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

Financial Statements
and Independent Auditor's Report

December 31, 2018 and 2017

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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CAMPBELL, RAPPOLD & YURASITS LLP

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the Greater Valley Young Men's Christian Association (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2018 and 2017 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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MEMBERS: American Institute of Certified Public Accountants • Pennsylvania Institute of Certified Public Accountants

Basis for Qualified Opinion

As explained in Note 2 to the financial statements, buildings and equipment that the 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 record 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 17 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.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Valley Young Men's Christian Association as of December 31, 2018 and 2017, 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.

Campbell, Rappold & Yurasits LLP

May 24, 2019

GREATER VALLEY YOUNG MEN'S CHRISTIAN ASSOCIATION
(A Not-for-Profit Organization)
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2018 and 2017

	2018	2017
Assets		
Assets		
Current Assets		
Cash and Cash Equivalents	$ 923,857	$ 495,412
Grants and Accounts Receivable (Note 3)	139,851	220,482
Pledges Receivable (Note 4)	11,555	32,484
Prepaid Expenses	124,781	129,416
Security Deposits	8,416	7,916
Inventory	828	-
Total Current Assets	1,209,288	885,710
Investments (Note 5)	1,773,250	1,830,045
Beneficial Interest in Perpetual Trusts (Note 6)	111,297	126,950
Land, Buildings and Equipment, Net (Note 7)	30,133,948	29,764,515
Total Assets	$ 33,227,783	$ 32,607,220
Liabilities and Net Assets		
Liabilities		
Current Liabilities		
Accounts Payable	$ 354,013	$ 257,585
Accrued Expenses	301,720	258,340
Deferred Revenue	129,441	188,033
Line of Credit (Note 8)	134,977	143,000
Current Portion of Notes Payable (Note 9)	127,291	123,247
Current Portion of Capital Lease Obligation (Note 11)	22,399	-
Total Current Liabilities	1,069,841	970,205
Notes Payable, less Current Portion (Note 9)	3,725,886	3,850,647
Capital Lease Obligation, less Current Portion (Note 11)	88,780	-
Total Liabilities	4,884,507	4,820,852
Net Assets		
Without Donor Restrictions (Note 12)	25,928,181	25,226,607
With Donor Restrictions (Note 12)	2,415,095	2,559,761
Total Net Assets	28,343,276	27,786,368
Total Liabilities and Net Assets	$ 33,227,783	$ 32,607,220

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, 2018

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2018
Operating Revenues, Gains and Other Support			
Contributions	$ 266,166	$ 112,200	$ 378,366
United Way Allocations	23,763	5,000	28,763
Corporate/Foundations	396,658	260,703	657,361
Government Grants and Contracts	2,920,410	-	2,920,410
Membership Fees, Net	3,048,576	-	3,048,576
Program Fees, Net	621,524	-	621,524
Childcare Fees, Net	3,415,077	-	3,415,077
	10,692,174	377,903	11,070,077
Special Events	178,293	-	178,293
Sales of Merchandise (Net of Direct Expenses)	23,987	-	23,987
Facility Rental Revenue	37,365	-	37,365
Miscellaneous	13,776	-	13,776
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	535,568	(535,568)	-
Total Revenues, Gains, and Other Support	11,481,163	(157,665)	11,323,498
Operating Expenses			
Program Services:			
Youth Development	6,094,051	-	6,094,051
Healthy Living	2,806,505	-	2,806,505
Social Responsibility	370,856	-	370,856
Management and General	818,421	-	818,421
Fundraising	578,353	-	578,353
Total Expenses	10,668,186	-	10,668,186
Increase (Decrease) in Net Assets from Operating Activities	812,977	(157,665)	655,312
Other Changes			
Interest and Dividends (Net of Fees of $14,681)	15,796	28,653	44,449
Changes in Beneficial Interest in Perpetual Trusts	-	(15,654)	(15,654)
Net Realized/Unrealized Gain/(Loss) on Investments	(127,895)	-	(127,895)
Net Realized/Unrealized Gain/(Loss) on Sale of Capital Assets	696	-	696
Total Other Changes	(111,403)	12,999	(98,404)
Increase (Decrease) in Net Assets	701,574	(144,666)	556,908
Net Assets at Beginning of Year	25,226,607	2,559,761	27,786,368
Net Assets at End of Year	$ 25,928,181	$ 2,415,095	$ 28,343,276

