AUDITED FINANCIAL STATEMENTS

YMCA OF WESTERN STARK COUNTY
MASSILLON, OHIO

December 31, 2025 and 2024

HALL, KISTLER & COMPANY LLP
CONSULTANTS AND CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
YMCA of Western Stark County
Massillon, OH

Opinion

We have audited the accompanying financial statements of YMCA of Western Stark County (a nonprofit organization) (the "Association"), which comprise the statements of financial position as of December 31, 2025, and the related statements of activities and changes in net assets, 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 YMCA of Western Stark County as of December 31, 2025, 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 YMCA of Western Stark County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of YMCA of Western Stark County as of December 31, 2024 were audited by other auditors whose report dated May 30, 2025 expressed an unmodified opinion on those statements.

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

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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 YMCA of Western Stark County'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 YMCA of Western Stark County'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 YMCA of Western Stark County'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.

Hall, Kistler & Company LLP

Certified Public Accountants

Canton, Ohio
June 8, 2026

STATEMENTS OF FINANCIAL POSITION

YMCA OF WESTERN STARK COUNTY

December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 141,281	$ 145,016
Accounts receivable- net of allowance for credit losses of $4,000 in 2025 and 2024	30,338	30,690
TOTAL CURRENT ASSETS	171,619	175,706
Operating lease right-of-use asset	64,145	31,102
Investment securities - at fair value	513,588	462,562
Beneficial interest in assets held by others	22,688	18,093
Property, plant and equipment, net	3,802,598	4,053,210
	4,403,019	4,564,967
TOTAL ASSETS	$ 4,574,638	$ 4,740,673
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term debt	$ 18,482	$ 17,980
Accounts payable	89,318	53,549
Accrued expenses	95,654	76,750
Deferred revenue	33,545	25,284
Current portion of operating lease liabilities	11,209	11,088
TOTAL CURRENT LIABILITIES	248,208	184,651
LONG-TERM LIABILITIES		
Long-term debt, net of current portion	253,839	272,077
Operating lease liabilities, net of current portion	52,936	19,533
	306,775	291,610
TOTAL LIABILITIES	554,983	476,261
NET ASSETS		
Without donor restrictions	4,009,385	4,254,054
With donor restrictions	10,270	10,358
TOTAL NET ASSETS	4,019,655	4,264,412
TOTAL LIABILITIES AND NET ASSETS	$ 4,574,638	$ 4,740,673

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

STATEMENT OF ACTIVITIES

YMCA OF WESTERN STARK COUNTY

For the year ended December 31, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND SUPPORT			
Public Support:			
Contributions	$ 41,806	$ -	$ 41,806
United Way contributions	-	-	-
Foundation grants	-	106,000	106,000
Government grants	-	10,184	10,184
Special events, net	22,409	-	22,409
Net assets released from restrictions	116,272	(116,272)	-
Total public support	180,487	(88)	180,399
Revenues:			
Child care revenue, net	987,227	-	987,227
Program fees, net	192,368	-	192,368
Membership dues, net	956,592	-	956,592
Rental income	65,059	-	65,059
Miscellaneous income	234,912	-	234,912
Interest and dividends, net	17,817	-	17,817
Realized and unrealized gains on investments	7,672	-	7,672
(Loss) on disposal of property and equipment	-	-	-
Total revenues	2,461,647	-	2,461,647
Total revenues and support	2,642,134	(88)	2,642,046
EXPENSES			
Program services:			
Youth development	1,281,606	-	1,281,606
Healthy living	1,030,834	-	1,030,834
Total program services	2,312,440	-	2,312,440
Support services:			
Management and general	557,585	-	557,585
Fundraising	16,778	-	16,778
Total expenses	2,886,803	-	2,886,803
Change in net assets	(244,669)	(88)	(244,757)
Net assets at beginning of year	4,254,054	10,358	4,264,412
Net assets at end of year	$ 4,009,385	$ 10,270	$ 4,019,655

