



The Family YMCA

FINANCIAL STATEMENTS

December 31, 2024 and 2023

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REPORT





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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Family YMCA
Santa Fe, New Mexico

Opinion

We have audited the accompanying financial statements of The Family YMCA (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year 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 The Family YMCA as of December 31, 2024, and the changes in its net assets 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. 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 Family YMCA 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 Family YMCA's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 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 The Family 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 The Family 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.

Report on Summarized Comparative Information

We have previously audited The Family YMCA's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 10, 2024. In our opinion, the summarized 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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Santa Fe, New Mexico

May 5, 2025



FINANCIAL STATEMENTS



The Family YMCA
Statements of Financial Position

<i>December 31,</i>	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 460,541	\$ 879,368
Certificates of deposit	637,834	254,066
Contract receivables	99,902	96,157
Prepaid expenses	20,280	19,084
Total current assets	1,218,557	1,248,675
Non-current assets		
Investments	464,520	433,193
Operating lease right-of-use assets, net	65,873	126,772
Property and equipment, net	942,012	942,295
Total non-current assets	1,472,405	1,502,260
Total assets	\$ 2,690,962	\$ 2,750,935
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 21,714	\$ 28,022
Accrued liabilities	128,510	109,688
Current portion of operating lease liabilities	60,899	60,899
Current portion of long-term debt	74,888	71,532
Total current liabilities	286,011	270,141
Long-term liabilities		
Long-term debt, less current portion	799,173	878,319
Operating lease liabilities, less current portion	4,974	65,873
Total long-term liabilities	804,147	944,192
Total liabilities	1,090,158	1,214,333
Net assets		
Without donor restrictions	1,195,068	1,187,733
With donor restrictions	405,736	348,869
Total net assets	1,600,804	1,536,602
Total liabilities and net assets	\$ 2,690,962	\$ 2,750,935

The accompanying notes are an integral part of these financial statements.

The Family YMCA
Statements of Activities

<i>For the years ended December 31,</i>	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Summarized Total
Revenue and Other Support				
Membership dues	\$ 781,590	\$ -	\$ 781,590	\$ 719,607
Grants and contract services	568,812	278,298	847,110	836,467
Program service fees	1,218,175	-	1,218,175	1,122,147
Contributions	206,145	38,599	244,744	231,453
Other operating income	49,996	-	49,996	367,310
Contributions of non-financial assets	21,987	-	21,987	14,808
Investment income, net	61,130	7,331	68,461	33,324
Net assets released from restrictions	267,361	(267,361)	-	-
Total revenue and other support	3,175,196	56,867	3,232,063	3,325,116
Expenses				
Program services				
Childcare	689,671	-	689,671	602,875
Youth and adult	1,157,321	-	1,157,321	1,111,730
Member services	622,930	-	622,930	558,008
Total program services	2,469,922	-	2,469,922	2,272,613
Supporting services				
General and administrative	636,207	-	636,207	489,857
Fundraising	61,732	-	61,732	62,345
Total supporting services	697,939	-	697,939	552,202
Total expenses	3,167,861	-	3,167,861	2,824,815
Change in net assets	7,335	56,867	64,202	500,301
Net assets at beginning of year	1,187,733	348,869	1,536,602	1,036,301
Net assets at end of year	\$ 1,195,068	\$ 405,736	\$ 1,600,804	\$ 1,536,602

The accompanying notes are an integral part of these financial statements.

