PRINCETON-BLAIRSTOWN CENTER, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Princeton-Blairstown Center, Inc.
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December 31, 2023 and 2022

Lear & Pannepacker, LLP
Certified Public Accountants & Advisors

Accountants and Advisors for Entrepreneurial Minds
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Princeton-Blairstown Center, Inc.

Opinion

We have audited the accompanying financial statements of Princeton-Blairstown Center, Inc. (a not-for-profit corporation), which comprise the statements of financial position as of December 31, 2023 and 2022, 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, the financial statements referred to above present fairly, in all material respects, the financial position of Princeton-Blairstown Center, Inc. as of December 31, 2023 and 2022, 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 Opinion

We conducted our audits 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 Princeton-Blairstown Center, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Princeton-Blairstown Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Princeton
791 Alexander Road, Princeton, NJ 08540
T +1 609 452 2200
F +1 609 452 1065

Hamilton
2279 State Hwy #33, Suite 512 Hamilton, NJ 08690
T +1 609 807 2200
F +1 609 981 7373

Newtown
677 S. State Street, Suite # 2, Newtown, PA 18940
T +1 267-756-2200
F +1 267-364-5574

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, including omissions, 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 Princeton-Blairstown Center, Inc.'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 Princeton-Blairstown Center, Inc.'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.

Lear & Pannepacker, LLP

Princeton, New Jersey
March 5, 2024

Princeton-Blairstown Center, Inc.
Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Current assets		
Cash and cash equivalents	$ 842,507	$ 1,144,198
Certificates of deposit	407,055	--
Investments	42,889,218	38,991,969
Contributions receivable	74,413	139,065
Accounts receivable	3,555	4,128
Prepaid expenses and other current assets	24,965	21,689
Total current assets	44,241,713	40,301,049
Property and equipment, net	4,303,131	4,059,593
Other assets		
Security deposit	1,515	1,515
Total assets	$ 48,546,359	$ 44,362,157
Liabilities and net assets		
Current liabilities		
Current portion of long-term debt	$ 33,624	$ 32,962
Accounts payable	31,748	50,735
Accrued expenses	65,033	61,706
Deferred revenue	65,555	37,216
Other current liabilities	2,050	2,550
Total current liabilities	198,010	185,169
Long-term debt, net of current portion	548,275	581,899
Total liabilities	746,285	767,068
Net assets		
Without donor restrictions		
Undesignated	4,910,855	4,513,452
Board-designated	1,641,521	2,483,047
With donor restrictions	41,247,698	36,598,590
Total net assets	47,800,074	43,595,089
Total liabilities and net assets	$ 48,546,359	$ 44,362,157

See notes to financial statements

Princeton-Blairstown Center, Inc.
Statement of Activities
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Program fees			
Subsidized fees from primary service population groups	$ 303,158	$ --	$ 303,158
General public fees	210,746	--	210,746
Contributions of financial assets			
Contributions	245,675	--	245,675
Grants and gifts	195,794	--	195,794
Special events			
Special events income	161,668	--	161,668
Less costs of direct benefits to donors	(26,698)	--	(26,698)
Investment income	233,745	5,495,945	5,729,690
Other income	47,597	--	47,597
	1,371,685	5,495,945	6,867,630
Net assets released from restrictions	846,837	(846,837)	--
Total support and revenue	2,218,522	4,649,108	6,867,630
Expenses			
Program services	2,133,909	--	2,133,909
Administrative services	348,954	--	348,954
Fundraising	179,782	--	179,782
Total expenses	2,662,645	--	2,662,645
Change in net assets	(444,123)	4,649,108	4,204,985
Net assets - beginning of year	6,996,499	36,598,590	43,595,089
Net assets - end of year	$ 6,552,376	$ 41,247,698	$ 47,800,074

