RONALD McDONALD HOUSE MADISON, INC.

FINANCIAL STATEMENTS

December 31, 2025 and 2024

CONTENTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Ronald McDonald House Madison, Inc.
Madison, Wisconsin

Opinion

We have audited the financial statements of Ronald McDonald House Madison, Inc., which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ronald McDonald House Madison, Inc. as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ronald McDonald House Madison, Inc. 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.

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 Ronald McDonald House Madison, Inc.'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ronald McDonald House Madison, Inc.'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 Ronald McDonald House Madison, Inc.'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.

Wegner CPAs LLP

Wegner CPAs, LLP
Madison, Wisconsin
July 29, 2026

RONALD McDONALD HOUSE MADISON, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash	$ 336,284	$ 619,588
RADAR unconditional pledges receivable	55,330	47,219
Current portion of investments	187,475	172,674
Prepaid expenses	58,760	56,898
Total current assets	637,849	896,379
NONCURRENT ASSETS		
Investments, net of current portion	7,034,841	5,720,759
Property and equipment, net	9,674,131	9,967,727
Intangibles, net	4,885	17,528
Total noncurrent assets	16,713,857	15,706,014
Total assets	$ 17,351,706	$ 16,602,393
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$ 38,927	$ 68,495
Accrued expenses	59,026	55,036
Grants payable	25,152	22,885
Refundable advance	12,415	-
Total liabilities	135,520	146,416
NET ASSETS		
Without donor restrictions	17,167,162	16,405,977
With donor restrictions	49,024	50,000
Total net assets	17,216,186	16,455,977
Total liabilities and net assets	$ 17,351,706	$ 16,602,393

See accompanying notes.

RONALD McDONALD HOUSE MADISON, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions						
General - cash	$ 2,638,689	$ 49,024	$ 2,687,713	$ 2,458,792	$ -	$ 2,458,792
General - noncash	1,065,665	-	1,065,665	845,630	-	845,630
Program fees	24,000	-	24,000	24,000	-	24,000
Merchandise sales	7,237	-	7,237	7,869	-	7,869
Investment return, net	606,953	-	606,953	563,557	-	563,557
Other	2,418	-	2,418	-	-	-
Net assets released from restrictions	50,000	(50,000)	-	50,000	(50,000)	-
Total support and revenue	4,394,962	(976)	4,393,986	3,949,848	(50,000)	3,899,848
EXPENSES						
Program services						
House operations	2,320,742	-	2,320,742	1,976,158	-	1,976,158
St. Mary's Family Room	166,404	-	166,404	140,644	-	140,644
Care Mobile	108,862	-	108,862	103,207	-	103,207
Total program services	2,596,008	-	2,596,008	2,220,009	-	2,220,009
Supporting activities						
Management and general	457,869	-	457,869	437,809	-	437,809
Fundraising	510,338	-	510,338	446,926	-	446,926
Cost of direct benefits to donors	69,562	-	69,562	76,407	-	76,407
Total supporting activities	1,037,769	-	1,037,769	961,142	-	961,142
Total expenses	3,633,777	-	3,633,777	3,181,151	-	3,181,151
Change in net assets from operations	761,185	(976)	760,209	768,697	(50,000)	718,697
OTHER CHANGES						
Loss on disposals of property and equipment	-	-	-	(3,851)	-	(3,851)
Change in net assets	761,185	(976)	760,209	764,846	(50,000)	714,846
Net assets at beginning of year	16,405,977	50,000	16,455,977	15,641,131	100,000	15,741,131
Net assets at end of year	$ 17,167,162	$ 49,024	$ 17,216,186	$ 16,405,977	$ 50,000	$ 16,455,977

See accompanying notes.