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

STATEMENT OF ACTIVITIES

YMCA OF WESTERN STARK COUNTY

For the year ended December 31, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND SUPPORT			
Public Support:			
Contributions	$ 38,246	$ -	$ 38,246
United Way contributions	4,049	-	4,049
Foundation grants	-	101,081	101,081
Government grants	-	132,976	132,976
Special events, net	25,327	-	25,327
Net assets released from restrictions	233,874	(233,874)	-
Total public support	301,496	183	301,679
Revenues:			
Child care revenue, net	935,942	-	935,942
Program fees, net	204,848	-	204,848
Membership dues, net	902,343	-	902,343
Rental income	68,268	-	68,268
Miscellaneous income	8,869	-	8,869
Interest and dividends, net	15,438	-	15,438
Realized and unrealized gains on investments	8,407	-	8,407
(Loss) on disposal of property and equipment	(18,559)	-	(18,559)
Total revenues	2,125,556	-	2,125,556
Total revenues and support	2,427,052	183	2,427,235
EXPENSES			
Program services:			
Youth development	995,801	-	995,801
Healthy living	1,171,035	-	1,171,035
Total program services	2,166,836	-	2,166,836
Support services:			
Management and general	532,168	-	532,168
Fundraising	23,633	-	23,633
Total expenses	2,722,637	-	2,722,637
Change in net assets	(295,585)	183	(295,402)
Net assets at beginning of year	4,549,639	10,175	4,559,814
Net assets at end of year	$ 4,254,054	$ 10,358	$ 4,264,412

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

STATEMENT OF FUNCTIONAL EXPENSES

YMCA OF WESTERN STARK COUNTY

For the year ended December 31, 2025

	Program Services			Support Services		
	Youth Development	Healthy Living	Total Program	Management & General	Fundraising	TOTAL
PERSONNEL COSTS						
Salaries and wages	$ 651,888	$ 550,483	1,202,371	$ 231,782	$ 14,486	1,448,639
Employee benefits	52,481	44,317	96,798	18,660	1,165	116,623
Payroll taxes	50,732	42,840	93,572	18,038	1,127	112,737
TOTAL PERSONNEL COSTS	755,101	637,640	1,392,741	268,480	16,778	1,677,999
NON-PERSONNEL COSTS						
Professional Fees	27,245	12,721	39,966	39,556	-	79,522
Advertising	568	8,903	9,471	110	-	9,581
Information technology	949	3,068	4,017	20,863	-	24,880
Office expense	8,145	51,914	60,059	17,174	-	77,233
Occupancy	166,335	42,186	208,521	6,073	-	214,594
Travel	9,415	524	9,939	281	-	10,220
Conferences, conventions and meetings	1,238	691	1,929	56	-	1,985
Interest	2,400	-	2,400	9,473	-	11,873
Payments to affiliates	15,310	15,099	30,409	(1,103)	-	29,306
Depreciation	-	-	-	-	-	-
Insurance	-	-	-	47,440	-	47,440
Credit losses	3,328	1,067	4,395	420	-	4,815
Repairs and maintenance	13,353	47,972	61,325	97,283	-	158,608
Training	50,961	2,956	53,917	240	-	54,157
Supplies	146,917	51,265	198,182	25,120	-	223,302
Miscellaneous	2,982	111	3,093	333	-	3,426
Depreciation	77,359	154,717	232,076	25,786	-	257,862
Cost of direct benefit to donors	-	-	-	-	5,886	5,886
TOTAL NON-PERSONNEL COSTS	526,505	393,194	919,699	289,105	5,886	1,214,690
TOTAL EXPENSES BY FUNCTION	1,281,606	1,030,834	2,312,440	557,585	22,664	2,892,689
(Less) expenses net against revenues:						
Cost of direct benefits to donors	-	-	-	-	(5,886)	(5,886)
TOTAL EXPENSES	$ 1,281,606	$ 1,030,834	$ 2,312,440	$ 557,585	$ 16,778	$ 2,886,803