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, 2017

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2017
Operating Revenues, Gains and Other Support			
Contributions	$ 208,145	$ 2,406	$ 210,551
United Way Allocations	39,315	-	39,315
Corporate/Foundations	60,373	98,142	158,515
Government Grants and Contracts	1,928,860	-	1,928,860
Membership Fees, Net	3,026,928	-	3,026,928
Program Fees, Net	672,177	-	672,177
Childcare Fees, Net	3,321,221	-	3,321,221
	9,257,019	100,548	9,357,567
Special Events	178,360	-	178,360
Sales of Merchandise (Net of Direct Expenses)	18,500	-	18,500
Facility Rental Revenue	33,882	-	33,882
Branch Support	1,889	-	1,889
Miscellaneous	11,158	-	11,158
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	208,898	(208,898)	-
Total Revenues, Gains, and Other Support	9,709,706	(108,350)	9,601,356
Operating Expenses			
Program Services:			
Youth Development	5,729,814	-	5,729,814
Healthy Living	2,703,310	-	2,703,310
Social Responsibility	351,380	-	351,380
Management and General	766,464	-	766,464
Fundraising	545,999	-	545,999
Total Expenses	10,096,967	-	10,096,967
Increase (Decrease) in Net Assets from Operating Activities	(387,261)	(108,350)	(495,611)
Other Changes			
Interest and Dividends (Net of Fees of $13,196)	-	24,891	24,891
Changes in Beneficial Interest in Perpetual Trusts	-	10,065	10,065
Net Realized/Unrealized Gain/(Loss) on Investments	3,166	220,378	223,544
Total Other Changes	3,166	255,334	258,500
Increase (Decrease) in Net Assets	(384,095)	146,984	(237,111)
Net Assets at Beginning of Year	25,706,402	1,941,436	27,647,838
Transfer from YMCA - Allentown	(95,700)	471,341	375,641
Net Assets at End of Year	$ 25,226,607	$ 2,559,761	$ 27,786,368

See Independent Auditorōs 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, 2018

	Year Ended December 31, 2018							
	Program Services				Supporting Services			
	Youth Development	Healthy Living	Social Responsibility	Total	Management and General	Fund-raising	Total	2018
Wages	$ 2,822,370	$ 1,858,565	$ 195,039	$ 4,875,974	$ 489,326	$ 395,510	$ 884,836	$ 5,760,810
Employee Health, Retirement and Other Benefits	358,634	177,573	22,342	558,549	76,865	55,268	132,133	690,682
Payroll Taxes	258,270	167,123	17,725	443,118	53,569	34,287	87,856	530,974
Total Wages and Related Expenses	3,439,274	2,203,261	235,106	5,877,641	619,760	485,065	1,104,825	6,982,466
Contracted Services	162,357	49,596	8,831	220,784	91,060	2,000	93,060	313,844
Supplies	447,829	150,564	24,933	623,326	21,992	82,816	104,808	728,134
Telecommunications	57,637	27,686	3,555	88,878	14,754	577	15,331	104,209
Postage and Shipping	2,067	4,023	254	6,344	2,528	1,209	3,737	10,081
Occupancy	938,348	116,523	43,953	1,098,824	28,465	-	28,465	1,127,289
Equipment - Expendable or Rented	169,981	44,225	8,925	223,131	10,153	-	10,153	233,284
Printing, Publications and Promotions	68,209	20,184	3,683	92,076	3,743	3,445	7,188	99,264
Business Related Travel Costs	39,734	21,573	2,173	63,480	10,061	859	10,920	74,400
Conferences and Meetings	37,304	25,211	2,986	65,501	12,565	1,278	13,843	79,344
Dues to Y-USA and Other Organizations	138,304	10,502	6,214	155,020	-	344	344	155,364
Financing and Bank Costs	240,461	6,024	10,270	256,755	-	20	20	256,775
Business Insurance	156,181	7,126	6,805	170,112	-	740	740	170,852
Miscellaneous	1,228	95	41	1,364	-	-	-	1,364
Bad Debt Expense	23,580	27,535	2,130	53,245	-	-	-	53,245
Depreciation	171,557	92,377	10,997	274,931	3,340	-	3,340	278,271
Total	$ 6,094,051	$ 2,806,505	$ 370,856	$ 9,271,412	$ 818,421	$ 578,353	$ 1,396,774	$ 10,668,186

