs, such as the senior citizen center, volunteer service programs, and CPR & First Aid training, are examples of how the YMCA delivers training, resources and support that empower its neighbors to effect change, bridge gaps and overcome obstacles. The YMCA engages members, participants and volunteers in activities that strengthen the community and pave the way for future generations to thrive.

As part of the YMCA's mission, the programs are accessible, affordable and open to all faiths, backgrounds, abilities and income levels. The YMCA provides financial assistance to people who otherwise are not able to participate.

Note 1. Nature of the Association and Significant Accounting Policies (Continued)

YMCA of the USA:

The Association is a member of the National Council of Young Men's Christian Associations of the United States of America. The Association is an independent autonomous organization, recognized as a member of, but separate from the National Council. The Association must meet annual certification requirements to remain a member.

A summary of the Association's significant accounting policies follows:

Basis of accounting:

The financial statements of the Association have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation:

The Association records resources for accounting and reporting purposes based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

> Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, a board-designated endowment.
>
> Net assets with donor restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Operating activities:

Operating activities reflect all transactions increasing or decreasing net assets except those contributions received for long-term investment purposes, investment returns, changes in the fair value of the interest rate swap, and gains/losses from sale/disposal of property and equipment.

Public support:

The Association receives public support in the form of contributions through its annual campaign, special events, the United Way and other fundraising efforts. Contributions are received from individuals, foundations and corporations to support specific programming activities, capital projects, general operations, and endowments.

Note 1. Nature of the Association and Significant Accounting Policies (Continued)

Public support (continued):

All contributions are considered to be available for unrestricted use unless specifically restricted by a donor. Unconditional contributions not subject to a pledge agreement with the Association are recorded as revenue when received. The Association records unconditional promises to give as contribution revenues and pledges receivable, net of an estimate for uncollectible amounts, when there is sufficient evidence in the form of verifiable documentation that an unconditional promise was received. Conditional contributions containing a measurable performance or other barrier and right of return for contributions received are reported as deferred revenue. Conditional promises to give are not recognized until the conditions on which they depend are substantially met or explicitly waived by the donor.

The Association reports gifts of land, buildings and equipment at estimated fair value as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulations, the Association reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donor restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions in the statement of activities and changes in net assets.

Revenue recognition and deferred revenue:

Membership and program service fees consist of revenues earned from providing health, fitness, education, childcare, summer camp and recreation programs to families and individuals. Certain programs are also available to the public. Membership and program service fees are specific to distinct performance obligations that are satisfied over time. Accordingly, revenue is recognized ratably on a straight-line basis in an amount that reflects the consideration the Association expects to be entitled to, net of financial assistance provided, in exchange for providing services. Financial assistance represents reductions from gross membership and program service fees for individuals that demonstrate financial need. Financial assistance is estimated in the same period the revenue is recognized based on the amount an individual is most likely to receive in accordance with the terms of the financial assistance. Membership and program service fees are generally due in advance of the membership or program service period and are reported as deferred revenue until the membership or program service period occurs.

Contracts with governmental agencies consist of revenues earned from providing education, recreation and child care programs primarily to school districts. Contracts with governmental agencies are recognized as revenue over time as the distinct performance obligations are satisfied, which is generally as related expenditures are incurred over the service period. Advances from governmental agencies are reported as deferred revenue until the performance obligations are satisfied.

Revenues may be affected by consumer recreation and fitness trends as well as general economic conditions. There is generally not an extension of credit and, therefore, no financing component to revenue transactions.

Note 1. Nature of the Association and Significant Accounting Policies (Continued)

Donated services:

The Association receives services from a large number of volunteers who give significant amounts of their time to the programs of the Association. No amounts have been reflected for these types of donated services, as there is no objective basis available to measure their value.

Cash, cash equivalents and cash designated for capital expenditure:

The Association reports all cash accounts, except amounts designated for capital expenditure, as cash and cash equivalents on the accompanying statement of financial position. The Association maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to its cash balances.

