GREATER NEW YORK COUNCILS, BOY SCOUTS OF AMERICA

Financial Statements
for the year ended
December 31, 2020
(with summarized comparative information for the year ended December 31, 2019)

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Independent Auditor's Report

To the Board of Directors of the
Greater New York Councils,
Boy Scouts of America

We have audited the accompanying financial statements of Greater New York Councils, Boy Scouts of America (the "Councils") which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year 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 audit. We conducted our audit 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.

Opinion

In our opinion, the financial statements referred to in the first paragraph on the previous page present fairly, in all material respects, the financial position of Greater New York Councils, Boy Scouts of America as of December 31, 2020 and the results of its activities, changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

Report on Summarized Comparative Information

We have previously audited the Councils' 2019 financial statements and in our report dated April 13, 2020, we expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Condon O'Meara McGinty & Donnelly LLP

May 18, 2021

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Statement of Financial Position
December 31, 2020

Assets

	Operating Fund		Capital Fund		Endowment Fund		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Assets								
Cash and cash equivalents	$ -	$ 167,855	$ 445,824	$ 368,071	$ 724,737	$ 528,421	$ 1,170,561	$ 1,064,347
Accounts receivable	124,953	64,305	-	225	-	581	124,953	65,111
Pledges receivable, net	565,095	1,341,893	217,951	296,381	433,383	544,654	1,216,429	2,182,928
Inventories, at cost	184,191	242,399	-	-	-	-	184,191	242,399
Interfund balances	1,662,451	1,662,451	(1,662,451)	(1,662,451)	-	-	-	-
Deferred charges and other assets	100,017	102,355	45,860	63,058	-	-	145,877	165,413
Investments, at fair value	-	-	3,526,091	3,378,446	10,144,138	9,470,746	13,670,229	12,849,192
Beneficial interests in charitable remainder and perpetual trusts, at fair value	-	-	-	-	1,055,167	955,939	1,055,167	955,939
Land and assets held for sale	-	-	60,000	200,000	-	-	60,000	200,000
Fixed assets, at cost, less accumulated depreciation and amortization	-	-	5,630,537	6,053,817	-	-	5,630,537	6,053,817
Total assets	**$ 2,636,707**	**$ 3,581,258**	**$ 8,263,812**	**$ 8,697,547**	**$12,357,425**	**$11,500,341**	**$23,257,944**	**$23,779,146**

Liabilities and Net Assets

	Operating Fund		Capital Fund		Endowment Fund		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Liabilities								
Line of credit	$ 500,070	$ 1,500,070	$ -	$ -	$ -	$ -	$ 500,070	$ 1,500,070
Accounts payable	531,558	174,480	1,447	10,456	-	-	533,005	184,936
Accrued expenses	160,607	68,402	47,292	322	-	-	207,899	68,724
Custodial accounts	163,597	147,321	-	-	-	-	163,597	147,321
Deferred camp revenue	31,175	88,448	-	-	-	-	31,175	88,448
Deferred other revenue	28,234	71,165	-	-	-	-	28,234	71,165
Capital lease and vehicles obligations	-	-	38,303	103,172	-	-	38,303	103,172
Note payable	250,000	305,000	-	-	-	-	250,000	305,000
Total liabilities	1,665,241	2,354,886	87,042	113,950	-	-	1,752,283	2,468,836
Net assets								
Without donor restrictions	796,466	1,151,372	6,863,655	7,330,303	2,986,634	2,239,387	10,646,755	10,721,062
With donor restrictions	175,000	75,000	1,313,115	1,253,294	9,370,791	9,260,954	10,858,906	10,589,248
Total net assets	971,466	1,226,372	8,176,770	8,583,597	12,357,425	11,500,341	21,505,661	21,310,310
Total liabilities and net assets	**$ 2,636,707**	**$ 3,581,258**	**$ 8,263,812**	**$ 8,697,547**	**$12,357,425**	**$11,500,341**	**$23,257,944**	**$23,779,146**

See notes to financial statements.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Statement of Activities and Changes in Net Assets
Year Ended December 31, 2020
(with Summarized Comparative Information for the Year Ended December 31, 2019)

	2020				2019
	Operating Fund	Capital Fund	Endowment Fund	Total	Total
Changes in net assets without donor restrictions					
Support and revenue					
Direct support					
Friends of Scouting	$ 1,352,157	$ -	$ -	$ 1,352,157	$ 1,312,068
Capital Campaign	-	-	-	-	10,390
Special fundraising events	2,116,488	-	-	2,116,488	4,556,429
Less cost of direct benefits	(147,851)	-	-	(147,851)	(877,582)
Special fundraising events, net	1,968,637	-	-	1,968,637	3,678,847
Legacies and bequests	169,395	-	-	169,395	151,400
Foundations, trusts and other	308,167	-	-	308,167	504,920
Other direct support	-	-	8,497	8,497	8,125
Total direct support	3,798,356	-	8,497	3,806,853	5,665,750
Indirect support					
United Ways	13,720	-	-	13,720	1,062
Government grant – paycheck protection program	1,232,997	-	-	1,232,997	-
Fees from government agencies	79,500	-	-	79,500	125,386
Total indirect support	1,326,217	-	-	1,326,217	126,448
Revenue					
Product sales	173,792	-	-	173,792	436,937
Less cost of goods sold	(139,633)	-	-	(139,633)	(307,145)
Less commissions paid to units	(694)	-	-	(694)	(1,834)
Net product sales	33,465	-	-	33,465	127,958
Investment return – net	448,195	241,362	740,534	1,430,091	2,233,192
Camping revenue	1,073,664	-	-	1,073,664	3,432,244
Activity revenue	105,361	-	-	105,361	382,707
Other revenue	60,361	-	-	60,361	35,531
Net assets released from restrictions	-	-	-	-	317,863
Total revenue	1,721,046	241,362	740,534	2,702,942	6,529,495
Total support and revenue	6,845,619	241,362	749,031	7,836,012	12,321,693
Expenses					
Program services	4,549,439	507,838	951	5,058,228	9,739,953
Supporting services					
Management and general	1,389,307	175,534	396	1,565,237	825,357
Fund-raising	1,180,259	24,638	437	1,205,334	1,500,912
Total supporting services	2,569,566	200,172	833	2,770,571	2,326,269
Total functional expenses	7,119,005	708,010	1,784	7,828,799	12,066,222
Charter and national service fee	81,520	-	-	81,520	81,517
Total expenses	7,200,525	708,010	1,784	7,910,319	12,147,739
Increase (decrease) in net assets without donor restrictions	**$ (354,906)**	**$ (466,648)**	**$ 747,247**	**$ (74,307)**	**$ 173,954**

See notes to financial statements.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Statement of Activities and Changes in Net Assets (continued)
Year Ended December 31, 2020
(with Summarized Comparative Information for the Year Ended December 31, 2019)

	2020				2019
	Operating Fund	Capital Fund	Endowment Fund	Total	Total
Changes in net assets with donor restrictions					
Direct support	-	59,821	10,609	70,430	$ 641,280
Beneficial interest in charitable remainder and perpetual trust	-	-	99,228	99,228	134,568
Foundations, trusts and other	100,000	-	-	100,000	-
Net assets released from restrictions	-	-	-	-	(317,863)
Increase in net assets with donor restrictions	**100,000**	**59,821**	**109,837**	**269,658**	**457,985**
Increase (decrease) in net assets	**(254,906)**	**(406,827)**	**857,084**	**195,351**	**631,939**
Net assets, beginning of year					
Net assets without donor restrictions	1,151,372	7,330,303	2,239,387	10,721,062	10,547,108
Net assets with donor restrictions	75,000	1,253,294	9,260,954	10,589,248	10,131,263
Total net assets, beginning of year	**1,226,372**	**8,583,597**	**11,500,341**	**21,310,310**	**$20,678,371**
Net assets, end of year					
Net assets without donor restrictions	796,466	6,863,655	2,986,634	10,646,755	10,721,062
Net assets with donor restrictions	175,000	1,313,115	9,370,791	10,858,906	10,589,248
Total net assets, end of year	**$ 971,466**	**$8,176,770**	**$12,357,425**	**$21,505,661**	**$21,310,310**

