GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)

Financial Statements
and Independent Auditor's Report

December 31, 2021 and 2020

CAMPBELL, RAPPOLD & YURASITS LLP
Certified Public Accountants
1033 South Cedar Crest Boulevard Allentown, PA 18103

GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)
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C·R&Y CERTIFIED PUBLIC ACCOUNTANTS
CAMPBELL, RAPPOLD & YURASITS LLP

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Greater Valley Young Men's Christian Association
Allentown, PA

Qualified Opinion

We have audited the accompanying financial statements of Greater Valley Young Men's Christian Association (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, 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, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Greater Valley Young Men's Christian Association as of December 31, 2021 and 2020, 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 Qualified Opinion

As explained in Note 2 to the financial statements, buildings and equipment that Greater Valley Young Men's Christian Association purchased or acquired prior to January 1, 2016 are recorded in the financial statements at insured value. Land, buildings and equipment acquired during acquisitions after January 1, 2016 are recorded in the financial statements at cost. Accounting principles generally accepted in the United States of America require buildings and equipment purchased to be recorded at cost and land, buildings and equipment acquired in an acquisition to be recorded at fair market value at the date of acquisition. The effects on the accompanying financial statements of the failure to record the land, buildings and equipment at their appropriate value have not been determined.

As explained in Note 19 to the financial statements, the Greater Valley Young Men's Christian Association has not consolidated the financial statements of Bethlehem YMCA Affordable Housing LP. Accounting principles generally accepted in the United States of America require certain not-for-profit entities to consolidate for-profit entities in which they are general partners. The effects on the accompanying financial statements of the failure to consolidate Bethlehem YMCA Affordable Housing LP have not been determined.

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We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Greater Valley Young Men's Christian Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 Greater Valley Young Men's Christian Association'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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Greater Valley Young Men's Christian Association'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 Greater Valley Young Men's Christian Association'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.

Campbell, Koppold & Yurasits LLP

June 8, 2022

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GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2021 and 2020

	2021	2020
Assets		
Assets		
Current Assets		
Cash and Cash Equivalents	$ 6,013,096	$ 2,741,868
Grants and Accounts Receivable (Note 3)	228,507	191,888
Pledges Receivable (Note 4)	642,590	142,140
Prepaid Expenses	147,180	138,460
Security Deposits	37,987	40,484
Inventory	1,299	1,725
Total Current Assets	7,070,659	3,256,565
Pledges Receivable (Note 4)	148,628	282,939
Investments (Note 5)	2,896,148	2,508,075
Beneficial Interest in Perpetual Trusts (Note 6)	143,985	135,340
Land, Buildings and Equipment, Net (Note 7)	36,022,819	34,626,028
Total Assets	$ 46,282,239	$ 40,808,947
Liabilities and Net Assets		
Liabilities		
Current Liabilities		
Accounts Payable	$ 262,436	$ 718,607
Accrued Expenses	384,620	309,806
Deferred Revenue	486,065	609,448
Line of Credit (Note 8)	40,461	102,961
PPP Loan (Note 10)	-	1,355,117
Current Portion of Notes Payable (Note 11)	319,872	129,535
Current Portion of Capital Lease Obligation (Note 13)	33,808	31,877
Total Current Liabilities	1,527,262	3,257,351
Notes Payable, less Current Portion (Note 11)	7,309,832	5,957,003
Capital Lease Obligation, less Current Portion (Note 13)	13,731	47,596
Total Liabilities	8,850,825	9,261,950
Net Assets		
Without Donor Restrictions (Note 14)	33,202,066	27,768,997
With Donor Restrictions (Note 14)	4,229,348	3,778,000
Total Net Assets	37,431,414	31,546,997
Total Liabilities and Net Assets	$ 46,282,239	$ 40,808,947

See Independent Auditor's Report and Notes to Financial Statements.

GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)
STATEMENT OF ACTIVITIES
Year Ended December 31, 2021

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2021
Operating Revenues, Gains and Other Support			
Contributions	$ 1,075,437	$ 54,556	$ 1,129,993
United Way Allocations	27,406	4,375	31,781
Corporate/Foundations	251,315	320,130	571,445
Government Grants and Contracts	4,265,467	535,798	4,801,265
Government Grant - PPP	2,710,234	-	2,710,234
Government Grant - Employee Retention Credit	1,885,827	-	1,885,827
Membership Fees, Net	1,823,734	-	1,823,734
Program Fees, Net	605,246	-	605,246
Childcare Fees, Net	2,016,294	-	2,016,294
	14,660,960	914,859	15,575,819
Special Events	106,067	-	106,067
Sales of Merchandise	5,807	-	5,807
Facility Rental Revenue	14,144	-	14,144
Miscellaneous	178,225	-	178,225
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	849,573	(849,573)	-
Total Revenues, Gains, and Other Support	15,814,776	65,286	15,880,062
Operating Expenses			
Program Services:			
Youth Development	5,723,793	-	5,723,793
Healthy Living	1,688,618	-	1,688,618
Social Responsibility	1,756,193	-	1,756,193
Management and General	823,134	-	823,134
Fundraising	433,458	-	433,458
Total Expenses	10,425,196	-	10,425,196
Increase (Decrease) in Net Assets from Operating Activities	5,389,580	65,286	5,454,866
Other Changes			
Interest and Dividends	21,928	19,563	41,491
Changes in Beneficial Interest in Perpetual Trusts	-	8,645	8,645
Net Realized/Unrealized Gain/(Loss) on Investments	6,315	357,854	364,169
Net Realized/Unrealized Gain/(Loss) on Sale of Capital Assets	15,246	-	15,246
Total Other Changes	43,489	386,062	429,551
Increase (Decrease) in Net Assets	5,433,069	451,348	5,884,417
Net Assets at Beginning of Year	27,768,997	3,778,000	31,546,997
Net Assets at End of Year	$ 33,202,066	$ 4,229,348	$ 37,431,414

See Independent Auditor's Report and Notes to Financial Statements.

GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)
STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2020
Operating Revenues, Gains and Other Support			
Contributions	$ 398,753	$ 46,108	$ 444,861
United Way Allocations	22,331	5,000	27,331
Corporate/Foundations	239,347	632,243	871,590
Government Grants and Contracts	4,872,673	8,024	4,880,697
Government Grant - PPP	-	-	-
Government Grant - Employee Retention Credit	-	-	-
Membership Fees, Net	1,595,237	-	1,595,237
Program Fees, Net	149,608	-	149,608
Childcare Fees, Net	1,611,380	-	1,611,380
	8,889,329	691,375	9,580,704
Special Events	25,116	-	25,116
Sales of Merchandise	4,151	-	4,151
Facility Rental Revenue	13,283	-	13,283
Miscellaneous	103,783	-	103,783
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	1,045,187	(1,045,187)	-
Total Revenues, Gains, and Other Support	10,080,849	(353,812)	9,727,037
Operating Expenses			
Program Services:			
Youth Development	5,017,664	-	5,017,664
Healthy Living	1,584,254	-	1,584,254
Social Responsibility	1,281,533	-	1,281,533
Management and General	753,368	-	753,368
Fundraising	445,405	-	445,405
Total Expenses	9,082,224	-	9,082,224
Increase (Decrease) in Net Assets from Operating Activities	998,625	(353,812)	644,813
Other Changes			
Interest and Dividends	19,606	23,771	43,377
Changes in Beneficial Interest in Perpetual Trusts	-	10,431	10,431
Net Realized/Unrealized Gain/(Loss) on Investments	1,815	289,611	291,426
Net Realized/Unrealized Gain/(Loss) on Sale of Capital Assets	(3,704)	-	(3,704)
Total Other Changes	17,717	323,813	341,530
Increase (Decrease) in Net Assets	1,016,342	(29,999)	986,343
Net Assets at Beginning of Year	26,752,655	3,807,999	30,560,654
Net Assets at End of Year	$ 27,768,997	$ 3,778,000	$ 31,546,997

See Independent Auditor's Report and Notes to Financial Statements.

GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2021

	Year Ended December 31, 2021							
	Program Services				Supporting Services			
	Youth Development	Healthy Living	Social Responsibility	Total	Management and General	Fund-raising	Total	2021
Wages	$ 2,523,862	$ 1,168,243	$ 949,437	$ 4,641,542	$ 297,076	$ 307,329	$ 604,405	$ 5,245,947
Employee Health, Retirement and Other Benefits	404,723	124,887	130,176	659,786	49,298	52,866	102,164	761,950
Payroll Taxes	225,292	104,870	85,415	415,577	48,341	30,398	78,739	494,316
Total Wages and Related Expenses	3,153,877	1,398,000	1,165,028	5,716,905	394,715	390,593	785,308	6,502,213
Contracted Services	287,998	28,823	72,445	389,266	131,906	-	131,906	521,172
Supplies	321,011	115,904	107,030	543,945	9,839	32,643	42,482	586,427
Telecommunications	64,354	22,362	18,938	105,654	15,686	1,015	16,701	122,355
Postage and Shipping	4	322	2,264	2,590	2,119	2,056	4,175	6,765
Occupancy	811,739	61,048	170,245	1,043,032	33,226	-	33,226	1,076,258
Equipment - Expendable or Rented	65,915	30,118	19,130	115,163	10,323	-	10,323	125,486
Printing, Publications and Promotions	9,945	(1,544)	12,771	21,172	206,770	5,031	211,801	232,973
Business Related Travel Costs	38,501	16,027	12,670	67,198	12,981	814	13,795	80,993
Conferences and Meetings	667	32	153	852	735	5	740	1,592
Dues to Y-USA and Other Organizations	88,276	220	15,633	104,129	250	-	250	104,379
Financing and Bank Costs	288,670	2,973	51,685	343,328	-	386	386	343,714
Business Insurance	171,395	5,451	31,609	208,455	-	915	915	209,370
Bad Debt Expense	4,368	8,882	2,991	16,241	-	-	-	16,241
Depreciation	417,073	-	73,601	490,674	4,584	-	4,584	495,258
Total	$ 5,723,793	$ 1,688,618	$ 1,756,193	$ 9,168,604	$ 823,134	$ 433,458	$ 1,256,592	$ 10,425,196

See Independent Auditor's Report and Notes to Financial Statements.

GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2020

	Year Ended December 31, 2020							
	Program Services				Supporting Services			
	Youth Development	Healthy Living	Social Responsibility	Total	Management and General	Fund-raising	Total	2020
Wages	$ 2,171,814	$ 1,074,732	$ 651,944	$ 3,898,490	$ 371,309	$ 344,064	$ 715,373	$ 4,613,863
Employee Health, Retirement and Other Benefits	368,153	136,531	99,101	603,785	57,986	52,095	110,081	713,866
Payroll Taxes	198,029	95,517	58,825	352,371	41,061	29,831	70,892	423,263
Total Wages and Related Expenses	2,737,996	1,306,780	809,870	4,854,646	470,356	425,990	896,346	5,750,992
Contracted Services	89,642	37,975	25,313	152,930	89,841	5	89,846	242,776
Supplies	475,862	80,088	103,998	659,948	5,501	6,836	12,337	672,285
Telecommunications	61,055	18,924	15,505	95,484	11,559	530	12,089	107,573
Postage and Shipping	1,223	273	284	1,780	1,945	2,257	4,202	5,982
Occupancy	653,009	72,737	133,421	859,167	29,401	-	29,401	888,568
Equipment - Expendable or Rented	125,551	20,147	27,193	172,891	10,759	-	10,759	183,650
Printing, Publications and Promotions	23,746	2,123	4,721	30,590	123,061	5,214	128,275	158,865
Business Related Travel Costs	32,443	10,223	8,281	50,947	5,811	434	6,245	57,192
Conferences and Meetings	2,336	86	434	2,856	2,323	3,356	5,679	8,535
Dues to Y-USA and Other Organizations	93,929	240	16,636	110,805	-	190	190	110,995
Financing and Bank Costs	225,345	2,111	40,294	267,750	-	-	-	267,750
Business Insurance	144,379	3,860	26,444	174,683	-	593	593	175,276
Bad Debt Expense	9,540	28,687	8,855	47,082	-	-	-	47,082
Depreciation	341,608	-	60,284	401,892	2,811	-	2,811	404,703
Total	$ 5,017,664	$ 1,584,254	$ 1,281,533	$ 7,883,451	$ 753,368	$ 445,405	$ 1,198,773	$ 9,082,224

See Independent Auditor's Report and Notes to Financial Statements.

GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Change in Net Assets	$ 5,884,417	$ 986,343
Adjustments to Reconcile Change in Net Assets		
to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	495,258	404,703
Gain on Investments	(364,169)	(291,426)
(Gain) Loss on Sale of Assets	(15,246)	3,704
Increase in Beneficial Interest in Perpetual Trusts	(8,645)	(10,431)
Extinguishment of Debt - PPP Loan	(2,710,234)	-
(Increase) Decrease in Assets:		
Grants and Accounts Receivable	(36,619)	(90,291)
Pledges Receivable	(366,139)	85,483
Prepaid Expenses	(8,720)	6,512
Security Deposits	2,497	(31,380)
Inventory	426	(1,022)
Increase (Decrease) in Liabilities:		
Accounts Payable	(456,171)	353,939
Accrued Expenses	74,814	(70,183)
Deferred Revenue	(123,383)	429,330
Net Cash Provided by Operating Activities	2,368,086	1,775,281
Cash Flows from Investing Activities		
Purchase of Investments	(23,904)	(56,094)
Purchase of Equipment and Building Improvements	(1,876,803)	(4,308,207)
Net Cash Used by Investing Activities	(1,900,707)	(4,364,301)
Cash Flows from Financing Activities		
Repayments on Line of Credit	(62,500)	(11,500)
Repayments on Capital Lease Obligation	(31,934)	(30,164)
Borrowings on PPP Loan	1,355,117	1,355,117
Borrowings on Notes Payable	2,252,650	2,511,493
Repayments on Notes Payable	(709,484)	(92,440)
Net Cash Provided by Financing Activities	2,803,849	3,732,506
Net Increase in Cash and Cash Equivalents	3,271,228	1,143,486
Cash and Cash Equivalents, at Beginning of Year	2,741,868	1,598,382
Cash and Cash Equivalents, at End of Year	$ 6,013,096	$ 2,741,868

Supplemental Disclosure:

	2021	2020
Loan Interest Paid	$ 234,048	$ 177,940

See Independent Auditor's Report and Notes to Financial Statements.

1. Nature of Activities

Greater Valley Young Men's Christian Association (YMCA, the "Organization") is a not-for-profit organization, which is organized under the laws of the Commonwealth of Pennsylvania committed to advance our cause of strengthening community through youth development, healthy living and social responsibility. The YMCA is a powerful association of men, women, and children committed to bringing about lasting personal and social change. With a focus on nurturing the potential of every child and teen, improving the nation's health and well-being and providing opportunities to give back and support neighbors, the YMCA enables youth, adults, families and communities to be healthy, confident, connected and secure.

Program Activities

Youth Development – Our YMCA is committed to nurturing the potential of every child and teen. We believe that all kids deserve the opportunity to discover who they are and what they can achieve. That is why we help young people cultivate the values, skills, and relationships that lead to positive behaviors, better health and educational achievement. Our YMCA programs, such as child care, arts and humanities, youth sports, day and specialty camp programs and other youth programmings, offer a range of experiences that enrich cognitive, social, physical and emotional growth.

Healthy Living – The YMCA is a leading voice on health and well-being. We bring families closer together, encourage good health and foster connections through fitness, sports, fun and shared interests. As a result, people in our community are receiving the support, guidance and resources they need to achieve greater health in spirit, mind and body. This is particularly important as our nation struggles with the obesity crisis, families struggle with work/life balance and individuals search for personal fulfillment. Healthy Living programs include group adult classes, diabetes prevention, health screening, walking groups and other recreation activities.

Social Responsibility – Our YMCA believes in giving back and supporting our neighbors. We have been listening and responding to our community's most critical social needs. YMCA programs, such as housing, are examples of how we deliver training, resources and support that empower our neighbors to effect change, bridge gaps and overcome obstacles. We engage YMCA members, participants and volunteers in activities that strengthen our community and pave the way for future generations to thrive.

As part of our mission our programs are accessible, affordable and open to all faiths, backgrounds, abilities and income levels. We provide financial assistance to people who otherwise may not have been able to afford to participate.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A brief description of each follows:

> *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor or certain grantor restrictions. Net assets without donor restrictions may be designated for specific purposes by the action of the Board of Directors.

> *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

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Any cash held for investment purposes is included as part of the investment account and not as cash and cash equivalents on the Statement of Cash Flows. Restricted cash and cash equivalents held as of December 31, 2021 was $1,383,844.

Inventory

The Organization has YMCA apparel stores located at all of the branches and also sells aquatics merchandise at several of the branches. Inventory is stated at the lower of cost or market value on a first-in, first-out basis.

Grants and Accounts Receivable

Accounts receivable consist primarily of receivables from program registrants and child care fees. An allowance is determined by management based on historical collections, specific participants' circumstances, and economic conditions. Member receivables are written off when management has exhausted collections efforts and deems the accounts uncollectible. The YMCA does not accrue interest on unpaid accounts receivable.

2. Summary of Significant Accounting Policies (Continued)

Land, Building and Equipment

Building and equipment purchased or acquired prior to January 1, 2016 is recorded in the accompanying financial statements at insured value, based upon the value provided by the insurance company. Land acquired prior to January 1, 2016 is held at cost.