RONALD McDONALD HOUSE MADISON, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2025

	House Operations	St. Mary's Family Room	Care Mobile	Management and General	Fundraising	Cost of Direct Benefits to Donors	Total Expenses
Wages and salaries	$ 456,849	$ 102,791	$ 11,421	$ 190,354	$ 190,354	$ -	$ 951,769
Benefits	80,907	18,204	2,023	33,711	33,711	-	168,556
Payroll taxes	40,178	9,040	1,004	16,741	16,741	-	83,704
Total salaries and related expenses	577,934	130,035	14,448	240,806	240,806	-	1,204,029
Advertising	2,316	-	-	257	-	-	2,573
Depreciation and amortization	309,679	-	-	34,367	-	-	344,046
Direct mail	2,105	-	-	234	7,948	-	10,287
Donor recognition	1,298	-	-	144	2,129	-	3,571
Family support services and supplies	196,927	13,309	-	-	662	-	210,898
Fundraising event fees, food, and supplies	-	-	-	-	-	69,562	69,562
Grants	-	-	94,414	-	-	-	94,414
Insurance	49,220	-	-	8,482	7,806	-	65,508
Linens and laundry	96,946	-	-	-	-	-	96,946
Maintenance and repairs	74,839	127	-	8,315	-	-	83,281
Meetings, education, and training	-	-	-	30,788	-	-	30,788
Noncash materials, services, and facilities	897,789	21,007	-	30,314	112,340	-	1,061,450
Office supplies	3,367	-	-	2,752	638	-	6,757
Postage and courier	37	-	-	29	2,838	-	2,904
Printing and publishing	312	653	-	312	4,685	-	5,962
Professional fees	-	-	-	74,543	113,170	-	187,713
Rent	-	1,273	-	-	-	-	1,273
Technology	26,580	-	-	15,620	16,866	-	59,066
Telephone	1,954	-	-	1,953	434	-	4,341
Travel, meals, and entertainment	-	-	-	-	16	-	16
Utilities	78,498	-	-	8,722	-	-	87,220
Volunteer resources and recognition	630	-	-	-	-	-	630
Other	311	-	-	231	-	-	542
Total expenses	$ 2,320,742	$ 166,404	$ 108,862	$ 457,869	$ 510,338	$ 69,562	$ 3,633,777

See accompanying notes.

RONALD McDONALD HOUSE MADISON, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2024

	House Operations	St. Mary's Family Room	Care Mobile	Management and General	Fundraising	Cost of Direct Benefits to Donors	Total Expenses
Wages and salaries	$ 392,768	$ 88,373	$ 9,819	$ 163,653	$ 163,653	$ -	$ 818,266
Benefits	54,352	12,229	1,359	22,647	22,647	-	113,234
Payroll taxes	34,719	7,812	868	14,466	14,466	-	72,331
Total salaries and related expenses	481,839	108,414	12,046	200,766	200,766	-	1,003,831
Advertising	6,803	-	-	756	-	-	7,559
Depreciation and amortization	312,501	-	-	34,722	-	-	347,223
Direct mail	2,767	-	-	308	7,534	-	10,609
Donor recognition	844	-	-	94	1,763	-	2,701
Family support services and supplies	152,494	12,917	-	-	1,240	-	166,651
Fundraising event fees, food, and supplies	-	-	-	-	-	76,407	76,407
Grants	-	-	91,161	-	-	-	91,161
Insurance	46,730	-	-	7,794	7,019	-	61,543
Linens and laundry	70,713	-	-	7,857	-	-	78,570
Maintenance and repairs	84,303	-	-	9,367	-	-	93,670
Meetings, education, and training	-	-	-	28,486	-	-	28,486
Noncash materials, services, and facilities	689,688	17,948	-	23,301	95,693	-	826,630
Office supplies	8,985	-	-	5,825	1,284	-	16,094
Postage and courier	56	-	-	47	2,553	-	2,656
Printing and publishing	3,012	-	-	2,067	4,861	-	9,940
Professional fees	3,319	-	-	83,765	106,381	-	193,465
Rent	-	1,365	-	-	-	-	1,365
Technology	29,849	-	-	19,342	17,139	-	66,330
Telephone	2,639	-	-	2,640	586	-	5,865
Utilities	77,397	-	-	8,600	-	-	85,997
Volunteer resources and recognition	2,219	-	-	-	-	-	2,219
Other	-	-	-	2,072	107	-	2,179
Total expenses	$ 1,976,158	$ 140,644	$ 103,207	$ 437,809	$ 446,926	$ 76,407	$ 3,181,151

See accompanying notes.