See notes to financial statements

Princeton-Blairstown Center, Inc.
Statement of Activities
Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Program fees			
Subsidized fees from primary service population groups	$ 270,533	$ --	$ 270,533
General public fees	256,573	--	256,573
Contributions of financial assets			
Contributions	188,112	--	188,112
Grants and gifts	187,800	35,000	222,800
Special events			
Special events income	89,249	--	89,249
Less costs of direct benefits to donors	(14,804)	--	(14,804)
Investment loss	(272,134)	(6,770,875)	(7,043,009)
Other income	27,380	--	27,380
	732,709	(6,735,875)	(6,003,166)
Net assets released from restrictions	878,742	(878,742)	--
Total support and revenue	1,611,451	(7,614,617)	(6,003,166)
Expenses			
Program services	1,906,445	--	1,906,445
Administrative services	271,101	--	271,101
Fundraising	161,376	--	161,376
Total expenses	2,338,922	--	2,338,922
Change in net assets	(727,471)	(7,614,617)	(8,342,088)
Net assets - beginning of year	7,723,970	44,213,207	51,937,177
Net assets - end of year	$ 6,996,499	$ 36,598,590	$ 43,595,089

See notes to financial statements

Princeton-Blairstown Center, Inc.
Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services	Administrative Services	Fundraising	Total
Salaries and payroll taxes	$ 1,181,135	$ 177,417	$ 140,887	$ 1,499,439
Depreciation	248,054	--	--	248,054
Employee benefits	158,176	38,738	10,147	207,061
Insurance	127,017	8,195	1,366	136,578
Professional services	28,314	85,775	6,616	120,705
Food and beverage	103,415	116	3,311	106,842
Repairs and maintenance	92,900	--	--	92,900
Materials and supplies	74,759	1,578	98	76,435
Utilities	62,188	2,448	1,224	65,860
Rents	4,057	16,375	2,299	22,731
Travel and transportation	12,555	6,619	417	19,591
Information technology	6,388	3,774	4,355	14,517
Outside contracted services	14,359	--	--	14,359
Media and promotion	5,097	--	9,062	14,159
Interest expense	12,133	--	--	12,133
Credit card fees	--	7,919	--	7,919
Training and meetings	2,892	--	--	2,892
Real estate taxes	470	--	--	470
Total expenses	$ 2,133,909	$ 348,954	$ 179,782	$ 2,662,645

See notes to financial statements

Princeton-Blairstown Center, Inc.
Statement of Functional Expenses
Year Ended December 31, 2022

	Program Services	Administrative Services	Fundraising	Total
Salaries and payroll taxes	$ 1,076,527	$ 166,698	$ 132,366	$ 1,375,591
Depreciation	239,150	--	--	239,150
Employee benefits	138,880	21,516	4,656	165,052
Insurance	100,493	6,483	1,081	108,057
Professional services	12,713	35,978	2,171	50,862
Food and beverage	74,657	346	--	75,003
Repairs and maintenance	88,881	--	--	88,881
Materials and supplies	45,382	804	1,843	48,029
Utilities	74,401	2,573	1,287	78,261
Rents	4,515	17,065	2,559	24,139
Travel and transportation	7,349	7,415	569	15,333
Information technology	7,332	4,333	4,999	16,664
Outside contracted services	19,576	--	--	19,576
Media and promotion	5,538	--	9,845	15,383
Interest expense	10,573	--	--	10,573
Credit card fees	--	7,890	--	7,890
Real estate taxes	478	--	--	478
Total expenses	$ 1,906,445	$ 271,101	$ 161,376	$ 2,338,922

See notes to financial statements

Princeton-Blairstown Center, Inc.
Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Change in net assets	$ 4,204,985	$(8,342,088)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	248,054	239,150
(Gain) loss on disposition of property and equipment	(12,532)	7,790
Investment (income) loss restricted to long-term investment	(5,714,698)	7,043,473
Accrued interest on certificates of deposit	(14,471)	--
(Increase) decrease in operating assets:		
Contributions receivable	64,652	28,142
Accounts receivable	573	(4,128)
Payroll tax assistance - CARES Act	--	55,109
Prepaid expenses and other current assets	(3,276)	(18,644)
Increase (decrease) in operating liabilities:		
Accounts payable	(18,987)	3,876
Accrued expenses	3,327	(1,011)
Deferred revenue	28,339	21,780
Other current liabilities	(500)	200
Net cash used in operating activities	(1,214,534)	(966,351)
Cash flows from investing activities		
Purchase of certificates of deposit	(392,584)	--
Proceeds from disposition of property and equipment	17,550	1,800
Acquisition of property and equipment	(496,610)	(182,668)
Proceeds from sale of investments	1,817,449	832,768
Net cash provided by investing activities	945,805	651,900
Cash flows from financing activities		
Principal payments on long-term debt	(32,962)	(32,312)
Net cash used in financing activities	(32,962)	(32,312)
Net change in cash	(301,691)	(346,763)
Cash at beginning of year	1,144,198	1,490,961
Cash at end of year	$ 842,507	$ 1,144,198
Supplementary disclosures of cash flow information		
Cash paid for the year for interest	$ 12,133	$ 10,573