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The Family YMCA Statements of Functional Expenses

	Program Services				Supporting Services				2024 Total	2023 Summarized Total
	Childcare	Youth and Adult	Member Services	Program Services Subtotal	General and Administrative	Fundraising	Supporting Services Subtotal			
<i>For the years ended December 31,</i>										
Accounting and legal fees	\$ -	\$ -	\$ -	\$ -	\$ 22,869	\$ -	\$ 22,869	\$ 22,869	\$ 23,729	
Advertising	1,501	5,318	1,716	8,535	1,407	-	1,407	9,942	9,035	
Compensation expenses	434,296	789,230	333,481	1,557,007	232,233	28,140	260,373	1,817,380	1,631,419	
Conference and training	1,264	1,638	655	3,557	4,365	-	4,365	7,922	2,564	
Contract labor and services	-	-	28,960	28,960	-	-	-	28,960	2,076	
Depreciation	-	-	-	-	80,381	-	80,381	80,381	70,464	
Equipment expense	-	2,962	4,689	7,651	-	-	-	7,651	13,901	
Insurance	3,373	9,044	54,330	66,747	22,171	-	22,171	88,918	75,881	
Interest	-	-	-	-	44,406	-	44,406	44,406	47,562	
Lease expense	-	-	-	-	65,616	-	65,616	65,616	63,553	
Maintenance and repairs	-	7,652	44,904	52,556	-	-	-	52,556	36,508	
National dues	15,581	15,581	15,581	46,743	-	-	-	46,743	36,099	
Office supplies	-	110	-	110	10,697	-	10,697	10,807	14,222	
Other expenses	7,583	7,583	7,583	22,749	8,534	-	8,534	31,283	39,637	
Payroll taxes and benefits	63,499	98,852	45,712	208,063	21,295	5,668	26,963	235,026	227,640	
Postage	-	-	-	-	538	-	538	538	125	
Program supplies	51,686	161,796	10,712	224,194	-	-	-	224,194	205,359	
Retirement	4,047	33,124	14,987	52,158	20,939	-	20,939	73,097	59,154	
Scholarships	102,426	2,723	14,270	119,419	-	-	-	119,419	85,374	
Software	-	-	-	-	80,194	-	80,194	80,194	66,958	
Special events and fundraising	-	-	-	-	-	27,924	27,924	27,924	29,602	
Telephone	1,173	1,386	-	2,559	1,811	-	1,811	4,370	4,469	
Transportation	1,860	8,286	82	10,228	-	-	-	10,228	12,187	
Travel	1,382	2,578	840	4,800	18,751	-	18,751	23,551	12,916	
Utilities	-	9,458	44,428	53,886	-	-	-	53,886	54,381	
Total	\$ 689,671	\$ 1,157,321	\$ 622,930	\$ 2,469,922	\$ 636,207	\$ 61,732	\$ 697,939	\$ 3,167,861	\$ 2,824,815	

The accompanying notes are an integral part of these financial statements.

The Family YMCA Statements of Cash Flows

<i>For the years ended December 31,</i>	2024	2023
Operating Activities		
Change in net assets	\$ 64,202	\$ 500,301
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	80,381	70,464
Amortization of operating lease right-of-use assets	60,899	56,214
Unrealized and realized (gain) on investments	(31,327)	(33,324)
Changes in operating assets and liabilities		
Contract receivables	(3,745)	(25,664)
Prepaid expenses	(1,196)	3,214
Accounts payable	(6,308)	(59,244)
Accrued liabilities and other	18,822	14,793
Operating lease liabilities	(60,899)	(56,214)
Net cash provided by operating activities	120,829	470,540
Investing Activities		
Purchase of property and equipment	(80,098)	(84,328)
Net change in certificates of deposit	(383,768)	(243,355)
Net cash used in investing activities	(463,866)	(327,683)
Financing Activities		
Payments on note payable	(75,790)	(71,835)
Net cash (used in) financing activities	(75,790)	(71,835)
Net change in cash and cash equivalents	(418,827)	71,022
Cash and cash equivalents, at beginning of year	879,368	808,346
Cash and cash equivalents, at end of year	\$ 460,541	\$ 879,368

The accompanying notes are an integral part of these financial statements.

The Family YMCA
Statements of Cash Flows (Continued)

<i>For the years ended December 31,</i>	2024	2023
Schedule of Certain Cash Flow Information		
Cash paid for interest	\$ 44,406	\$ 47,562

The accompanying notes are an integral part of these financial statements.