RONALD McDONALD HOUSE MADISON, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 760,209	$ 714,846
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Net realized and unrealized gains on investments	(458,188)	(438,758)
Interest and dividends retained in investments	(145,634)	(120,776)
Depreciation and amortization	344,046	347,223
Loss on disposals of property and equipment	-	3,851
Noncash contributions	(1,065,665)	(845,630)
Noncash expenses	1,061,450	826,630
Donated investments	(6,135)	(29,708)
(Increase) decrease in assets		
RADAR unconditional pledges receivable	(8,111)	(6,418)
Unconditional pledges receivable	-	2,123
Prepaid expenses	(1,862)	(9,878)
Other receivables	-	12,000
Increase (decrease) in liabilities		
Accounts payable	(29,568)	9,377
Accrued expenses	3,990	11,003
Grants payable	2,267	(1,171)
Refundable advance	12,415	(5,500)
Net cash flows from operating activities	469,214	469,214
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(835,000)	(287,000)
Proceeds from sales of investments	116,074	279,768
Purchases of property and equipment and intangibles	(33,592)	(179,198)
Net cash flows from investing activities	(752,518)	(186,430)
Change in cash	(283,304)	282,784
Cash at beginning of year	619,588	336,804
Cash at end of year	$ 336,284	$ 619,588
SUPPLEMENTAL DISCLOSURES		
Noncash investing transactions		
Donated investments	$ 6,135	$ 29,708
Donated goods and services capitalized	4,215	19,000

See accompanying notes.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Ronald McDonald House Madison, Inc. ("RMH Madison" or "the Organization") is a Wisconsin nonprofit charitable corporation formed in May 1993 as a standalone entity. The RMH Madison mission is to provide essential services that remove barriers, strengthen families, and promote healing when children need healthcare. RMH Madison benefits from a network of global standalone Ronald McDonald House chapters which share similar missions and core values with RMH Global and receive shared resources and operational support from RMH Global. During the years ended December 31, 2025 and 2024, RMH Madison received $434,743 and $374,816, respectively, in contributions, either directly or indirectly, from its affiliation with McDonald's stores and RMH Global which represent approximately 10% of RMH Madison's total support and revenue.

RMH Madison fulfills its mission through operation of sustainable programs that enable family-centered care, bridge access to quality health care, are a vital part of the health care continuum, and strengthen families during difficult times. RMH Madison is primarily funded by contributions. The following programs, operated by the Organization, represent the core functions of Ronald McDonald House Madison, Inc.

Ronald McDonald House
When children must travel long distances to access top medical care, accommodations and support for families can be expensive or not readily available. RMH Madison helps families stay close to their ill or injured child through the Ronald McDonald House program located in Madison, which provides temporary lodging, meals, and other support to children and their families. The program provides families with emotional and physical comfort and increases the caregivers' ability to spend more time with their child, to interact with their clinical care team, and to participate in critical medical care decisions.

Ronald McDonald Family Room
When a child is critically ill or injured, parents may be reluctant to leave the hospital. In order to provide comfort and support to their child, it is important that parents have an opportunity to rest, have a meal, or have a moment of quiet. Located inside medical care facilities, the Ronald McDonald Family Room program in St. Mary's Hospital in Madison serves as a place of respite, relaxation, and privacy for family members, often just steps away from where their child is being treated. The Ronald McDonald Family Room program provides parents with an opportunity to remain close to their hospitalized child and to be an active member of their child's health care team.

Ronald McDonald Care Mobile
The Ronald McDonald Care Mobile ("RMCM") program provides access to pediatric medical care, vaccinations, and/or health education services for children living in underserved communities. The RMCM program is breaking down the barriers to health care, expanding critical health care access, and extending the Organization's reach to countless underserved children. The RMCM program serves children that are at great risk to develop acute conditions, chronic diseases, and even serious lifelong illnesses. Through a local healthcare partnership, the Organization is bringing clinical services and health education directly to those in need, so children can receive high-quality, convenient care right in their own neighborhood—from urban communities to remote, hard-to-reach areas. RMH Madison supports a Care Mobile serving northern Illinois.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restrictions ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions.

RADAR Unconditional Pledges Receivable

RADAR unconditional pledges receivable primarily represent amounts due from RMH Global for donations received through RMH Global's RADAR. Conditional pledges are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional pledges that are expected to be collected within one year are recorded at net realizable value. Unconditional pledges that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. Based on current conditions and the composition of the receivable balance, management expects all pledges to be fully collected and so no allowance for uncollectible pledges has been established.