See Independent Auditorâs 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, 2017

	Year Ended December 31, 2017							
	Program Services				Supporting Services			
	Youth Development	Healthy Living	Social Responsibility	Total	Management and General	Fund-raising	Total	2017
Wages	$ 2,509,392	$ 1,796,194	$ 179,399	$ 4,484,985	$ 421,780	$ 373,032	$ 794,812	$ 5,279,797
Employee Health, Retirement and Other Benefits	399,085	164,143	23,468	586,696	84,302	56,095	140,397	727,093
Payroll Taxes	256,597	158,869	17,311	432,777	70,461	37,743	108,204	540,981
Total Wages and Related Expenses	3,165,074	2,119,206	220,178	5,504,458	576,543	466,870	1,043,413	6,547,871
Contracted Services	178,851	33,794	8,860	221,505	88,957	58,282	147,239	368,744
Supplies	355,476	176,490	22,165	554,131	15,216	5,409	20,625	574,756
Telecommunications	53,042	30,047	3,462	86,551	11,844	-	11,844	98,395
Postage and Shipping	16,143	14,016	1,257	31,416	20,837	1,887	22,724	54,140
Occupancy	949,949	75,885	42,743	1,068,577	19,967	500	20,467	1,089,044
Equipment - Expendable or Rented	127,975	71,682	8,319	207,976	8,745	99	8,844	216,820
Printing, Publications and Promotions	102,620	24,206	5,284	132,110	-	6,932	6,932	139,042
Business Related Travel Costs	51,686	22,351	3,085	77,122	18,656	4,108	22,764	99,886
Conferences and Meetings	15,611	7,963	982	24,556	5,381	1,241	6,622	31,178
Dues to Y-USA and Other Organizations	123,232	1,208	5,185	129,625	-	-	-	129,625
Financing and Bank Costs	215,830	6,857	9,279	231,966	-	-	-	231,966
Business Insurance	170,305	16,007	7,763	194,075	-	671	671	194,746
Miscellaneous	310	643	40	993	-	-	-	993
Bad Debt Expense	61,270	22,000	3,470	86,740	-	-	-	86,740
Depreciation	142,440	80,955	9,308	232,703	318	-	318	233,021
Total	$ 5,729,814	$ 2,703,310	$ 351,380	$ 8,784,504	$ 766,464	$ 545,999	$ 1,312,463	$ 10,096,967

See Independent Auditorõs 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, 2018 and 2017

	2018	2017
Cash Flows from Operating Activities		
Change in Net Assets	$ 556,908	$ (237,111)
Adjustments to Reconcile Change in Net Assets		
to Net Cash Provided (Used) by Operating Activities:		
Depreciation	278,271	233,021
(Gain) Loss on Investments	127,895	(223,544)
Gain on Sale of Assets	(696)	-
(Increase) Decrease in Beneficial Interest in Perpetual Trusts	15,654	(10,065)
(Increase) Decrease in Assets:		
Grants and Accounts Receivable	80,631	305,964
Pledges Receivable	20,929	122,810
Prepaid Expenses	4,635	(27,085)
Security Deposits	(500)	(2,450)
Inventory	(828)	-
Increase (Decrease) in Liabilities:		
Accounts Payable	96,428	(389,683)
Accrued Expenses	43,380	25,619
Deferred Revenue	(58,592)	(53,396)
Net Cash Provided (Used) by Operating Activities	1,164,115	(255,920)
Cash Flows from Investing Activities		
Purchase of Investments	(71,101)	(55,658)
Purchase of Equipment and Building Improvements	(524,542)	(227,877)
Net Cash Used by Investing Activities	(595,643)	(283,535)
Cash Flows from Financing Activities		
Repayments on Line of Credit	(8,023)	(7,000)
Repayments on Capital Lease Obligation	(11,287)	-
Repayments on Notes Payable	(120,717)	(305,186)
Net Cash Used by Financing Activities	(140,027)	(312,186)
Net Increase (Decrease) in Cash and Cash Equivalents	428,445	(851,641)
Cash and Cash Equivalents, at Beginning of Year	495,412	769,740
Cash Transfer from Allentown - YMCA	-	577,313
Cash and Cash Equivalents, at End of Year	$ 923,857	$ 495,412
Supplemental Disclosure:		
Loan Interest Paid	$ 141,632	$ 142,570
Equipment Purchased Through Capital Lease	$ 122,466	$ -