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

STATEMENT OF FUNCTIONAL EXPENSES

YMCA OF WESTERN STARK COUNTY

For the year ended December 31, 2024

	Program Services			Support Services		
	Youth Development	Healthy Living	Total Program	Management & General	Fundraising	TOTAL
PERSONNEL COSTS						
Salaries and wages	$ 595,828	$ 509,306	$ 1,105,134	$ 215,867	$ 18,798	$ 1,339,799
Employee benefits	51,527	44,044	95,571	18,668	3,361	117,600
Payroll taxes	46,727	39,942	86,669	16,929	1,474	105,072
TOTAL PERSONNEL COSTS	694,082	593,292	1,287,374	251,464	23,633	1,562,471
NON-PERSONNEL COSTS						
Professional fees	8,104	27,370	35,474	138	-	35,612
Advertising	1,349	8,425	9,774	461	-	10,235
Information technology	368	1,242	1,610	18,995	-	20,605
Office expense	13,820	31,411	45,231	32,501	-	77,732
Occupancy	55,884	112,019	167,903	18,978	-	186,881
Travel	9,872	2,677	12,549	293	-	12,842
Conferences, conventions, and meetings	621	1,004	1,625	322	-	1,947
Interest	2,700	-	2,700	9,929	-	12,629
Payments to affiliates	23,728	31,814	55,542	6,223	-	61,765
Insurance	-	-	-	45,021	-	45,021
Credit losses	301	16	317	44	-	361
Repairs and maintenance	3,818	48,833	52,651	69,076	-	121,727
Training	5,157	11,154	16,311	5,693	-	22,004
Supplies	86,835	140,419	227,254	44,959	-	272,213
Miscellaneous	8,710	454	9,164	1,254	-	10,418
Depreciation	80,452	160,905	241,357	26,817	-	268,174
Cost of direct benefit to donors	-	-	-	-	5,588	5,588
TOTAL NON-PERSONNEL COSTS	301,719	577,743	879,462	280,704	5,588	1,165,754
TOTAL EXPENSES BY FUNCTION	995,801	1,171,035	2,166,836	532,168	29,221	2,728,225
Less expenses net against revenues:						
Cost of direct benefits to donors	-	-	-	-	(5,588)	(5,588)
TOTAL EXPENSES	$ 995,801	$ 1,171,035	$ 2,166,836	$ 532,168	$ 23,633	$ 2,722,637

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

STATEMENTS OF CASH FLOWS

YMCA OF WESTERN STARK COUNTY

For the years ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (244,757)	$ (295,402)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	257,862	268,174
Amortization of right-of-use asset	483	10,446
Realized and unrealized gains on investments, net of fees	(3,404)	(8,407)
Loss on disposal of assets	-	18,559
Decrease (increase) in:		
Accounts receivable	352	21,274
Increase (decrease) in:		
Accounts payable	35,770	(32,687)
Accrued expenses	18,903	4,555
Operating lease liabilities	-	(10,638)
Deferred revenue	8,261	(161,481)
Net cash provided by (used in) operating activities	73,470	(185,607)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(7,251)	(32,042)
Purchase of investments	(84,753)	(95,055)
Proceeds from sale of investments	32,536	79,065
Net cash (used in) investing activities	(59,468)	(48,032)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term debt	(17,737)	(16,980)
Net cash (used in) financing activities	(17,737)	(16,980)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,735)	(250,619)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	145,016	395,635
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 141,281	$ 145,016

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

NOTE A - NATURE OF OPERATIONS

Description of Association

YMCA of Western Stark County's (YMCA) mission is to advance our cause of strengthening 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 neighbors, the YMCA enables youth, adults, families, and communities to be healthy, confident, and secure. The original name of the Association was The Young Men's Christian Association of Massillon.

Program Activities

Youth Development – The YMCA is committed to nurturing the potential of every child and teen. We believe that all kids deserve the opportunity to discover who they are and what they can achieve. That is why we help young people cultivate the values, skills and relationships that lead to positive behaviors, better health, and educational achievement. The YMCA programs, such as child care, youth sports, and other youth programming, 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. We bring families closer together, encourage good health and foster connections through fitness, sports, fun and shared interests. As a result, people in our community are receiving the support, guidance, and resources they need to achieve greater health in spirit, mind, and body. This is particularly important as our nation struggles with an obesity crisis, families struggle with work/life balance and individuals search for personal fulfillment. The YMCA provides health and wellness classes as well as promotes personal training.

Social Responsibility – The YMCA believes in giving back and supporting our neighbors. We have been listening and responding to our community's most critical social needs. YMCA programs are examples of how we deliver training, resources and support that empower our neighbors to effect change, bridge gaps and overcome obstacles. We engage YMCA members, participants and volunteers in activities that strengthen our community and pave the way for future generations to thrive. Much of our social responsibility takes place in conjunction with programs we offer at the YMCA.

NOTE A - NATURE OF OPERATIONS (CONTINUED)

Program Activities (Continued)

As part of our mission, our programs are accessible, affordable, and open to all faiths, backgrounds, abilities, and income levels. We provide financial assistance to people who otherwise may not have been able to afford to participate.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the YMCA have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation

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

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for general expenditures and 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.

All donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Accounting Estimates

The preparation of financial statements in conformity with GAAP 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

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Estimates (Continued)

date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions

The YMCA receives contributions to support operating activities, and capital projects. These contributions can be from individuals, foundations, corporations, governments or trusts. The YMCA records contributions receivable, net of allowances for estimated uncollectable amounts, when there is sufficient evidence in the form of verifiable documentation that an unconditional promise was received. Conditional gifts, with a measurable performance or other barrier and right of return, are not recognized until the conditions on which they depend are substantially met or explicitly waived by the donor. Conditional contributions for which cash is received in advance are accounted for as a liability within deferred revenue and amounted to $0 at December 31, 2025 and 2024.

Revenue Recognition

The YMCA has multiple revenue streams that are accounted for as reciprocal exchange transactions including membership dues and program fees.

Because the YMCA's performance obligations relate to contracts with a duration of less than one year, the YMCA has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

Membership dues and program fees consist of amounts that families and individuals pay to participate in health, fitness, education and recreation activities and programs. Members join for varying lengths of time and may cancel. Members generally pay a onetime joining fee plus monthly dues in advance. Memberships provide use of the recreation facilities, access to free classes, programs and activities, and discounts to fee-based programs.

The YMCA offers a variety of programs including exercise classes, swimming lessons, personal training, youth sports, child care, gymnastics, home school gym and swim, and more. Fee-based programs are available to the public. Program

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

fees for short duration programs of two months or less, such as aquatics classes, are typically paid in advance at the time of registration. Program fees for longer duration programs, such as fee-based child care, are usually paid monthly in advance. Cancellation provisions vary by program, but most transactions are cancellable with 15 to 30 days' notice. Refunds may be available for services not provided. Financial assistance is available to members and program participants. Such financial assistance is reflected as a reduction of gross child care revenue, program fees, and membership dues.

Membership dues and program fees are recognized ratably over the period the membership or program service is provided on a straight-line basis in an amount that reflects the consideration the YMCA expects to be entitled to in exchange for those services. All the YMCA's revenue from contracts with customers is from performance obligations satisfied over time. Prices are specific to a distinct performance obligation and do not consist of multiple transactions. Membership joining fees are ratably recognized over a one-year period from the membership start date.

Membership dues and program fees paid to the YMCA in advance represent contract liabilities and are recorded as deferred revenue. Amounts billed but unpaid are contract assets and recorded as accounts receivable.

Contributed Services

A substantial number of volunteers have donated significant amounts of time to the YMCA's program services. No amounts have been recognized in the accompanying statements of activities because the criteria for recognition of such volunteer effort as required by GAAP, has not been satisfied.

Accounts Receivable

The YMCA extends credit to third party payers of child development and other programs in the normal course of operations. The YMCA also extends credit to its members enrolling in certain programs, such as summer camp and day camp, which are due in full prior to the start of the program. The YMCA's accounts receivable represents an unconditional right to consideration from its contracts with customers. Receivables are recorded at estimated fair value at the time of origination and are reflected in the statements of financial position net of allowances for credit losses. The allowance for credit losses is based on

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable (Continued)

management's estimate of lifetime credit losses that are expected to be incurred as of the date that a receivable is originated. Uncollectible receivables are charged to the allowance. An expense is recorded at the time the allowance is adjusted.

Investments

Investments are measured at fair value in the statement of financial position. Realized and unrealized gains and losses are reported in the statement of activities. Investment income is recognized as revenue in the period it is earned and gains and losses are recognized as changes in net assets in the accounting periods in which they occur. Investment income and gains and losses, net of investments expenses, are reported as increases or decreases in net assets without donor restrictions unless a donor or law restricts their use.

Beneficial Interest in Assets Held by Others

The YMCA carries a beneficial interest in assets held at the Stark Community Foundation at fair market value. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Functional Expenses

The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs have been allocated based on time and effort as estimated by management. All other expenses are based on specific identification.

Advertising

The YMCA participates in various advertising and marketing programs. All costs related to marketing and advertising the YMCA's services are expensed in the period incurred.