See notes to financial statements.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Statement of Functional Expenses
Year Ended December 31, 2020
(with Summarized Comparative Information for the Year Ended December 31, 2019)

	2020						2019
		Supporting Activities					
	Program Services	Management and General	Fund Raising	Cost of Products Sold and Unit Commissions	Cost of of Direct Benefits to Donors	Total	Total
Employee compensation							
Salaries	$2,354,962	$ 262,268	$ 661,836	$ -	$ -	$3,279,066	$5,498,341
Employee benefits	389,510	41,162	110,921	-	-	541,593	843,115
Payroll taxes	289,247	62,760	87,441	-	-	439,448	452,569
Employee related expenses	37,620	15,429	22,090	-	-	75,139	132,257
Total employee compensation	3,071,339	381,619	882,288	-	-	4,335,246	6,926,282
Other expenses							
Professional fees	285,572	82,383	95,459	-	-	463,414	366,807
Supplies and catering	166,807	2,627	-	-	-	169,434	993,718
Telephone	64,618	11,069	10,970	-	-	86,657	123,521
Postage and shipping	15,118	1,861	5,310	-	-	22,289	43,340
Occupancy	511,836	110,453	104,450	-	-	726,739	996,050
Rent and maintenance of equipment	60,488	10,164	25,391	-	-	96,043	178,002
Printing and publications	25,021	5,264	11,221	-	-	41,506	208,163
Travel	77,406	3,342	8,055	-	-	88,803	366,469
Conferences and meetings	5,503	96	457	-	-	6,056	62,339
Specific assistance to individuals	68,573	338	320	-	-	69,231	516,779
Recognition awards	13,841	1,409	6,923	-	-	22,173	71,141
Cost of products sold and unit commissions	-	-	-	140,327	-	140,327	308,990
Cost of direct benefits to donors	-	-	-	-	147,851	147,851	877,582
Interest	7,042	2,932	2,772	-	-	12,746	30,936
Insurance	128,836	7,642	7,226	-	-	143,704	214,716
Other	68,024	925,355	26,825	-	-	1,020,204	284,054
Total other expenses	1,498,685	1,164,935	305,379	140,327	147,851	3,257,177	5,642,607
Expenses before depreciation and amortization	4,570,024	1,546,554	1,187,667	140,327	147,851	7,592,423	12,568,889
Depreciation and amortization	488,204	18,683	17,667	-	-	524,554	683,905
Total functional expenses	5,058,228	1,565,237	1,205,334	140,327	147,851	8,116,977	13,252,794
Expenses included with revenue of the statement of activities							
Cost of products sold and unit commissions	-	-	-	(140,327)	-	(140,327)	(308,990)
Cost of direct benefits to donors	-	-	-	-	(147,851)	(147,851)	(877,582)
Total expenses included in the expense section on the statement of activities	$5,058,228	$1,565,237	$1,205,334	$ -	$ -	$7,828,799	$12,066,222

See notes to financial statements.

GREATER NEW YORK COUNCILS, BOY SCOUTS OF AMERICA

Statement of Cash Flows
Year Ended December 31, 2020
(with Summarized Comparative Information for the Year Ended December 31, 2019)

	2020				2019
	Operating Fund	Capital Fund	Endowment Fund	Total	Total
Cash flows from operating activities					
Increase (decrease) in net assets	$ (254,906)	$ (406,827)	$ 857,084	$ 195,351	$ 631,939
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities					
Depreciation and amortization	-	$ 524,554	-	$ 524,554	683,905
Realized and unrealized (gain) on investments	-	(246,199)	(927,412)	(1,173,611)	(1,963,998)
Permanently restricted contributions	-	-	(9,606)	(9,606)	(313,582)
Contributions of securities	(105,589)	-	-	(105,589)	(296,565)
Proceeds from sale of contributed securities	105,589	-	-	105,589	302,440
(Increase) decrease in assets					
Accounts receivable	(60,648)	225	581	(59,842)	81,332
Pledges receivable	776,798	218,430	111,271	1,106,499	589,711
Inventories	58,208	-	-	58,208	(1,891)
Deferred charges and other assets	2,338	17,198	-	19,536	9,930
Increase (decrease) in liabilities					
Accounts payable	357,078	(9,009)	-	348,069	(6,017)
Accrued expenses	92,205	46,970	-	139,175	7,320
Custodial accounts	16,276	-	-	16,276	109
Deferred camp revenue	(57,273)	-	-	(57,273)	39,907
Deferred other revenue	(42,931)	-	-	(42,931)	29,744
Net cash provided by (used in) operating activities	887,145	145,342	31,918	1,064,405	(205,716)
Cash flows from investing activities					
Purchase of fixed assets, net of capital lease and vehicle financing obligations	-	(101,274)	-	(101,274)	(444,859)
Purchase of investments	-	(1,189,895)	(3,558,632)	(4,748,527)	(3,388,919)
Proceeds from sale of investments	-	1,288,449	3,812,652	5,101,101	3,734,765
Net cash provided by (used in) investing activities	-	(2,720)	254,020	251,300	(99,013)
Cash flows from financing activities					
Payments of capital lease and vehicles obligations	-	(64,869)	-	(64,869)	(54,752)
Proceeds from line of credit	800,000	-	-	800,000	2,850,070
Repayment from line of credit	(1,800,000)	-	-	(1,800,000)	(2,850,000)
Repayment of note payable	(55,000)	-	-	(55,000)	(120,000)
Permanently restricted contributions	-	-	9,606	9,606	313,582
Change in value of charitable remainder and perpetual trusts	-	-	(99,228)	(99,228)	(134,568)
Net cash provided by (used in) financing activities	(1,055,000)	(64,869)	(89,622)	(1,209,491)	4,332
Net increase (decrease) in cash and cash equivalents	**(167,855)**	**77,753**	**196,316**	**106,214**	**(300,397)**
Cash and cash equivalents, beginning of year	**167,855**	**368,071**	**528,421**	**1,064,347**	**1,364,744**
Cash and cash equivalents, end of year	**$ -**	**$ 445,824**	**$ 724,737**	**$ 1,170,561**	**$ 1,064,347**
Supplemental disclosure of cash flows information:					
Fixed assets acquired through capital lease and vehicle financing obligations				$ 18,822	$ 41,475
Cash paid for interest				$ 12,746	$ 30,936

See notes to financial statements.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Notes to Financial Statements
December 31, 2020

Note 1 – Organization and nature of business

Nature of organization

The Greater New York Councils, Boy Scouts of America (the "Councils") operates in the five boroughs of New York City and has three camping facilities within its service area. The Councils is an independent not-for-profit organization devoted to promoting, within the territory covered by the charter from time to time granted it by the Boy Scouts of America and in accordance with the Congressional Charter, Bylaws, and Rules and Regulations of the Boy Scouts of America, the Scouting program of promoting the ability of boys and girls and young men and women to do things for themselves and others, training them in Scoutcraft, and teaching them patriotism, courage, self-reliance, and kindred virtues, using the methods which are now in common use by the Boy Scouts of America. The Councils delivered the Scouting program to 8,227 youth members in 2020. In addition to support for organizational and programmatic scouting activities, the National Council of the Boy Scouts of America (the "National Council") sponsors components of the Councils' employee benefit plans (see notes 13 and 15) and liability insurance programs (see notes 12 and 15) as well as components of the Councils' technology, software and other items.

