

***VELODROME FUND, INC.***

FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**VELODROME FUND, INC.**

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CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

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*Emeritus*  
John A. Savchak, CPA, CVA  
*Emeritus*  
Jay H. Fasnacht, CPA  
*1935 - 2018*

To the Board of Directors  
*Velodrome Fund, Inc.*  
*Trexlerstown, PA*

We have reviewed the accompanying financial statements of Velodrome Fund, Inc. (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of 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.

**Accountants' Responsibility**

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

We are required to be independent of Velodrome Fund, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

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*Strength in Numbers*

### **Basis for Qualified Conclusion**

As explained in Note 3 to the financial statements, Velodrome Fund, Inc. leases the Velodrome facility at a notional sum, the contributed value of which is not determinable due to the uniqueness of the venue.

### **Qualified Conclusion**

Based on our reviews, except for the issue noted in the Basis for Qualified Conclusion paragraph, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Regan, Levin, Bloss, Brown & Sauchak, P.C.*

Allentown, Pennsylvania  
June 23, 2022

**VELODROME FUND, INC.****Statements of Financial Position  
December 31, 2021 and December 31, 2020**

<b>Assets</b>	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 290,239	\$ 60,149
Accounts receivable, net of allowance	14,610	153,170
Retail inventory	7,535	11,046
Investments	1,483,243	1,455,893
Property and equipment, net of accumulated depreciation	<u>49,269</u>	<u>60,135</u>
Total assets	<u>\$ 1,844,896</u>	<u>\$ 1,740,393</u>
<b>Liabilities</b>		
Accounts payable	\$ 12,663	\$ 14,211
Payroll tax payable	861	—
Credit cards	2,659	1,024
Deferred revenue	<u>1,500</u>	<u>22,631</u>
Total liabilities	<u>17,683</u>	<u>37,866</u>
<b>Net Assets</b>		
Without donor restrictions	(18,763)	(100,678)
With donor restrictions	<u>1,845,976</u>	<u>1,803,205</u>
Total net assets	<u>1,827,213</u>	<u>1,702,527</u>
Total liabilities and net assets	<u>\$ 1,844,896</u>	<u>\$ 1,740,393</u>

See accompanying notes to financial statements.

**VELODROME FUND, INC.****Statements of Activities****Year Ended December 31, 2021, with Comparative Totals for the Year Ended December 31, 2020**

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	
			2021	2020
Support and revenues:				
Contributions	\$ 31,795	\$ —	\$ 31,795	\$ 3,463
Sponsorships	382,650	24,000	406,650	353,250
Interest and dividends, net of fees	15	43,825	43,840	26,833
Net appreciation (depreciation) of investments	—	122,909	122,909	129,073
Racing:				
Ticket sales	69,501	—	69,501	12,075
Rider fees	161,245	—	161,245	27,216
Concessions	34,363	—	34,363	24
Retail sales	16,717	—	16,717	5,972
Special events:				
Ticket sales	10,800	—	10,800	8,360
Facility rentals	7,775	—	7,775	11,165
	<u>714,861</u>	<u>190,734</u>	<u>905,595</u>	<u>577,431</u>
Other revenue:				
Paycheck protection program (PPP) loan forgiveness	48,917	—	48,917	53,100
Grant income	105,325	—	105,325	262,958
	<u>154,242</u>	<u>—</u>	<u>154,242</u>	<u>316,058</u>
Expenses:				
Racing	576,666	—	576,666	384,422
Development	148,748	—	148,748	131,135
Non-cycling	2,213	—	2,213	1,907
General and administrative	193,932	—	193,932	462,301
Fund-raising	13,592	—	13,592	13,675
	<u>935,151</u>	<u>—</u>	<u>935,151</u>	<u>993,440</u>
Transfer of donor restricted net assets	147,963	(147,963)	—	—
Change in net assets	81,915	42,771	124,686	(99,951)
Beginning net assets	(100,678)	1,803,205	1,702,527	1,802,478
Ending net assets	<u>\$ (18,763)</u>	<u>\$ 1,845,976</u>	<u>\$ 1,827,213</u>	<u>\$ 1,702,527</u>

*See accompanying notes to financial statements.*

**VELODROME FUND, INC.**

**Statements of Functional Expenses  
Year Ended December 31, 2021, with Comparative Totals for the Year Ended December 31, 2020**