The following table provides a reconciliation of cash and cash equivalents and cash designated for capital expenditure reported on the statement of financial position to the statement of cash flows:

	2024	2023
Cash and cash equivalents	**$ 1,023,909**	$ 2,729,478
Cash designated for capital expenditure	**3,658,686**	3,578,637
	$ 4,682,595	$ 6,308,115

Receivables:

Receivables include amounts for trade accounts, fundraising pledges, and investment income. The allowance for expected credit losses represents the Association's best estimate of the amount of probable credit losses within trade receivables and is based upon economic conditions, the number of days that receivables are past due, historical loss patterns, an evaluation of the potential risk of loss associated with specific accounts, and reasonable and supportable forecasts about future conditions, when applicable. Account balances are charged against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The provisions for allowances for credit losses are recorded in miscellaneous expense. Recoveries of receivables previously written off are recorded when received. Due to the short-term nature of most receivables, the Association uses the aging method to estimate its expected credit losses. The Association maintains an allowance for expected credit losses on trade receivables in the amount of $7,519 and $18,743 at December 31, 2024 and 2023, respectively.

For non-trade receivables, the Association maintains an allowance for doubtful accounts utilizing an incurred loss model. The allowance for doubtful non-trade receivables was $38,796 and $42,783 at December 31, 2024 and 2023, respectively.

Note 1. Nature of the Association and Significant Accounting Policies (Continued)

Investments:

The Association has investments in debt, marketable equity securities and money market funds. Investments are reported at fair value, with realized and unrealized holding gains and losses reported in the statement of activities and changes in net assets. Interest on debt securities and money market funds is recognized in income as earned, and dividends on marketable equity securities are recognized in income when declared. Realized gains and losses are determined on the basis of the specific securities sold.

Beneficial interest in trusts:

The Association recognizes its beneficial interest in a trust as a contribution in the period in which it receives notice that the trust agreement conveys an unconditional right to receive benefits. The Association is an income beneficiary under the trusts, the corpus of which is not controlled by the Association. Although the Association has no control over the administration of the investment of the trusts' assets, the fair value of the Association's beneficial interest is recognized in the statement of financial position. The Association values the beneficial interest in trusts based upon the Association's interest in the underlying assets of the trusts reported at fair value by the trustees.

Leases:

The Association determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Association obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Association also considers whether its service arrangements include the right to control the use of an asset.

The Association recognizes most leases on its statement of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the statement of activities and changes in net assets.

For leases with a term greater than 12 months, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, the Association uses the implicit discount rate when readily determinable, otherwise it applies an incremental borrowing rate comparable to the lease term. ROU assets and lease liabilities also consist of any prepaid lease payments and deferred rent liabilities. The lease terms used to calculate ROU assets and lease liabilities include options to extend the lease or purchase the underlying asset when it is reasonably certain that the Association will exercise those options.

Note 1. Nature of the Association and Significant Accounting Policies (Continued)

Leases (continued):

Amortization of ROU assets pursuant to operating lease arrangements is recorded as rental expense over the lease term.

Property and equipment:

Property and equipment are stated at cost. The Association capitalizes items that are over $5,000 and provide future value. Depreciation is computed on the straight-line basis over the following estimated useful lives:

	Years
Buildings and improvements	5 - 40
Equipment	3 - 20

Expenditures for maintenance and repairs are charged to expense as incurred.

The carrying value of the Association's long-lived assets is periodically reviewed to determine if facts or circumstances suggest that the assets may be impaired or that the remaining useful, depreciable lives may need to be changed. The Association 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 its 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.

Interest rate swap:

The interest rate swap is recorded in the statement of financial position at its fair value. Changes in fair value are recorded in the statement of activities and changes in net assets.

Deferred financing costs:

Financing costs related to debt instruments are deferred and presented in the statement of financial position as a direct reduction from the carrying amount of the related debt. Amortization of deferred financing costs is presented as a component of interest expense.