Land, building and equipment purchased or acquired, including through merger, on or after January 1, 2016 is stated at cost. Depreciation is computed by use of the straight-line method based on estimated useful lives.

	Years
Building and Improvements	15 – 50
Leasehold Improvements	15
Furniture and Fixtures	5 – 10
Equipment	3 – 10
Vehicles	5 – 7

Additions and betterments of $1,000 or more are capitalized, while maintenance and repairs that do not improve or extend the original useful lives of the respective assets are expensed as incurred.

Loan Origination Fees

Deferred financing fees are being amortized on the straight-line method over the term of the related debt. Expense from the amortization is charged against interest.

Revenue and Revenue Recognition for Contributions

The Organization receives contributions to support operating activities, endowments and capital projects. These contributions and grants can be from individuals, foundations, corporations, trusts or government agencies. The Organization records contributions receivable, net of allowances for estimated uncollectable amounts, when there is sufficient evidence in the form of verifiable documentation that an unconditional promise was received. The Organization's government grants that are non-exchange transactions are recorded once all conditions are met. The Organization discounts multi-year pledges that are expected to be collected after one year using a discount rate. Multi-year pledges are recorded at fair value at the date of the pledge. The allowance for doubtful accounts is determined by the age of the balance, historical collection rates, and specific identification of uncollectible accounts. Uncollectible contributions receivable are charged to the allowance. An expense is recorded at the time the allowance is adjusted. Conditional promises to give are recognized only when the conditions on which they depend are substantially met.

2. Summary of Significant Accounting Policies (Continued)

Revenue and Revenue Recognition from Exchange Transactions

The Organization has multiple revenue streams that are accounted for as exchange transactions including membership, childcare, program fees, and government contract revenues.

Because the Organization's performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), Revenue from Contracts with Customers, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Membership Dues, Childcare, and Program Fees

Membership dues and program fees consist of amounts that families and individuals pay to participate in health, fitness, education and recreation activities and programs. Members join for varying lengths of time and generally pay a onetime joining fee plus monthly dues in advance. Memberships provide use of the recreation facilities, access to classes, programs and activities, and discounts to fee-based programs. The Organization offers a variety of programs including family, child care, day camp, teen, scholastic, fitness, aquatics, and health services. Program fees for short duration programs of two months or less, such as aquatics classes, are typically paid in advance at the time of registration. Program fees for longer duration programs, such as fee-based childcare, are usually paid monthly in advance. Cancellation provisions vary by program, but most transactions are cancellable with 15 to 30 days notice. Refunds may be available for services not provided. Financial assistance is available to members and program participants.

Membership dues, childcare, and program fees are recognized ratably over the period the membership or program service is provided on a straight-line basis. Membership joining fees are non-refundable and are recognized in the month it is collected.

Membership dues, childcare, and program fees paid to the Organization in advance are recorded as deferred revenue.

Donated Materials and Services

Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at the date of receipt. Donated services of a specialized skill that would be purchased in the absence of this donation are recorded at the estimated market rate for the corresponding hours spent.

No amounts have been reflected in the statements for general donated services in-as-much as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and in its fundraising campaigns.

2. Summary of Significant Accounting Policies (Continued)

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Organization maintains its cash accounts with two financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000 at each institution. At December 31, 2021, the Organization's uninsured cash balances totaled approximately $5,741,926.

Income Tax Status

The Organization is exempt from federal income tax under the provisions of Section 501 (c)(3) of the Internal Revenue Code and applicable state law. Accordingly, no provision for income taxes is required in the accompanying financial statements.

The Organization has concluded that there are no material unrecognized tax benefits or accrued interest or penalties that would require recognition in the financial statements as of December 31, 2021. The Organization files its Form 990, *Return of Organization Exempt from Income Tax*, in the U.S. Federal jurisdiction and the Bureau of Charitable Organizations for the State of Pennsylvania. The Organization's Forms 990 are subject to examination by the IRS, generally for three years after they were filed.

Other Matters

All gains and losses arising from the sale, collection, or other disposition of investments and other noncash assets are accounted for in the net asset class that owned the assets. Ordinary income from investments, receivables, and the like is accounted for in the net asset class owning the assets, except for income derived from investments of endowment funds, which is accounted for, if without restrictions, as revenue of the current net asset without donor restriction class, or if restricted, as revenue in the appropriate net asset with donor restriction class.

2. Summary of Significant Accounting Policies (Continued)

Operating Measure

The Organization includes all changes in net assets without donor restriction and net assets with donor restrictions in its "operating activities" on the Statement of Activities except:

Interest and Dividends
Net Realized/Unrealized Gain/(Loss) on Investments
Net Realized/Unrealized Gain/(Loss) on Sale of Capital Assets
Change in Beneficial Interest in Perpetual Trusts

Accounting for Paycheck Protection Program (PPP)

The Organization was the recipient of the federally issued Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") Paycheck Protection Program (PPP) as a result of the COVID-19 pandemic.

Proceeds of $1,355,117 from the PPP loan program were received in April 2020. The Organization elected to treat the loan proceeds as a financial liability as of December 31, 2020. If the Small Business Administration (SBA) did not confirm forgiveness of the loan, or only partly confirmed forgiveness of the loan, the Organization would have been obligated to repay the bank principal and interest (at a fixed rate of 1.00%) based upon terms established in a separate letter with the bank based upon a maturity date of two years from the funding date. On February 10, 2021, the Organization received full forgiveness in the amount of $1,355,117. Forgiveness on loan extinguishment for the year ended December 31, 2021, was $1,355,117.