The Scouting program includes the following:

Lion Scouts – A fun introduction to the Scouting program for kindergarten-age youth eager to get going! Lions do adventures with their adult partners and other Lions every month. This program introduces youth and their families to Scouting and the outdoors as it builds a foundation of character. A Lion den is part of the Cub Scout pack.

Tiger Cubs – One year, family-oriented program for a group of teams, each consisting of a first grade (or 7-year old) boy or girl and an adult partner (usually a parent). A Tiger Cub den is part of the Cub Scout pack.

Cub Scouts – Family and community centered approach to learning citizenship, compassion, and courage through service projects, ceremonies, games, and other activities promoting character development and physical fitness.

Scouts BSA – Scouts BSA is a year-round program for youth 11-17 years old that provides fun, adventure, learning, challenge, and responsibility to help them become the best version of themselves.

Venturing – Provides experience to help young men and women, ages 14 - or 13 with completion of the eighth grade through 20, become mature, responsible, caring adults. Young people learn leadership skills and participate in challenging outdoor activities, including having access to Scout camping properties, a recognition program, and Youth Protection training.

Exploring – Program to enable young people to become responsible individuals by teaching positive character traits, career development, leadership and life skills so they can make ethical choices and achieve their full potential.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Notes to Financial Statements (continued)
December 31, 2020

Note 1 – Organization and nature of business (continued)

Nature of organization (continued)

Families can choose to sign up their sons and daughters who are ages 5-10 as Cub Scouts. Chartered organizations may choose to establish a new girl pack, establish a pack that consists of girl dens and boy dens, or remain an all-boy pack. Cub Scout dens are single gender – all boys or all girls. Using the same curriculum as the (now former) Boy Scouting program, Scouts BSA launched in February 2019, enabling all eligible youth ages 11-17 to earn the Eagle Scout rank. Scouts BSA is a single gender program – all-girl troops or all-boy troops. This unique approach allows the organization to maintain the integrity of the single-gender model while also meeting the needs of today's families.

The Councils' website address is *www.BSA-GNYC.org*.

Note 2 – Summary of significant accounting policies

Fund accounting

To ensure observance of limitations and restrictions placed on the use of available resources, the accounts of the Councils are maintained in accordance with the principles of fund accounting. Under such principles, resources for various purposes are classified for accounting and reporting purposes into fund groups that are in accordance with specific activities and objectives. The accounts of the Councils are maintained in three self-balancing fund groups according to their nature and purposes as follows:

- General operating fund – The general operating fund is used to account for the Councils' operating activities.

- Capital fund – The capital fund is used to account for property, buildings, equipment, leasehold improvements and legally restricted cash that is to be expended for property, building, and equipment and related debt payments. Also, included in this fund are investments either restricted or designated for capital repair and improvements where the income is either designated or restricted for those particular items. Revenue and expenses related to the capital fundraising campaign are also included in the fund.

- Endowment fund – The endowment fund is normally used to account for amounts of gifts and bequests accepted with legal restrictions based on donor stipulation that the principal be maintained intact in perpetuity, until the occurrence of a specified event or for a specified period, and that investment return thereof be expended either for general purposes or for purposes specified by the donor. Investment funds with or without donor restrictions are also included in the endowment fund. Certain donor-restricted net assets have been restricted by donors to be maintained by the Councils in perpetuity. Net assets with perpetual restrictions of the endowment fund include beneficial interests in charitable remainder and perpetual trusts (see note 4).

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Summary of significant accounting policies (continued)

Basis of Accounting

The financial statements of the Councils have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. The financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, Not-for-Profit Entities, Presentation of Financial Statements. During 2018, the Councils adopted the provisions of Accounting Standards Update ("ASU") 2016-14: Not-for-Profit-Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities, which improves the current net asset classification and the related information presented in the financial statements and notes about the Councils' liquidity, financial performance, and cash flows.

Cash and cash equivalents

The Councils considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

Accounts receivable

Accounts receivable are recorded primarily for popcorn (product) sales and are reported at net realizable value if the amounts are due within one year. An allowance for doubtful accounts is based on an analysis of expected collection rates determined from experience. No allowance for doubtful accounts was considered necessary as of December 31, 2020 and 2019.

Pledges receivable

Unconditional promises to give that are to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are initially recorded at the fair value of their estimated future cash flows as of the date of the promise to give through the use of a present value discount technique. In periods subsequent to initial recognition, unconditional promises to give are reported at the amount management expects to collect and are discounted over the collection period using the same discount rate as determined at the time of initial recognition. The discount rate determined at the initial recognition of the unconditional promise to give is based upon management's assessment of many factors, including when the receivable is expected to be collected, the creditworthiness of the other parties, the Councils' past collection experience and its policies concerning the enforcement of promises to give, expectations about possible variations in the amount or timing, or both, of the cash flows, and other factors concerning the receivables collectability.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Summary of significant accounting policies (continued)

Pledges receivable (continued)

Amortization of the discounts is included in support from contributions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. An allowance for uncollectible pledges is recorded when the Councils determines, based on historical experience and collection efforts, that a pledge receivable (carried over from a prior year) is uncollectible. As of December 31, 2020 and 2019, the Councils has provided for an allowance for doubtful accounts totaling $246,000 and $50,000, respectively.

Investments

Investments with readily determinable fair values are measured at fair value in the statement of financial position. Interest, dividends, realized and unrealized gains and losses on investments, net of fees, are recorded as investment return in the statement of activities and changes in net assets. Realized gains and losses are determined on a specific identification basis. Realized and unrealized gains and losses, interest and dividends on investments are recorded as net assets without donor restrictions unless such amounts are restricted by the donor or by law. Investments received as gifts are recorded at the estimated fair value at the date of the gift. Investments are classified based on their original maturities. Investments with original maturities of less than 12 months are classified as short-term investment.

Inventories

Inventories, which consist primarily of Scouting supplies, are stated at the lower of average cost or net realizable value.

Interfund balances

The interfund balances at December 31, 2020 and 2019, result from the operating fund making advances of surplus cash funds to the capital fund for operating purposes. The Councils records interfund balances on a single line in the asset section of the statement of financial position and classifies them as current or long-term based on the intended repayment date of the loan.

Fixed assets and related depreciation

Purchased property and equipment are stated at cost. Maintenance and repairs are charged to operations when incurred. Betterments and renewals of $5,000 or more are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in the change in net assets.

Note 2 – Summary of significant accounting policies (continued)

Depreciation of property and equipment and amortization of leasehold improvements are computed using the straight-line method based on the shorter of the estimated useful lives or lease terms of the assets as follows:

Assets	Estimated Useful Lives
Land improvements	20 years
Buildings and leasehold improvements	30 years
Furniture, fixtures and equipment	3 – 10 years

Donations of property and equipment are recorded as contributions at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose based on its fair value. Assets donated with explicit restrictions regarding their use, absent donor stipulations regarding how long those donated assets must be maintained, are recorded as net assets with donor restrictions. The Councils reports expirations of donor restrictions when the donated or acquired assets are placed into service as instructed by the donor. The Councils reclassifies net assets with donor restrictions that are temporary in nature to net assets without donor restrictions at that time.

