

**MT. GRETNA CAMPMEETING ASSOCIATION, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**MT. GRETNA CAMPMEETING ASSOCIATION, INC.**  
**FINANCIAL STATEMENTS**  
**December 31, 2023**

**TABLE OF CONTENTS**

	PAGE NO.
<b>INDEPENDENT ACCOUNTANT'S REVIEW REPORT</b>	1-2
<b>FINANCIAL STATEMENTS</b>	
Statements of Assets, Liabilities and Net Assets – Modified Cash Basis December 31, 2023 and 2022	3
Statements of Revenues, Expenses and Changes in Net Assets – Modified Cash Basis For the Years Ended December 31, 2023 and 2022	4
Statements of Functional Expenses – Modified Cash Basis For the Years Ended December 31, 2023 and 2022	5-6
Notes to Financial Statements December 31, 2023	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, 2023 and 2022**, 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  
June 17, 2024

**MT. GRETNA CAMPMEETING ASSOCIATION, INC.**  
**STATEMENT OF ASETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS**  
**December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b><i>ASSETS</i></b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 641,918	\$ 480,070
Certificates of Deposit	154,860	150,000
Historical Plaque Inventory	<u>1,138</u>	<u>1,293</u>
Total Current Assets	<u>\$ 797,916</u>	<u>\$ 631,363</u>
Total Assets	<u><u>\$ 797,916</u></u>	<u><u>\$ 631,363</u></u>
<b><i>LIABILITIES AND NET ASSETS</i></b>		
<b>CURRENT LIABILITIES</b>		
Credit Card Payable	\$ 3,409	\$ 3,289
Prepaid Assessments	79,570	94,900
Payroll Tax Liability	<u>3,819</u>	<u>2,798</u>
Total Current Liabilities	<u>\$ 86,798</u>	<u>\$ 100,987</u>
Total Liabilities	<u>\$ 86,798</u>	<u>\$ 100,987</u>
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Unrestricted	\$ 142,185	\$ 205,557
Board Designated	538,586	294,472
With Donor Restrictions	<u>30,347</u>	<u>30,347</u>
Total Net Assets	<u>\$ 711,118</u>	<u>\$ 530,376</u>
Total Liabilities and Net Assets	<u><u>\$ 797,916</u></u>	<u><u>\$ 631,363</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 Years Ended December 31, 2023 and 2022**

	2023	2022
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Support, Revenues and Gains		
Assessments, net	\$ 775,139	\$ 575,058
Rentals	27,176	24,401
Contributions	8,591	12,978
Miscellaneous Income	6,179	7,778
Interest Income	11,418	1,499
Tabernacle Expense Reimbursement	1,140	1,819
Proceeds from Sale of Equipment	10,000	-0-
Proceeds from PENNVEST Loan	1,316,411	104,836
Reclassification of Restricted Net Assets	-0-	(12,480)
	<b>\$ 2,156,054</b>	<b>\$ 715,889</b>
Expenses		
Program	\$ 1,888,320	\$ 551,274
Supporting Services:		
Administrative	85,283	98,815
Fundraising	1,709	973
	<b>\$ 1,975,312</b>	<b>\$ 651,062</b>
	<b>\$ 180,742</b>	<b>\$ 64,827</b>
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
Reclassification of Restricted Net Assets	\$ -0-	\$ 12,480
	<b>\$ -0-</b>	<b>\$ 12,480</b>
	<b>\$ 180,742</b>	<b>\$ 77,307</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>530,376</b>	<b>453,069</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 711,118</b>	<b>\$ 530,376</b>

See Accompanying Notes to Financial Statements

**MT. GRETNA CAMPMEETING ASSOCIATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS**  
**For the Year Ended December 31, 2023**

	<u>Programs</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Gross Wages	\$ 74,833	\$ 33,609	\$ 1,095	\$ 109,537
Payroll Taxes and Processing	11,330	5,089	166	16,585
Engineering / Surveying	19,535			19,535
Community Activities	449			449
Legal Fees		6,665	67	6,732
Accounting Fees		3,118	32	3,150
Insurance		16,881	171	17,052
Property Taxes		6,136	62	6,198
Contributions and Library	400	2,300		2,700
Miscellaneous Administration		11,485	116	11,601
Buildings and Grounds-Maintenance and Repair	55,532			55,532
Buildings and Grounds-Operating Expenses	92,653			92,653
Buildings and Grounds-Trees	29,614			29,614
Buildings and Grounds - New Water Tank	1,280,901			1,280,901
Buildings and Grounds - Water Purchases	33,096			33,096
Garbage Collection	61,097			61,097
Sewer Service	160,393			160,393
Water Service	11,749			11,749
Street Light Electricity	24,383			24,383
PENNVEST Interest Expense	32,355			32,355
	<u>\$ 1,888,320</u>	<u>\$ 85,283</u>	<u>\$ 1,709</u>	<u>\$ 1,975,312</u>
Total Expenses				