Note 1: DESCRIPTION OF THE ORGANIZATION

The Family YMCA (the YMCA)(the Organization) is a not-for-profit New Mexico corporation organized under the laws of the State of New Mexico in 1955 for the purpose of providing programs and physical facilities for the enhancement of human potential and appreciation of self-worth. The YMCA's support comes primarily through membership dues and program fees. The YMCA is affiliated with the Young Men's Christian Association of the United States and is a member agency of the Los Alamos area United Way. The YMCA operates in Los Alamos County and Rio Arriba County and is subject to the general economic factors that affect the area. The Organization conducts the following programs:

Childcare – The Organization provides childcare services for its members at its facilities.

Member services – The Organization provides members with various YMCA benefits at the facilities such as fitness classes, gym access, climbing wall, saunas, etc.

Youth and adult – The Organization provides education, afterschool activities, sports, camps and other programming to children and adults.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to depreciation of assets over their estimated useful lives, contributions of non-financial assets, estimates used in accounting for leases in accordance with FASB ASU 842, *Leases*, and the allocation of expenses by function.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class nor functional expense classification. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the YMCA's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Certificates of Deposit

Certificates of deposit are held at a financial institution. Certificates of deposit total \$637,834 and \$254,066 at December 31, 2024 and 2023, respectively. Initial maturities at purchase of these certificates was 12 months, with penalties for early withdrawal. At December 31, 2024 and 2023, the interest rates ranged from 4.5% to 5%, with interest paid periodically on a monthly basis.

Contracts Receivable

Accounts receivable represent amounts owed to the Organization which are expected to be collected within twelve months and are presented in the statements of financial position net of the allowance for credit losses. The receivables are made up of grants and contracts receivable.

Allowance for Credit Losses

Management evaluates its receivables on an ongoing basis by analyzing customer relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. The Organization has historically not recorded an allowance for credit losses and none was provided at December 31, 2024 and 2023.

Investments

The Organization reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Prepaid Expenses

Prepaid expenses consist of service contract expenses paid in advance for operation in the subsequent year.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

As part of the YMCA's agreement with Los Alamos County, ownership of any capital assets purchased for the Los Alamos Teen Center (LATC) and reimbursed by the County are subject to reversion upon expiration or other termination of the agreement in place. As of December 31, 2024 and 2023, the recorded costs of assets at the LATC were \$168,844 and \$151,044, respectively.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If the future undiscounted cash flows expected to result from the use of the asset and its eventual disposition are less than the carrying amount of the asset, an impairment loss is recognized. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

Leases

The YMCA leases a facility and office equipment. Management determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities in the accompanying statements of financial position.

ROU assets represent the YMCA's right to use an underlying asset for the lease term and lease liabilities represent the YMCA's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, management uses daily treasury long-term rates based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the YMCA will exercise that option. Lease expense for payments is recognized on a straight-line basis over the lease term. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Management has elected to apply the short-term lease exemption to certain classes of equipment leases. In 2024, the YMCA has a small number of leases with this class of underlying assets that qualified for the exemption. The short-term lease cost recognized and disclosed for those leases in 2024 and 2023 was \$8,992 and \$13,900, respectively. The remaining lease payments in 2025 are insignificant.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Liabilities

Accrued liabilities are comprised of the payroll expenditures based on amounts earned by employees through December 31, 2024 and 2023, along with applicable taxes. The YMCA has recorded \$65,277 and \$49,360 for accrued payroll liabilities at December 31, 2024 and 2023, respectively.