Deferred naming rights revenue:

In 2011, the Association received a $2,000,000 conditional sponsorship for naming rights of the Independent Health Family Branch YMCA. Sponsorship revenue of $1,400,000 was contingent on the construction of the facility and $600,000 was contingent on the facility remaining open for ten years. The YMCA recognized $1,400,000 as revenue in 2013 when the building was placed in service. The balance of $600,000 remained in the accompanying statement of financial position as deferred naming rights revenue until the final condition was resolved, which occurred in 2023. Deferred naming rights revenue of $600,000 is recorded in the non-operating activities section of the accompanying statement of activities and changes in net assets for the year ended December 31, 2023.

Note 1. Nature of the Association and Significant Accounting Policies (Continued)

Endowments:

The Association's endowments consist of donor-restricted and board-designated endowment funds. The donor-restricted endowment is established through donor-restricted contributions. The Board of Trustees of the Association has set aside funds through unrestricted donor contributions representing a portion of the Association's net assets without donor restrictions in a board-designated endowment.

The New York Prudent Management of Institutional Funds Act (NYPMIFA or the Act), New York's version of the Uniform Prudent Management of Institutional Funds Act, governs the management and investment of funds held by not-for-profit corporations and other institutions. The Association has interpreted the Act as requiring the preservation of the fair value of the original gift as of the gift date of donor-restricted endowment funds which is prudent, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the 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 retained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Association in a manner consistent with the standards of prudence prescribed by NYPMIFA.

When making a determination to appropriate or accumulate donor-restricted endowment funds, the Association considers the following: the duration and preservation of the endowment fund; the purposes of the donor-restricted endowment fund; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources of the Association; where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Association; and the investment policies of the Association.

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 relevant law requires the Association to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature would be reported in net assets with donor restrictions. The reporting of such deficiencies as a reduction of Association-controlled net assets with donor restrictions does not legally create an affirmative obligation of the Association to restore the fair value of those funds from net assets without donor restrictions.

The Association, under the direction of the Board of Trustees, has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the Association while seeking to maintain the purchasing power of the endowment assets after considering the effects of inflation. Under these policies, endowment assets are invested in a manner that is intended to achieve returns, net of fees, in excess of a relevant balanced benchmark, as defined by the target asset allocation, while assuming a moderate level of investment risk.

Note 1. Nature of the Association and Significant Accounting Policies (Continued)

Endowments (continued):

To satisfy its long-term rate-of-return objectives, the Association relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Association targets a diversified asset allocation that places a greater emphasis on equity-based and fixed income investments to achieve its long-term return objectives within prudent risk constraints.

The Board of Trustees will review the fund's performance at least annually and will appropriate for distribution an amount it feels is appropriate. Annual endowment fund spending is expected to be no more than 5% of the average market value for the last twenty quarters, unless modified and approved by a majority of the Board of Trustees. All endowment expenditures will be made in accordance with any donor restrictions or board designations.

Income taxes:

The Association has received a favorable determination letter from the Internal Revenue Service (IRS) stating that it is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) of 1986, 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. Accordingly, no provision for uncertain income tax positions is reflected in these financial statements. Interest and penalties would be recognized as tax expense; however, there are no interest or penalties recognized. The tax years after 2020 are still open to audit for both federal and state purposes.

Functional allocation of expenses:

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting function of the Association. Those expenses include personnel, occupancy, finance costs and depreciation. Expenses are allocated to the program or supporting functions based on the revenue produced by each program or function.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 1. Nature of the Association and Significant Accounting Policies (Continued)

Summarized comparative financial information:

The statements of activities and changes in net assets and functional expenses include prior year summarized comparative financial information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Subsequent events:

Management has evaluated subsequent events through May 5, 2025, which is the date the financial statements were available to be issued.

Note 2. Liquidity Management

The Association regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to maximize the return on board-designated endowment investments not required for annual operations. The Association had financial assets consisting of cash, cash equivalents and certain receivables amounting to $1,690,463 and $3,456,674 at December 31, 2024 and 2023, respectively, to meet annual operating needs for the following fiscal year. The Association has additional sources of liquidity available, including a revolving credit facility (Note 8) and board-designated endowment investments (Note 12), which are subject to appropriation by the Board of Trustees. The Association's revenue bonds (Note 9) require the Association to maintain a minimum of $6,500,000 of cash and investments not subject to donor restrictions.