On December 27, 2020, the Consolidated Appropriations Act, 2021 (the "CA Act") was signed. Included in the CA Act is a second round of Paycheck Program loans for businesses facing significant revenue declines in any 2020 quarter compared to the same quarter in 2019. Eligible second-time borrowers were required to have 300 or fewer employees, a 25% gross revenue decline during any quarter in 2020 as compared to the same quarter in 2019 and have used or will use the full amount of the Paycheck Protection loan. The second round of Paycheck Program loans are capped at the lesser of 2.5x a borrower's LTM average monthly payroll consisting of no more than $100,000 per employee plus health and retirement benefits, or $2,000,000 per borrower. The Organization has the option to choose the length of the covered period of expenses of not fewer than eight weeks, but not longer than twenty-four weeks. The Organization received $1,355,117 related to this program in February 2021. On November 12, 2021, the Organization received full forgiveness in the amount of $1,355,117. Forgiveness on loan extinguishment for the year ended December 31, 2021, was $1,355,117.

2. Summary of Significant Accounting Policies (Continued)

Employee Retention Credit

The CARES Act extended the Employer Retention Credit ("ERC") through September 30, 2021. The ERC is a refundable tax credit against certain employment taxes equal to 50% of the qualified wages paid to an employer after March 12, 2020, and before January 1, 2021, capped at $5,000 per employee. For 2021, the ERC amount is increased to 70% of qualified wages paid to an employee, capped at $7,000 per employee, per quarter.

The Organization determined it is eligible for the ERC for the period January through September 30, 2021, based on having a 20% or more decline in gross receipts compared to 2019 in quarter 1. The Organization has computed the credits to total $1,885,827, which is included on the Statements of Activities. All amounts were received prior to year end and therefore, no receivable exists in relation to the credit.

3. Grants and Accounts Receivable

	2021	2020
Childcare	$ 106,517	$ 79,209
Membership	9,924	11,373
Programs	11,385	433
YMCA Management Fees	11,467	10,709
Other	119,425	115,304
	258,718	217,028
Less: Allowance for Doubtful Accounts	(30,211)	(25,140)
Total	$ 228,507	$ 191,888

4. Pledges Receivable

	2021	2020
Less Than One Year	$ 642,590	$ 142,140
One Year to Five Years	155,960	303,083
Over Five Years	-	-
	798,550	445,223
Less: Unamortized Discount	(7,332)	(20,144)
Less: Allowance for Uncollectible Pledges Receivable	-	-
Total	$ 791,218	$ 425,079

Pledges received are in relation to the annual support campaign to support the Organization and the Slate Belt expansion project. A discount of 4.5% was calculated on pledges receivable with an expected date greater than one year. In addition, uncollectible pledges are expected to be insignificant; therefore management has decided an allowance for uncollectible pledges receivable was not necessary.

5. Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement and Disclosure,* defines fair value, establishes a fair value hierarchy and specifies that a valuation technique used to measure fair value shall maximize the use of observable inputs and minimize the use of unobservable inputs. The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 — Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

5. Fair Value Measurements (Continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Organization currently does not have any Level 2 inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021.

Mutual Funds: Valued at the net asset value ("NAV") of shares held by the Organization at year end.

Beneficial Interests in Perpetual Trusts: Measured based on quoted markets prices of the underlying securities and other relevant information generated by market transactions, at the Organization's share, based on its pro-rata share of distributable income of the Trusts.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

5. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2021 and 2020:

	Assets at Fair Value as of December 31			
2021	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	$ 226,414	$ -	$ -	$ 226,414
Mutual Funds				
Small/Mid Cap	265,295	-	-	265,295
Large Cap	1,382,195	-	-	1,382,195
Developed International	131,885	-	-	131,885
Emerging International	32,872	-	-	32,872
Other International	117,053	-	-	117,053
Fixed Income				
U.S. Treasuries	63,528	-	-	63,528
Mortgage/Asset Backed	37,411	-	-	37,411
Multi-Sector	639,495	-	-	639,495
Beneficial Interest in Perpetual Trusts	-	-	143,985	143,985
Total Assets at Fair Value	$ 2,896,148	$ -	$ 143,985	$ 3,040,133
2020	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	$ 158,468	$ -	$ -	$ 158,468
Mutual Funds				
Small/Mid Cap	237,798	-	-	237,798
Large Cap	1,133,983	-	-	1,133,983
Developed International	126,581	-	-	126,581
Emerging International	34,679	-	-	34,679
Other International	113,437	-	-	113,437
Fixed Income				
U.S. Treasuries	55,048	-	-	55,048
Mortgage/Asset Backed	35,644	-	-	35,644
Multi-Sector	612,437	-	-	612,437
Beneficial Interest in Perpetual Trusts	-	-	135,340	135,340
Total Assets at Fair Value	$ 2,508,075	$ -	$ 135,340	$ 2,643,415

Changes in Fair Value of Level 3 Assets:

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within their fair value hierarch. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets.

5. Fair Value Measurements (Continued)

The table below sets forth a summary of certain changes in the fair value of the Organization's Level 3 assets for the years ended December 31, 2021 and 2020.

	Beneficial Interest in Perpetual Trusts	
	2021	2020
Purchases	$ -	$ -
Issuances	7,697	6,120
Transfers In	-	-
Transfers Out	-	-

6. Beneficial Interest in Perpetual Trusts

The Organization is an income beneficiary of two perpetual trusts. The trusts are held and administered by a corporate trustee. Under the terms of the trusts, the Organization, among other unrelated organizations, has the irrevocable right to receive a portion of the income earned on the trusts' assets, in perpetuity, but is not entitled to receive the assets held in trust. The arrangements were recognized as contribution revenue and as an asset when the Organization was notified of the trusts' existences. Accordingly, the Organization records an asset "Beneficial Interest in Perpetual Trusts" equivalent to the present value of the expected future cash flows from the trusts. In this case, the present value is estimated to be equal to the Organization's pro-rata fair market value of the assets of the trusts. Income distributions received from the trusts were $7,697 and $6,120 in 2021 and 2020, respectively.

7. Land, Buildings and Equipment

A portion of land, building, and equipment are carried at insured value, and a portion is carried at cost. See Note 2 for a further explanation.

