

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION
DECEMBER 31, 2022**

AND

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

DECEMBER 31, 2022

C O N T E N T S

	<u>PAGE</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1
BASIC FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF ACTIVITIES	3
STATEMENT OF FUNCTIONAL EXPENSE	4
STATEMENT OF CASH FLOWS	5
NOTES TO THE FINANCIAL STATEMENTS	6
SUPPLEMENTAL INFORMATION	
COMBINING STATEMENT OF ACTIVITIES	11

SAGER, SWISHER AND COMPANY, LLP

Certified Public Accountants and Consultants
www.sagerswisher.com

Partners

John D. Murr, CPA
Michael L Reiner, CPA
Lori L. Royer, CPA

Members

American Institute of
Certified Public Accountants

Pennsylvania Institute of
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Mountville Community Services Foundation
Mountville, Pennsylvania

We have reviewed the accompanying financial statements of Mountville Community Services Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expense and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Accountant's Responsibility

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

We are required to be independent of the Mountville Community Services Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information included in the combining statement of activities is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Sager, Swisher and Company, LLP

Lancaster, Pennsylvania
September 19, 2023

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022**

	<u>2022</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 139,450
Prepaid Income Taxes	<u>47</u>
Total Current Assets	<u>139,497</u>
Property and Equipment - At Cost, Less Accumulated	
Depreciation of \$1,240,452	<u>679,028</u>
TOTAL ASSETS	<u>\$ 818,525</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Current Liabilities	
Payroll Taxes Withheld	\$ 38
Due to Other Organizations	<u>81,652</u>
Total Current Liabilities	<u>81,690</u>
TOTAL LIABILITIES	<u>81,690</u>
NET ASSETS	
Without Donor Restrictions	723,773
With Donor Restrictions	<u>13,062</u>
TOTAL NET ASSETS	<u>736,835</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 818,525</u>

See accompanying notes and independent accountant's review report.

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, SUPPORT AND GAINS			
Full Season Pass	\$ 75,515	\$ --	\$ 75,515
Daily Pool Charges	98,300	--	98,300
Snack Bar Sales	28,620	--	28,620
Miscellaneous Income	650	--	650
Contributions	54,831	--	54,831
Fundraising Income	23,871	--	23,871
Government Grant Income	25,000	--	25,000
Net Assets Released from Restrictions	<u>4,000</u>	<u>(4,000)</u>	<u>--</u>
TOTAL REVENUES, SUPPORT AND GAINS	<u>310,787</u>	<u>(4,000)</u>	<u>306,787</u>
EXPENSES AND LOSSES			
Program Service	257,721	--	257,721
Management and General	10,456	--	10,456
Fundraising	<u>28,199</u>	<u>--</u>	<u>28,199</u>
TOTAL EXPENSES AND LOSSES	<u>296,376</u>	<u>--</u>	<u>296,376</u>
INCREASE (DECREASE) IN NET ASSETS	14,411	(4,000)	10,411
NET ASSETS – BEGINNING OF YEAR	<u>709,362</u>	<u>17,062</u>	<u>726,424</u>
NET ASSETS – END OF YEAR	<u>\$ 723,773</u>	<u>\$ 13,062</u>	<u>\$ 736,835</u>

See accompanying notes and independent accountant's review report

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022**

	<u>COMMUNITY AND RECREATION SERVICES</u>	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>TOTAL FUND- RAISING</u>	<u>TOTAL</u>
Personnel					
Salaries and Wages	\$ 71,589	\$ 71,589	\$ --	\$ --	\$ 71,589
Payroll Taxes/Benefits	6,356	6,356	--	--	6,356
Operating Expenses					
Professional Fees	--	--	9,286	--	9,286
Utilities	14,095	14,095	--	--	14,095
Insurance	14,807	14,807	--	--	14,807
Computer / Office Expense	4,582	4,582	--	--	4,582
Park Repairs and Maintenance	13,694	13,694	--	--	13,694
Equipment Repairs	5,036	5,036	--	--	5,036
Depreciation	39,675	39,675	--	--	39,675
Pool Expense	44,856	44,856	--	--	44,856
Water and Sewer	7,175	7,175	--	--	7,175
Telephone	2,438	2,438	--	--	2,438
Alarm System	6,204	6,204	--	--	6,204
Snack Bar Purchases	--	--	--	22,175	22,175
Bank Charges	--	--	593	--	593
Credit Card Fees	--	--	85	--	85
Postage	--	--	492	--	492
Fireworks	13,000	13,000	--	--	13,000
Interest	1,562	1,562	--	--	1,562
Concert	4,000	4,000	--	--	4,000
Trash	1,500	1,500	--	--	1,500
Miscellaneous	5,260	5,260	--	--	5,260
Golf Outing/Fundraising	--	--	--	6,024	6,024
Contributions/Community Outreach	1,892	1,892	--	--	1,892
TOTAL EXPENSES	<u>\$ 257,721</u>	<u>\$ 257,721</u>	<u>\$ 10,456</u>	<u>\$ 28,199</u>	<u>\$ 296,376</u>

See accompanying notes and independent accountant's review report.