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 ï 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 ï 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.

Inventory

The Organization has a YMCA apparel store located at the Allentown YMCA. 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 participantsô 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 Recognition

Membership dues and program fees are recognized as revenue ratably over the period of membership or the duration of the program.

Contributions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the Statement of Activities as net assets released from restrictions.

The Organization reports gifts of land, buildings, and equipment as support without restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

2. Summary of Significant Accounting Policies (Continued)

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.

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, 2018, the Organization's uninsured cash balances totaled approximately $652,202.

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.

2. Summary of Significant Accounting Policies (Continued)

Income Tax Status (Continued)

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, 2018. 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 for the years ending 2016, 2017, and 2018 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.

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

Recently Adopted Accounting Pronouncement

In August 2016, the FASB issued Accounting Standards Update 2016-14 *Not-for-Profit Entities (Topic 958)*, regarding the reporting and disclosure requirements for not-for-profit organizations, effective for periods beginning after December 15, 2017. The pronouncement replaces the three classes of net assets with two new classes, requires the reporting of expenses by function and natural classification, enhances disclosures on liquidity and availability of resources, and includes several other less significant reporting enhancements. The Organization elected to adopted ASU 2016-14 for the year ending December 31, 2018 and it was applied retrospectively to the year ending December 31, 2017.

2. Summary of Significant Accounting Policies (Continued)

Recently Adopted Accounting Pronouncement (Continued)

The changes have the following effect on net assets at December 31, 2017:

Net Asset Class	As Originally Presented	After Adoption of ASU 2016-14
Unrestricted net assets	$ 25,226,607	$ -
Temporarily restricted net assets	1,013,798	-
Permanently restricted net assets	1,545,963	-
Net assets without donor restrictions	-	25,226,607
Net assets with donor restrictions	-	2,559,761
Total Net Assets	$ 27,786,368	$ 27,786,368

In addition, certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

3. Grants and Accounts Receivable

	2018	2017
Childcare	$ 189,062	$ 133,821
Membership	9,859	14,696
Programs	2,001	10,700
YMCA Management Fees	31,271	31,653
Other	11,388	86,759
	243,581	277,629
Less: Allowance for Doubtful Accounts	(103,730)	(57,147)
Total	$ 139,851	$ 220,482

4. Pledges Receivable

The majority of pledges received are in relation to the annual support campaign to support the Organization. Pledges receivable as of December 31, 2018 are unconditional and expected to be paid in 2019. A discount of 5% was calculated on pledges receivable with an expected date greater than one year and deemed to be insignificant. In addition, uncollectible pledges are expected to be insignificant; therefore management has decided that neither a discount on pledges receivable nor an allowance for uncollectible pledges receivable was 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.

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.

5. Fair Value Measurements (Continued)

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, 2018.

Common Stock: Valued at the closing price reported on the active market on which the individual securities are traded.

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.

The following table sets forth by level, within the fair value hierarchy, the Organization’s assets at fair value as of December 31, 2018 and 2017:

	Assets at Fair Value as of December 31, 2018			
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	$ 105,816	$ -	$ -	$ 105,816
Mutual Funds				
Small/Mid Cap	104,577	-	-	104,577
Large Cap	656,414	-	-	656,414
Developed International	161,429	-	-	161,429
Emerging International	77,341	-	-	77,341
Other International	59,478	-	-	59,478
Fixed Income				
U.S. Treasuries	29,495	-	-	29,495
Mortgage/Asset Backed	104,824	-	-	104,824
Multi-Sector	473,876	-	-	473,876
Beneficial Interest in Perpetual Trusts	-	-	111,297	111,297
Total Assets at Fair Value	$ 1,773,250	$ -	$ 111,297	$ 1,884,547

There were no transfers between Level 1, 2, and 3 investments during 2018 or 2017. Transfers are recognized at the end of the reporting period.

