

Attachment D:  
CALV Audited Financial Statement 2021-2022

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2022 AND 2021**



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**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
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YEARS ENDED JUNE 30, 2022 AND 2021**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Community Action Committee  
of the Lehigh Valley, Inc. and Subsidiaries  
Bethlehem, Pennsylvania

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Community Action Committee of the Lehigh Valley, Inc. and Subsidiaries, which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Community Action Committee of the Lehigh Valley, Inc. and Subsidiaries as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Community Action Committee of the Lehigh Valley, Inc. and Subsidiaries and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Adjustments to Prior Period Consolidated Financial Statements***

The consolidated financial statements as of and for the year ended June 30, 2021 of Community Action Committee of the Lehigh Valley, Inc. and Subsidiaries were audited by other auditors whose opinion dated August 31, 2022, expressed an unmodified opinion on those statements. As more fully described in Note 22, the Organization has restated its 2021 consolidated financial statements during the current year to properly account for loans held for another entity, in accordance with accounting principles generally accepted in the United States of America. The other auditors reported on the 2021 consolidated financial statements before the restatement.

As part of our audit of the consolidated financial statements as of and for the year ended June 30, 2022, we also audited the adjustment described in Note 22 that was applied to restate the 2021 consolidated financial statements. In our opinion, the adjustment is appropriate and has been properly applied. We were not engaged to audit, review or apply any procedures to the 2021 consolidated financial statements of the Organization other than with respect to the adjustment and, accordingly, we do not express an opinion or any other form of assurance on the 2021 consolidated financial statements as a whole

***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Committee of the Lehigh Valley, Inc, and Subsidiaries ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Action Committee of the Lehigh Valley, Inc, and Subsidiaries internal control. Accordingly, no such opinion is expressed.

Board of Directors  
Community Action Committee  
of the Lehigh Valley, Inc. and Subsidiaries

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Committee of the Lehigh Valley, Inc, and Subsidiaries ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Bethlehem, Pennsylvania  
December 18, 2023

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2022 AND 2021**

|  | <u>2022</u>                     | <u>2021</u><br>(As Restated)    |
|--|---------------------------------|---------------------------------|
| <b>ASSETS</b>  |                                 |                                 |
| <b>CURRENT ASSETS</b>                                  |                                 |                                 |
| Cash and Cash Equivalents                              | \$ 11,492,127                   | \$ 12,195,205                   |
| Restricted Cash  | 2,850,108                       | 12,983,492                      |
| Grant Receivable                                       | 2,325,865                       | 1,787,983                       |
| Unconditional Promises to Give                         | 264,794                         | 24,291                          |
| Program Loans Receivable, Net of Loss Reserve          | 69,754                          | 592,792                         |
| Inventory  | 2,045,638                       | 1,897,039                       |
| Property Inventory, Net of Loss of Reserve             | 565,383                         | 497,642                         |
| Prepaid Expenses                                       | 360,615                         | 290,807                         |
| Total Current Assets                                   | <u>19,974,284</u>               | <u>30,269,251</u>               |
| <br><b>PROPERTY AND EQUIPMENT, NET OF DEPRECIATION</b> | <br>6,922,381                   | <br>7,293,056                   |
| <b>OTHER ASSETS</b>                                    |                                 |                                 |
| Unconditional Promises to Give                         | -                               | 11,225                          |
| Investments  | -                               | 319,683                         |
| Program Loans Receivable, Net of Current Portion       | <u>1,687,950</u>                | <u>1,672,016</u>                |
| Total Other Assets                                     | <u>1,687,950</u>                | <u>2,002,924</u>                |
| <br>Total Assets                                       | <br><u><u>\$ 28,584,615</u></u> | <br><u><u>\$ 39,565,231</u></u> |

