

**MT. GRENA CAMPMEETING ASSOCIATION, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**MT. GRETNA CAMPMEETING ASSOCIATION, INC.**  
**FINANCIAL STATEMENTS**  
**December 31, 2021**

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*Certified Public Accountants*

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Managers  
MT. GRETNA CAMPMEETING ASSOCIATION, INC.  
Mt. Gretna, Pennsylvania

We have reviewed the accompanying financial statements of MT. GRETNA CAMPMEETING ASSOCIATION, INC. (a non-profit organization), which comprise the statements of assets, liabilities and net assets – modified cash basis as of **December 31, 2021**, and the related statements of revenues, expenses and other changes in net assets – modified cash basis, functional expenses – modified cash basis and cash flows – modified cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

### *Accountant's Responsibility*

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Mt. Gretna Campmeeting Association, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### *Accountant's Conclusion*

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

***Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

*Stanilla, Siegel and Maser LLC*

Lebanon, Pennsylvania  
July 13, 2022

**MT. GRETNA CAMPMEETING ASSOCIATION, INC.**  
**STATEMENT OF ASETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS**  
**December 31, 2021**

***ASSETS***

**CURRENT ASSETS**

Cash and Cash Equivalents	\$ 454,962
Total Current Assets	<u>\$ 454,962</u>
Total Assets	<u><u>\$ 454,962</u></u>

***LIABILITIES AND NET ASSETS***

**CURRENT LIABILITIES**

Credit Card Payable	\$ 715
Payroll Tax Liability	<u>1,178</u>
Total Current Liabilities	<u>\$ 1,893</u>
Total Liabilities	<u>\$ 1,893</u>

**NET ASSETS**

Without Donor Restrictions:	
Unrestricted	\$ 169,860
Board Designated	252,562
With Donor Restrictions	<u>30,647</u>
Total Net Assets	<u>\$ 453,069</u>
Total Liabilities and Net Assets	<u><u>\$ 454,962</u></u>

See Accompanying Notes to Financial Statements

**MT. GRETNA CAMPMEETING ASSOCIATION, INC.**  
**STATEMENT OF REVENUES, EXPENSES , AND CHANGES IN NET ASSETS -**  
**MODIFIED CASH BASIS**  
**For the Year Ended December 31, 2021**

**CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**

Support, Revenues and Gains	
Assessments, net	\$ 513,832
Rentals	32,981
Insurance Reimbursements	7,168
Historical Plaques	39
Contributions	8,495
Interest Income	1,071
Tabernacle Expense Reimbursement	4,505
Reclassification of Restricted Net Assets	<u>(12,480)</u>
Total Support, Revenues and Gains without Donor Restrictions	<u>\$ 555,611</u>
Expenses	
Program	\$ 450,232
Supporting Services:	
Administrative	91,424
Fundraising	<u>846</u>
Total Expenses	<u>\$ 542,502</u>
Change in Net Assets Without Donor Restrictions	\$ 13,109
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>	
Reclassification of Restricted Net Assets	<u>\$ 12,480</u>
Change in Net Assets With Donor Restrictions	<u>\$ 12,480</u>
Change in Net Assets	\$ 25,589
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>427,480</u>
<b>NET ASSETS, END OF YEAR</b>	<u><u>\$ 453,069</u></u>

See Accompanying Notes to Financial Statements

**MT. GRETNA CAMPMEETING ASSOCIATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS**  
**For the Year Ended December 31, 2021**

	<u>Programs</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Gross Wages	\$ -0-	\$ 39,662	\$ 401	\$ 40,063
Payroll Taxes and Processing		4,437	45	4,482
Grounds Staff Subcontract	53,378			53,378
Engineering / Surveying	58,859	4,400		63,259
Heritage Festival Costs	4,600			4,600
Legal Fees		6,345	64	6,409
Accounting Fees		2,821	29	2,850
Insurance		13,295	134	13,429
Property Taxes		5,539	56	5,595
Contributions and Library	439	3,333		3,772
Miscellaneous Administration		11,592	117	11,709
Buildings and Grounds-Maintenance and Repair	48,098			48,098
Buildings and Grounds-Operating Expenses	31,680			31,680
Buildings and Grounds-Trees	21,967			21,967
Garbage Collection	52,765			52,765
Sewer Service	143,270			143,270
Water Service	14,615			14,615
Street Light Electricity	20,561			20,561
	<u>\$ 450,232</u>	<u>\$ 91,424</u>	<u>\$ 846</u>	<u>\$ 542,502</u>
<b>Total Expenses</b>	<b>\$ 450,232</b>	<b>\$ 91,424</b>	<b>\$ 846</b>	<b>\$ 542,502</b>

See Accompanying Notes to Financial Statements

MT. GRETNA CAMPMEETING ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Business Activity**

Mt. Gretna Campmeeting Association, Inc. (the Association) was established in 1892 in Mt. Gretna, Pennsylvania. The Association provides and maintains a proper, convenient, desirable and permanent residential community. The Association's revenue is comprised mainly of assessments on homeowners in the Campmeeting. The Association also rents out garages, storage sheds and parking spots. Additional sources of revenue include rental of the Tabernacle building to the public and from community activities.

