

**Boys and Girls Club of Yellowstone County**  
**Financial Statements Notes**  
**Year ended June 30, 2025 and 2024**

The following are some commonly accepted ratios that are used within the Not for Profit community. They are used to provide comparisons to similar organizations. The median/mean information is derived from a large population of NPO organizations in a similar service category to your Organization in addition to those sample organizations being similar in size (based on revenues).

Financial ratios:	<u>2025</u>	<u>2024</u>
a. Current ratio – reflection of adequacy of working funds and the Organizations ability to make timely payments as debts become due. Calculated as the ratio of current assets to current liabilities. Expectation > 1	8.57	6.63
b. Adjusted current ratio – similar to current ratio, but adjusted for reflecting the effects of cash restrictions. Calculated as the ratio of unrestricted current assets to unrestricted current liabilities. Expectation > 1	1.76	(.64)
c. Defensive interval – reflection of how many months the Organization could operate if no additional funds were received. Calculated as the ratio of unrestricted cash and current assets to Average expense. Median – 2.00, mean – 9.00 (in months)	131 DAYS	76 DAYS
d. Liquid funds indicator – similar to DI, but consider this a calculated shutdown, including liquidation of capital assets. Calculated as the ratio of net assets without perpetual restriction to average monthly expense. Median – 4.13, mean – 16.54 (in months)	10.3 MO	8.6 MO
e. Program Service Expense – measures the relationship of funds spent for program purposes to all expenses. Calculated as a ratio of program expense to total expense. Median – 84%, mean – 79%	75.1%	80.5%
f. Admin/Fundraising ratio – measure of the relationship between funds raised attributable to the non-mission related function of the Organization. Calculated as a ratio of admin/fundraising expenses to total revenue. Expectation < 25-30%	21.3%	20.4%

Net profit of \$558,275, inclusive of depreciation of \$181,005 and a net \$486,000 in ERC funds.

Cash flow from operations of \$849,000 including \$386,000 in cash from ERC. With capital improvement uses of \$255,500, this contributes to an improved adjusted current ratio and liquidity.

Excluding ERC effects, total public support increase of \$305,110 (11%), inclusive of \$315,000 increase in grants, \$67,500 increase in BAK. Grants up \$310,000 (ELO/MOAT), special events down \$52,000.

Membership increase is up considerably YOY with an increase of \$83,000 (51%) assisted by summer memberships rate increases. Two year increase in membership dues of \$155,000 (174%). Membership scholarship waivers of an estimated \$1.25 million over a three year period puts total membership benefit at \$1.75 million and a collection rate of approximately 28%.

Total expenses net of Foundation expense reimbursed realized an increase of \$128,300 (4%), driven primarily by increase in payroll and related costs of \$71,600 (3.8%), professional fees of \$102,000, and advertising \$16,000, decrease in contract labor of \$81,000, supplies decrease of \$20,800.