Note 3. Receivables

Receivables at December 31, 2024 and 2023 are summarized as follows:

	2024	2023
Current maturities of capital campaign pledges	**$ 150,034**	$ 66,171
Trade accounts	**531,981**	606,011
Annual campaign pledges	**134,573**	121,185
Interest and dividends	**25,028**	43,236
	$ 841,616	$ 836,603

Note 4. Capital Campaign Pledges Receivable

The Association has sponsored a capital campaign to assist in financing a project in North Buffalo, New York (Camp Swan Project). The status of this campaign at December 31, 2024 and 2023 is summarized as follows:

	2024	2023
Total pledges since inception	$ 3,479,503	$ 3,479,150
Less payments received to date	3,316,201	3,244,830
Gross pledges receivable	163,302	234,320
Less allowance for doubtful pledges receivable	8,165	11,716
Pledges receivable, net	155,137	222,604
Less present value of estimated future payments at 8.50%	948	20,201
Total present value of pledges receivable	154,189	202,403
Less current maturities of pledges receivable	150,034	66,171
Pledges receivable less current maturities	$ 4,155	$ 136,232

Gross pledges receivable at December 31, 2024 are due as follows:

Years ending December 31,	
2025	$ 150,034
2026	8,822
2027	3,372
2028	1,074
	$ 163,302

Note 5. Investments

Investments at December 31, 2024, stated at fair value, consist of the following:

	Cost	Net Unrealized Gain (Loss)	Fair Value
Common stocks	$ 4,593,217	$ 3,357,264	$ 7,950,481
Bonds	574,116	(804)	573,312
Mutual funds	7,979,925	167,794	8,147,719
Exchange traded funds	134,837	102,886	237,723
Money market funds	1,263,746	-	1,263,746
	$ 14,545,841	$ 3,627,140	$ 18,172,981

Note 5. Investments (Continued)

Investments at December 31, 2023, stated at fair value, consist of the following:

	Cost	Net Unrealized Gain	Fair Value
Common stocks	$ 4,039,644	$ 2,709,171	$ 6,748,815
Bonds	904,027	210,904	1,114,931
Mutual funds	6,833,532	99	6,833,631
Exchange traded funds	258,062	74,835	332,897
Money market funds	1,230,234	-	1,230,234
	$ 13,265,499	$ 2,995,009	$ 16,260,508

A summary of net investment income for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Unrealized gain	**$ 632,131**	$ 1,234,280
Realized gain on sale of securities	**832,403**	528,313
Interest and dividend income	**772,283**	788,241
Investment expenses	**(102,127)**	(78,163)
Total investment income, net	**$ 2,134,690**	$ 2,472,671

The Association invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the financial position of the Association.

Note 6. Fair Value Measurements

U.S. GAAP establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority level to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Note 6. Fair Value Measurements (Continued)

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

Level 2 – Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the Association's assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023:

Common stocks: Valued at the daily closing price as reported on public exchanges.

Bonds: Valued at approximate fair value as determined by a service provider to the bond custodian using a pricing model.

Mutual funds: Mutual funds, except for money market mutual funds, are valued at the daily closing price as reported by the fund. Mutual funds owned by the Association are open-end funds that are registered with the Securities and Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The Association deems funds owned by them to be actively traded.

Exchange traded funds: Exchange traded funds (ETFs) are traded at quoted prices throughout the day and valued at the end of the day at NAV as determined by the fund based upon the fair value of the underlying investments held by the fund less its liabilities. The ETFs are registered with the SEC and are deemed to be actively traded.

Money market funds: Money market funds generally transact at $1.00 NAV as reported by the fund and is based on the amortized cost of the underlying securities of the fund. The $1.00 NAV is considered to be the price to sell the money market fund and its estimated fair value. The Association's investments in money market funds have a daily redemption frequency. There are no required redemption notice periods and there are no unfunded commitments at December 31, 2024 and 2023.

Note 6. Fair Value Measurements (Continued)

Beneficial interest in trusts: Valued based upon the Association's interest in the fair value of the underlying trust assets as reported by the trustees. The underlying assets of the trusts are primarily invested in equity securities and mutual funds that are valued daily on public exchanges.