Long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No impairment charges were recorded during the years ended December 31, 2020 and 2019.

Asset held for sale

In 2015, the Councils received a contribution consisting of land in Upstate New York with an estimated fair value of $200,000. During 2020, the Councils reassessed the value of the asset and determined the estimated fair value of the asset to be $60,000. As a result, the Councils recorded a $140,000 loss which is reflected as an other expenses on the statement of functional expenses. The Councils intends to sell this land as soon as practicable.

Custodial accounts

Custodial accounts represent amounts held by the Councils as custodian for registration fees for member units, amounts on deposit for affiliated Scouting associations for their future use and amounts on deposit by member units for purchases of uniforms and supplies.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Summary of significant accounting policies (continued)

Revenue recognition

Revenue from Exchange Transactions: The Councils recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, as amended.

ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition.

The Councils records the following exchange transaction revenue in its statements of activities and changes in net assets for the years ending December 31, 2020 and 2019

- Product sales - To help Scout packs and troops raise the money they need to fund programs and activities throughout the year, the Councils participates in the Trail's End Popcorn program. Scout packs and troops purchase popcorn from the Councils, which they then resell to customers. The Scout packs and troops earn a commission of 35% on each sale they make, which may be used to offset the price of the popcorn they purchase from the Councils. The popcorn sale also helps the Councils raise money in support of its programs. Popcorn sales to Scout units start in the fall of each year, with the units placing their orders online through the Trail's End website. The price the Scout unit pays for the popcorn is established by the Councils, and each item is individually priced, so no allocation of the transaction price is required. Many BSA units are allowed to purchase popcorn "on account" with payment due at a later date. Per FASB ASU 2014-09, the Councils is required to assess the probability of collecting these accounts receivable in order to determine whether there is a substantive transaction between the Councils and the unit. In making this collectability assessment, the Councils exercises judgment and considers all facts and circumstances, including its knowledge of the customer. The Councils uses the Trail's End website to track and manage unit accounts receivable. With popcorn sales, the performance obligation is delivery of the product, which is fulfilled by the Councils at predetermined times and locations. Revenue recognition occurs when the product has been delivered. The Councils presents in its statement of activities and changes in net assets gross revenues from product sales, cost of goods sold, and unit commissions (retained by or paid to the unit). Scout units have the right to return to the Councils any unsold product, subject to a specific return-by date designation. As of December 31, 2020 and 2019, no probable popcorn returns existed. Accordingly, no liability for probable customer returns was considered necessary.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Summary of significant accounting policies (continued)

Revenue recognition (continued)

- Camping and Activity revenue - The Councils conducts program-related experiences such as Day Camps, Day Hikes, Weekend Overnights, Camporees, and Summer Camps where the performance obligation is delivery of the program. Fees for camps and activities are set by the Councils. For resident camps, fees include program supplies, meals, lodging, recognition items, staffing, and facility costs. As is customary, these items are not separately priced and are therefore considered to be one performance obligation. Activities such as the National Scout Jamboree may include a transportation component in the transaction price. Some special camp programs do incur additional fees (e.g. shooting sports), which are separately priced. BSA activities such as Wood Badge may involve program supplies, recognition items, and meals, and are also considered to be one performance obligation. Fees collected in advance of delivery of the camp or activity are initially recognized as liabilities (deferred revenue) and are only recognized in the statement of activities after delivery of the program has occurred.

- Special fundraising event revenue - The Councils conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event— the exchange component, and a portion represents a contribution to the Councils. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Councils. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs of the special events, which ultimately benefit the donor rather than the Councils, are recorded as costs of direct donor benefits in the statement of activities and changes in net assets. The performance obligation is delivery of the event, which is usually accompanied by a presentation. The event fee is set by the Councils. FASB ASU 2014-09 requires allocation of the transaction price to the performance obligations. Accordingly, the Councils separately presents in the notes to financial statements the exchange and contribution components of the gross proceeds from special events (see note 8). Special event fees collected by the Councils in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as special event revenue after delivery of the event. For special event fees received before year-end for an event to occur after year-end, the Councils follows AICPA guidance where the inherent contribution is conditioned on the event taking place and is therefore treated as a refundable advance along with the exchange component.

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Summary of significant accounting policies (continued)

Donated materials and services

Donated land, buildings, equipment, investments, and other noncash donations are recorded as contributions at their fair market value at their date of donation. The Councils reports the donations as net assets without donor restrictions, unless explicit donor stipulations specify how the donated assets are to be utilized. Gifts of long-lived assets with explicit restrictions and gifts of cash or other assets that are restricted to the acquisition of long-lived assets are reported as net assets with donor restrictions. Pursuant to FASB ASU 2016-14, the Councils reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service unless donor stipulations exist pertaining to how long such long-lived assets must be maintained.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Councils. Some members of the Councils have donated significant amounts of time to the Councils in furthering its programs and objectives. No amounts have been included in the financial statements for donated member or volunteer services since they did not meet the criteria for recognition.

For the years ended December 31, 2020 and December 31, 2019, the Councils recognized contributed stock totaling $105,589 and $296,565, respectively.

Functional expenses

The costs of providing the Scouting program and supporting services have been summarized on the statement of activities and changes in net assets on a functional basis. Most expenses can be directly attributed to the program or supporting functions. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses in this category include occupancy, depreciation, office expenses, insurance, salaries and wages of support personnel, including the Scout Executive, accounting, information technology personnel, and payroll taxes. The basis of allocation of these expenses is the result of a time study of staff performed every three years. The percentage of time allocated to each of the programs and the supporting functions is based on the average of the results of three separate studies and is applied to the expenses that are allocated. In accordance with the policy of the National Council, the payment of the charter fee to the National Council is not allocated as a functional expense. The financial statements report expenses by natural classification and function in the statement of functional expenses.

Advertising

Advertising costs are expensed when incurred. Advertising costs for 2020 and 2019 amounted to approximately $21,400 and $43,500, respectively.

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Summary of significant accounting policies (continued)

Deferred revenue

Deferred revenue represents advances from third parties for services not yet performed.

Specific assistance to individuals

The Councils expenses camp scholarships, uniforms, transportation to camp and membership dues on behalf of certain Scouts over the period of their Scouting membership. The Councils expensed approximately $70,000 and $517,000 in 2020 and 2019, respectively, for specific assistance provided to certain scouts.

Use of estimates

The preparation of the 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.

Prior year summarized comparative information

The financial statements and certain notes include certain prior year summarized comparative information in total but not by fund balance or functional allocation. Such information does not always include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Councils' financial statements for the year ended December 31, 2019 from which the summarized information was derived.

Concentrations of credit risk

The Councils' financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents, investments and receivables. The Councils places its cash and cash equivalents with what it believes to be quality financial institutions and the Councils has not incurred any losses in such accounts to date. The Councils accounts for investments in accordance with the FASB standard for investments held by not-for-profit organizations (ASC 958-320 and subsections). This standard requires that investments in securities with readily determinable fair values be measured at fair value in the statement of financial position. Fair value of marketable securities is based on quoted market prices. The realized and unrealized gain or loss on investments is reflected in the statement of activities and changes in net assets. Investments are exposed to various risks such as significant world events, interest rate, market volatility, liquidity and credit risks.