See notes to financial statements

Note 1 – Summary of significant accounting policies

Significant accounting policies followed by Princeton-Blairstown Center, Inc. (the "Center") in the preparation of the accompanying financial statements are summarized below:

Nature of the Center and geographic concentrations

Princeton-Blairstown Center, Inc. is an independent, stand-alone youth development organization whose mission is to serve young people, primarily from historically marginalized communities, by nurturing their social-emotional skills through experiential, environmental, and adventure-based programming. Developing these skills enables the Center's participants to engage in self-discovery and transform their communities to create a more just world. Each year the Center's progressive education programs serve nearly 8,000 young people and chaperones from New York, New Jersey, and Pennsylvania. This work takes place at the Center's 268-acre campus located in Blairstown, New Jersey. The Center maintains an administrative office in Princeton, New Jersey.

The Summer Bridge Program is a one week leadership and academic enrichment program which runs throughout the summer and serves young people from low-income communities, free of charge, and helps students lessen summer learning loss; build social-emotional skills like cooperation, communication, creativity, critical-thinking, and responsibility; and form positive, supportive relationships with peers and adults. Students spend approximately three hours a day engaged in hands-on literacy; science, technology, engineering, and math (STEM); and STEAM (STEM + arts) work; an hour a day in waterfront activities (swimming/canoeing/kayaking); and three hours a day in leadership, team-building, and problem-solving activities.

Basis of financial statement presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Princeton-Blairstown Center, Inc. and changes therein are classified and reported as follows:

Net assets without donor restrictions

Net assets without donor restrictions represent all net assets that are not subject to donor-imposed stipulations. These net assets may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Contributions with donor-imposed restrictions that are met during the same year as the contribution is received are included in unrestricted support that increases net assets without donor restrictions.

Net assets with donor restrictions

Net assets with donor restrictions include donor-restricted contributions which are required to be held in perpetuity, with all or part of the income earned to be used for general or specific purposes. Other contributions are subject to donor-imposed stipulations that may or will be met, either by actions of Princeton-Blairstown Center, Inc. and/or the passage of time. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Note 1 – Summary of significant accounting policies (continued)

Cash and cash equivalents
The Center considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash and cash equivalents.

Investments
The Center carries investments in managed investment funds at fair value, as determined by fund managers. Unrealized gains and losses are included in the accompanying financial statements.

Accounts receivable
Accounts receivable primarily consists of amounts due from program fees. Extension of credit and credit terms are determined by management. The amounts are stated as unpaid balances, less an allowance for doubtful accounts. The allowance is based on management's estimation of collectibility. It is the Center's policy to charge off uncollectible receivables when management determines that it has exhausted all collection efforts. There was no allowance for doubtful accounts at December 31, 2023 and 2022.

Property and equipment
Land and certain building improvements acquired in 1930 are carried at their 1974 appraised market values. All other acquisitions, improvements, and replacements of major assets are capitalized at cost, or if donated, at the approximate fair value at the date of donation. Gifts of property and equipment 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 property and equipment are reported as contributions with donor restrictions. Absent explicit donor stipulations about how those assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Repairs which neither increase the value of the asset nor extend its useful life are expensed as incurred. Acquisitions of property and equipment in excess of $5,000 that meet the capitalization requirements are capitalized. As assets are sold or retired, the cost and accumulated depreciation is removed from the accounts and any gain or loss is recognized. Depreciation is computed using the straight-line method at rates based on the estimated useful life of the asset, which range from 5 to 20 years. Assets with indefinite lives, such as land, are not depreciated but instead reviewed annually for impairment.