Interest rate swaps: Valued by the issuing financial institution using a proprietary market-based model.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 6. Fair Value Measurements (Continued)

Financial instruments at December 31, 2024, stated at fair value, consist of the following:

	Level 1	Level 2	Level 3	Total
Investments:				
Common stocks:				
Consumer discretionary	$ 864,113	$ -	$ -	$ 864,113
Consumer staples	598,393	-	-	598,393
Energy	193,458	-	-	193,458
Energy (International)	459,756	-	-	459,756
Financials	965,888	-	-	965,888
Healthcare	780,539	-	-	780,539
Industrials	589,174	-	-	589,174
Information technology	2,305,275	-	-	2,305,275
Materials	413,670	-	-	413,670
Other (International)	34,018	-	-	34,018
Real estate	159,883	-	-	159,883
Telecom services	551,903	-	-	551,903
Utilities	34,411	-	-	34,411
	7,950,481	-	-	7,950,481
Bonds:				
Corporate medium-term	-	197,144	-	197,144
Short-term	-	376,168	-	376,168
	-	573,312	-	573,312
Mutual funds:				
International large-cap	1,677,602	-	-	1,677,602
International small-cap	296,775	-	-	296,775
Infrastructure	287,094	-	-	287,094
Domestic mid-cap	604,364	-	-	604,364
Domestic small-cap	388,719	-	-	388,719
Bond	541,666	-	-	541,666
Real estate	3,833,041	-	-	3,833,041
Alternative	518,458	-	-	518,458
	8,147,719	-	-	8,147,719
Exchange traded fund:				
Domestic small-cap	237,723	-	-	237,723
Money market funds	-	1,263,746	-	1,263,746
	$ 16,335,923	$ 1,837,058	$ -	$ 18,172,981
Beneficial interest in trusts	$ -	$ -	$ 147,777	$ 147,777
Interest rate swap	$ -	$ 184,988	$ -	$ 184,988

Note 6. Fair Value Measurements (Continued)

Financial instruments at December 31, 2023, stated at fair value, consist of the following:

	Level 1	Level 2	Level 3	Total
Investments:				
Common stocks:				
Consumer discretionary	$ 611,564	$ -	$ -	$ 611,564
Consumer staples	581,072	-	-	581,072
Energy	284,648	-	-	284,648
Energy (International)	389,542	-	-	389,542
Financials	726,272	-	-	726,272
Healthcare	740,592	-	-	740,592
Industrials	360,207	-	-	360,207
Information technology	1,639,892	-	-	1,639,892
Materials	406,900	-	-	406,900
Other (International)	287,233	-	-	287,233
Real estate	176,285	-	-	176,285
Telecom services	405,099	-	-	405,099
Utilities	139,509	-	-	139,509
	6,748,815	-	-	6,748,815
Bonds:				
Corporate medium-term	-	603,086	-	603,086
Structured notes	-	511,845	-	511,845
	-	1,114,931	-	1,114,931
Mutual funds:				
International large-cap	1,614,497	-	-	1,614,497
International small-cap	301,325	-	-	301,325
Infrastructure	278,005	-	-	278,005
Domestic mid-cap	503,207	-	-	503,207
Domestic small-cap	359,359	-	-	359,359
Bond	2,289,520	-	-	2,289,520
Real estate	577,271	-	-	577,271
Alternative	910,447	-	-	910,447
	6,833,631	-	-	6,833,631
Exchange traded funds:				
Domestic small-cap	200,497	-	-	200,497
Bonds	132,400	-	-	132,400
	332,897	-	-	332,897
Money market funds	-	1,230,234	-	1,230,234
	$ 13,915,343	$ 2,345,165	$ -	$ 16,260,508
Beneficial interest in trusts	$ -	$ -	$ 141,812	$ 141,812
Interest rate swap	$ -	$ 164,573	$ -	$ 164,573

Note 6. Fair Value Measurements (Continued)

The following table sets forth a summary of changes in the fair value of Level 3 assets for the years ended December 31, 2024 and 2023:

	2024	2023
Balance, beginning of year	**$ 141,812**	$ 131,594
Change in fair value	**9,214**	15,435
Distributions received	**(3,249)**	(5,217)
Balance, end of year	**$ 147,777**	$ 141,812

Note 7. Property and Equipment

Property and equipment at December 31, 2024 and 2023 consist of the following:

	2024	2023
Land	**$ 7,347,396**	$ 7,347,396
Buildings and improvements	**57,872,074**	57,338,626
Equipment	**4,945,467**	4,946,335
Construction-in-progress	**141,673**	52,345
	70,306,610	69,684,702
Less accumulated depreciation	**34,369,059**	32,624,427
Total property and equipment, net	**$ 35,937,551**	$ 37,060,275

Note 8. Revolving Credit

The YMCA has a bank revolving credit facility with a maximum borrowing capacity of $1,000,000 at December 31, 2024. Borrowed amounts bear interest at the Secured Overnight Financing Rate (SOFR). There were no outstanding borrowings on this facility at either December 31, 2024 or 2023.

Note 9. Long-Term Debt

Long-term debt at December 31, 2024 and 2023 consists of the following:

	2024	2023
Civic facility revenue bond with a bank due in monthly principal payments ranging from $76,000 to $87,000 plus interest through June 2033. Effective May 1, 2025, as a result of a mandatory redemption feature, the bond was repurchased and reissued with the bank at the amount equaling the outstanding principal and interest. The repriced interest rate is variable and is equal to one month term SOFR plus 1.83%, times 79% (5% at December 31, 2024). The owner of the bond can utilize the mandatory redemption feature on March 1, 2029 at which time the bonds are repriced with the bank or sold to a new owner.	**$ 8,447,247**	$ 9,356,769
Less deferred financing costs	**165,342**	184,605
	8,281,905	9,172,164
Civic facility revenue bond with a bank due in monthly principal payments ranging from $36,000 to $50,000 plus interest through March 2039. The bond has a mandatory redemption feature where the owner of the bond can put it back to the YMCA in March of 2029. At that time, the bonds are repriced with the bank or sold to a new owner. Variable interest is equal to one month term SOFR plus the applicable margin of 2.15%, times 65%.	**7,333,023**	7,766,451
Less deferred financing costs	**249,470**	267,080
	7,083,553	7,499,371
	15,365,458	16,671,535
Less current maturities	**1,367,518**	1,342,950
	$ 13,997,940	$ 15,328,585

The revenue bonds are secured by a mortgage on property in Amherst, West Seneca and Lockport, New York along with property and equipment at three other branches. The revenue bonds are subject to certain covenants which, among other things, require the Association to maintain a certain amount of net assets, debt service coverage ratio, and unrestricted cash and investments. At December 31, 2024, the Association was in compliance with these requirements. The reissued and amended bond requires the Association continue to meet these financial covenants.

Note 9. Long-Term Debt (Continued)

Aggregate maturities of long-term debt at December 31, 2024 are as follows:

Years ending December 31,	
2025	$ 1,367,518
2026	1,392,547
2027	1,418,043
2028	1,444,016
2029	1,470,475
Thereafter	8,687,671
Total	$ 15,780,270

The Association maintains an interest rate swap agreement with a bank to eliminate the risk of changes in interest rates on one of the civic facility revenue bonds. The notional amount for the swap agreement at December 31, 2024 and 2023 is $5,957,254 and $6,316,691, respectively. It effectively changes the Association's interest rate exposure on the related borrowings to a fixed rate of 3.05% through December 2028.

The Association is exposed to credit loss in the event of non-performance by the counterparties to the interest rate swap agreements; however, the Association does not anticipate such non-performance. The valuation of the interest rate swap agreements resulted in an asset of $184,988 and $164,573 as of December 31, 2024 and 2023, respectively.

Interest expense amounted to $863,040 and $898,624 for the years ended December 31, 2024 and 2023, respectively. Interest expense is included in finance costs in the accompanying statement of functional expenses.