Investments

RMH Madison 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.

Intangibles

Intangibles subject to amortization include website development costs and videos that are used to promote the house to potential donors, which are being amortized on a straight-line basis over three years.

Property and Equipment

All acquisitions of property and equipment of $2,500 or more are capitalized. Additions and betterments of $2,500 or more are also capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed. 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.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expense Allocation

The financial statements report certain categories of expenses that are attributable to one or more program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied.

The expenses that are allocated include depreciation and amortization, maintenance and repairs, and utilities which are allocated on a square footage basis, as well as salaries and related expenses, advertising, insurance, office supplies, postage and courier, printing and publishing, technology, telephone, and other which contain at least some expenses that are allocated based on estimates of time and effort.

The following program services and supporting activities are included in the financial statements:

House Operations—RMH Madison owns and operates the 31-bedroom, 46,000 square foot Ronald McDonald House (House) located in Madison, Wisconsin. The House is located within walking distance of the American Family Children's Hospital, and a free shuttle service, operated with volunteer drivers, is provided to and from all Madison area hospitals and affiliated clinics.

The families of seriously ill or injured children may stay in the House and are suggested to donate $10 per night to help fund the overall operations of the organization. No family is required to pay for their stay. In addition to a room, the families are provided food, laundry facilities, and all the comforts of home. The House is staffed 24 hours per day and operates 365 days a year under the management of a small full-time staff, part-time staff, and numerous volunteers.

RMH Madison has formed a partnership with local hotel operators to provide hotels for families when the House demand exceeds its room capacity. These rooms, like the House, are at no charge to any family. RMH Madison pays an agreed amount per room per night on behalf of each family. Similar to the House, each family is suggested to donate $10 per night to help cover the overall operations of the Organization.

St. Mary's Family Room—The Ronald McDonald Family Room is a refuge within the hospital for immediate family members who have a child in the neonatal intensive care unit, pediatric intensive care unit, or pediatric unit at St. Mary's Hospital. The Family Room provides a respite where families can regroup and seek support during emotional times away from the hospital atmosphere while still allowing them to remain near their child.

Care Mobile—RMH Madison makes grants for the Ronald McDonald Care Mobile ("RMCM"). RMCM provides cost-free vaccination and medical services to underserved and uninsured children. RMCM operates at various host sites in Boone, Lee, Ogle, Stephenson, and Winnebago Counties of northern Illinois.

Management and general—Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of RMH Madison's program strategy through the CEO; secure proper administrative functioning of the board of directors; and manage the financial and budgetary responsibilities of the Organization.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fundraising—Includes the costs related to activities that involve attracting donations of assets, services, or time to fund and support the operations of RMH Madison.

Cost of direct benefit to donors—Includes expenses for the actual costs incurred for the benefits of donors such as meals at a sponsorship event.

Program Fees

Revenue from program fees primarily includes the fees charged for lunches provided to families staying at the American Family Children's Hospital. Revenue is recognized at a point in time when lunch is provided.

Donated Services

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteers also provided significant amounts of time to RMH Madison's house operations and St. Mary's Family Room programs for a variety of services including household chores, decorating, cooking, and yard work throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met. During each of the years ended December 31, 2025 and 2024, RMH Madison estimated that approximately 20,000 volunteer hours were utilized.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Income Tax Status

RMH Madison is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, RMH Madison qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Date of Management's Review

Management has evaluated subsequent events through July 29, 2026, the date which the financial statements were available to be issued.

NOTE 2—CONCENTRATIONS OF CREDIT RISK

RMH Madison maintains cash balances at multiple financial institutions. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to $250,000. As of December 31, 2025 and 2024, RMH Madison's uninsured cash balances totaled $4,954 and $303,517, respectively.

NOTE 3—FAIR VALUE MEASUREMENTS

RMH Madison reports certain assets and liabilities at fair value in the financial statements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal, or most advantageous, market in an orderly transaction between market participants on the measurement date. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-level hierarchy categorizes the inputs as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in markets that are not active inputs other than quoted process that are observable for the asset or liability.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, considering factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to RMH Madison's assessment of the quality, risk, or liquidity profile of the asset or liability.