**GREATER NEW YORK COUNCILS,
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**Notes to Financial Statements (continued)
December 31, 2020**

Note 2 – Summary of significant accounting policies (continued)

Concentrations of credit risk (continued)

Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these could materially affect the fair value of the investments reported in the statement of financial position at December 31, 2020. Receivables consist primarily of amounts due in connection with various Councils' events and amounts pledged by the Councils' donors. The Councils periodically performs credit evaluations of its donors' financial condition and provides for potentially uncollectible pledges accordingly. The Councils monitors its cash, cash equivalents, investments and the collectability of its receivables. As a result, the Councils believes concentrations of credit risk are limited.

Fair value measurements

The FASB established a framework for measuring fair value and disclosing fair value measurements to financial statement users. Fair value is the price that would be received to sell an asset or paid to transfer a liability (referred to as the "exit price") in an orderly transaction between market participants in the principal market, or if none exists, the most advantageous market, for specific assets or liabilities at the measurement dates. The fair value should be based on assumptions that market participants would use, including consideration of nonperformance risk.

In determining fair value, the Councils uses various valuation approaches. The FASB established a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Councils. Unobservable inputs are inputs that reflect the Councils' assumptions about assumptions market participants would use in pricing the assets or liabilities developed based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the observability of inputs as follows:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets to which the Councils has access.
- Level 2 – Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and 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.

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Summary of significant accounting policies (continued)

Fair value measurements (continued)

The availability of observable inputs can vary and is affected by a wide variety of factors, including, for example, the type of asset or liability, the liquidity of markets and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Councils in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Fair value is a market-based measure considered from the perspective of a market participant rather than an organization-specific measure. Therefore, even when market assumptions are not readily available, the Councils' own assumptions are set to reflect those that the Councils believes market participants would use in pricing the asset or liability at the measurement date. The following table provides fair value measurement information for financial assets measured at fair value on a recurring basis as of December 31, 2020 and 2019:

	2020			
Description	Level 1	Level 2	Level 3	Total
Mutual funds				
Domestic – Fixed Income	$ 3,513,106	$ -	$ -	$ 3,513,106
International – Fixed Income	517,180	-	-	517,180
Domestic – Equities	2,906,746	-	-	2,906,746
International – Equities	1,890,879	-	-	1,890,879
Real assets	472,425	-	-	472,425
Complementary strategies and other	262,779	49,706	-	312,485
Equities				
Domestic	2,268,265	-	-	2,268,265
International	392,280	-	-	392,280
Money market funds	1,396,863	-	-	1,396,863
Total investments	$13,620,523	$ 49,706	$ -	$13,670,229

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Summary of significant accounting policies (continued)

Fair value measurements (continued)

	2019			
Description	Level 1	Level 2	Level 3	Total
Mutual funds				
Domestic – Fixed Income	$ 1,990,285	$ -	$ -	$ 1,990,285
International – Fixed Income	388,644	-	-	388,644
Domestic – Equities	1,222,272	-	-	1,222,272
International – Equities	2,057,587	-	-	2,057,587
Real assets	874,221	-	-	874,221
Complementary strategies and other	824,149	1,003,515	-	1,827,664
Equities				
Domestic	3,014,868	-	-	3,014,868
International	410,165	-	-	410,165
Money market funds	1,063,486	-	-	1,063,486
Total investments	$ 11,845,677	$ 1,003,515	$ -	$ 12,849,192

Income taxes

The Councils is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. The Councils is subject to federal income tax on any unrelated business taxable income. The Councils evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts. No uncertain tax positions were identified by the Councils as of December 31, 2020 and 2019.

The Councils' policy is to classify income tax penalties and interest as interest expense in its financial statements. During the years ended December 31, 2020 and 2019, the Councils incurred no penalties and interest. The Councils' Federal Return of Organizations Exempt from Income Tax (Forms 990) for 2017, 2018 and 2019 are subject to examination by the IRS, generally for the three years after they were filed. As of the date of this report, the Councils' 2020 tax return had not yet been filed.

Subsequent events

The Councils considered subsequent events through May 18, 2021, the date the financial statements were available to be issued.

**GREATER NEW YORK COUNCILS,
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**Notes to Financial Statements (continued)
December 31, 2020**

Note 2 – Summary of significant accounting policies (continued)

Accounting Pronouncements Adopted

Effective January 1, 2020, the Councils adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606), as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Results for reporting the years ending December 31, 2020 and 2019 are presented under FASB ASC Topic 606. The ASU has been applied retrospectively to all periods presented, with no effect on net assets or previously issued financial statements.

During the year, the Councils adopted the provisions of FASB ASU 2018-13, Fair Value Measurement (Topic 820) Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement. The amendments in this Update modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement. Adoption of this pronouncement had no effect on the Councils' current or previously issued financial statements.

In 2019, the Councils adopted the provisions of FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958). This accounting standard is meant to help not-for-profit entities evaluate whether transactions should be accounted for as contributions or as exchange transactions and, if the transaction is identified as a contribution, whether it is conditional or unconditional. ASU 2018-08 clarifies how an organization determines whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the grant maker, the transfer is a contribution. ASU 2018-08 stresses that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. There was no material impact to the financial statements as a result of adoption. Accordingly, no adjustment to opening net assets was recorded.

In 2019, the Councils adopted the provisions of FASB ASU 2016-18, Statement of Cash Flows (Topic 230). This ASU requires that a statement of cash flows explain the change during the period in the total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The amendments in the ASU do not provide a definition of restricted cash or restricted cash equivalents. The Councils has applied the provisions of ASU 2016-18 to retrospectively to all periods presented with no effect on net assets or previously issued financial statements.

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Significant accounting policies (continued)

Accounting Pronouncements Adopted (continued)

Effective for the Councils in 2019, FASB ASU 2016-01, Financial Instruments – Overall Recognition and Measurement of Financial Assets and Financial Liabilities (Topic 825-10) allows an NFP to choose, on an investment-by-investment basis, to report an equity investment without a readily determinable fair value, that does not qualify for the practical expedient fair value in accordance with FASB ASC 820-10-35-59, at its cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issue. The FASB ASU requires additional disclosures about those investments. Adoption of this accounting pronouncement had no effect on the Councils' financial statements.

Recently issued accounting standards

The following accounting pronouncements were recently issued by the FASB:

In order to give immediate relief to certain entities as a result of the widespread, adverse economic effects caused by the COVID-19 pandemic, on June 3, 2020, the FASB issued ASU No. 2020-05, Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842), effective dates for certain entities. This Accounting Standards Update defers the effective dates of FASB ASC Topics 606 and 842 to fiscal years beginning after December 15, 2019 and December 15, 2021, respectively, for certain entities that had not issued their financial statements (or made them available for issuance) as of June 3, 2020.

Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (ASU 2020-07) — Effective for the Councils in 2022, the amendments in this Update apply to nonprofit organizations that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets.

In February 2016, FASB issued ASU No. 2016-02, Leases (Topic 842). This ASU requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the statement of activities and changes in net assets and the statement of cash flows will be substantially unchanged from the existing lease accounting guidance. In 2020, the FASB delayed the effective date for nonpublic entities to fiscal years beginning after December 15, 2021. Early adoption is permitted. The Councils is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 2 – Significant accounting policies (continued)

Recently issued accounting standards (continued)

In August 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities, which changed the previous guidance for net asset classification, governing board designations, investment return, underwater endowment funds, expenses, liquidity, and presentation of operating cash flows. ASU 2016-14 reduced the required number of classes of net assets from three to two: net assets with donor restrictions and net assets without donor restrictions. ASU 2016-14 also requires not-for-profit entities to provide enhanced disclosures about the amounts and purposes of governing board designations and appropriations. ASU 2016-14 requires not-for-profits to report investment return net of external and direct internal investment expenses. The requirement to disclose those netted expenses was eliminated. ASU 2016-14 requires not-for-profit entities to disclose the aggregate fair value of underwater endowment funds as well as the aggregate original gift amounts to be maintained.