	2021	2020
Assets Held at Insured Value	$ 28,427,464	$ 28,427,464
Assets Held at Cost		
Land	33,000	16,500
Land Improvements	877	861
Building and Building Improvements	7,741,407	2,737,680
Equipment	2,031,453	2,143,747
Vehicles	105,435	75,999
Construction in Progress	-	3,718,319
	38,339,636	37,120,570
Less: Accumulated Depreciation	(2,316,817)	(2,494,542)
Land, Buildings and Equipment, Net	$ 36,022,819	$ 34,626,028

Depreciation and amortization charged to expense for the years ended December 31, 2021 and 2020 was $495,258 and $404,703, respectively.

8. Line of Credit

The Organization has a $300,000 line of credit with a bank at an interest rate based upon the Wall Street Journal U.S. Prime Rate, with a floor of 3.25% (3.25% at December 31, 2021). The line is collateralized by accounts receivable, inventory, general intangibles, and equipment of the Organization. The outstanding balance on the line of credit as of December 31, 2021 and 2020 was $40,461 and $102,961, respectively. Interest paid on the line of credit was $2,703 and $3,907 for the years ended December 31, 2021 and 2020, respectively.

9. Letter of Credit

During 2020, the Organization entered into a Prime Rate $291,842 unsecured letter of credit with a bank at a variable interest rate (3.75% at December 31, 2021). There was no outstanding balance on the line of credit as of December 31, 2021 and no interest was paid on the line of credit. This letter of credit was carved out of the $4,000,000 open-ended construction mortgage, as noted in Note 11. The letter of credit was reduced to $22,565. In March 2022, the letter of credit was renewed.

10. PPP Loan

The Organization was the recipient of the federally issued Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") Paycheck Protection Program (PPP) as a result of the COVID-19 pandemic.

Proceeds of $1,355,117 from the PPP loan program were received in April 2020. To conform with accounting principles generally accepted in the United States of America, the Organization elected to treat the loan proceeds as a financial liability. If the Small Business Administration (SBA) did not confirm forgiveness of the loan, or only partly confirmed forgiveness of the loan, the Organization would be obligated to repay the bank principal and interest (at a fixed rate of 1.00%) based upon terms established in a separate letter with the bank based upon a maturity date of two years from the funding date.

On February 10, 2021, the Organization was notified of the forgiveness of the debt by the SBA, and recognized revenue from the extinguishment of debt in the fiscal year ended December 31, 2021.

11. Notes Payable

The Organization has a $3,394,050 note payable to the bank which is due in monthly installments of $17,232, including interest at a fixed rate of 2.97%, until July 23, 2020 followed by an interest rate at the Wall Street Journal U.S. Prime Rate (3.45% at December 31, 2021). One final payment of all unpaid principal and interest shall then be due on April 23, 2040 (as amended, below). The note is secured by real estate of several of the Organization's branches. The outstanding balance on the note was $2,968,627 and $3,078,900 as of December 31, 2021 and 2020, respectively. Interest paid on the note was $104,320 and $109,680 for the years ended December 31, 2021 and 2020, respectively.

In December 2019, the note payable was amended and is now due in monthly installments of $18,018, including interest at a fixed rate of 3.45%, until December 23, 2026 followed by a variable interest rate at the bank's prime rate. One final payment of all unpaid principal and interest shall then be due on June 23, 2040. The note contains a prepayment penalty during the fixed rate period.

During September 2019, the Organization entered into a $4,000,000 open-ended construction mortgage with a bank which can be drawn upon, as needed. There is an assignment of loan and promissory note with the Northampton County General Purpose Authority to secure liabilities. The note is secured by real estate at 315 West Pennsylvania Avenue in the Borough of Pen Argyl. Interest only payments are due until September 2021, at which point, interest and principal payments are due annually. The outstanding balance on the note was $3,938,525 and $2,511,493 as of December 31, 2021 and 2020, respectively. Interest paid on the note was $101,132 and $21,314 for the years ended December 31, 2021 and 2020, respectively. Unamortized loan origination fees related to the note were $56,094 and $59,210 for the years ended December 31, 2021 and 2020, respectively.

11. Notes Payable (Continued)

The Organization had a $650,000 note payable to the bank which was due in monthly installments of $3,801 beginning in July, 2015, including interest at a fixed rate of 5.00%. Beginning July, 2020, monthly installments will remain at $3,801 however interest will be adjusted to the Wall Street Journal Prime Rate plus 1.75%, due in full June, 2025 (5.00% at December 31, 2020). During June 2021, the loan was refinanced at an amount of $825,000 and is payable over a period of 10 years. The note payable to the bank is due in monthly installments of $8,236 beginning in July, 2021, including interest at a fixed rate of 3.65% thru June 2028. Beginning July, 2028, interest will be an adjustable rate equal to the Margin (1.75%) over LIBOR. The note is secured by real estate at 425 and 317 South 15th Street in Allentown. The outstanding balance on the note was $790,631 and $564,843 as of December 31, 2021 and 2020, respectively. Interest paid on the note was $28,824 and $28,699 for the years ended December 31, 2021 and 2020, respectively. Unamortized loan origination fees related to the loan were $11,985 and $9,488 for the years ended December 31, 2021 and 2020, respectively.

Maturities of long-term debt are as follows:

2022	$ 319,872
2023	331,809
2024	344,192
2025	357,039
2026	370,367
Thereafter	5,974,503
	$ 7,697,782

12. Operating Lease Obligations

The Organization leases various program equipment and properties under various noncancellable operating leases expiring at various dates through 2030. Rental expense for those leases was $171,154 and $199,779 for 2021 and 2020, respectively.