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022**

	2022
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 10,411
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities	39,675
Depreciation	
(Increase) Decrease in Prepaid Income Taxes	3
Increase (Decrease) in Payroll Taxes Withheld	2
Prepaid Memberships	(35,003)
Due to Other Organizations	<u>19,629</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>34,717</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
(Purchase) of Fixed Assets	(23,667)
Withdrawal of Investments, Net	<u>35,000</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>11,333</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Payment on Line of Credit	<u>(37,575)</u>
NET CASH (USED) BY FINANCING ACTIVITIES	<u>(37,575)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,475
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>130,975</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 139,450</u>

**SUPPLEMENTAL CASH FLOW DISCLOSURES
YEAR ENDED DECEMBER 31, 2022**

Cash Paid for	
Interest	\$ 1,562
Income Taxes	\$ --

See accompanying notes and independent accountant's review report.

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 - ORGANIZATION SUMMARY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION SUMMARY

Mountville Community Services Foundation (the Foundation) is a private foundation which was created for the purpose of establishing and operating a community park, swimming pool, and multi-purpose building, including recreational, meeting and educational facilities and programs, exclusively for charitable purposes.

The Foundation is recognized as a tax-exempt Foundation under Internal Revenue Code Section 501(c)(3). The Foundation has been classified as a private foundation under Code Section 509(a). Investment income is taxable to a private foundation.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The Foundation follows the accrual basis of accounting. Revenue is recognized in the period in which earned. Expenses are recognized when incurred.

B. Financial Statement Presentation

The financial statements of Mountville Community Services Foundation have been prepared in accordance with the FASB ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements for Not-for-Profit Entities, which requires Mountville Community Services Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Mountville Community Services Foundation management and the board of directors.

With donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Mountville Community Services Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities

C. Revenue Recognition

The Financial Accounting Standards Board issued ASU 2014-09 Revenue from Contracts with Customers which is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgements and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. Management has determined this ASU does not have significant impact on the financial statements.

The Foundation recognizes contributions when cash, securities, other assets or an unconditional promise to give are received. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and /or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a 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 restrictions and reported in the statements of activities as net assets released from restrictions.

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 - ORGANIZATION SUMMARY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

C. Revenue Recognition (Continued)

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Revenues derived from season pass sales are recognized over the pool season period, which is generally from late May through early September. Revenues derived from daily pool charges are recognized at time of admission. Revenues derived from snack bar sales are recognized when the goods are delivered to the buyer.

D. Cash and Cash Equivalents

The Foundation considers deposits that can be redeemed on demand and highly liquid short-term investments with an original maturity of three months or less, when purchased, to be cash equivalents.

E. Investments

Investments consist of certificates of deposit with original maturities in excess of three months. The investments are carried at cost which approximates market value.

F. Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized as determined by management. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

G. Functional Expense Allocation Method

Functional expenses are charged directly to programs, management and general, or fundraising expense on specific identification of the expense purpose. Certain costs are allocated between two or more of these functional categories. Such allocations are determined by management on an equitable basis according to the following methods of allocation:

<u>Expense</u>	<u>Method of Allocation</u>
Personnel	Time and Effort
Operating Expenses	Direct

H. Advertising

The Foundation follows the policy of charging the cost of advertising to expense as incurred. Amounts charged to expense for advertising were \$526 for the year ended December 31, 2022.

I. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 - ORGANIZATION SUMMARY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

J. Uncertain Tax Positions

The Foundation has adopted the provisions of the FASB ASC Topic relating to Income Taxes, relating to accounting for uncertainty in income taxes. The Foundation recognizes the benefits or liabilities associated with a tax position during the period which, bases on available evidence, management believes it is more likely than not that the position will be upheld upon examination. Tax positions that are other than routine business transactions are reevaluated annually. Generally, the statute of limitations for filing returns is three years from the date of filing.

Management is not aware of any uncertain tax positions taken by the Foundation.

K. Compensated Absences

It is the Foundation's policy to record an accrued liability for material compensated absences. There were no material compensated absences requiring recognition as a liability as of December 31, 2022.

L. Date of Management's Review

Management has evaluated subsequent events through September 19, 2023, the date the financial statements were available to be issued.

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents bank balances consist of the following as of December 31, 2022:

Fulton Bank – Demand Deposits	<u>\$140,202</u>
-------------------------------	------------------

As of December 31, 2022, the bank balances of \$140,202 were fully covered by Federal Depository Insurance.

NOTE 3 - DUE TO OTHER ORGANIZATIONS

The Foundation has received funds on behalf of the Mountville Welfare Association to be utilized by other community organizations. The Association determines usage of the funds based on requests by various community organizations. As of December 31, 2022, the current available balance was \$81,652.