Note 10. Operating Lease

The Association leases an administrative building under a non-cancelable operating lease agreement. On April 2, 2024, the Association modified the lease agreement initially expiring in 2025 to extend the lease term to February 2033. The following table presents the maturities of the agreement:

Years ending December 31,	
2025	$ 22,130
2026	88,520
2027	124,149
2028	127,874
2029	131,710
Thereafter	441,305
Total undiscounted cash flows	935,688
Less the amount representing interest at 5.00%	190,948
Total operating lease liability	$ 744,740

Prior to signing the lease modification, the undiscounted cash flows of the operating lease liability and the amount representing interest at 3.25% amounted to $273,859 and $7,629, respectively, at December 31, 2023. The total operating lease liability amounted to $266,230 at December 31, 2023.

Single lease costs related to the operating lease amounted to $119,359 and $142,883 for the years ended December 31, 2024 and 2023, respectively. Cash paid for amounts included in the measurement of the operating lease liability amounted to $64,546 and $149,378 for the years ended December 31, 2024 and 2023, respectively. Single lease costs for 2024 and 2023 are included in occupancy costs in the statement of functional expenses.

Note 11. Net Assets with Donor Restrictions

Net assets with donor restrictions as of December 31, 2024 and 2023 are available for the following purposes or periods:

	2024	2023
Subject to the passage of time:		
Capital campaign receivables to fund the Camp Swan Project.	**$ 154,189**	$ 202,403
Subject to expenditure for a specified purpose:		
Contributions received to fund specific program operations.	**76,088**	270,729
Contributions received to fund the Camp Swan Project.	**580,837**	537,779
Restricted in perpetuity with income subject to appropriation or expenditure:		
Donor-restricted endowment (Note 12) - investments in perpetuity at the original gift amount plus accumulated gains or losses, the income from which is expendable, once approved, to support specific YMCA branch operations.	**1,372,166**	1,372,112
Beneficial interest in trusts, the income from which is expendable, once approved, to support general YMCA operations and programming in the City of Niagara Falls.	**147,777**	141,812
	$ 2,331,057	$ 2,524,835

During 2024, net assets of $247,958 were released from donor restrictions primarily through satisfaction of purpose restrictions.

Note 12. Endowment Funds

The Association's endowment consists of donor-restricted endowment funds and funds that have been designated by the Board of Trustees to function as an endowment.

Changes in endowment net assets and net asset composition as of and for the years ended December 31, 2024 and 2023 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, December 31, 2022	$ 12,695,797	$ 1,335,441	$ 14,031,238
Investment return:			
Net loss on investments	1,725,940	36,653	1,762,593
Interest and dividends	788,241	-	788,241
Investment expenses	(78,163)	-	(78,163)
	2,436,018	36,653	2,472,671
Appropriation of endowment net assets for expenditure	(258,829)	-	(258,829)
Cash contributions	10,057	18	10,075
Donated securities	5,353	-	5,353
Endowment net assets, December 31, 2023	14,888,396	1,372,112	16,260,508
Investment return:			
Net gain on investments	**1,464,480**	**54**	**1,464,534**
Interest and dividends	**772,283**	**-**	**772,283**
Investment expenses	**(102,127)**	**-**	**(102,127)**
	2,134,636	**54**	**2,134,690**
Appropriation of endowment net assets for expenditure	**(265,955)**	**-**	**(265,955)**
Cash contributions	**25,000**	**-**	**25,000**
Donated securities	**18,738**	**-**	**18,738**
Endowment net assets, December 31, 2024	**$ 16,800,815**	**$ 1,372,166**	**$ 18,172,981**

Note 12. Endowment Funds (Continued)

Endowment net asset composition by type of fund as of December 31, 2024 and 2023 are as follows:

	2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Restricted in perpetuity	**$ -**	**$ 1,416,534**	**$ 1,416,534**
Accumulated investment losses on amounts to be retained in perpetuity	**-**	**(44,368)**	**(44,368)**
Board designated endowment fund	**16,800,815**	**-**	**16,800,815**
	$ 16,800,815	**$ 1,372,166**	**$ 18,172,981**

On June 27, 2024, the Board of Trustees designated $1,000,000 of the Board designated endowment fund to be used towards the Camp Swan Project.