**Basis of Accounting**

The accompanying financial statements have been prepared using the modified cash basis of accounting. Revenue is recorded when received rather than when earned, expenses are recorded when paid rather than when incurred. Modifications from the cash basis of accounting include the recording of credit cards payable and payroll tax liabilities. In addition, member assessments are recorded in the period that they apply to rather than when received.

**Basis of Presentation**

Net assets, revenue, gains and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

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

*Net Assets With Donor Restrictions* - Net assets subject to donor (or certain grantor) 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Cash and Cash Equivalents**

The Association considers all unrestricted highly liquid instruments purchased with maturity of three months or less at the time of acquisition, including all no-penalty certificates of deposit, to be cash equivalents.

**Inventory**

Inventory consists of commemorative picture books available for sale to the general public. Inventories are stated at lower of cost determined by the first-in, first-out (FIFO) method or market.



MT. GREтна CAMPMEETING ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property and Equipment**

The Association owns land, buildings, garages, sheds, a playground, water and sewer lines, a water tower and maintenance equipment. The Association also owns and operates certain nonresidential, noncommercial properties of the type normally owned and maintained by municipal governments. These include roadways, parklands and sidewalks. Access to or use and enjoyment of these infrastructure items is extended to the general public and is not restricted to members only. The Association does not maintain a record of its capital or infrastructure assets and is not recorded on the cash basis of accounting.

**Compensated Absences**

Employees of the Association are not entitled to paid vacation or sick days and are not accrued on the cash basis of accounting. Accordingly, the Association has no accrual for compensated absences.

**Functional Allocation of Expenses**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses required allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll and payroll related costs, insurance and newsletter which are allocated on the basis of estimates of time and effort.

**Tax Exempt Status**

The Association is exempt from state and federal income taxes under Internal Revenue Code Section 501(c)(4) as a civic league. Accordingly, no provision for income taxes is made in the financial statements. The Association's open audit periods are 2018 through 2020. The Financial Accounting Standards Board issued FASB ASC 740-10, which prescribed a comprehensive model for how an organization should measure, recognize, present, and disclose uncertain tax positions taken on its tax return. The Association believes that it has appropriate support for tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements. The Association has qualified as a "Community" because it meets the following Criteria:

- Serves a community which bears a reasonable relationship to an area ordinarily identified as governmental.
- Does not conduct activities directed to the exterior maintenance of private residences.
- It has common areas or facilities for use by the general public.

**Use of Estimates**

The preparation of Financial statements require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

MT. GRETNA CAMPMEETING ASSOCIATION, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Concentration of Risk**

The Federal Deposit Insurance Corporation (FDIC) insures accounts at financial institutions up to \$250,000 per institution. The Association has accounts at a financial institution that from time to time may exceed the insurance obtained through FDIC.

**Donated Services**

The Association receives a substantial amount of services donated by individuals in carrying out the programs. In accordance with requirements of Financial Accounting Standards Board FASB ASC 958-605-25-16, no amounts are reflected in the financial statements for those services because the requisite specialized skills are not present. Additionally, donated services are not recognized in the financial statements on the cash basis of accounting.

**NOTE 2 - LIQUIDITY AND AVAILABILITY**

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

Cash	\$ <u>454,961</u>
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**NOTE 3 - BOARD DESIGNATED NET ASSETS**

The board designated various funds for future projects. The following purposes have been designated as of December 31:

Seiders	\$ 20,832
Heritage Festival	11,638
Heritage Park Playground	7,394
Library Fund	7,431
Capital Projects Funds	164,361
Tree maintenance	<u>40,906</u>
 Total board designated funds	 \$ <u>252,562</u>

**NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following as of December 31:

DEP Grant Escrow	\$ 29,397
Byford Memorial	300
Lois Hopkins Memorial	<u>950</u>
 Total donor restricted net assets	 \$ <u>30,647</u>

MT. GREYNA CAMPMEETING ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021

**NOTE 5 – ASSESSMENTS AND RENTS**

Homeowner assessments are billed either annually (due by April 1<sup>st</sup>) or in three installments (due on February 15<sup>th</sup>, May 15, and August 15<sup>th</sup>) during the year. If the second payment in a three-installment arrangement is missed, the entire balance becomes due on June 30<sup>th</sup>. In a few cases, the Association invoices homeowners monthly. Assessments are recorded net of a 2% discount if paid by April 1<sup>st</sup>, and 10% penalty if paid after June 30<sup>th</sup> for the single installment option or after August 15<sup>th</sup> for the three-installment option. A 20% penalty is assessed on payments after September 30<sup>th</sup>. Annual homeowner assessments were \$2,150 for 2021 on 240 household units.

Garage, shed and parking are rented and invoiced on an annual basis. A \$50 security deposit is required on garage and shed rentals. The Tabernacle and pavilion are rented for special events. The Association does not issue leases for any of its rental activities.

**NOTE 6 – SUBSEQUENT EVENTS**

The Association's management has evaluated subsequent events through July 13, 2022, the date of this report, which is the date the financial statements were available to be issued.

**NOTE 7 – RECLASSIFICATION OF RESTRICTED NET ASSETS**

It has been determined that net assets included in the restricted net asset category were incorrectly reported in prior years. Net assets that are restricted for a particular purpose by the donor are included in the restricted net assets at December 31, 2021 and certain net assets that were designated by the Board were removed resulting in a reclassification in 2021.