Fair values of mutual funds and exchange traded and closed-end funds are based on quoted net asset values of the shares as reported by the fund (Level 1 fair value measurements). The mutual funds held by the Organization are open-end mutual funds registered with the U.S. Securities and Exchange Commission. The funds must publish their daily net asset value and transact at that price. The mutual funds held by the Organization are considered to be actively traded. Fair values of common stocks are based on the closing prices reported on the active market where the individual securities are traded (Level 1 fair value measurements). Fair values of corporate bonds and government and GSE bonds are determined using a market approach on yields currently available on comparable securities of issuers with similar credit ratings, which are Level 2 fair value measurements.

NOTE 3—FAIR VALUE MEASUREMENTS (continued)

The following table presents assets measured at fair value:

	December 31, 2025			
	Fair Value	(Level 1)	(Level 2)	(Level 3)
Investments:				
Common stocks	$ 2,785,951	$ 2,785,951	$ -	$ -
Corporate bonds	933,515	-	933,515	-
Exchange traded and closed-end funds	995,632	995,632	-	-
Government and GSE bonds	867,768	-	867,768	-
Mutual funds	1,451,975	1,451,975	-	-
	$ 7,034,841	$ 5,233,558	$ 1,801,283	$ -

	December 31, 2024			
	Fair Value	(Level 1)	(Level 2)	(Level 3)
Investments:				
Common stocks	$ 2,487,857	$ 2,487,857	$ -	$ -
Corporate bonds	715,870	-	715,870	-
Exchange traded and closed end funds	688,760	688,760	-	-
Government and GSE bonds	687,239	-	687,239	-
Mutual funds	1,141,033	1,141,033	-	-
	$ 5,720,759	$ 4,317,650	$ 1,403,109	$ -

NOTE 4—INVESTMENTS

Investments are comprised of the following:

	2025	2024
Cash and money market funds	$ 187,475	$ 172,674
Common stocks	2,785,951	2,487,857
Corporate bonds	933,515	715,870
Exchange traded and closed-end funds	995,632	688,760
Government and GSE bonds	867,768	687,239
Mutual funds	1,451,975	1,141,033
Investments	$ 7,222,316	$ 5,893,433

NOTE 5—INTANGIBLES

Intangibles consist of the following:

	2025	2024
Website	$ 11,410	$ 11,410
Videos	44,332	44,332
Accumulated amortization	(50,857)	(38,214)
Intangibles, net	$ 4,885	$ 17,528

Amortization expense for the years ended December 31, 2025 and 2024 was $12,643 and $14,778, respectively.

NOTE 6—PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2025	2024
Land	$ 1,896,391	$ 1,896,391
Building and improvements	10,176,841	10,146,238
Vehicles	40,487	40,487
Furniture and equipment	554,759	584,123
Property and equipment	12,668,478	12,667,239
Accumulated depreciation	(2,994,347)	(2,699,512)
Property and equipment, net	$ 9,674,131	$ 9,967,727

Depreciation expense for the years ended December 31, 2025 and 2024 was $331,403 and $332,445, respectively.

NOTE 7—NET ASSETS

RMH Madison's board of directors has designated net assets without donor restrictions for the following purposes:

	2025	2024
Replacement reserve	$ 1,741,771	$ 1,621,795
Undesignated	15,425,391	14,784,182
Net assets without donor restrictions	$ 17,167,162	$ 16,405,977

NOTE 7—NET ASSETS (continued)

Net assets with donor restrictions are restricted for the following purposes or periods:

	2025	2024
Programmatic food, program supplies, transportation, and hotels	$ 43,695	$ -
Augie's lunches	5,329	-
Subsequent year's activities	-	50,000
Net assets with donor restrictions	$ 49,024	$ 50,000

NOTE 8—NONCASH MATERIALS, SERVICES, AND FACILITIES

Noncash (donated) materials, services, and facilities included in the financial statements were as follows:

	2025	2024
Event auction items	$ 110,886	$ 95,225
Family room, guest, and house supplies	44,873	26,047
Food and beverages	272,573	275,000
Furniture, appliances, and equipment	24,611	19,270
Other materials	56,934	96,858
Professional services	39,212	31,132
Maintenance and repair services	2,660	6,801
Other services	500	-
Van use	-	833
St. Mary's Family Room space	12,118	11,063
Hotel space	501,298	283,401
Total	$ 1,065,665	$ 845,630

RMH Madison includes each of the categories of donated materials, services, and facilities listed above within support and revenue on the statement of activities. The donated materials, services, and facilities listed above did not have donor-imposed restrictions. Event auction items were auctioned off at RMH Madison’s fundraising events. Capitalized furniture, appliances, and equipment are to be used in RMH Madison’s activities over their remaining useful lives. All other categories of donated materials, services, and facilities were for current use in RMH Madison’s program activities and supporting services.