Tax Status

The Association is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accounting principles generally accepted in the United States of America require the Association's management to evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that more likely than not would be sustained upon examination by the IRS. The Association's management has analyzed the tax

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax Status (Continued)

positions taken by the Association and has concluded that as of December 31, 2025 and 2024, there are no uncertain positions taken or expected to be taken, that would require recognition of a liability or disclosure in the financial statements. The Association is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Association's management believes it is no longer subject to income tax examinations for years prior to 2022.

The YMCA is not exempt from taxes due to net income derived from unrelated business activities. No unrelated business income tax was paid during 2025 or 2024.

Cash and Cash Equivalents

Cash and cash equivalents include all liquid instruments with original maturities of three months or less. From time to time, the cash balances in the accounts may exceed the Federal Deposit Insurance Corporation insured limits. The YMCA has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash.

Concentration of Credit Risk

The YMCA maintains cash balances at certain financial institutions in excess of the insurance limits provided by the Federal Deposit Insurance Corporation. The YMCA has not experienced any losses in such accounts. The YMCA monitors the financial stability of financial institutions regularly and management does not believe there is significant credit risk associated with deposits in excess of Federally insured amounts.

Property and Equipment

Investment in property and equipment is stated at cost less accumulated depreciation or at fair value if donated. Building and building improvements are depreciated using the straight-line method over 10 to 35 years based upon useful lives. Furniture and fixtures and fitness equipment are depreciated using the straight-line method over 3 to 10 years. Only major replacements and improvements with a cost in excess of $5,000 are capitalized and included in property and equipment.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued)

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

Deferred Revenue

Membership dues, program fees, and refundable advances that are designated for or related to future years' activities are deferred and recognized as revenue in the period in which they apply.

Right-of-Use Asset and Operating Lease Liability

Operating lease right-of-use ("ROU") assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As the YMCA's leases generally do not include an implicit rate, the YMCA used the rate that would be used if using a lender to purchase the asset over the time frame of the lease to determine the present value of future payments. The operating lease ROU asset also includes any payments made and excludes lease incentives and any initial direct costs incurred. The YMCA's operating lease ROU assets and operating lease liabilities are calculated including options to extend the lease when it is reasonably certain that the YMCA will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the term of the lease. The YMCA has elected not to recognize leases with durations of twelve months or less as ROU assets and operating lease liabilities.

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation.

Subsequent Events

Management has subsequent events through June 8, 2026, the date the financial statements were available to be issued.

NOTE C - LIQUIDITY AND AVAILABILITY

The YMCA strives to maintain liquid financial assets sufficient to cover general expenditures for the next fiscal year. The YMCA sets a realistic goal at the beginning of each year through adoption of a budget and strives to follow the budget in order to ensure sufficient cash is present. In addition to the available financial assets, the YMCA will rely upon contributions, service revenue, membership dues, and special event revenue to cover general expenditures for the next year.

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2025	2024
Financial assets:		
Cash and cash equivalents	$ 141,281	$ 145,016
Accounts receivable	30,338	30,690
Investments	513,588	462,562
Beneficial interests	22,688	18,093
Less financial assets not available:		
Net assets with donor restrictions	(10,270)	(10,358)
	$ 697,625	$ 646,003

The YMCA has board-designated endowment funds and investments of $299,763 and $284,464 respectively. Although the YMCA does not intend to spend from its board-designated endowment or investments other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its board-designated endowment and investments could be available if necessary.

NOTE D - LINE OF CREDIT

As of December 31, 2025 and 2024, the YMCA had two $100,000 lines of credit with banks, both with $0 outstanding. All borrowings are secured by the YMCA's property. The PNC line of credit bears interest at the prime rate plus 1.77% (8.52% and 9.27% at December 31, 2025 and 2024, respectively), and the Farmers National Bank line of credit bears interest at the prime rate plus 0.5% (7.25% and 8% at December 31, 2025 and 2024, respectively).