ASU 2016-14 also requires an NFP to disclose its interpretation of the ability to spend from underwater endowment funds including its policy, and any actions taken during the period, concerning appropriation from underwater endowment funds. All underwater endowment funds are classified as part of net assets with donor restrictions rather than as a charge to net assets without donor restrictions as per the previous rules. In the absence of explicit donor restrictions, ASU 2016-14 requires not-for-profit entities to use the placed-in-service approach to account for capital gifts. The option to use the over-time approach has been eliminated. ASU 2016-14 requires expenses to be reported by nature in addition to function and include an analysis of expenses by both nature and function. The methods used by not-for-profit entities to allocate costs among program and support functions must be disclosed. ASU 2016-14 requires not-for-profit entities to provide both qualitative and quantitative information on management of liquid available resources and the ability to cover short-term cash needs within one year of the balance sheet date. For statement of cash flows, ASU 2016-14 eliminates the requirement to present or disclose the indirect method of reconciliation if the entity decides to use the direct method. ASU 2016-14 was effective for annual reporting periods beginning after December 15, 2017. The Councils adopted the provisions of ASU 2016-14 in 2018

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 3 – Liquidity and availability of funds

The Councils' financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are as follows:

	2020	2019
Cash – Operating Fund	$ -	$ 167,855
Accounts receivable - Operating Fund	124,953	64,305
Contributions receivable - Operating Fund	565,095	1,341,893
Total financial assets as of year end	690,048	1,574,053
Appropriation from quasi-endowment for general expenditure in subsequent year	605,537	592,570
Total financial assets available to meet general expenditures within the next 12 months	**$ 1,295,585**	**$ 2,166,623**

The Councils' endowment funds consist of donor-restricted endowments and a quasi-endowment. Income from donor-restricted endowments is designated by the Board for capital or endowment purposes and, therefore, is not available for general expenditure. As described in Note 13, the quasi-endowment has a spending rate which is generally set between 4% and 5% percent of the average fair value of the investment portfolio for the twenty quarters of the prior five years through December 31, 2020. Appropriations of $605,537 and $592,570 from the quasi-endowment will be available within the next 12 months as of December 31, 2020 and 2019, respectively. As part of the Councils' liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Councils invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Councils has a committed line of credit in the amount of $2,500,000, of which approximately $2,000,000 is available as of December 31, 2020 and could be drawn upon if necessary. Additionally, as of December 31, 2020, the Councils has a quasi-endowment of $4,465,381. Although the Councils does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its quasi-endowment could be made available if necessary.

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 4 – Investments

Investments, at fair value, at December 31, 2020 and 2019 are comprised of the following:

	2020		2019	
Money market funds		$ 1,396,863		$ 1,063,486
Mutual funds				
Domestic – Fixed Income	$ 3,513,106		$ 1,990,285	
International – Fixed Income	517,180		388,644	
Domestic – Equities	2,906,746		1,222,272	
International – Equities	1,890,879		2,057,587	
Real assets	472,425		874,221	
Complementary strategies and other	312,485	9,612,821	1,827,664	8,360,673
Equities				
Domestic	2,268,265		3,014,868	
International	392,280	2,660,545	410,165	3,425,033
Total investments, at fair value		$13,670,229		$ 12,849,192

Investment revenue for the years ended December 31, 2020 and 2019 has been reported in the net assets as follows:

	2020	2019
Interest and dividend revenue	$ 312,624	$ 359,905
Realized and unrealized gain	1,173,615	1,963,998
Investment fees	(56,148)	(90,711)
Total return on investments	1,430,091	2,233,192
Investment return authorized for current operations (see note 12)	(592,570)	(514,161)
Excess of investment return over authorized allocation	$ 837,521	$ 1,719,031

The above investment return is classified within net assets without donor restrictions in the 2020 and 2019 statement of activities and changes in net assets. The Councils also has beneficial interests in several charitable remainder and perpetual trusts, administered by third parties, totaling $1,055,168 and $955,939 at December 31, 2020 and 2019, respectively. The Councils' interests in these charitable remainder and perpetual trusts at December 31, 2020 and 2019 are measured at the fair value of the underlying investments, which consist of common stock, corporate debt, exchange traded funds, mutual funds, hedge funds and money market funds, which are all deemed to be Level 1 and Level 2 assets within the fair value hierarchy.

GREATER NEW YORK COUNCILS,
BOY SCOUTS OF AMERICA

Notes to Financial Statements (continued)
December 31, 2020

Note 5 – Pledges receivable, net

Pledges receivable, at December 31, 2020 and 2019, consist of the following:

	2020	2019
Less than one year	$ 1,216,136	$ 2,011,344
One to five years	114,232	239,666
Sub-total	1,330,368	2,251,010
Less: discount to present value at 4%	(7,939)	(18,082)
Less: allowance for doubtful accounts	(246,000)	(50,000)
Net pledges receivable	$ 1,076,429	$ 2,182,928

Note 6 – Fixed assets, net

Fixed assets, net consisted of the following at December 31, 2020 and 2019:

	2020	2019
Camp facilities:		
Permanent ways and structures	$ 13,615,409	$ 13,615,409
Equipment and machinery	2,184,819	2,165,998
Land improvements	2,356,749	2,356,749
Land	734,323	734,323
Vehicles	680,311	633,019
Construction in progress	144,031	108,870
Total camp facilities	19,715,642	19,614,368
Less: accumulated depreciation	(14,439,023)	(13,983,570)
Total camp facilities, net	5,276,619	5,630,798
Councils office:		
Furniture, fixtures and equipment	1,517,905	1,517,905
Leasehold improvements	247,685	247,685
Vehicles	124,664	124,664
Total Councils office	1,890,254	1,890,254
Less: accumulated depreciation and amortization	(1,536,336)	(1,467,235)
Total Councils office, net	353,918	423,019
Total fixed assets, net	$ 5,630,537	$ 6,053,817

Conservation consent agreement

Certain of the Councils' land is subject to conservation easements. The Councils entered into a conveyance of a Conservation Easement agreement (the "agreement") with The Trust for Public Land ("TPL"). During 2012 and 2013, under the terms of the agreement, the TPL purchased conservation easements on separate portions of the Councils' Camp Pouch located in Staten Island, New York.

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Notes to Financial Statements (continued)
December 31, 2020

Note 7 – Line of credit

The Councils has available a $2,500,000 line of credit maturing on August 14, 2022. Advances under the line bear interest at a fluctuating rate per annum equal to 1.0% above daily one-month LIBOR. As security for the line, the Councils has granted the bank a security interest in certain of its investments in custody with the bank. At December 31, 2020, the Councils had $500,070 outstanding borrowings under the line.