5. Fair Value Measurements (Continued)

	Assets at Fair Value as of December 31, 2017			
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	$ 92,834	$ -	$ -	$ 92,834
Mutual Funds				
Small/Mid Cap	123,076	-	-	123,076
Large Cap	825,470	-	-	825,470
Developed International	98,390	-	-	98,390
Emerging International	52,891	-	-	52,891
Other International	104,283	-	-	104,283
Fixed Income				
U.S. Treasuries	34,795	-	-	34,795
Mortgage/Asset Backed	78,113	-	-	78,113
Multi-Sector	420,193	-	-	420,193
Beneficial Interest in Perpetual Trusts	-	-	126,950	126,950
Total Assets at Fair Value	$ 1,830,045	$ -	$ 126,950	$ 1,956,995

The table below sets forth a summary of changes in the fair value of the Organizationǒs level 3 assets for the year ended December 31:

	Beneficial Interest in Perpetual Trusts	
	2018	2017
Balance, Beginning of Year	$ 126,950	$ -
Transfer from YMCA - Allentown	-	116,885
Net Realized/Unrealized Gains and Earnings	(8,728)	15,915
Income Distributions	(6,925)	(5,850)
Balance, End of Year	$ 111,297	$ 126,950

Gains and losses (realized and unrealized) included in the changes in net assets for the years above are reported in Changes in Beneficial Interest in Perpetual Trusts in the Statement of Activities.

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 trustsô 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 trustsô existences. Accordingly, the Organization records an asset ñBeneficial Interest in Perpetual Trustsò 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 Organizationõs pro-rata fair market value of the assets of the trusts. Income distributions received from the trusts were $6,925 and $5,850 in 2018 and 2017, 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.

	2018	2017
Assets Held at Insured Value	$ 28,427,464	$ 28,427,464
Assets Held at Cost		
Land	16,500	16,500
Land Improvements	861	29,169
Building and Building Improvements	2,476,885	2,230,859
Equipment	1,430,480	1,253,351
Vehicles	75,999	117,662
	32,428,189	32,075,005
Less: Accumulated Depreciation	(2,294,241)	(2,310,490)
Land, Buildings and Equipment, Net	$ 30,133,948	$ 29,764,515

Depreciation and amortization charged to expense for the years ended December 31, 2018 and 2017 was $278,271 and $233,021, 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% (5.50% at December 31, 2018). 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, 2018 and 2017 was $134,977 and $143,000, respectively. Interest paid on the line of credit was $6,295 and $6,124 for the years ended December 31, 2018 and 2017, respectively.

9. Notes Payable

In February 2013, the Organization entered into a 25 year, $1,500,000 open end note with a bank which can be drawn upon, as needed. The note is secured by real estate of the Organization's Slate Belt location. Interest is variable for the first 24 months at a rate of the Wall Street Journal Prime Rate plus 0.25% with a floor of 3.50% and a cap of 5.50%. For years 3 to 5, the Organization had a fixed rate interest of 3.95%. At the conclusion of the initial 5 year period, the interest rate will float at the Wall Street Journal Prime Rate plus 0.25% with a floor rate of 3.50% and a cap of 5.50%. Monthly payments of principal and interest are $8,327. The note was fully repaid in early 2017. Interest paid on the note was $1,564 for the year ended December 31, 2017.

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. One final payment of all unpaid principal and interest shall then be due on April 23, 2040. The note is secured by real estate of several of the Organization's branches. The outstanding balance on the note was $3,269,252 and $3,375,860 as of December 31, 2018 and 2017, respectively. Interest paid on the note was $98,680 and $103,780 for the years ended December 31, 2018 and 2017, respectively.

The Organization has a $650,000 note payable to the bank which is 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. The note is secured by real estate, assignment of rents and guarantee by the Allentown Branch of the Greater Valley YMCA. The outstanding balance on the note was $597,792 and $614,091 as of December 31, 2018 and 2017, respectively. Interest paid on the note was $30,297 and $31,101 for the years ended December 31, 2018 and 2017, respectively. Unamortized loan origination fees related to the loan were $13,867 and $16,057 for the years ended December 31, 2018 and 2017, respectively.