Compensated absences
Employees of the Center are entitled to paid vacations. The Center has estimated the amount of compensation for future absences, and accordingly, the liability has been recorded in the accompanying financial statements. The Center's policy is to recognize the costs of compensated absences when earned, instead of when paid to employees.

Note 1 – Summary of significant accounting policies (continued)

Revenue and support recognition
The Center records contributions and grants as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of their time or purpose restrictions. However, if a restriction is fulfilled in the same time period in which the contribution or grant is received, the Center reports the support as without donor restrictions. Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk free interest rates applicable to the years in which the promises are received to discount the amounts.

The Center recognizes revenues from program fees and fees for services in the period the service is rendered.

Contributions of nonfinancial assets
The Center recognizes contributions of nonfinancial assets, including donated materials and services, to the extent that these items are able to be reasonably valued and provide tangible benefit to the Center. Donations of materials, property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated nonfinancial asset to a specific purpose. Donated services are recognized if the services create or enhance new financial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Center. There were no donated services meeting the criteria for recognition received in the years ended December 31, 2023 and 2022.

Volunteers also provide a variety of services throughout the year that are not recognized as contributions in the financial statements since they do not meet the criteria for recognition under U.S. GAAP.

Contract balances
The timing of revenue recognition, billings, and cash collections results in accounts receivable and deferred revenue on the statement of financial position. Income from program service fees is recognized at the time the related services are provided. Deposits received in advance of these services are reflected as deferred revenue.

The table below shows beginning and ending contract balances for the years ended December 31, 2023 and 2022.

	Accounts receivable		Deferred revenue	
	2023	2022	2023	2022
Beginning of year	$ 4,128	$ --	$ 37,216	$ 15,436
End of year	$ 3,555	$ 4,128	$ 65,555	$ 37,216

Note 1 – Summary of significant accounting policies (continued)

Income taxes

The Center is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. The Center is classified as a publicly supported organization which is not a private foundation as defined by Section 509(a) of the Code.

In accordance with ASC Topic 740 "*Accounting for Uncertainty in Income Taxes*", the Center has evaluated its tax positions. A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that has a likelihood of being realized on examination of more than fifty percent. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. Under the "more likely than not" threshold guidelines, the Center believes no significant uncertain tax positions exist, either individually or in the aggregate, that would give rise to the non-recognition of an existing tax benefit. In addition, the Center had no material unrecognized tax benefits or accrued interest and penalties.

The Center's policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in income tax expense.

Functional allocation of expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the statement of functional expenses.

Costs are allocated between fundraising, administrative services or the appropriate program based on evaluation of the related benefits to the Center. Administrative service expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Center.

Use of estimates

Management uses estimates and assumptions in preparing its financial statements in accordance with U.S. GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Reclassifications

Certain amounts previously reported in the financial statements for the year ended December 31, 2022 have been reclassified to conform to the December 31, 2023 classifications.

Note 2 – Unconditional promises to give

Unconditional promises to give are recognized as revenues in the period that the promise is received. Unconditional promises to give at December 31 were as follows:

	2023	2022
Receivable in less than one year	$ 74,413	$ 110,965
Receivable in one to five years	--	28,100
Net unconditional promises to give	$ 74,413	$ 139,065

The Center reflects multi-year pledges at face value, as the difference between recorded amounts and their present values was not considered significant at December 31, 2023 and 2022.

Note 3 – Property and equipment

The following is a summary of property and equipment at December 31:

	2023	2022
Land (non-depreciable)	$ 783,653	$ 783,653
Land improvements	1,468,688	1,439,006
Buildings and improvements	4,668,569	4,402,676
Equipment	660,932	596,329
Construction in progress	149,922	131,125
	7,731,764	7,352,789
Less: accumulated depreciation	(3,428,633)	(3,293,196)
Property and equipment, net	$ 4,303,131	$ 4,059,593

Depreciation expense totaled $248,054 and $239,150 for the years ended December 31, 2023 and 2022, respectively.