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Restricted in perpetuity	$ -	$ 1,416,534	$ 1,416,534
Accumulated investment losses on amounts to be retained in perpetuity	-	(44,422)	(44,422)
Board designated endowment fund	14,888,396	-	14,888,396
	$ 14,888,396	$ 1,372,112	$ 16,260,508

The aggregate fair value and cost of underwater donor-restricted endowment fund investments at December 31, 2024 and 2023 is as follows:

	2024	2023
Fair value	**$ 534,372**	$ 400,208
Cost	**578,740**	444,630
	$ (44,368)	$ (44,422)

Note 13. Special Events

As part of its fundraising efforts, the Association holds periodic special events. Revenue from special events is recognized in the period in which the event is held and is presented net of direct expenses in the statement of activities and changes in net assets. Special event revenue and direct expenses for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Revenue	**$ 807,994**	$ 637,926
Direct expenses	**485,348**	385,863
Special event revenue, net	**$ 322,646**	$ 252,063

Note 14. Financial Assistance Provided

Gross membership and program service fees along with financial assistance provided for the years ended December 31, 2024 and 2023 amounted to:

	2024	2023
Gross membership fees	**$ 12,222,629**	$ 10,781,061
Less financial assistance provided	**750,536**	725,059
Membership fees, net	**$ 11,472,093**	$ 10,056,002
Gross program service fees	**$ 8,580,949**	$ 8,062,552
Less financial assistance provided	**403,293**	534,772
Program service fees, net	**$ 8,177,656**	$ 7,527,780

Note 15. Retirement Plans

The Association participates in the YMCA Retirement Fund Retirement Plan (the 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 IRC, as amended, and The YMCA Retirement Fund Tax-Deferred Savings Plan (the Tax-Deferred Savings Plan) which is a retirement income account plan as defined in Section 403(b)(9) of the IRC. Both plans are sponsored by The Young Men's Christian Association Retirement Fund (the Fund). The Fund is a not-for-profit, tax-exempt pension fund incorporated in the State of New York. The Fund is 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.

Note 15. Retirement Plans (Continued)

In accordance with an agreement between the Fund and the Association, contributions to the Retirement Plan are a percentage of the participating employees' salaries. These amounts are paid by the Association. Total cash contributions charged to retirement costs were $745,908 and $694,738 for the years ended December 31, 2024 and 2023, respectively.

Contributions to the 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 Association pays dues to YMCA of the USA and Alliance of New York State YMCAs. Dues paid to YMCA of the USA for the years ended December 31, 2024 and 2023 were $275,000 and $270,864, respectively. Dues paid to Alliance of New York State YMCAs for the years ended December 31, 2024 and 2023 were $31,424 for both years.

Note 17. Contingencies

In the normal course of business, various legal actions and claims are asserted against the Association.

The Association is a defendant in a claim, and prior to 2024 was a defendant in two claims, relating to incidents alleged to have occurred from the 1950's through 1990's. For the open claim, the Association is actively defending the claim in court. The Association has not concluded that a loss is probable and is unable to reasonably estimate the ultimate effect of an adverse decision resulting from the claim on its financial position, results of operations or cash flow. The Association reached settlement agreements for the two other claims in 2024. The Association recorded an accrued loss contingency of $1,475,000 related to these two claims in 2023, which approximated the 2024 settlement amount.

Note 18. Government Assistance – Coronavirus Pandemic

The Employee Retention Credit (ERC) was established in response to the economic adversity caused by the Coronavirus Pandemic to encourage businesses to keep employees on their payroll. Employers who met certain eligibility requirements could apply for the ERC, which is a refundable payroll tax credit issued by the IRS. The Association determined it was eligible for the ERC related to the first three calendar quarters of 2021 payroll and filed amended payroll tax forms, resulting in an amount receivable to the Association of $2,817,092 at December 31, 2022. The Association recorded the ERC in non-operating activities in the statement of activities and changes in net assets for the year ended December 31, 2022. The Association received payment of the ERC in 2023. The ERC may be subject to audit by the IRS.

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