Maturities of long-term debt are as follows:

Due		
2019	$	127,291
2020		131,462
2021		135,776
2022		140,238
2023		144,854
Thereafter		3,187,423
	$	3,867,044

10. Operating Lease Obligations

The Organization leases various program equipment and properties under various noncancellable operating leases expiring at various dates through 2023. Rental expense for those leases was $204,062 and $184,040 for 2018 and 2017, 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,	2019	$	194,185
	2020		156,156
	2021		41,952
	2022		25,147
	2023		11,891
	Thereafter		-

11. Capital Lease Obligations

The Organization leases exercise equipment under a capital lease. The economic substance of the lease 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 asset has a cost of $122,466 and is included in Land, Buildings, and Equipment. The related accumulated depreciation is $11,286 and $0 at December 31, 2018 and 2017, respectively.

The lease agreement contains 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 lease together with their present value as of December 31, 2018:

	Capital Lease Obligation		
Year Ending December 31,			
	2019	$	27,754
	2020		27,754
	2021		27,754
	2022		27,754
	2023		14,428
Total Minimum Lease Payments			125,444
Less: Amount Representing Interest			(14,265)
Present Value of Minmum Lease Payments		$	111,179

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

12. Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of the following:

	For the Year Ended December 31, 2018	For the Year Ended December 31, 2017
Without Restrictions	$ (446,562)	$ (569,732)
Fixed Assets (Net of Debt)	26,169,592	25,790,621
Board Designated:		
Allentown Endowment Fund	2,684	3,109
Nazareth Endowment Fund	2,467	2,609
Capital Improvements/Repairs	200,000	-
Total Net Assets Without Donor Restrictions	$ 25,928,181	$ 25,226,607

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 the those locations.

12. Net Assets (Continued)

Net Assets With Donor Restrictions

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

	2018		2017	
Purpose Restricted:				
Camp Sponsorship	$ 19,800		$ 21,250	
Capital Improvements	62,387		243,369	
Childcare, Summer Feeding, 7th Grade Initiative	80,000		8,580	
Expansion	22,120		21,768	
Gymnastics/Dance Programs	-		10,000	
Health and Wellness Youth Programs	23,310		13,900	
Sports Wall and Related Equipment	25,000		25,000	
Swim Team	14,073		17,696	
Preschool Scolarships	14,000		-	
Early Childhood Education at Allentown YMCA	2,500		-	
Literacy Programs	8,000		-	
Diabetes Prevention Program	3,105		-	
Warming Station	56,505		-	
		$ 330,800		$ 361,563
Endowment:				
Earnings on Endowment	553,985		652,235	
Marhefka Fund	419,013		419,013	
Acopian Fund	1,000,000		1,000,000	
		1,972,998		2,071,248
Benefical Interest in Perpetual Trust:				
Lichtenwalner Trust	95,662		109,056	
Lentz Trust	15,635		17,894	
		111,297		126,950
Total Net Assets With Donor Restrictions		$ 2,415,095		$ 2,559,761

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

13. 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.

13. Endowment Net Assets (Continued)

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, 2018, total endowment composition by net asset fund is:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Donor Restricted Endowment	$ -	$ 1,972,998	$ 1,972,998
Board Designated Endowment	5,151	-	5,151
	$ 5,151	$ 1,972,998	$ 1,978,149

13. Endowment Net Assets (Continued)

As of December 31, 2017, total endowment composition by net asset fund is:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Donor Designated Endowment	$ -	$ 2,071,248	$ 2,071,248
Board Designated Endowment	5,718	-	5,718
	$ 5,718	$ 2,071,248	$ 2,076,966

Changes in endowment net assets for the year ended December 31, 2018 are as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Balance, Beginnning of Year	$5,718	$ 2,071,248	$2,076,966
Gifts and Contributions	-	1,293	1,293
Investment Income	-	26,288	26,288
Net Appreciation (Depreciation)	(492)	(126,910)	(127,402)
Interest on Loan Repayments	-	2,365	2,365
Amounts Released for Operations	(75)	(1,286)	(1,361)
Balance, End of Year	$ 5,151	$ 1,972,998	$ 1,978,149