Note 4 – Investments

The Center's investments consist of comingled funds maintained with State Street Global Advisors (beginning in the year ended December 31, 2023) and various primary pool accounts maintained with Commonfund Asset Management Company, Inc. These investments are segregated based on the donor and/or board designated purposes of the original investments. The Center has also invested in certificates of deposit at December 31, 2023.

Investment income (loss) in the accompanying statements of activities includes interest and dividends, realized and unrealized gains (losses) and are net of investment expenses. The components of investment income (loss) for the years ended December 31 are as follows:

	2023	2022
Interest and dividends	$ 14,992	$ 464
Realized gains	11,216,842	911,509
Unrealized losses	(5,476,421)	(7,865,259)
Investment management fees	(25,723)	(89,723)
Net investment income (loss)	$ 5,729,690	$(7,043,009)

Note 4 – Investments (continued)
Certain of these funds allow the Center to take distributions on a quarterly basis. The fair value of these funds totaled $36,172,236 and $33,450,544 at December 31, 2023 and 2022, respectively.

The remaining funds are not marketable and the Center lacks redemption rights. These funds also require the Center to meet capital calls, up to a specified maximum, throughout the life of the funds. These funds have a scheduled termination date which can be extended up to four years.

Details of non-marketable funds as of December 31 are as follows:

	Fair Value	Unfunded Commitments	Scheduled Termination Date
December 31, 2023:			
Commonfund Capital Global Equity Partners II, LP	$ 2,123,805	$ 299,001	April 7, 2029
Commonfund Capital Global Equity Partners III, LP	1,404,532	617,098	February 27, 2032
Commonfund Capital Global Equity Partners IV, LP	169,559	1,334,339	April 13, 2034
Commonfund Capital Secondary Partners II, LP	1,325,955	374,996	November 7, 2027
Commonfund Capital Secondary Partners III, LP	1,407,924	700,001	May 18, 2030
Commonfund Capital Secondary Partners IV, LP	285,207	1,275,000	Not yet determined
Total	$ 6,716,982	$ 4,600,435	
December 31, 2022:			
Commonfund Capital Global Equity Partners II, LP	$ 1,886,128	$ 490,000	April 7, 2029
Commonfund Capital Global Equity Partners III, LP	1,031,385	873,798	February 27, 2032
Commonfund Capital Global Equity Partners IV, LP	28,233	1,466,249	April 13, 2034
Commonfund Capital Secondary Partners II, LP	1,450,400	374,996	November 7, 2027
Commonfund Capital Secondary Partners III, LP	1,145,279	945,000	May 18, 2030
Commonfund Capital Secondary Partners IV, LP	--	1,500,000	Not yet determined
Total	$ 5,541,425	$ 5,650,043	

Note 5 – Fair value measurements
The Center's investments are reported at fair value in the accompanying statements of financial position. Fair value is determined by the Center's investment manager based on the value of the underlying assets. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values.

The fair value measurements accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of quoted prices in active or non-active markets for similar assets, and Level 3 inputs have the lowest priority. The Center uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

Note 5 – Fair value measurements (continued)

When available, the Center measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value, followed by Level 2 and Level 3 inputs.

Level 1 Fair Value Measurements
The fair value of the investments is based on quoted net asset values and stock prices of the shares held by the Center at year-end.

Level 2 Fair Value Measurements
The fair value of the investments is based on quoted net asset values and market prices in active markets for similar assets.

Level 3 Fair Value Measurements
The fair value of the investments is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2023 and 2022.

Investments in funds that are valued using the net asset values (NAV) of the underlying investee fund as a practical expedient are not categorized within the fair value hierarchy. The value of these investments totaled $42,889,218 and $38,991,969 at December 31, 2023 and 2022, respectively.

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 Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value 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 Center's investments, including certificates of deposit, at fair value as of December 31, 2023 and 2022:

2023	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ --	$ 407,055	$ --	$ 407,055
Investments measured at net asset value				
Managed investment accounts	--	--	--	42,889,218
Total	$ --	$ 407,055	$ --	$ 43,296,273

2022	Level 1	Level 2	Level 3	Total
Investments measured at net asset value				
Managed investment accounts	$ --	$ --	$ --	$ 38,991,969
Total	$ --	$ --	$ --	$ 38,991,969

Note 6 – Line of credit
The Center has available a $500,000 line of credit with PNC Bank. There are no borrowings under this line at December 31, 2023 and 2022. The line expires on October 7, 2024 and is secured by all assets of the Center. Borrowings under the line will be subject to interest at the bank's prime rate plus 1/2%, 9.00% at December 31, 2023.