The Organization's employees can accrue from 104 to 160 hours for full time employees and a maximum of 71 hours for part time employees for annual vacation respectively, depending on their years of employment. Employees also accrue 96 hours of sick leave each year, with the maximum cumulative amount being 320 hours for full time employees and 160 hours for part time employees. No sick leave is paid to employees when they are terminated. The YMCA has recorded \$63,233 and \$60,328 for compensated vacation absences at December 31, 2024 and 2023, respectively.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

Revenue from membership dues and program service fees, and payments under various contracts is recognized as revenue when performance obligations under the terms of the contracts with customers are satisfied. Revenue received in advance is deferred and recognized over the periods to which the dates and fees relate. There were no deferred amounts in 2024 and 2023 and would be included in performance obligation liabilities within the statements of financial position.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

A significant portion of the Organization's grants and contracts are from government agencies. The benefits received by the public as a result of the assets transferred are not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances. The YMCA is funded by grants and contracts received from Los Alamos County, Santa Fe County, the City of Espanola, the Delle Foundation, various private foundations, and other sources. Unreimbursed costs under these grants and contracts are recorded as accounts receivable.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly removed the conditions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation. During the years ended December 2024 and 2023, donated assets received and expensed for the benefit of the YMCA's annual gala totaled \$21,987 and \$14,808, respectively.

Donated Services

Donated services 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 Organization. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses

Directly identifiable expenses are charged to program and supporting services. Costs, including salaries and wages, are allocated to programs based on the actual percentages of time spent in each functional area. Expenses related to maintenance and upkeep of the entire facility are allocated across functional areas based on a fixed percentage.

Advertising

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the years ended December 31, 2024 and 2023, advertising costs totaled \$9,942 and \$9,035, respectively.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from taxes on income other than unrelated business income. Unrelated business income results from rent, administration of self-insurance activities, and commissions.

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2024 and 2023, the Organization has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, May 5, 2025 and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

The Family YMCA
Notes to Financial Statements

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in cash and cash equivalents and certificates of deposit to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>December 31,</i>	2024	2023
Total assets at year end	\$ 2,690,962	\$ 2,750,935
Less non-financial assets		
Prepaid expenses	(20,280)	(19,084)
Operating lease right-of-use assets, net	(65,873)	(126,772)
Property and equipment, net	(942,012)	(942,295)
Financial assets at year-end	1,662,797	1,662,784
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Restricted by donor with purpose restrictions	(405,736)	(348,869)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,257,061	\$ 1,313,915

The Organization is principally supported by its dues and fees charged for the services it provides.

The Family YMCA
Notes to Financial Statements

Note 4: INVESTMENTS

Investments in marketable securities consist of the following:

<i>December 31, 2024</i>	Cost	Fair Value
Exchange Traded Funds	\$ 445,632	\$ 464,520
Total investments in marketable securities	\$ 445,632	\$ 464,520

<i>December 31, 2023</i>	Cost	Fair Value
Exchange Traded Funds	\$ 445,632	\$ 433,193
Total investments in marketable securities	\$ 445,632	\$ 433,193

Investment income consisted of the following for the years ended December 31, 2024 and 2023:

<i>For the years ended December 31,</i>	2024	2023
Interest and dividends	\$ 36,765	\$ 12,465
Realized gain (loss)	15,564	(23,056)
Unrealized gain	20,637	48,003
Investment fees	(4,505)	(4,088)
Total investment income, net	\$ 68,461	\$ 33,324

Note 5: PROPERTY AND EQUIPMENT

The components of property and equipment consist of the following at December 31, 2024 and 2023:

<i>December 31,</i>	Estimated Useful Lives (in years)	2024	2023
Building and related improvements	5-39	\$ 1,655,427	\$ 1,640,007
Furniture, fixtures, and equipment	3-10	876,754	812,076
Vehicles	5	159,848	137,755
Gym equipment	3-10	863,482	863,482
Total depreciable property and equipment		3,555,511	3,453,320
Less accumulated depreciation		(2,616,208)	(2,513,734)
Total depreciable property and equipment, net		939,303	939,586
Land		2,709	2,709
Property and equipment, net		\$ 942,012	\$ 942,295

Depreciation expense for the years ended December 31, 2024 and 2023 amounted to \$80,381 and \$70,464, respectively.