Changes in endowment net assets for the year ended December 31, 2017 are as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Balance, Beginnning of Year	$ -	$ 1,823,573	$ 1,823,573
Gifts and Contributions	2,500	2,406	4,906
Investment Income	-	22,631	22,631
Net Appreciation (Depreciation)	445	220,378	220,823
Interest on Loan Repayments	-	2,260	2,260
Transfer from Allentown YMCA	2,773	-	2,773
Amounts Released for Operations	-	-	-
Balance, End of Year	$ 5,718	$ 2,071,248	$ 2,076,966

14. 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, 2018 and 2017 was $114,137 and $151,428, respectively. Interest paid on the loan was $1,344 and $1,715 for the years ended December 31, 2018 and 2017, respectively.

Principal repayments on the loan are as follows:

Years ending December 31,	2019	$	37,666
	2020		38,045
	2021		38,426

A previous review of the Bethlehem YMCA endowment fund conducted by a member of a bankós 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, 2018 and 2017 was $93,497 and $105,442, respectively. Interest paid on the loan was $912 and $545 for the years ended December 31, 2018 and 2017, respectively.

Principal repayments on the loan are as follows:

Years ending December 31,	2019	$	12,065
	2020		12,186
	2021		12,309
	2022		12,432
	2023		12,557
	Thereafter		31,948

15. Defined Contribution Plans

The Organization participates in two plans (Plans) sponsored by the YMCA Retirement Fund (the ñFundò). 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).

15. 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.

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 $204,043 and $201,274 for the years ended December 31, 2018 and 2017, respectively.

16. 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, 2018 and 2017 was $141,736 and $123,271, respectively.

17. 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 Young Men's Christian Association of Bethlehem 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.

18. Advertising Expense

Advertising costs are expensed as incurred and were $99,268 and $139,046 the years ended December 31, 2018 and 2017, respectively.

19. Memorandum of Understanding

Effective July 1, 2016, the Organization signed a Memorandum of Understanding with the Pocono Family YMCA. The Memorandum of Understanding is for the Organization to provide fiscal oversight, leadership, and suggestions for improvement to the Pocono Family YMCA for up to 2 years, during which time the Organization will pay monthly fees for these services. Subsequent to December 31, 2016, Pocono Family YMCA is no longer paying monthly fees and during 2017 the Memorandum of Understanding was approved for termination. Effective in January 2019, the Pocono Family YMCA has started to reimburse the Organization a monthly reimbursement of $2,000.

20. Business Combination

Effective January 1, 2017, by action of each of the Board of Directors of Greater Valley Young Men's Christian Association and Young Men's Christian Association (Allentown), the organizations agreed to combine services. The combination was accounted for as an acquisition under accounting principles generally accepted in the United States of America whereby Young Men's Christian Association was acquired by Greater Valley Young Men's Christian Association after the Board of Directors was dissolved. The primary reason for the acquisition was to provide efficiency and increase effectiveness of similar programs that were run by the two Organizations.

The Organization did not pay any consideration during the acquisition and assumed total net assets from the Young Men's Christian Association totaling $375,641, which included land, buildings, and equipment, at cost. All acquisition related costs were recognized as an expense.

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 balance sheet date, comprise the following:

Cash and Cash Equivalents	$ 923,857
Accounts Receivable	139,851
Pledges Receivable	11,555
Investments	1,773,250
Total Financial Assets at Year End	2,848,513
Expected Distributions from Beneficial Interest in Perpetual Trusts	6,925
Less those Unavailable for General Expenditures within One Year Due to:	
Contractual or Donor-Imposed Restrictions:	
Restricted by Donor with Time or Purpose Restrictions	(2,303,798)
Board-Designations:	
Quasi-Endowment Fund	(5,151)
Capital Improvements/Repairs	(200,000)
	$ 346,489

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 $5,151 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 Boardꞌs 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 $165,023 as of December 31, 2018, 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 May 24, 2019, the date the financial statements were available to be issued, and has determined no material subsequent events exist that require disclosure.