Note 7 – Operating lease commitments
The Center has a non-cancelable operating lease for office equipment that expires in August 2027 requiring monthly payments of $842. Rental expense for this lease was $10,105 and $11,817 for the years ended December 31, 2023 and 2022, respectively.

The Center has a non-cancelable operating lease for office space through March 2024, requiring monthly payments of $757, inclusive of real estate taxes, utilities, and operation and maintenance costs. Rental expense for this lease was $9,089 in each of the years ended December 31, 2023 and 2022.

The future aggregate minimum lease payments under operating leases in the years ending December 31 are as follows:

2024	$ 12,377
2025	10,105
2026	10,105
2027	6,737
	$ 39,324

Note 8 – Long-term debt
In 2017, the Center entered into an agreement with the State of New Jersey to borrow funds necessary to complete repairs to a dam at its Blairstown facility. The project was completed during August 2020, at which time the Center had received reimbursements against this credit facility totaling $678,849 which converted to a loan with a maturity date of October 2038. The loan is payable in semi-annual payments of $22,548 inclusive of interest at 2% per annum with payments commencing April 30, 2021. The Township of Hardwick serves as a co-borrower on this loan.

Aggregate maturities of long-term debt in the years ending December 31 are as follows:

2024	$ 33,624
2025	34,300
2026	34,990
2027	35,693
2028	36,410
Thereafter	406,882
	$ 581,899

Note 9 – Net assets with donor restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	2023	2022
Subject to expenditure for specified purpose:		
Johnson apartments renovation	$ --	$ 4,667
Summer programming	--	50,000
Spring programming	--	35,000
Subject to expenditure for specified purpose	--	89,667
Subject to Center's spending policy and appropriation:		
Appreciation on gifts held in perpetuity which, once appropriated, is expendable to support related programs	38,146,562	33,407,787
Not subject to appropriation or expenditure:		
Staff salary enhancement	973,074	973,074
Egner endowment - income for operating expenses	1,582,575	1,582,575
Meech Johnson endowment - income for operating expenses	190,000	190,000
Dodge endowment - income used for operating expenses	50,000	50,000
Princeton summer camp	255,830	255,830
Conover YES program	49,657	49,657
Not subject to appropriation or expenditure	3,101,136	3,101,136
Total net assets with donor restrictions	$ 41,247,698	$ 36,598,590

Net assets not subject to appropriation or expenditure relate to amounts where the original contribution amount is permanently restricted and the unrealized gain is temporarily restricted, except for a portion of the unrealized gain that is distributed to the Center from the investment pools as unrestricted funds each year. The amount of this distributed portion is in accordance with the Center's endowment spending policy.

Net assets were released from restrictions by incurring expenses satisfying the purpose or time restrictions as follows:

	2023	2022
Johnson apartments renovation	$ 4,667	$ 54,424
Summer programming	50,000	25,000
Spring programming	35,000	--
Transfers from endowment	757,170	799,318
	$ 846,837	$ 878,742

Note 10 – Liquidity and availability of resources

The Center has investments in managed investment funds, the majority of which can be liquidated at the end of any month. Donor restrictions require certain resources to be maintained in perpetuity. The unspent appreciation on these donations is available to support the operations of the Center. As part of the Center's liquidity management, the governing board determines the maximum amount which can be used from these investments on an annual basis, which is generally 4% to 5% of the previous year balance maintained in the Center's endowment funds. In addition, the board has designated a portion of its unrestricted endowment funds to be maintained, which may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. In the event of an unanticipated liquidity need, the Center could also draw upon an available $500,000 line of credit (Note 6).