Note 8 – Special event revenue

Gross receipts from special fundraising events recorded by the Councils consist of exchange transaction revenue and contribution revenue. As a result of adopting FASB ASU 2014-09 during 2020, the Councils is required to separately present the components of this revenue. The following is a summary of the gross receipts from special fundraising events for the years ended December 31, 2020 and 2019:

	2020	2019
Contributions	$ 1,974,637	$ 3,730,102
Special event revenue	141,851	826,327
Gross special fundraising events	$ 2,116,488	$ 4,556,429

Note 9 – Government grants – paycheck protection program

2020 Paycheck protection program

On April 23, 2020, the Councils, was approved for and received a $1,232,997 term note under the Paycheck Protection Program (the "PPP Loan"). The PPP Loan was created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration (the "SBA"). As disclosed in the PPP Loan documents, principal and interest payments were deferred for the first six months. During the deferral period, interest on the outstanding principal accrued at a fixed rate of 1.0% per annum. During 2020, the Councils met the requirements and filed an application for PPP Loan forgiveness. During March 2021, the PPP Loan forgiveness application was confirmed by the SBA and as a result, the Councils recorded grant revenue of $1,232,997.

2021 Paycheck protection program

On February 9, 2021, the Councils received a second draw under the PPP totaling $1,232,996 at terms substantially similar to the first draw PPP received in 2020. The Councils expects to meet the PPP requirements for loan forgiveness in 2021 and will record the PPP Loan as grant revenue when such forgiveness is confirmed by the SBA.

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Notes to Financial Statements (continued)
December 31, 2020

Note 10 – Capital lease and vehicle obligations

Certain equipment acquired under capital leases by the Councils is capitalized as leased property and amortized on a straight-line basis over the life of the lease. In addition, the Councils finances vehicles over a period of two to five years.

At December 31, 2020 future annual payments under these obligations are as follows:

Year	Capital leases	Vehicles	Total
2021	$ 19,229	$ 1,938	$ 21,167
2022	13,412	-	13,412
2023	3,724	-	3,724
Totals	$ 36,365	$ 1,938	$ 38,303

Note 11 – Commitments

During September 2018, the Councils entered into a lease for office space expiring on September 30, 2023. The Councils' annual rent is equal to the Councils' proportionate share of the landlord's carrying maintenance, operating and depreciation charges, along with the scheduled contributions to the landlord's capital improvement funds. The Councils' proportionate share of these expenses is based on the proportionate share of its square footage in the building, as defined in the agreement. Rent is subject to annual increases based on increases in the landlord's expenses. Rent expense for 2020 and 2019, in connection with the lease totaled approximately $478,000 and $476,000, respectively.

Promissory note

During November 2018, the Councils borrowed $425,000 under the terms of a promissory note (the "Note"). The Note bears no interest and requires monthly payments of $10,000 commencing January 15, 2019 through maturity on July 15, 2022 at which time the entire unpaid principal amount under the Note shall be due and payable. As of December 31, 2020, the Councils had $250,000 outstanding under the note.

Operating leases

The Councils leases equipment under the terms of several operating leases. Lease expense under these agreements for 2020 and 2019 amounted to approximately $7,000 and $14,900, respectively.

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Notes to Financial Statements (continued)
December 31, 2020

Note 12 – Related party transactions

The Councils purchases supplies and program materials from the National Council. The Councils also incurs expenses from the National Council related to certain administrative services. Total expenses incurred in connection with goods and services provided by the National Council totaled $1,075,684 and $1,521,632 for the years ended December 31, 2020 and 2019, respectively. The accounts payable balance includes payables to the National Council of $6,763 as of December 31, 2020.

Note 13 – Employee benefit plans

BSA retirement plan

The National Council has a qualified defined benefit pension plan ("the plan") administered at the National Service Center that covers employees of the National Council and local councils, including the Councils. The plan name is the *Boy Scouts of America Master Pension Trust – Boy Scouts of America Retirement Plan for Employees*. Effective December 31, 2018, the plan was frozen to employees with less than 15 years of vesting service, and whose age plus vesting service equaled less than 60 as of December 31, 2018 (non-grandfathered employees). From January 1, 2020 through July 31, 2020, employees with at least 15 years of vesting service and whose age plus vesting service equaled 60 or more as of December 31, 2018 (grandfathered employees) contributed 4.25 percent of compensation to the plan. Effective August 1, 2020, the plan was frozen to grandfathered employees, thereby freezing the plan for all BSA employees. The Councils contributes 7.75 percent of eligible employees' compensation to the BSA retirement program.

Pension expense (excluding the contributions made by employees) for the years ended December 31, 2020 and 2019 totaled approximately $104,000 and $175,000 respectively, and covered current service cost. The actuarial information for the plan as of February 1, 2019 indicates that it is in compliance with ERISA regulations regarding funding. For the plan year ended January 31, 2020, (the most recent information available) the plan was approximately 87.6% funded.

Thrift plan

The Councils has established a Thrift Plan covering all full-time employees of the Councils. Participants in the Thrift Plan may elect to make voluntary before-tax contributions based on a percentage of their pay, subject to certain limitations set forth in the Internal Revenue Code of 1986, as amended. The Councils has elected to match employee contributions to the Thrift Plan up to 50% of contributions from each participant, limited to 3% of each employee's gross pay. The Councils contributed approximately $116,000 and $206,000 to the Thrift plan in 2020 and 2019, respectively.

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Notes to Financial Statements (continued)
December 31, 2020

Note 13 – Employee benefit plans (continued)

Healthcare plan

The Councils' employees participate in a health care plan provided by the National Council. The Councils pays a portion of the cost for the employees, and the employees pay the remaining portion and the cost for any of their dependents participating in the plan. During the years ended December 31, 2020 and 2019, the Councils remitted approximately $260,000 and $380,000, respectively, on behalf of its employees to the National Council related to the health care plan.

Other employee benefit plans

The Councils' employees participate in dental care and life insurance plans provided by the National Council. The Councils pays a portion of the costs for the employees, and the employees pay the remaining portion and the cost for any of their dependents participating in the plans. During the years ended December 31, 2020 and 2019, the Councils remitted approximately $61,700 and $81,500, respectively, on behalf of its employees to the plans.

Note 14 – Endowment fund net assets

The Councils' endowment includes both donor-restricted endowment and funds designated by the Board of Directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law

The Councils has interpreted the New York Prudent Management of Institutional Funds Act (NYPMIFA), as requiring the Councils to act prudently when making decisions to spend or accumulate donor restricted endowment assets and in doing so to consider a number of factors including the duration and preservation of its donor restricted endowment funds (as outlined on the following page). The Councils preserves the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result, the Councils classifies as net assets with perpetual donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument, if any, at the time the accumulation is added to the fund. The portion of the donor-restricted endowment fund that is not classified in net assets with perpetual donor restrictions is classified as net assets with temporary donor restrictions until those amounts are appropriated for expenditure by the Councils in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Note 14 – Endowment fund net assets (continued)

Interpretation of relevant law

Investment return earned on the Councils' net assets with donor restrictions are not subject to donor restrictions but have been designated by the Board of the Councils for use in the capital fund or allocated to the Board Designated Endowment, see table on page 32. The Councils 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 Councils and the donor-restricted endowment
(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 Councils
(7) The investment policies of the Councils

Funds with deficiencies

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 applicable state law requires the Councils to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. There were no such deficiencies as of December 31, 2020 and 2019. The Councils has interpreted the NYPMIFA and applicable state trust law to permit spending from underwater endowments in accordance with prudent measures required under law.

Strategies employed for achieving objectives

To satisfy its long-term rate-of-return objectives, the Councils relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Councils targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

Return objectives and risk parameters

The Councils has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Councils must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. The Councils expects its endowment funds, over time, to provide an average rate of return sufficient to fund the Councils' spending policy as well as to grow the endowment an average of 4% to 5% annually. Actual returns in any given year may vary from this amount.