	Program Services				Fund- Raising	Total
	Racing	Development	Non-Cycling	General and Administrative		
Personnel	\$ 110,062	\$ 110,875	\$ —	\$ 39,500	\$ 12,319	\$ 272,756
Payroll taxes	8,386	8,448	—	3,010	939	20,783
Employee benefits	43,907	—	—	—	—	43,907
Supplies	2,705	—	—	—	—	2,705
Facilities supplies	47,536	—	—	25,596	—	73,132
Concessions	20,080	—	—	—	—	20,080
Merchandise	5,901	—	—	—	—	5,901
Equipment	—	—	—	—	—	—
Awards and rider expense	56,368	—	—	—	—	56,368
Advertising and promotion	62,163	—	—	3,272	—	65,435
Insurance	16,703	5,102	1,670	10,022	334	33,831
Occupancy and utilities	22,693	22,693	—	12,801	—	58,187
Program expenses	42,754	—	—	—	—	42,754
Purchased services	98,471	—	—	82,523	—	180,994
Travel and lodging	—	—	—	3,224	—	3,224
Other expenses	33,504	—	—	—	—	33,504
Bank and payment processing fees	—	—	—	4,465	—	4,465
Grant expense	—	—	—	6,259	—	6,259
Depreciation	5,433	1,630	543	3,260	—	10,866
Loss on equipment write-off	—	—	—	—	—	—
	<u>\$ 576,666</u>	<u>\$ 148,748</u>	<u>\$ 2,213</u>	<u>\$ 193,932</u>	<u>\$ 13,592</u>	<u>\$ 935,151</u>
						<u>\$ 993,440</u>

See accompanying notes to financial statements.

**VELODROME FUND, INC.****Statements of Cash Flows**  
**Years Ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 124,686	\$ (99,951)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	10,866	13,613
Loss on equipment write-off	—	171,764
PPP loan forgiveness	(48,917)	(53,100)
Net appreciation of investments	(122,909)	(129,075)
(Increase) decrease in accounts receivable	138,560	(150,825)
(Increase) decrease in retail inventory	3,511	(6,824)
Increase (decrease) in accounts payable	(1,548)	1,517
Increase in payroll tax payable	861	—
Increase (decrease) in credit cards	1,635	(1,866)
Increase (decrease) in deferred revenue	(21,131)	20,571
Net cash provided by (used) in operating activities	<u>85,614</u>	<u>(234,176)</u>
Cash flows from investing activities:		
Proceeds from sales of investments	517,239	782,336
Purchases of investments	<u>(421,680)</u>	<u>(622,873)</u>
Net cash provided by investing activities	<u>95,559</u>	<u>159,463</u>
Cash flows from financing activities:		
PPP loan proceeds	<u>48,917</u>	<u>53,100</u>
Net cash provided by financing activities	<u>48,917</u>	<u>53,100</u>
Net increase (decrease) in cash and cash equivalents	230,090	(21,613)
Cash and cash equivalents, beginning	<u>60,149</u>	<u>81,762</u>
Cash and cash equivalents, ending	<u>\$ 290,239</u>	<u>\$ 60,149</u>
Supplemental disclosure of non-cash financing activities:		
PPP loan forgiveness	<u>\$ 48,917</u>	<u>\$ 53,100</u>

See accompanying notes to financial statements.



## ***VELODROME FUND, INC.***

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### **Notes to Financial Statements December 31, 2021 and 2020**

1. Nature of Activities:

Velodrome Fund, Inc. (the Organization) is a nonprofit organization which operates, supports, and maintains the Velodrome facility and venue (a Lehigh County-owned facility) located in Trexlertown, Pennsylvania.

2. Summary of Significant Accounting Policies:

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions or law.

With Donor Restrictions – Net assets subject to donor-imposed restrictions. Donor-imposed restrictions may be temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are permanent, where the donor stipulates that resources be maintained in perpetuity.

Use of Estimates

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

Property and Equipment

Acquisitions of property and equipment in excess of \$2,500 are capitalized. Property and equipment are carried at cost or, if donated, at fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the property and equipment.