The Family YMCA
Notes to Financial Statements

Note 6: LEASES

The YMCA leases a facility in Los Alamos that is accounted for as an operating lease. The lease expires in 2025. The operating lease has a remaining lease term of 1 year.

The components of lease expense consist of the following:

<i>For the years ended December 31,</i>	2024	2023
Operating lease cost	\$ 60,899	\$ 63,553
Short-term lease cost	\$ 8,992	\$ 13,900

Other information related to the lease was as follows:

<i>For the year ended December 31,</i>	2024	2023
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Supplemental Cash Flows Information

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operating leases	\$ 60,899	\$ 56,214
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Weighted average remaining lease term and discount rates consist of the following:

<i>For the year ended December 31,</i>	2024	2023
Right-of-use assets obtained in exchange for lease obligations		
Operating lease	\$ -	\$ 126,772
Weighted average remaining lease term		
Operating lease	1 year	2 years
Weighted average discount rate		
Operating lease	4.76%	4.76%

The Family YMCA
Notes to Financial Statements

Note 6: LEASES (Continued)

Future minimum lease payments under non-cancellable lease as of December 31, 2024 were as follows:

<i>For the year ended December 31,</i>	Operating Leases	
2025	\$	67,584
Total future minimum lease payments		67,584
Less imputed interest		(1,711)
Present value of lease liabilities	\$	65,873
<i>Reported as of December,</i>	2024	2023
Other current liabilities	\$ 225,112	\$ 209,242
Operating lease liabilities	65,873	126,772
Other long-term liabilities	799,173	878,319
Total	\$ 1,090,158	\$ 1,214,333

Note 7: LONG-TERM DEBT

Long-term debt consists of the following:

<i>December 31,</i>	2024	2023
Note payable to financial institution, monthly payments of \$9,012, plus interest of 4.76% per annum, maturity of November 2034, collateralized by real property.	\$ 874,061	\$ 949,851
Long-term debt	874,061	949,851
Less current portion	(74,888)	(71,532)
Long-term debt, less current portion	\$ 799,173	\$ 878,319

Interest expense related to the note payable agreements was \$44,225 and \$47,562 for the years ended December 31, 2024 and 2023, respectively.

The current note payable agreement contains a certain financial covenant for maintaining a debt service coverage ratio of at least 1.10. The YMCA was in compliance with this covenant as of December 31, 2024 and 2023.

The Family YMCA
Notes to Financial Statements

Note 7: LONG-TERM DEBT (Continued)

Maturities of long-term debt subsequent to December 31, 2024 consists of the following:

For the years ending December 31,

2025	\$	74,888
2026		78,566
2027		82,426
2028		79,184
2029		82,818
Thereafter		476,179
Total	\$	874,061

Note 8: NET ASSETS

A summary of net assets without donor restrictions follows:

<i>December 31,</i>	2024	2023
Undesignated	\$ 1,195,068	\$ 1,187,733
Total net assets without donor restrictions	\$ 1,195,068	\$ 1,187,733

A summary of net assets with donor restrictions consists of the following:

<i>December 31,</i>	2024	2023
Purpose restricted		
Endowment	\$ 105,026	\$ 97,695
Española teen center	105,000	106,834
Public policy	51,952	50,075
Achorum (Capital Grant)	50,000	50,000
YMCA of the USA	34,375	-
Con Alma Health Foundation, Inc.	20,000	-
Los Alamos teen center equipment	16,247	4,258
Senior appreciation night	11,766	1,298
Annual campaign	10,000	-
Dell Foundation	2	39,416
Dances of India	1,368	(707)
Total net assets with donor restrictions	\$ 405,736	\$ 348,869

The Family YMCA
Notes to Financial Statements

Note 8: NET ASSETS (Continued)

A summary of the release of donor restrictions consists of the following:

<i>For the years ended December 31,</i>	2024	2023
Purpose restricted		
Española teen center	\$ 128,584	\$ 83,166
Dell Foundation	75,414	32,197
YMCA of the USA	25,625	-
Senior appreciation night	11,782	8,545
Public policy	8,123	2,518
LANL Foundation	6,250	25,000
Los Alamos teen center equipment	5,809	7,496
Dances of India	3,258	6,960
LA Community Foundation	1,500	4,180
Endowment	1,016	797
New Mexico LEDA Recovery Grant	-	25,000
Cloths Helping Kids	-	5,000
Total net assets released from donor restrictions	\$ 267,361	\$ 200,859

Note 9: REVENUE

The Organization is recognizing membership dues revenue over time and program service fees revenue and other operating income at a point in time. Memberships are billed and paid on a monthly basis and program service fees are billed and paid on the date the program occurs. As of December 31, 2024 and 2023, there were no performance obligations to be satisfied. The Organization's customers are primarily individuals and families located in Los Alamos and surrounding communities of Northern New Mexico. The principal services purchased by the customers of the Organization consist of fitness center access and programs and fitness classes with a focus on health and exercise.

The Family YMCA
Notes to Financial Statements

Note 9: REVENUE (Continued)

Disaggregated Revenue

A summary of disaggregated revenue for membership dues and program service fees follows:

Membership dues

<i>December 31,</i>	2024	2023
Single membership	\$ 276,084	\$ 271,734
Family of two membership	211,244	188,354
Family of three plus membership	208,753	181,126
Young adult membership	59,297	50,211
Miscellaneous membership	26,212	28,182
Total membership dues	\$ 781,590	\$ 719,607

Program Service Fees

<i>December 31,</i>	2024	2023
After school fees	\$ 769,455	\$ 696,350
Camp fees	170,998	219,722
Youth fees	213,037	163,082
Adult fees	64,685	42,993
Total program service fees	\$ 1,218,175	\$ 1,122,147

A summary of disaggregated revenue information follows:

<i>For the years ended December 31,</i>	2024	2023
Contracts with customers subject to Topic 606		
Recognized over time		
Membership dues	\$ 781,590	\$ 719,607
Recognized at a point of time		
Program services	1,218,175	1,122,147
Other operating income	49,996	367,310
Revenue and other support not subject to Topic 606		
Grants and contract services	847,110	836,467
Contributions	244,744	231,453
Contributions of non-financial assets	21,987	14,808
Investment income	68,461	33,324
Total revenue and other support	\$ 3,232,063	\$ 3,325,116

There are no performance obligations or contract receivables or liabilities at both December 31, 2024 and 2023.

The Family YMCA
Notes to Financial Statements

Note 10: CONTRIBUTIONS OF NON-FINANCIAL ASSETS

All donated services and goods were utilized by the YMCA's supporting services. There were no donor-imposed restrictions associated with the contributed services or goods. The components of donated services and goods contributed to the YMCA consists of the following for the years ended December 31, 2024 and 2023:

<i>For the years ended December 31,</i>	Donated Services		Donated Goods		Total
December 31, 2024					
Supporting services					
General and administrative	\$	5,000	\$	-	\$ 5,000
Fundraising		-		16,987	16,987
Total contributed services and goods	\$	5,000	\$	16,987	\$ 21,987
December 31, 2023					
Supporting services					
General and administrative	\$	5,000	\$	-	\$ 5,000
Fundraising		-		9,808	9,808
Total contributed services and goods	\$	5,000	\$	9,808	\$ 14,808

Donated services was for advertising and was valued using standard advertising rates of the news organization that donated the advertising. Donated goods are valued at the wholesale prices that would be received for selling similar products.