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
Buildings and Grounds - New Water Tank	104,836			104,836
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>21,998</u>	<u></u>	<u></u>	<u>21,998</u>
Total Expenses	<u>\$ 551,274</u>	<u>\$ 98,815</u>	<u>\$ 973</u>	<u>\$ 651,062</u>

See Accompanying Notes to Financial Statements



MT. GREтна CAMPMEETING ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2023

**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, 2023

**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 2020 through 2022. 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, 2023

**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 sweeps its deposits to various banks to ensure all amounts are covered by the FDIC coverage.

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. The Certificate of Deposit has been pledged as security on the Note Payable discussed in Note 3.

**NOTE 3 – PENNVEST NOTE PAYABLE**

In December 2022, The Organization signed a debt obligation with the Pennsylvania Infrastructure Investment Authority (PENNVEST) the proceeds of which were used to construct a replacement for its water tank. Borrowing on the loan may continue through the settlement date, which occurred in April 2024, up to \$1,630,000. The loan will be payable in annual installments of \$7,156 including interest at 1.743% per annum through April 2029 when payments increase to \$7,383 including interest at 2.179%. The note matures in April 2044. The note is secured by a lien on the Organization’s revenues and a pledge of a debt service reserve equal to \$150,000.

The loan balance at December 31, 2023 is \$1,421,247. Future maturities are as follows (including a final borrowing of \$27,875 in 2024):

<u>Year Ended</u>	<u>Total Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2024	\$ 40,614	\$ 24,897	\$ 65,511
2025	61,812	24,058	85,870
2026	62,898	22,972	85,870
2027	64,003	21,867	85,870
2028	65,127	20,742	85,869
thereafter	<u>1,154,669</u>	<u>202,858</u>	<u>1,357,527</u>
	<u>\$ 87,244</u>	<u>\$ 9,464</u>	<u>\$ 96,708</u>

MT. GRETNA CAMPMEETING ASSOCIATION, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2023

**NOTE 4 - 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:

	2023	2022
Cash	\$ 641,918	\$ 480,070
Certificate of Deposit	154,860	150,000
Less: Loan reserve pledge	(150,000)	(150,000)
Less: Restricted	(30,347)	(30,347)
	\$ 616,431	\$ 449,723

The Organization relies on bank financing for capital additions.

**NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS**

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

	2023	2022
DEP Grant Escrow	\$ 29,397	\$ 29,397
Lois Hopkins Memorial	950	950
Total donor restricted net assets	\$ 30,347	\$ 30,347

**NOTE 6 - BOARD DESIGNATED NET ASSETS**

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

	2023	2022
Seiders	\$ 20,843	\$ 20,843
Heritage Festival	13,283	11,255
Heritage Park Playground	7,048	7,397
Library Fund	5,131	7,781
Buildings and Grounds Emergency Reserve	28,045	-0-
Water Tower Replacement and Maintenance	17,860	52,326
Sewer and Water	18,745	-0-
Miscellaneous Capital Projects Funds	25,284	28,953
Paving	124,164	-0-
Stormwater	30,288	15,288
General Operating Reserve	221,760	136,123
Tree maintenance	26,135	14,506
Total board designated funds	\$ 538,586	\$ 294,472

MT. GRETNA CAMPMEETING ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2023

**NOTE 7 – RELATED PARTY**

The Association created a 501(c)(3) charitable organization in 1999 known as the Mt Gretna Tabernacle Association (Tabernacle). The Tabernacle functions as a church but the Mt. Gretna Campmeeting Association maintains at least 50% control over the Tabernacle. For the year ended December 31,2023, the Association received \$1,090 from the Tabernacle for its share of operating costs and \$500 to pay for sound equipment improvements.

**NOTE 8 – 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 30<sup>th</sup>. 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 30<sup>th</sup>. Interest accrues at 1.5% per month. Annual homeowner assessments were \$3,231 and \$2,400 for 2023 and 2022, 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 9 – SUBSEQUENT EVENTS**

The Association's management has evaluated subsequent events through June 17, 2024, the date of this report, which is the date the financial statements were available to be issued.