Event auction items, family room, guest, and house supplies, food and beverages, furniture, appliances, and equipment, and other materials, are valued at the estimated fair value based on estimates of wholesale values that would be received for selling products in the United States. Professional, maintenance and repair, and other services are valued based on standard industry pricing for similar services. Van use and the St. Mary’s Family Room space are valued based on the estimated lease costs that would have been incurred to otherwise rent the van or the room. Hotel space is valued based on the estimated undiscounted costs that RMH Madison would have paid to the hotels to have families stay there for a night.

NOTE 9—ECONOMIC DEPENDENCY

During the year ended December 31, 2024, RMH Madison received 10% of its support and revenue from one fundraising event. There were no events in 2025 that were 10% or more of RMH Madison's total support and revenue.

NOTE 10—RETIREMENT PLAN

RMH Madison sponsors a 401(k) plan that covers substantially all employees who have met minimum eligibility requirements. RMH Madison contributes up to 8% of eligible participants' compensation to the plan. RMH Madison's retirement plan contributions for the years ended December 31, 2025 and 2024 were $72,740 and $49,946, respectively.

NOTE 11—LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure within one year of the statement of financial position date are comprised of the following:

	2025	2024
Cash	$ 336,284	$ 619,588
RADAR unconditional pledges receivable	55,330	47,219
Investments	7,222,316	5,893,433
Financial assets at year-end	7,613,930	6,560,240
Less those unavailable for general expenditures within one year		
Designated for the replacement reserve	(1,741,771)	(1,621,795)
Investments expected to be held for more than one year	(5,293,070)	(4,098,964)
Restricted by donor for a specified purpose	(49,024)	-
Financial assets available to meet cash needs for general expenditures within one year	$ 530,065	$ 839,481

RMH Madison has a goal to maintain financial assets on hand to meet 180 days of normal operating expenses. As part of RMH Madison's liquidity management, it invests cash in excess of daily requirements. If needed, RMH Madison can liquidate its noncurrent investment balance to meet general operating or unexpected expenses. The replacement reserve is an established board-designated fund where the governing board of directors has the objective of setting funds aside to be drawn upon for future replacement costs or in the event of financial distress or an immediate liquidity need resulting from events outside of the typical life cycle of converting financial assets to cash or settling financial liabilities.

NOTE 12—COMMITMENTS

RMH Madison has signed an agreement to support the RMCM for underserved children in northern Illinois. Under the agreement, RMH Madison has committed to giving a maximum of $116,000 plus maintenance costs. The current agreement expires in the year ended December 31, 2027. The agreement includes an autorenewal every five years unless one of the two parties decides to opt out. This distribution of funds is conditioned upon RMCM incurring qualified expenses. For the years ended December 31, 2025 and 2024, RMH Madison authorized $94,414 and $91,161, respectively, to be paid for the RMCM program. At December 31, 2025 and 2024, $25,152 and $22,885, respectively, of these amounts are included in grants payable and are to be paid in the subsequent year.

NOTE 13—PAYCHECK PROTECTION PROGRAM LOANS

RMH Madison received loans totaling $300,299 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). On December 2, 2020, the SBA preliminarily approved forgiveness of RMH Madison’s first draw loan. On May 27, 2022, the SBA preliminarily approved forgiveness of RMH Madison’s second draw loan. RMH Madison must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review RMH Madison’s good-faith certification concerning the necessity of its loan request, whether RMH Madison calculated the loan amount correctly, whether RMH Madison used loan proceeds for the allowable uses specified in the CARES Act, and whether RMH Madison is entitled to loan forgiveness in the amount claimed on its application. If SBA determines RMH Madison was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the amount forgiven.