Note 11: ENDOWMENT

The YMCA's endowment consists of one individual fund. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Absent explicit donor stipulations to the contrary, the Board of Directors of the YMCA has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the YMCA retains in perpetuity and classifies as net assets with donor restrictions (1) the original value of gifts donated to the perpetual endowment, (2) the original value of subsequent gifts to the perpetual endowment, and (3) accumulations to the perpetual 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 subject to appropriation for expenditure by the YMCA in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Family YMCA
Notes to Financial Statements

Note 11: ENDOWMENT (Continued)

In accordance with UPMIFA, the YMCA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (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 YMCA, and (7) the YMCA's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. The YMCA has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment fund. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk. The YMCA's spending policy is that it will not expend any amounts until the endowment fund reaches a certain threshold amount as determined by the Board. Interest income and gains are reported as an increase in unrestricted net assets, unless restricted by donor stipulations.

From time to time, certain donor-restricted endowment funds may have fair values that are less than the amount required to be maintained by donors or by law (underwater endowments). The YMCA has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2024, funds with original gift values of \$102,661, fair values of \$105,026, and gains of \$7,331 were reported in net assets with donor restrictions. At December 31, 2023, funds with original gift values of \$102,661, fair values of \$97,695, and gains of \$7,245 were reported in net assets with donor restrictions. During the year ended 2024 and 2023, the YMCA did not appropriate any expenditure from underwater endowments.

Changes in endowment net assets consists of the following for the years ended December 31, 2024 and 2023:

<i>December 31,</i>	With Donor Restrictions	2024 Total Endowment Net Assets	2023 Summarized Total Endowment Net Assets
Endowment net assets - January 1,	\$ 97,695	\$ 97,695	\$ 88,458
Interest received	3,685	3,685	2,789
Fees	(1,016)	(1,016)	(797)
Investment income	4,662	4,662	7,245
Endowment net assets - December 31,	\$ 105,026	\$ 105,026	\$ 97,695

Note 12: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity 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 in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
 - observable; or
 - can be corroborated by observable market data.

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 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Exchange traded funds: Valued at the daily closing price as reported by the fund. Exchange traded funds held by the YMCA are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The exchange traded funds held by the YMCA are deemed to be actively traded.

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 Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Note 12: FAIR VALUE MEASUREMENTS (Continued)

Assets and liabilities measured at fair value on a recurring basis consists of the following:

<i>December 31,</i>	Level 1	Level 2	Level 3	Total
<i>December 31, 2024</i>				
Exchange traded funds	\$ 464,520	\$ -	\$ -	464,520
Total investments at fair value	\$ 464,520	\$ -	\$ -	464,520
<i>December 31, 2023</i>				
Exchange traded funds	\$ 433,193	\$ -	\$ -	433,193
Total investments at fair value	\$ 433,193	\$ -	\$ -	433,193

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the year ended December 31, 2024 and 2023, there were no significant transfers in or out of Levels 1, 2 or 3.

Note 13: CONCENTRATIONS

The Organization maintains cash deposits with financial institutions at December 31, 2024 and 2023 in excess of federally insured limits of approximately \$608,000 and \$655,000, respectively.

During the years ended December 31, 2024 and 2023, revenue from one county made up approximately 50% and 47% of total grant and contract services revenue, respectively.

During the year ended December 31, 2024, accounts receivable from one county and one city made up approximately 95% of total accounts receivable. During the year ended December 31, 2023, accounts receivable from one county made up approximately 65% of total accounts receivable.

During the years ended December 31, 2024 and 2023, membership fees and program service fees made up approximately 62% and 55% of total revenue and other support, respectively.

Note 14: DEFINED CONTRIBUTION PLAN

The YMCA participates in a defined contribution plan with the Young Men's Christian Association of the United States. The plan is mandatory for YMCA employees who have reached the age of 21 and who have worked at least 1,000 hours in each of two previous twelve-month periods. The YMCA contributes 7% of covered employees' salaries. The contribution made on behalf of participating employees were \$73,097 and \$59,154 for the years ended December 31, 2024 and 2023, respectively.

The YMCA also offers a 403(b) plan where contributions are made voluntary by the employees participating in the plan.