Revenue Recognition

Contributions received are recorded as with restrictions or without restrictions depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with restrictions are reclassified

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## **VELODROME FUND, INC.**

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### **Notes to Financial Statements December 31, 2021 and 2020**

to net assets without restrictions and reported in the statement of activities as net assets released from restrictions.

#### Accounts Receivable

Accounts receivable are reported at the amount the Organization expects to collect from outstanding balances. Differences between the amount due and the amount the Organization expects to collect are reported in the results of operations of the year in which those differences are determined, with an offsetting entry to a valuation allowance for accounts receivable. Balances that are still outstanding after the Organization has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of December 31, 2021 and 2020, no amounts were deemed uncollectible.

#### Retail Inventory Valuation

Retail inventory is valued at the lower of cost (first-in, first-out) or market.

#### Advertising

Advertising costs are expensed as incurred. Advertising expense was \$65,435 and \$100,013 for the years ended December 31, 2021 and 2020, respectively.

#### Accounting for Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever circumstances and situations change such that there is an indication that the carrying amounts may not be recoverable. The Organization believes that there has been no impairment of its long-lived assets during 2021. There was an impairment loss of \$171,764 recognized during 2020 to write-off construction in progress.

#### Contributed Services

Velodrome Fund, Inc. receives services donated by its sponsors. No amounts have been reflected in the financial statements for those services because they do not meet the criteria for recognition under Financial Accounting Standards Board's Accounting Standard Codification (FASB ASC) 958, Not-for-Profit Entities.

#### Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Expenses that can be identified with a specific program or supporting service are allocated directly according to their natural expenditure classification. Certain other costs

(Continued)

## **VELODROME FUND, INC.**

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### **Notes to Financial Statements December 31, 2021 and 2020**

have been allocated among the programs and supporting services benefited. The expenses that are allocated include payroll taxes (based on wages incurred), facilities supplies, advertising, insurance, occupancy and utilities, and depreciation (allocated based on historical estimates of usage between program and support functions).

#### Taxes

Velodrome Fund, Inc. is a not-for-profit corporation that is exempt from income taxes under Internal Revenue Code Section 501(c)(3). The Organization has adopted the provisions of FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FASB ASC) 740-10. The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings in determining any uncertain tax positions. The Organization files its Form 990 with the United States Internal Revenue Service and with the Bureau of Charitable Organizations in Pennsylvania. The Organization is no longer subject to examination by the Internal Revenue Service for years prior to 2018.

#### Cash and Cash Equivalents

Cash and cash equivalents include all monies in bank accounts and highly-liquid investments with an initial maturity of three months or less.

#### Credit Risks

The Organization maintains its cash accounts in several depository accounts which, at times, may exceed federally-insured limits. The Organization has not experienced losses in such accounts. The Organization believes it is not exposed to significant credit risk.

The Organization maintains a significant portion of its assets in investments, which are subject to fluctuations in value. Further, the Organization is subject to risks associated with each investment, such as compliance of the issuer with certain contractual obligations.

#### Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without restrictions if the restrictions are met (either by the passage of time or by use) in the reporting period in which the income and gains are recognized.

(Continued)

## **VELODROME FUND, INC.**

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### **Notes to Financial Statements December 31, 2021 and 2020**

#### Subsequent Events

Management of the Organization has evaluated events and transactions subsequent to December 31, 2021, for items that could potentially be recognized or disclosed in these financial statements. The evaluation was conducted through June 23, 2022, the date these financial statements were available to be issued.

#### Adoption of New Accounting Standard

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." The ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in U.S. GAAP. The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Organization adopted the new standard effective January 1, 2020, the first day of the Organization's fiscal year using the modified retrospective approach. There was not a significant impact as a result of adoption of the ASU.

#### 3. Facilities Agreement:

The County of Lehigh has leased a portion of the Bob Rodale Cycling and Fitness Park to Velodrome Fund, Inc. The Park is used for staging of cycling races and conducting training and cycling related events in accordance with the terms and restrictions of the lease agreement. The lease originally had a term of 20 years commencing on January 2, 1998 and terminating on January 1, 2018. It has subsequently been extended for an additional 20-year term through January 1, 2038. Rent is due annually in the notional sum of \$1. Due to the uniqueness of the venue, valuation of this contribution is not determinable; no provision for fair rental value of the facility has been made in the financial statements reflective of the annual contributed value. See note 4 for discussion of an amendment to the lease.