See accompanying Notes to Consolidated Financial Statements.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)  
JUNE 30, 2022 AND 2021**

|   | <u>2022</u>                 | <u>2021</u><br>(As Restated) |
|---|-----------------------------|------------------------------|
| <b>LIABILITIES AND NET ASSETS</b>       |                             |                              |
| <b>CURRENT LIABILITIES</b>              |                             |                              |
| Current Portion of Long-Term Debt       | \$ 539,438                  | \$ 155,983                   |
| Line of Credit                          | 75,000                      | 175,000                      |
| Accounts Payable                        | 543,728                     | 530,477                      |
| Accrued Expenses                        | 86,599                      | 132,869                      |
| Accrued Interest                        | 9,875                       | 9,875                        |
| Accrued Wages                           | 284,376                     | 542,612                      |
| Compensated Absences                    | 140,551                     | 132,108                      |
| Refundable Advances                     | 2,350,405                   | 12,927,044                   |
| Custodial Funds                         | 3,630                       | 53,635                       |
| Total Current Liabilities               | <u>4,033,602</u>            | <u>14,659,603</u>            |
| <b>NONCURRENT LIABILITIES</b>           |                             |                              |
| Long-Term Debt, Less Current Maturities | 2,132,122                   | 2,546,338                    |
| Loans Held for Others                   | 931,108                     | 922,668                      |
| Total Noncurrent Liabilities            | <u>3,063,230</u>            | <u>3,469,006</u>             |
| Total Liabilities                       | 7,096,832                   | 18,128,609                   |
| <b>NET ASSETS</b>                       |                             |                              |
| Without Donor Restrictions              | 14,034,167                  | 13,954,651                   |
| With Donor Restrictions                 | 7,453,616                   | 7,481,971                    |
| Total Net Assets                        | <u>21,487,783</u>           | <u>21,436,622</u>            |
| Total Liabilities and Net Assets        | <u><u>\$ 28,584,615</u></u> | <u><u>\$ 39,565,231</u></u>  |

See accompanying Notes to Consolidated Financial Statements.



**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                |
|--|-------------------------------|----------------------------|----------------------|
| <b>REVENUE AND SUPPORT</b>                       |                               |                            |                      |
| Contributions and Grants, Private                | \$ 2,082,677                  | \$ 3,802,039               | \$ 5,884,716         |
| Grants. Government                               | 30,276,079                    | 9,583,704                  | 39,859,783           |
| Donated Food Products                            | 14,997,837                    | -                          | 14,997,837           |
| Shared Maintenance Fee                           | 77,519                        | -                          | 77,519               |
| Program Services                                 | 1,761,798                     | -                          | 1,761,798            |
| Interest Income                                  | 4,483                         | 2,349                      | 6,832                |
| Gain (Loss) on Sale of Homes                     | (10,481)                      | -                          | (10,481)             |
| Total  | <u>49,189,912</u>             | <u>13,388,092</u>          | <u>62,578,004</u>    |
| <b>NET ASSETS RELEASED FROM<br/>RESTRICTIONS</b> |                               |                            |                      |
| For Program Operations                           | 13,369,647                    | (13,369,647)               | -                    |
| For Capital Additions                            | 46,800                        | (46,800)                   | -                    |
| Total  | <u>13,416,447</u>             | <u>(13,416,447)</u>        | <u>-</u>             |
| Total Revenue and Support                        | 62,606,359                    | (28,355)                   | 62,578,004           |
| <b>EXPENSES</b>                                  |                               |                            |                      |
| Program  | 58,967,196                    | -                          | 58,967,196           |
| Supporting Services:                             |                               |                            |                      |
| Management and General                           | 2,984,005                     | -                          | 2,984,005            |
| Fundraising                                      | 575,642                       | -                          | 575,642              |
| Total Expenses                                   | <u>62,526,843</u>             | <u>-</u>                   | <u>62,526,843</u>    |
| <b>CHANGES IN NET ASSETS</b>                     | 79,516                        | (28,355)                   | 51,161               |
| Net Assets - Beginning of Year                   | <u>13,954,651</u>             | <u>7,481,971</u>           | <u>21,436,622</u>    |
| <b>NET ASSETS - END OF YEAR</b>                  | <u>\$ 14,034,167</u>          | <u>\$ 7,453,616</u>        | <u>\$ 21,487,783</u> |