NOTE E - LONG-TERM DEBT

Long-term debt as of December 31 consists of the following:

	2025	2024
Note payable to a bank, due in monthly installments of $2,467, including interest at 4.15% as of December 31, 2025 and 2023 secured by the assets of the YMCA, due November 2037.	$ 272,321	$ 290,057
Less current portion.	(18,482)	(17,980)
	$ 253,839	$ 272,077

Future annual maturities of the note are as follows:

2026	$ 18,482
2027	19,264
2028	20,078
2029	20,928
2030	21,813
Thereafter	171,756
	$ 272,321

NOTE F - NET ASSETS WITH DONOR RESTRICTIONS

Net assets without donor restrictions as of December 31, 2025 and 2024 comprise the following:

	2025	2024
Undesignated	$ 3,709,622	$ 3,969,590
Board designated investments	277,075	266,371
Funds functioning as endowment	22,688	18,093
Total net assets without donor restrictions	$ 4,009,385	$ 4,254,054

Board designated investments include assets set aside by the Board of Directors for future operating needs.

NOTE F - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets with donor restrictions as of December 31, 2025 and 2024, consisted of the following:

	2025	2024
Subject to expenditure for specified purpose:		
Youth development	$ 8,761	$ 5,000
Healthy living	107	-
Facility	1,402	5,358
Total net assets with donor restrictions	$ 10,270	$ 10,358

NOTE G - ENDOWMENT FUND

At December 31, endowment net assets are as follows:

	2025 Without Donor Restrictions	2024 Without Donor Restrictions
Endowment funds, January 1	$ 18,093	$ 11,840
Investment return, net	2,370	1,153
Contributions	2,225	5,000
Endowment funds, December 31	$ 22,688	$ 18,093

The YMCA's endowment consists of funds functioning as endowments. Income from funds functioning as endowments is to be used for general operations and is recorded as net assets without donor restrictions.

The endowment fund is intended to provide for the operation and special programs of the YMCA. In doing so, the endowment fund provides a secure, long-term source of funds to establish or maintain programs that are consistent with the mission of the YMCA.

The State of Ohio has passed a version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Board of Directors of the YMCA has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit

NOTE G - ENDOWMENT FUND (CONTINUED)

donor stipulations to the contrary. As a result of this interpretation, the YMCA classifies net assets with donor restriction as (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, the YMCA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the organization and 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 organization
- The investment policies of the organization

Income from funds functioning as endowment is appropriated based on an approval process through the Board of Directors. Specific committees recommend amounts to be disbursed from the accumulated earnings of the endowment funds, which are then approved for appropriation by the Board of Directors.

NOTE H - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The YMCA placed certain funds with the Stark Community Foundation (SCF), a community trust established to administer gifts or bequests for public charitable uses. The YMCA specified that SCF is to distribute the income from these funds, after payments of expenses, to the YMCA to be used in their operations. The principal may be obtained for use by the YMCA upon approval of SCF's board. In the event that distributions to the Association become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community, or if the association fails to designate another charity, SCF shall, under its variance power, designate another charity or charities, qualified to receive distributions from SCF, in its place.

NOTE I - FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board ("FASB") issued guidance on fair value measurements that defines fair value and provides 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 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 under the FASB guidance are described below:

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;
- 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.

Mutual funds, fixed income securities, equities, and corporate/government bonds have quoted market prices in active markets that are Level 1 inputs.

NOTE I - FAIR VALUE MEASUREMENTS (CONTINUED)

Beneficial interests in assets held by SCF are investment pools, in which the YMCA participates are considered Level 3. The investment pool at SCF in which the YMCA participates includes investments in equities, fixed income, cash equivalents and alternative investments. The YMCA's separate account is adjusted with its proportion of investment activity from the investment pool. The fair value of the beneficial interests is equal to the YMCA's proportion of the quoted price obtained for total investments in the investment pool. This interest is not traded on a national security exchange and is valued based on reports provided by investment managers to SCF. The pool of investments is valued at SCF's best estimate of the fair value of the underlying assets as reviewed by the Association. Accordingly, the Association does not use separate quantitative information to value its investment in the SCF pool.

The following tables set forth by level within the fair value hierarchy the YMCA's financial assets that were accounted for at a fair value on a recurring basis:

	2025			
	Level 1	Level 2	Level 3	Total Fair Value
Cash and equivalents	$ 174,912	$ -	$ -	$ 174,912
Fixed income	338,676	-	-	338,676
Funds held in investment pool at Stark Community Foundation	-	-	22,688	22,688
	$ 513,588	$ -	$ 22,688	$ 536,276

	2024			
	Level 1	Level 2	Level 3	Total Fair Value
Cash and equivalents	$ 115,412	$ -	$ -	$ 115,412
Fixed income	347,150	-	-	347,150
Funds held in investment pool at Stark Community Foundation	-	18,093	-	18,093
	$ 462,562	$ 18,093	$ -	$ 480,655

