

MT. GRETNA CAMPMEETING ASSOCIATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2022

MT. GRETNA CAMPMEETING ASSOCIATION, INC.
FINANCIAL STATEMENTS
December 31, 2022

TABLE OF CONTENTS

	PAGE NO.
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Assets, Liabilities and Net Assets – Modified Cash Basis December 31, 2022 and 2021	3
Statements of Revenues, Expenses and Changes in Net Assets – Modified Cash Basis For the Years Ended December 31, 2022 and 2021	4
Statements of Functional Expenses – Modified Cash Basis For the Years Ended December 31, 2022 and 2021	5-6
Notes to Financial Statements December 31, 2022	7-10



Certified Public Accountants

Thomas I. Siegel, CPA

Maxine R. Maser, CPA

David H. Siegel, CPA

Daniel S. Siegel, CPA

Rachel L. Siegel, CPA

Samuel R. Siegel, CPA

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, 2022 and 2021**, and the related statements of revenues, expenses and other changes in net assets – modified cash basis and functional expenses – 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

May 8, 2023

MT. GRETNA CAMPMEETING ASSOCIATION, INC.
STATEMENT OF ASETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
December 31, 2022 and 2021

	2022	2021
<i>ASSETS</i>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 480,070	454,962
Certificates of Deposit	150,000	-0-
Historical Plaque Inventory	1,293	1,601
	\$ 631,363	\$ 456,563
 Total Current Assets	 \$ 631,363	 \$ 456,563
 Total Assets	 \$ 631,363	 \$ 456,563
 <i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Credit Card Payable	\$ 3,289	\$ 692
Prepaid Assessments	94,900	290
Payroll Tax Liability	2,798	911
	\$ 100,987	\$ 1,893
 Total Current Liabilities	 \$ 100,987	 \$ 1,893
 Total Liabilities	 \$ 100,987	 \$ 1,893
 NET ASSETS		
Without Donor Restrictions:		
Unrestricted	\$ 205,557	\$ 171,461
Board Designated	294,472	252,562
With Donor Restrictions	30,347	30,647
	\$ 530,376	\$ 454,670
 Total Net Assets	 \$ 530,376	 \$ 454,670
 Total Liabilities and Net Assets	 \$ 631,363	 \$ 456,563

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 Years Ended December 31, 2022 and 2021

	2022	2021
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Support, Revenues and Gains		
Assessments, net	\$ 575,058	513,832
Rentals	24,401	28,181
Insurance Reimbursements	7,778	11,984
Contributions	12,978	8,495
Interest Income	1,499	1,071
Tabernacle Expense Reimbursement	1,819	4,528
Reclassification of Restricted Net Assets	300	(12,480)
Total Support, Revenues and Gains without Donor Restrictions	\$ 623,833	\$ 555,611
Expenses		
Program	\$ 446,438	\$ 448,631
Supporting Services:		
Administrative	98,815	91,424
Fundraising	973	846
Total Expenses	\$ 546,226	\$ 540,901
Change in Net Assets Without Donor Restrictions	\$ 77,607	\$ 14,710
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Reclassification of Restricted Net Assets	\$ (300)	12,480
Change in Net Assets With Donor Restrictions	\$ (300)	\$ 12,480
Change in Net Assets	\$ 77,307	\$ 27,190
NET ASSETS, BEGINNING OF YEAR	453,069	427,480
NET ASSETS, END OF YEAR	\$ 530,376	\$ 454,670

See Accompanying Notes to Financial Statements

MT. GRETNA CAMPMEETING ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
For the Year Ended December 31, 2022

	<u>Programs</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Gross Wages	\$ 27,938	\$ 47,073	475	\$ 75,486
Payroll Taxes and Processing	3,768	6,350	64	10,182
Grounds Staff Subcontract	51,814			51,814
Engineering / Surveying	36,647			36,647
Heritage Festival Costs	6,131			6,131
Community Activities	256			256
Legal Fees		9,750	98	9,848
Accounting Fees		2,970	30	3,000
Insurance		14,691	148	14,839
Property Taxes		5,867	59	5,926
Contributions and Library	451	2,300		2,751
Miscellaneous Administration		9,814	99	9,913
Buildings and Grounds-Maintenance and Repair	18,708			18,708
Buildings and Grounds-Operating Expenses	32,010			32,010
Buildings and Grounds-Trees	27,380			27,380
Garbage Collection	56,668			56,668
Sewer Service	150,890			150,890
Water Service	11,779			11,779
Street Light Electricity	21,998			21,998
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 446,438</u>	<u>\$ 98,815</u>	<u>\$ 973</u>	<u>\$ 546,226</u>

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	30,079			30,079
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> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 448,631</u>	<u>\$ 91,424</u>	<u>\$ 846</u>	<u>\$ 540,901</u>

MT. GRETNA CAMPMEETING ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

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 bronze historical plaques 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. GREYNA CAMPMEETING ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

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 they are not recorded on the cash basis of accounting.

Compensated Absences

Starting in 2022, employees of the Association are entitled to paid vacation and sick days. Amounts for any liability are not accrued on the cash basis of accounting.

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, which are allocated on the basis of estimates of time and effort and insurance, taxes, professional fees and newsletter costs allocated based on estimated usage.

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 2019 through 2021. 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. GREYNA CAMPMEETING ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2022

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 – CERTIFICATE OF DEPOSIT

The Association opened a \$150,000 Certificate of Deposit with a local bank in November 2022 for a term of 25 months. It automatically renews at maturity in December 2024 unless notified of non-renewal. Interest is paid monthly.

NOTE 3 - 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:

	2022	2021
Cash	\$ 480,070	\$ 452,962
Certificate of Deposit	150,000	-0-
Less: Restricted	(30,347)	(30,367)
	\$ 599,723	\$ 422,595

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	\$ 29,397
Byford Memorial	-0-	300
Lois Hopkins Memorial	950	950
Total donor restricted net assets	\$ 30,347	\$ 30,647

MT. GRETNA CAMPMEETING ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2022

NOTE 5 - BOARD DESIGNATED NET ASSETS

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

	2022	2021
Seiders	\$ 20,843	\$ 20,832
Heritage Festival	11,255	11,638
Heritage Park Playground	7,397	7,394
Library Fund	7,781	7,431
Water Tower Replacement and Maintenance	52,326	28,166
Capital Projects Funds	44,241	1,195
General Operating Reserve	136,123	135,000
Tree maintenance	14,506	40,906
Total board designated funds	\$ 294,472	\$ 252,562

NOTE 6 – ASSESSMENTS AND RENTS

Homeowner assessments are billed either annually (due by June 30) or in three installments (due on February 28, April 30, and June 30) during the year. If the second payment in a three-installment arrangement is missed, the entire balance becomes due on June 30th. In a few cases, the Association invoices homeowners monthly to assist those in financial difficulty. Assessments are recorded net of a 2% discount if received by March 31, and 15% penalty if paid after June 30th. Interest accrues at 1.5% per month. Annual homeowner assessments were \$2,400 and \$2,150 for 2022 and 2021, respectively, 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 7 – SUBSEQUENT EVENTS

The Association's management has evaluated subsequent events through May 8, 2023, the date of this report, which is the date the financial statements were available to be issued.

The Organization signed an agreement for the construction of a new water tower to serve the residents of the Campmeeting. A loan agreement with PennVEST was also signed to cover construction costs up to \$1,630,000. Construction began in December 2022.

NOTE 8 – 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.