See accompanying Notes to Consolidated Financial Statements.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

|   | Without Donor<br>Restrictions<br>(As Restated) | With Donor<br>Restrictions<br>(As Restated) | Total<br>(As Restated) |
|---|--|---|------------------------|
| <b>REVENUE AND SUPPORT</b>                                |  |   |                        |
| Contributions and Grants, Private                         | \$ 1,375,897                                   | \$ 9,213,973                                | \$ 10,589,870          |
| Grants. Government  | 14,871,668                                     | -   | 14,871,668             |
| Donated Food Products                                     | 12,442,352                                     | -   | 12,442,352             |
| Shared Maintenance Fee                                    | 131,080  | -   | 131,080                |
| Program Services  | 1,930,222                                      | -   | 1,930,222              |
| Other Income  | 20,760   | -   | 20,760                 |
| Interest Income   | 202,986  | 5,245                                       | 208,231                |
| Gain on Sale of Homes                                     | 787  | -   | 787                    |
| Total   | <u>30,975,752</u>                              | <u>9,219,218</u>                            | <u>40,194,970</u>      |
| <b>NET ASSETS RELEASED FROM<br/>RESTRICTIONS</b>          |  |   |                        |
| For Program Operations                                    | 4,299,661                                      | (4,299,661)                                 | -                      |
| For Capital Additions                                     | 47,275   | (47,275)                                    | -                      |
| Total   | <u>4,346,936</u>                               | <u>(4,346,936)</u>                          | <u>-</u>               |
| Total Revenue and Support                                 | 35,322,688                                     | 4,872,282                                   | 40,194,970             |
| <b>EXPENSES</b>   |  |   |                        |
| Program   | 29,507,750                                     | -   | 29,507,750             |
| Supporting Services:                                      |  |   |                        |
| Management and General                                    | 3,134,005                                      | -   | 3,134,005              |
| Fundraising   | 622,887  | -   | 622,887                |
| Total Expenses  | <u>33,264,642</u>                              | <u>-</u>                                    | <u>33,264,642</u>      |
| <b>CHANGES IN NET ASSETS</b>                              | 2,058,046                                      | 4,872,282                                   | 6,930,328              |
| Net Assets - Beginning of Year, as<br>Previously Reported | 11,896,605                                     | 3,521,379                                   | 15,417,984             |
| Correction of an Error                                    |  | (911,690)                                   | (911,690)              |
| Net Assets - Beginning of Year, as Restated               | <u>11,896,605</u>                              | <u>2,609,689</u>                            | <u>14,506,294</u>      |
| <b>NET ASSETS - END OF YEAR</b>                           | <u>\$ 13,954,651</u>                           | <u>\$ 7,481,971</u>                         | <u>\$ 21,436,622</u>   |

See accompanying Notes to Consolidated Financial Statements.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2022**

|                                     | Program              | Management<br>and General | Fundraising       | Total                |
|-------------------------------------|----------------------|---------------------------|-------------------|----------------------|
| <b>PERSONNEL</b>                    |                      |                           |                   |                      |
| Salaries and Wages                  | \$ 3,078,997         | \$ 1,488,360              | \$ 339,471        | \$ 4,906,828         |
| Employee Benefits/Payroll Taxes     | 1,396,852            | 635,651                   | 139,683           | 2,172,186            |
| Conferences and Training            | 23,780               | 42,177                    | -                 | 65,957               |
| Travel                              | 26,045               | 11,300                    | -                 | 37,345               |
| Total Personnel                     | <u>4,525,674</u>     | <u>2,177,488</u>          | <u>479,154</u>    | <u>7,182,316</u>     |
| <b>OTHER</b>                        |                      |                           |                   |                      |
| Advertising and Promotion           | 82,636               | 6,682                     | -                 | 89,318               |
| Bad Debt Expense                    | -                    | 24,937                    | -                 | 24,937               |
| Computer Tech Support               | 2,811                | -                         | -                 | 2,811                |
| Contracted Services/Assistance      | 24,328,720           | 81,330                    | -                 | 24,410,050           |
| Depreciation                        | 383,898              | 111,349                   | -                 | 495,247              |
| Dues and Subscriptions              | 51,188               | 33,450                    | -                 | 84,638               |
| Equipment Maintenance and Repairs   | 162,116              | 10,078                    | -                 | 172,194              |
| Facility Maintenance and Utilities  | 189,986              | 70,429                    | -                 | 260,415              |
| Food Distributions                  | 16,670,648           | -                         | -                 | 16,670,648           |
| Grants - Southside Revitalization   | 7,710,826            | -                         | -                 | 7,710,826            |
| Insurance                           | 85,296               | 63,412                    | -                 | 148,708              |
| Interest                            | 47,738               | 2,816                     | -                 | 50,554               |
| Provision for Loan Losses           | 10,933               | -                         | -                 | 10,933               |
| Minor Equipment Purchase            | 278,129              | 21,624                    | -                 | 299,753              |
| Miscellaneous                       | 60,037               | 26,159                    | -                 | 86,196               |
| Occupancy                           | 45,150               | -                         | -                 | 45,150               |
| Payroll Processing                  | 1,140                | -                         | -                 | 1,140                |
| Postage                             | 44,453               | -                         | 11,097            | 55,550               |
| Printing                            | 52,625               | -                         | 85,391            | 138,016              |
| Professional Fees                   | 1,921,899            | 255,902                   | -                 | 2,177,801            |
| Program Contract Costs and Supplies | 764,089              | -                         | -                 | 764,089              |
| Project Cost Loss Reserve           | 348,000              | -                         | -                 | 348,000              |
| Supplies                            | 806,519              | 17,753                    | -                 | 824,272              |
| Telephone                           | 88,446               | 49,731                    | -                 | 138,177              |
| Utilities                           | 132,757              | 28,276                    | -                 | 161,033              |
| Vehicle Operation and Repairs       | 171,482              | 2,589                     | -                 | 174,071              |
| Total Other                         | <u>54,441,522</u>    | <u>806,517</u>            | <u>96,488</u>     | <u>55,344,527</u>    |
| Total Functional Expenses           | <u>\$ 58,967,196</u> | <u>\$ 2,984,005</u>       | <u>\$ 575,642</u> | <u>\$ 62,526,843</u> |