Future minimum lease payments under equipment and property operating leases that have remaining terms in excess of one year are:

Years ending December 31,	2022	$ 191,034
	2023	180,666
	2024	183,577
	2025	186,751
	2026	190,454
	Thereafter	794,956

12. Operating Lease Obligations (Continued)

During July, 2021, the Organization entered into a lease agreement with the Township of Upper Saucon in relation to certain lots held by the township totaling approximately 61.74 acres. The lessee will pay the lessor annual base rent of one dollar, annually. The term of the lease is for twenty-nine years from the date of the agreement, contingent on the lessee meeting certain stipulations within the agreement.

13. Capital Lease Obligations

The Organization leases exercise equipment under two separate capital leases. The economic substance of leases is that the Organization is financing the acquisition of the asset through the lease, and, accordingly, it is recorded in the Organization's assets and liabilities.

The leased assets have a cost of $143,421 and are included in Land, Buildings, and Equipment. The related accumulated depreciation is $92,067 and $63,383 at December 31, 2021 and 2020, respectively.

The lease agreements contain a bargain purchase option at the end of the lease term.

The following is a schedule by years of future minimum payments required under the leases together with their present value as of December 31, 2021:

Year Ending December 31,		
	2022	$ 35,579
	2023	13,977
Total Minimum Lease Payments		49,556
Less: Amount Representing Interest		(2,017)
Present Value of Minmum Lease Payments		$ 47,539

Amortization of assets held under capital leases is included with depreciation expense.

14. Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of the following:

	For the Year Ended December 31,	
	2021	2020
Without Restrictions	$ (10,557,533)	$ (946,058)
Fixed Assets (Net of Debt)	43,285,112	28,460,017
Board Designated:		
Allentown Endowment Fund	-	3,850
Nazareth Endowment Fund	5,132	4,642
Suburban North Endowment Fund	52,101	-
Capital Improvements/Repairs	417,254	246,546
Total Net Assets Without Donor Restrictions	$ 33,202,066	$ 27,768,997

The Board of Directors of the Greater Valley YMCA has several standing board policies that affect the presentation of board designations on net assets. The Board of Directors have established one type of endowment fund, which covers all locations. The Allentown and Nazareth YMCA Endowment Funds have been established for covering the program and management related costs incurred by Greater Valley YMCA to operate those locations.

14. Net Assets (Continued)

Net Assets With Donor Restrictions

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

	2021		2020	
Purpose Restricted:				
Camp Sponsorship	$ 24,043		$ 7,452	
Capital Improvements	98,872		141,967	
Capital Improvements - Youth Programming	18,328		-	
Children and Youth/Kids to Camp	8,153		-	
Childcare	108,760		8,307	
Childcare Renovations	47,565		61,300	
Expansion	473,244		363,151	
Health and Wellness	11,000		-	
Food Grant	-		52,917	
Food Program	64,500		8,024	
Health and Wellness Youth Programs	10,300		15,904	
Swim Team	14,639		19,496	
Preschool Scolarships (EITC)	62,953		45,172	
Promise of Spring	-		1,763	
Outreach	2,500		-	
Diabetes Prevention Program	5,684		63,300	
Warming Station	240,451		232,760	
		$ 1,190,992		$ 1,021,513
Endowment:				
Earnings on Endowment	1,475,358		1,202,134	
Marhefka Fund	419,013		419,013	
Acopian Fund	1,000,000		1,000,000	
		2,894,371		2,621,147
Benefical Interest in Perpetual Trust:				
Lichtenwalner Trust	124,557		116,844	
Lentz Trust	19,428		18,496	
		143,985		135,340
Total Net Assets With Donor Restrictions		$ 4,229,348		$ 3,778,000

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

15. Endowment Net Assets

The Organization's endowment consists of funds established for the purpose of supporting programs and services of the Organization. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization follows Commonwealth of Pennsylvania law and its own governing documents with respect to the management of endowment funds. In the absence of donor restrictions, the net appreciation of a donor-restricted endowment fund is spendable.

As a result of this interpretation, the Organization classifies the original value of an endowment gift, the original value of subsequent gifts donated and accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund as net assets with donor restrictions. These gifts are held in perpetuity until they are appropriated for expenditure by the Organization in a manner consistent with the laws of the Commonwealth of Pennsylvania.

Endowment Return Objectives, Risk Parameters and Strategies

The primary goal of the investment policy is to meet the short and long-term needs and goals of the Organization while carefully controlling risk. Basic to the process is the establishment of mutually agreed upon objectives and the development of an investment program designed to meet those needs. Preservation of capital and a stable level of current income are foremost in the fixed income strategy. The portfolio is invested in common stock and mutual funds; plus liquidity as the primary objective and goals. To achieve these goals, the Organization closely follows the stock market and constantly reviews the fund returns to realize the highest level of income.

Spending Policy

The Organization is permitted to spend the earnings of the fund annually. This is defined as the interest and dividends earned in the fiscal period.

As of December 31, 2021, total endowment composition by net asset fund is:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Donor Restricted Endowment	$ -	$ 2,894,371	$ 2,894,371
Board Designated Endowment	57,233	-	57,233
	$ 57,233	$ 2,894,371	$ 2,951,604

15. Endowment Net Assets (Continued)

As of December 31, 2020, total endowment composition by net asset fund is:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Donor Designated Endowment	$ -	$ 2,621,147	$ 2,621,147
Board Designated Endowment	8,492	-	8,492
	$ 8,492	$ 2,621,147	$ 2,629,639

Changes in endowment net assets for the year ended December 31, 2021 are as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Balance, Beginnning of Year	$ 8,492	$ 2,621,147	$ 2,629,639
Gifts and Contributions	47,151	-	47,151
Investment Income	41	18,476	18,517
Net Appreciation (Depreciation)	5,748	357,854	363,602
Interest on Loan Repayments	-	1,087	1,087
Amounts Released for Operations	(4,199)	(104,193)	(108,392)
Balance, End of Year	$ 57,233	$ 2,894,371	$ 2,951,604

Changes in endowment net assets for the year ended December 31, 2020 are as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Balance, Beginnning of Year	$ 7,331	$ 2,307,765	$ 2,315,096
Gifts and Contributions	-	-	-
Investment Income	41	22,872	22,913
Net Appreciation (Depreciation)	1,208	289,611	290,819
Interest on Loan Repayments	-	899	899
Amounts Released for Operations	(88)	-	(88)
Balance, End of Year	$ 8,492	$ 2,621,147	$ 2,629,639

16. Endowment Loans

In late 2011, a 10-year loan to the general fund was authorized for use of $350,000 from the Acopian Trust in the Endowment with an interest rate of 1.00%. Monthly payments on the loan are $3,220 and the outstanding balance on the loan as of December 31, 2021 and 2020 was $12,851 and $51,150, respectively. Interest paid on the loan was $336 and $436 for the years ended December 31, 2021 and 2020, respectively. During 2020, due to the pandemic, 4 months of payments were suspended.