#### 4. Net Assets With Donor Restrictions:

##### Expendable Trust – Velodrome Operations Trust Fund

During 1998, the Rodale Press, Inc. established and contributed to the Organization an expendable trust fund in the amount of \$1,500,000. Such funds are restricted in accordance with the directives of the Trust. The purpose of the fund is to provide a source of continuing funds to pay salaries and benefits for key Velodrome Fund, Inc. employees. The Trust Fund is authorized to distribute up to

(Continued)

## **VELODROME FUND, INC.**

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### **Notes to Financial Statements December 31, 2021 and 2020**

a maximum of \$150,000 annually, adjusted for inflation since 2000, to be used for its prescribed purpose. The Trust Fund is maintained in a separate account under the management of a fund custodian. The fair value of the Fund, excluding restricted cash, was \$1,483,243 and \$1,455,893 at December 31, 2021 and 2020, respectively. \$147,963 and \$182,037 of withdrawals from the Fund were transferred in 2021 and 2020, respectively, pursuant to Board resolution. Investment earnings are recorded as additions to net assets with donor restrictions.

#### Capital Improvements Fund

Effective July 11, 2007, the County of Lehigh, lessor of the Organization's facilities (see note 3), amended the lease to require that twenty percent of monies received by the Organization from the sponsor of the naming rights be set aside to be used for capital improvements to the facilities. By common consent of the parties, the annual amount due to the lessor for the stated purpose was limited to \$24,000. In 2007, the Organization paid \$24,000 to the lessor to fund its capital improvements.

No payments have been made subsequently, and \$336,000 remained unpaid at December 31, 2021. In lieu of payment of the amount otherwise due, the lessor and lessee have agreed to allow the lessee to retain the funds with a restricted designation. Expenditure of the restricted funds will occur as needed by the lessor to fund capital improvements to the facilities.

#### Endowment Account

Certain restricted contributions to the Organization totaling \$6,000 are held in an endowment account. Only earnings derived from such funds may be released from restriction. Earnings are recorded as income with donor restrictions.

Net assets with donor restrictions consisted of the following funds at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Velodrome Operations Trust Fund	\$ 1,503,976	\$ 1,485,205
Capital Improvements Fund	336,000	312,000
Endowment Account	<u>6,000</u>	<u>6,000</u>
	<u>\$ 1,845,976</u>	<u>\$ 1,803,205</u>

(Continued)

## VELODROME FUND, INC.

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### Notes to Financial Statements December 31, 2021 and 2020

#### 5. Investments:

Investments as of December 31, 2021 and 2020, are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
December 31, 2021			
With restrictions:			
Equity mutual funds	\$ 545,216	\$ 912,855	\$ 912,855
Fixed income mutual funds	<u>579,228</u>	<u>570,388</u>	<u>570,388</u>
	<u>\$ 1,124,444</u>	<u>\$ 1,483,243</u>	<u>\$ 1,483,243</u>
December 31, 2020			
With restrictions:			
Equity mutual funds	\$ 536,403	\$ 830,931	\$ 830,931
Fixed income mutual funds	<u>593,972</u>	<u>624,962</u>	<u>624,962</u>
	<u>\$ 1,130,375</u>	<u>\$ 1,455,893</u>	<u>\$ 1,455,893</u>

Investment revenues are reported net of brokers' fees, and amounted to \$43,840 in 2021 and \$26,833 in 2020.

#### 6. Fair Value Measurements:

FASB ASC 820-10, Fair Value Measurements and Disclosures, 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 for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active, and Level 3 inputs are unobservable and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. Fair values of assets measured on a recurring basis at December 31, 2021 and 2020 are as follows:

(Continued)

## VELODROME FUND, INC.

### Notes to Financial Statements December 31, 2021 and 2020

	Fair Value Measurements at Reporting Date Using	
	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)
December 31, 2021:		
Equity mutual funds	\$ 912,855	\$ 912,855
Fixed income mutual funds	<u>570,388</u>	<u>570,388</u>
	<u>\$ 1,483,243</u>	<u>\$ 1,483,243</u>
December 31, 2020:		
Equity mutual funds	\$ 830,931	\$ 830,931
Fixed income mutual funds	<u>624,962</u>	<u>624,962</u>
	<u>\$ 1,455,893</u>	<u>\$ 1,455,893</u>

Following is a description of the valuation methodology used for mutual funds measured at fair value.