The following reflects the Center's financial assets available to be used within one year of December 31:

	2023	2022
Cash and cash equivalents	$ 842,507	$ 1,144,198
Certificates of deposit	407,055	--
Investments	42,889,218	38,991,969
Contributions receivable	74,413	139,065
Accounts receivable	3,555	4,128
Total financial assets	44,216,748	40,279,360
Less those unavailable for general expenditures within one year, due to:		
Donor restrictions	(41,247,698)	(36,598,590)
Board designations	(1,641,521)	(2,483,047)
	$ 1,327,529	$ 1,197,723

Note 11 – Endowment funds

The Center's endowment consists of various primary pool accounts, segregated based on the donor and or board designated purposes of the original investments. The endowment includes both donor-restricted endowment funds and funds designated by the Center to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Center to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Center has adopted the accounting guidance issued by the FASB related to Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds. This provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA"), which serves as a model act approved by the Uniform Law Commission and as a model act for states to use in enacting legislation. UPMIFA was enacted in the State of New Jersey in June 2009. This guidance also improves disclosures about an organization's endowment funds (both donor-restricted endowment funds and the Center's board-designated endowment funds). The enhanced disclosures required as a result of the adoption of this guidance have been incorporated within this note.

Note 11 – Endowment funds (continued)
The Center interprets UPMIFA, as requiring the preservation of the fair value at the original gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Center classifies as net assets with donor restrictions:

(a) The original value of gifts donated to the permanent endowment
(b) The original value of subsequent gifts to the permanent endowment
(c) Accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund

The remaining portion of the donor-restricted net assets is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Center in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Center and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Center
(7) The investment policies of the Center

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Center to retain as a fund of perpetual duration. In accordance with U.S. GAAP, there were no deficiencies of this nature as of December 31, 2023 and 2022.

The Center adopted policies which attempt to support the Center's current and future operating needs, while preserving intergenerational equity. Endowment assets include those assets of donor-restricted funds that the Center must hold in perpetuity or for donor-specified periods as well as Center-designated funds. The Center's investment policy targets long-term investment returns of at least 5% per year. On an annual basis, the board establishes a spending policy which will generally be between 4% and 5% of total investments.

The following table provides information regarding the change in endowment net assets:

	Board designated	Subject to Center's spending policy	Not subject to appropriation or expenditure
Endowment net assets, December 31, 2021	$ 2,789,094	$ 40,977,980	$ 3,101,136
Investment income (loss)	(272,598	(6,770,875)	--
Transfers	(33,449	(799,318)	--
Endowment net assets, December 31, 2022	2,483,047	33,407,787	3,101,136
Investment income (loss)	218,752	5,495,945	--
Transfers	(1,060,278	(757,170)	--
Endowment net assets, December 31, 2023	$ 1,641,521	$ 38,146,562	$ 3,101,136

Note 12 – Retirement plan
The Center offers its employees a defined contribution retirement plan (the Plan) created in accordance with the Internal Revenue Code Section 401(k). The Plan permits employees to defer a portion of their salary after attaining 21 years of age. Amounts deferred under the Plan are available to employees upon termination of employment, retirement, reaching 59 1/2 years of age, death, or hardship. The Plan requires the Center to make a safe-harbor contribution of at least 3% of eligible compensation. Safe-harbor contributions vest immediately. The Plan also allows for discretionary matching and profit sharing contributions. Discretionary matching and profit-sharing contributions vest after three years of service. In 2023 and 2022, the Center elected to make a 3% safe harbor contribution and a profit-sharing contribution but no discretionary matching contribution. Employer contributions to the Plan amounted to $48,481 and $39,967 for the years ended December 31, 2023 and 2022, respectively.

Note 13 – Concentration of credit risk
The Center maintains cash balances with major financial institutions. At various times during the year, these balances may exceed the $250,000 insured by the Federal Deposit Insurance Corporation.

The Center's investments consist of comingled funds maintained with State Street Global Advisors (beginning in the year ended December 31, 2023) and various primary pool accounts maintained with Commonfund Asset Management Company, Inc.

Management monitors the soundness of these financial institutions and the Center has not experienced any losses in such accounts.

Note 14 – Subsequent events
Management has evaluated subsequent events through March 5, 2024, which is the date the financial statements were available to be issued.