NOTE 4 - LINE OF CREDIT

The Foundation has available a line of credit of \$250,000 with Fulton Bank. Borrowings on the line of credit are unsecured. The balance outstanding at December 31, 2022 was \$0. Interest is charged at the bank's prime rate plus 2.5%.

NOTE 5 - FEDERAL INCOME TAXES

The Foundation incurred federal excise taxes on investment income of \$0 for the year ended December 31, 2022.

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 - PROPERTY AND EQUIPMENT

Major classifications of property and equipment and their respective depreciable lives are as follows:

	Balance January 1, <u>2022</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2022</u>	<u>Depreciable Lives</u>
Land	\$ 351,038	\$ --	\$ --	\$ 351,038	
Building Development Costs	11,831	--	--	11,831	40 Years
Park Improvements	224,225	--	--	224,225	5 - 40 Years
Park Equipment	23,718	--	--	23,718	3 - 7 Years
Field House	147,745	--	--	147,745	40 Years
Pool Development Costs	293,507	--	--	293,507	20 Years
Pool Equipment	113,945	--	--	113,945	5 - 15 Years
Pool Improvements	504,143	23,667	--	527,810	5 - 20 Years
Bathhouse	143,345	--	--	143,345	5 - 40 Years
Leasehold Improvements	47,632	--	--	47,632	10 Years
Paving Parking Lot	<u>34,684</u>	<u>--</u>	<u>--</u>	<u>34,684</u>	15 Years
	<u>\$ 1,895,813</u>	<u>\$ 23,667</u>	<u>\$ --</u>	1,919,480	
Less Accumulated Depreciation				<u>1,240,452</u>	
Net Property and Equipment				<u>\$ 679,028</u>	

Depreciation expense totaled \$39,675 for the year ended December 31, 2022.

NOTE 7 - NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of the following as of December 31, 2022:

Unrestricted Funds \$ 723,773

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are classified as follows as of December 31, 2022:

Summer Concert Series \$ 13,062

NOTE 9 - AVAILABILITY AND LIQUIDITY

The following represents the Foundation's financial assets at December 31, 2022:

Financial Assets at Year End:

Cash and Cash Equivalents \$ 139,450

Less amounts not available to be used within one year:

Net Assets with Donor Restrictions (13,062)

Financial Assets available to meet general expenditures

Over the next twelve months \$ 126,388

The Organization has \$126,388 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash and cash equivalents and certificates of deposit. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date.

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 10 - RISK MANAGEMENT

The Foundation is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Foundation has purchased various insurance policies to safeguard its assets from risk of loss. Insurance coverage appears to be consistent with the previous year. During the year ended December 31, 2022, and the two preceding years, no settlements exceeded insurance coverage.

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

SUPPLEMENTAL INFORMATION

DECEMBER 31, 2022

**MOUNTVILLE COMMUNITY SERVICES FOUNDATION
MOUNTVILLE, PENNSYLVANIA**

**COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

	Pool	All Other Activities	Total
REVENUE AND GAINS			
Full Season Pass	\$ 75,515	\$ --	\$ 75,515
Daily Pool Charges	98,300	--	98,300
Snack Bar Sales	28,620	--	28,620
Miscellaneous Income	650	--	650
Contributions	54,831	--	54,831
Government Grant Income	25,000	--	25,000
Fundraising Income	--	23,871	23,871
	282,916	23,871	306,787
TOTAL REVENUE AND GAINS			
EXPENSES AND LOSSES			
Wages	68,074	3,515	71,589
Payroll Taxes	6,087	269	6,356
Professional Fees	--	9,286	9,286
Utilities	6,360	7,735	14,095
Insurance	14,807	--	14,807
Computer/Office Expense	3,811	771	4,582
Park Repairs and Maintenance	--	13,694	13,694
Equipment Repairs	--	5,036	5,036
Depreciation	28,799	10,876	39,675
Pool Expense	44,856	--	44,856
Water and Sewer	7,175	--	7,175
Telephone	2,438	--	2,438
Alarm System	6,204	--	6,204
Snack Bar Purchases	22,175	--	22,175
Bank Charges	--	593	593
Credit Card Fees	--	85	85
Postage	--	492	492
Fireworks	--	13,000	13,000
Interest Expense	--	1,562	1,562
Concert	--	4,000	4,000
Trash	--	1,500	1,500
Miscellaneous	3,897	1,363	5,260
Golf Outing/Fundraising	--	6,024	6,024
Contributions/Community Outreach - MWA	--	1,892	1,892
	\$ 214,683	\$ 81,693	296,376
TOTAL EXPENSES AND LOSSES			
INCREASE IN NET ASSETS			10,411
NET ASSETS – BEGINNING OF YEAR			726,424
NET ASSETS – END OF YEAR			\$ 736,835

See independent accountant's review report.