Principal repayments on the loan are as follows:

Years ending December 31,	2022	$	12,851

A previous review of the Bethlehem YMCA endowment fund conducted by a member of a bank's trust department determined the value, at that date, as $186,909. As the value of the endowment fund was $76,320, at that date, a loan was set up for repayment to the general fund. The loan is a 10-year loan to the general fund with an interest rate of 1.00%. Monthly payments on the loan are $1,118 and the outstanding balance on the loan as of December 31, 2021 and 2020 was $62,081 and $74,338, respectively. Interest paid on the loan was $687 and $457 for the years ended December 31, 2021 and 2020, respectively. During 2020, due to the pandemic, 5 months of payments were suspended.

Principal repayments on the loan are as follows:

Years ending December 31,	2022	$	12,381
	2023		12,505
	2024		12,631
	2025		12,758
	2026		11,806

17. Defined Contribution Plans

The Organization participates in two plans (Plans) sponsored by the YMCA Retirement Fund (the "Fund"). The Fund is a not-for-profit, tax-exempt pension fund incorporated in the State of New York, organized and operated for the purpose of providing retirement and other benefits for employees of YMCAs throughout the United States. The participating Plans include:

- the Retirement Plan – a defined contribution plan that is intended to satisfy the qualification requirements of Section 401(a) of the Internal Revenue Code (IRC), as amended, and,
- the Tax-Deferred Savings Plan – a retirement income account plan as defined in IRC Section 403(b).

17. Defined Contribution Plans (Continued)

The Retirement Plan requires that all employees participate in the plan upon completing 1,000 hours of service during each of two years and attaining 21 years of age and also requires a contribution rate ranging from 8%-12% of compensation. The Organization may elect to pay the contribution in full or share with the employee. Employee contributions are made after – tax. The Organization contributes 8% of eligible employees' compensation on an annual basis. Due to COVID-19 from May 6, 2020 to October 1, 2020 the contribution rate was reduced to 1%.

The Tax-Deferred Savings plan allows all employees, upon hire, to elect to contribute a percentage of their eligible compensation to the plan, subject to certain IRC limits. There is no employer contribution.

All contributions to the Plans vest immediately. Each of the plans, as defined contribution plans, have no unfunded benefit obligations. Total YMCA employer contributions to the Plan were $270,820 and $154,359 for the years ended December 31, 2021 and 2020, respectively.

18. Related Parties

The Organization pays dues to the YMCA of the USA. Dues paid to YMCA of the USA for the years ended December 31, 2021 and 2020 was $95,543 and $102,604, respectively.

19. Limited Partnership

The Young Men's Christian Association of Bethlehem, which merged into the Organization effective May 1, 2015, is the general partner of Bethlehem YMCA Affordable Housing LP, a 35-unit low-income housing project limited partnership. The Greater Valley YMCA has a 0.01% interest in Bethlehem YMCA Affordable Housing LP. FASB ASC 810, *Consolidation*, determines when a general partner, or the group of general partners as a group, controls a limited partnership or similar entity when the limited partners have certain rights. The guidance presumes that a general partner controls a limited partnership and, therefore, should consolidate the partnership. This presumption can be overcome if the limited partners have kick-out or substantive participating rights. Management has determined that Bethlehem YMCA Affordable Housing LP should be consolidated into the Organization's financial statements. Management has decided not to include the financial statements of the Bethlehem YMCA Affordable Housing LP in accompanying financial statements.

20. Advertising Expense

Advertising costs are expensed as incurred and were $232,975 and $158,866 the years ended December 31, 2021 and 2020, respectively.

21. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, comprise the following:

	2021	2020
Cash and Cash Equivalents	$ 6,013,096	$ 2,741,868
Accounts Receivable	228,507	191,888
Pledges Receivable	791,218	425,079
Investments	2,896,148	2,508,075
Total Financial Assets at Year End	9,928,969	5,866,910
Expected Distributions from Beneficial Interest in Perpetual Trusts	7,697	6,120
Less those Unavailable for General Expenditures within One Year Due to:		
Contractual or Donor-Imposed Restrictions:		
Restricted by Donor with Time or Purpose Restrictions	(4,085,363)	(3,642,660)
Board-Designations:		
Quasi-Endowment Fund	(57,233)	(8,492)
Capital Improvements/Repairs	(417,254)	(246,546)
	$ 5,376,816	$ 1,975,332

Endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

Board-designated endowments of $13,460 are not subject to an annual spending rate. Although the Organization does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

As described in Note 8, the Organization has a line of credit of $300,000, with available funds of $259,539 as of December 31, 2021, which it could draw upon in the event of an anticipated liquidity need.

Membership dues and childcare fees are collected on a monthly basis in order to support general operating expenditures.

22. Subsequent Events

Management has evaluated subsequent events through June 8, 2022, the date the financial statements were available to be issued, and has determined that with the exception to the items noted below and in footnote 9, no material subsequent events exist that require disclosure.

During the year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Organization, COVID-19 may impact various parts of its 2022 operations and financial results. Management believes the Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still occurring subsequent to year-end.