NOTE I - FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31:

	2025	2024
Balance as of December 31, 2024	$ 18,093	$ 11,840
Investment return, net	2,370	1,153
Contributions	2,225	5,100
Balance as of December 31, 2025	$ 22,688	$ 18,093

NOTE J - SPECIAL EVENTS

As part of its fundraising efforts, the YMCA holds periodic special events. Revenue for special events is recognized in the period in which the event is held. Direct expenses associated with special events are netted against such revenue as follows:

	2025	2024
Special events revenue	$ 28,295	$ 30,915
Special events direct expenses	(5,886)	(5,588)
	$ 22,409	$ 25,327

NOTE K - FINANCIAL ASSISTANCE PROVIDED

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

	2025	2024
Program fees	$ 205,816	$ 210,362
Less financial assistance provided	(13,448)	(5,514)
Program fees, net	$ 192,368	$ 204,848

NOTE K - FINANCIAL ASSISTANCE PROVIDED (CONTINUED)

	2025	2024
Membership dues	$ 1,049,615	$ 1,008,182
Less financial assistance provided	(93,023)	(105,839)
Membership dues, net	$ 956,592	$ 902,343
Child care revenue	$ 991,671	$ 940,270
Less financial assistance provided	(4,444)	(4,328)
Child care revenue, net	$ 987,227	$ 935,942

NOTE L - OPERATING LEASE

The YMCA is obligated under an operating lease for office equipment, expiring in 2030.

The following summarizes the line items in the statement of financial position which include amounts for operating leases as of December 31:

	2025	2024
Operating Leases:		
Operating lease right-of-use assets	$ 64,145	$ 31,102
Operating lease obligations, current portion	$ 11,211	$ 11,088
Operating lease obligations, long-term portion	52,936	19,533
Total operating lease liabilities	$ 64,147	$ 30,621

Lease expense amounted to $12,822 and $11,916 for the years ended December 31, 2025 and 2024, respectively. Cash paid against the lease liability under these arrangements was $12,066 and $12,108 in 2025 and 2024, respectively.

NOTE L - OPERATING LEASE (CONTINUED)

The following table displays the undiscounted cash flows related to operating leases as of December 31, 2025, along with a reconciliation to the discounted amount recorded in the statement of financial position. Minimum lease payments under non-cancellable leases due within the years ended December 31 were as follows:

2026	$ 15,540
2027	15,540
2028	15,540
2029	15,540
2030	15,540
Total undiscounted cash flows	77,770
Impact of present value discount	(13,554)
Total operating lease liabilities	$ 64,146

As of December 31, 2025 and 2024, the weighted-average remaining lease term for the operating lease was 5 and 2.6 years, respectively. Because the YMCA generally does not have access to the rate implicit in the lease, the YMCA utilizes its incremental borrowing rate or in some cases the prime rate as the discount rate. The weighted-average discount rate associated with the operating lease as of December 31, 2025 and 2024 was 6.75% and 4.15%, respectively.

NOTE M - RENTAL INCOME

The YMCA leases certain space to two tenants with leases expiring in 2028 and 2055, with annual rental payments of $47,816 and $100, respectively. Tenants are responsible for their share of utilities and certain other common area maintenance. Future minimum annual rental payments expected are as follows:

2026	$ 47,916
2027	47,916
2028	8,086
2029	100
2030	100
Thereafter	2,500
	$ 106,618

NOTE N - DEFINED CONTRIBUTION PLANS

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

In accordance with the agreement, contributions for the YMCA Retirement Fund Retirement Plan are a percentage of the participating employees' salary. These amounts are paid by the YMCA. Total contributions charged to retirement costs aggregated $67,784 and $68,545 for the years ended December 31, 2025 and 2024, respectively.

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

NOTE O - RELATED PARTIES

The YMCA pays dues to YMCA of the USA. Dues paid to YMCA of the USA for the years ended December 31, 2025 and 2024 were $22,633 and $53,287, respectively.

NOTE P - COMMITMENTS AND CONTINGENCIES

In the normal course of business, various legal actions and claims are pending or may be instituted or asserted in the future against the YMCA. Management believes the YMCA does not have any significant claims or other litigation which the ultimate resolution would have a material financial impact.