Level 1 mutual funds are valued at the daily closing price as reported by the fund. Such mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The level 1 mutual funds held by the Organization are deemed to be actively traded.

#### 7. Property and Equipment:

Property and equipment consisted of the following at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Building	\$ 290,155	\$ 290,155
Equipment and furniture	<u>152,467</u>	<u>152,467</u>
	<u>442,622</u>	<u>442,622</u>
Less accumulated depreciation	<u>393,353</u>	<u>382,487</u>
Property and equipment, net	<u>\$ 49,269</u>	<u>\$ 60,135</u>

(Continued)

## VELODROME FUND, INC.

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### Notes to Financial Statements December 31, 2021 and 2020

#### 8. Liquidity:

The following reflects the Organization's financial assets, consisting of cash, accounts receivable, inventory and investments as of December 31, 2021, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Financial assets at year end	\$1,795,627
Less funds unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions	<u>1,845,976</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>(50,349)</u>

As discussed in Note 4, the Organization also has access to a maximum of \$150,000 annually in its Expendable Trust, which can be used to fund certain operating expenses with proper approval.

#### 9. Contingencies:

In October 2018, the former executive director filed an employment related claim against the Velodrome Fund, Inc. and a member of its Board of Directors with a court. No assessment of the probability of an unfavorable outcome or estimate of the range of potential damages can presently be made; accordingly, in accordance with FASB Accounting Standards Codification subtopic 450-20, *Contingencies: Loss Contingencies*, no accrual has been included in the financial statements.

#### 10. Related Party Transactions:

The Organization received sponsorships and regularly purchased products and services from companies affiliated with various board members. Sponsorships, dues and other support received from related parties during the years ended December 31, 2021 and 2020 totaled \$120,000 and \$68,500, respectively. The total cost of products and services purchased from related parties amounted to \$0 and \$0 for the years ended December 31, 2021 and 2020, respectively. The Organization had no balances due to or due from related parties at December 31, 2021 and 2020.

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## **VELODROME FUND, INC.**

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### **Notes to Financial Statements December 31, 2021 and 2020**

#### 11. Retirement Plan:

Effective January 1, 2021, the Corporation sponsors a qualified employee benefit plan under Internal Revenue Code 408(p) Simple. The plan covers substantially all employees who meet certain service requirements. Annual employee elective deferred contributions cannot exceed \$13,500. The Corporation has elected to make a matching contribution based on the employee salary reduction to a maximum of 3% of the employee's eligible earnings or \$13,500 (age 50 and over \$16,500), whichever is less. The Corporation made matching contributions of 3% for the year ended December 31, 2021. Total employer contribution expense relating to the plan was \$5,942 for the year ended December 31, 2021.

#### 12. Other Income:

During 2021, the Organization received grants in the amount of \$105,325, which consisted of \$25,325 from the County of Lehigh, and \$80,000 in other grants.

During 2020, the Organization received grants in the amount of \$262,958, which consisted of \$235,458 from the County of Lehigh for COVID-19 related expenses or lost revenue, and \$27,500 in other grants.

During 2021, the Organization also received the proceeds of a \$48,917 Paycheck Protection Program (PPP) loan in accordance with the CARES Act. Prior to the end of the year, the Organization was granted forgiveness of this PPP loan by the Small Business Administration (SBA) in the amount of \$48,917. Accordingly, the SBA has repaid the lender, and the Organization recognized a gain on PPP loan forgiveness which is reflected in Other Revenue in the Statement of Activities for the year ended December 31, 2021.

During 2020, the Organization received the proceeds of a \$53,100 PPP loan in accordance with the CARES Act. The organization was granted forgiveness of this PPP loan by the SBA in the amount of \$53,100, and recognized a gain on PPP loan forgiveness which is reflected in Other Revenue in the Statement of Activities for the year ended December 31, 2020.

#### 13. Uncertainties:

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which might negatively impact the Organization. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the

*(Continued)*

**VELODROME FUND, INC.**

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**Notes to Financial Statements  
December 31, 2021 and 2020**

outbreak, and its impact on the Organization's customers, donors, employees and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Organization's financial condition or results of operations is uncertain.