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Notes to Financial Statements (continued)
December 31, 2020

Note 14 – Endowment fund net assets (continued)

Spending policy

The Councils has a policy to make an annual investment return allocation in support of operations. The annual allocation is equal to the average fair value of the investment portfolio for the twenty quarters of the prior five years, multiplied by a percentage (the "Payout Percentage") to be annually recommended by the Investment Committee and approved by the Board of Directors. The Payout Percentage is generally set between 4% and 5%. For the years ended December 31, 2020 and 2019, $447,950 and $388,848, respectively, were used as the authorized investment return allocation for operations. In addition, in 2020 and 2019 an additional $144,620 and $125,313, respectively, of investment return was allocated to capital without donor restrictions. This is consistent with the Councils' objective to maintain purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

At December 31, 2020, the endowment net asset composition by type of fund is as follows:

	Without Donor Restrictions	Temporary Donor Restrictions	Perpetual Donor Restrictions	Total
Donor-restricted funds	$ -	$ 1,488,115	$ 9,370,791	$10,858,906
Councils-designated funds	4,219,752	-	-	4,219,752
Total funds	$ 4,219,752	$ 1,488,115	$ 9,370,791	$15,078,658

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Notes to Financial Statements (continued)
December 31, 2020

Note 14 – Endowment fund net assets (continued)

Changes in the Councils' designated net assets with temporary and perpetual restrictions for the years ended December 31, 2019 and 2020 are as follows:

	Councils Designated				Perpetual Donor Restrictions			
	Capital Fund	Endowment Fund	Total Councils Designated	Temporary Donor Restrictions	Planned Giving Development Staff	Beneficial Interest in Perpetual Trusts	General and Camp Operation of the Councils	Total With Perpetual Restrictions
Net assets at December 31, 2018	**$ 893,595**	**$ 1,463,559**	**$ 2,357,154**	**$ 1,318,459**	**$ 1,104,994**	**$ 821,371**	**$ 6,886,439**	**$ 8,812,804**
Investment return:								
Investment revenue, net	443,478	1,784,163	2,227,641	-	-	-	-	-
Investment return authorized for current operation	125,313	(514,161)	(388,848)	-	-	-	-	-
Total investment return	568,791	1,270,002	1,838,793	-	-	-	-	-
Contributions and other	10,390	8,125	18,515	327,698	-	134,568	313,582	448,150
Net assets released from restrictions	317,863	-	317,863	(317,863)	-	-	-	-
Appropriation of endowment for expenditure	(514,153)	(2,299)	(516,452)	-	-	-	-	-
Transfer to operations	-	(500,000)	(500,000)	-	-	-	-	-
Net assets at December 31, 2019	**$ 1,276,486**	**$ 2,239,387**	**$ 3,515,873**	**$ 1,328,294**	**$ 1,104,994**	**$ 955,939**	**$ 7,200,021**	**$ 9,260,954**
Investment return:								
Investment revenue – net	96,742	1,333,104	1,429,846	-	-	-	-	-
Investment return authorized for current operation	144,620	(592,570)	(447,950)	-	-	-	-	-
Total investment return	241,362	740,534	981,896	-	-	-	-	-
Contributions and other	-	8,497	8,497	159,821	-	99,228	10,609	109,837
Net assets released from restrictions	-	-	-	-	-	-	-	-
Appropriation of endowment for expenditure	(284,730)	(1,784)	(286,514)	-	-	-	-	-
Net assets at December 31, 2020	**$ 1,233,118**	**$ 2,986,634**	**$ 4,219,752**	**$ 1,488,115**	**$ 1,104,994**	**$ 1,055,167**	**$ 7,210,630**	**$ 9,370,791**

The total Councils' designated net assets in the Capital Fund excludes $5,630,537 and $6,053,817 in 2020 and 2019, respectively, representing fixed assets and all related activity.

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Notes to Financial Statements (continued)
December 31, 2020

Note 15 – Litigation and contingencies

The New York Child Victims Act (the "Act") took effect August 14, 2019 and extended the statute of limitations for those who may wish to bring civil claims alleging sexual abuse. As of the date of this report the Councils has been named as a defendant in a number of lawsuits alleging such conduct, and there may be yet unasserted claims brought prior to the expiration of the revival window which is currently set for August 14, 2021 (the "revival window"). The cost to defend the Councils has been covered by the National Council to date. At the present time management of the Councils is unable to estimate a probable outcome of these matters or assess the effect, if any, of unasserted claims on the financial statements. Accordingly, no provision for liabilities, if any, has been made in the accompanying financial statements. Any changes in state law, such as an extension of the revival window under the Act, could result in additional claims being asserted.

The National Council has also been named as a defendant in many of the lawsuits alleging sexual abuse, seeking claims for compensatory and punitive damages. The Councils is a separate not-for-profit organization. Some of these claims arose out of conduct allegedly occurring on Councils property and/or allegedly were committed by Councils employees or volunteers, and in some cases the Councils is named as a co-defendant with the National Council.

On February 18, 2020, the National Council filed for protection under Chapter 11 of the United States Bankruptcy Code. The National Council continues to operate its business in the ordinary course and has received bankruptcy court approval to continue its relationship with the Councils. Neither the Councils nor any other local council are debtors in the bankruptcy proceeding. The bankruptcy court has granted a stay of litigation against both the National Council and local councils, and the National Council has proposed a plan of reorganization that contains, as one option, a "global resolution" protecting local councils from any further legal exposure for abuse claims arising prior to February 18, 2020, subject to the assignment of insurance rights and a to be determined financial contribution from local councils. Any contribution would be based on a number of factors, and the overall amount of local council contributions is actively being negotiated as part of a settlement mediation ordered in the bankruptcy proceeding. There is no agreed formula by which each local councils' contribution is calculated. In exchange for such contribution, it is anticipated that each council would receive a channeling injunction which would transfer claims known and unknown that have occurred prior to February 18, 2020 to a trust for the benefit of claimants. The proposed plan of reorganization presented by the National Council would involve a contribution from the Councils which would be material to the net assets of the Councils, but neither representatives of the claimants in the bankruptcy proceeding nor the local councils have agreed to the proposed plan, nor has the bankruptcy court considered or approved it. As such, the ability of the National Council to be successful in achieving a plan of reorganization containing a "global resolution" and the size of any contribution from the Councils cannot be determined, nor can it be determined whether the Councils will receive the benefit of a channeling injunction.

The National Council provides the Councils with a charter, program materials and support for administration (see Note 1), sponsors certain benefit plans for Councils employees (see Note 13), and operates a general liability insurance program in which the Councils participates.

GREATER NEW YORK COUNCILS,
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Notes to Financial Statements (continued)
December 31, 2020

Note 15 – Litigation and contingencies (continued)

As of the date of this report, Management of the Councils is unable to assess the effect, if any, the resolution of these matters by the National Council, including claims made directly against the Councils, may have on the Councils' operations or its financial statements. Accordingly, no provision for any potential related liabilities has been made in the accompanying financial statements. Should the National Council ultimately be unable to confirm its plan of reorganization with the bankruptcy court that has a channeling injunction for the benefits of the Councils, the outcome of these matters is likely to have a material adverse effect on the Councils' financial statements.

COVID-19 pandemic

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets are subject to volatility resulting from uncertainty caused by the pandemic. The Councils has taken steps to compensate for suspension and limitations of programming activities and the postponement and limitations of event-driven fundraising during 2020 and 2021 to date. The Councils' ability to open the three camps for the summer of 2021 is a positive development as they were closed for the summer of 2020 pursuant to public health directives set by state and local authorities. The Councils is closely monitoring its investment portfolio and its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on the Councils' operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Councils' donors, customers, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the Councils' financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.