See accompanying Notes to Consolidated Financial Statements.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2021**

|                                     | <u>Program</u>       | <u>Management<br/>and General</u> | <u>Fundraising</u> | <u>Total</u>         |
|-------------------------------------|----------------------|-----------------------------------|--------------------|----------------------|
| <b>PERSONNEL</b>                    |                      |                                   |                    |                      |
| Salaries and Wages                  | \$ 2,540,390         | \$ 1,401,431                      | \$ 283,396         | \$ 4,225,217         |
| Employee Benefits/Payroll Taxes     | 1,223,303            | 624,888                           | 127,389            | 1,975,580            |
| Conferences and Training            | 18,067               | 9,645                             | 2,032              | 29,744               |
| Travel                              | 15,219               | 4,991                             | 1,475              | 21,685               |
| Total Personnel                     | <u>3,796,979</u>     | <u>2,040,955</u>                  | <u>414,292</u>     | <u>6,252,226</u>     |
| <b>OTHER</b>                        |                      |                                   |                    |                      |
| Advertising and Promotion           | 411                  | -                                 | -                  | 411                  |
| Bad Debt Expense                    | -                    | 52,701                            | -                  | 52,701               |
| Computer Tech Support               | 1,442                | -                                 | -                  | 1,442                |
| Contracted Services/Assistance      | 6,910,475            | 315,968                           | -                  | 7,226,443            |
| Depreciation                        | 335,080              | 108,474                           | -                  | 443,554              |
| Dues and Subscriptions              | 44,385               | 25,948                            | 8,432              | 78,765               |
| Equipment Maintenance and Repairs   | 103,840              | 9,142                             | 22,373             | 135,355              |
| Facility Maintenance and Utilities  | 191,026              | 95,622                            | -                  | 286,648              |
| Food Distributions                  | 13,700,276           | -                                 | -                  | 13,700,276           |
| Grants - Southside Revitalization   | 107,348              | -                                 | -                  | 107,348              |
| Insurance                           | 74,985               | 54,211                            | -                  | 129,196              |
| Interest                            | 39,173               | 3,952                             | -                  | 43,125               |
| Provision for Loan Losses           | (65,431)             | -                                 | -                  | (65,431)             |
| Minor Equipment Purchase            | 58,603               | 100,568                           | -                  | 159,171              |
| Miscellaneous                       | 3,646                | -                                 | -                  | 3,646                |
| Occupancy                           | 29,756               | 21,886                            | 9,317              | 60,959               |
| Other Expenses                      | 43,896               | -                                 | -                  | 43,896               |
| Payroll Processing                  | 1,691                | -                                 | -                  | 1,691                |
| Postage                             | 26,996               | 4,401                             | 27,254             | 58,651               |
| Printing                            | 11,002               | 969                               | 74,204             | 86,175               |
| Professional Fees                   | 2,041,221            | 226,935                           | -                  | 2,268,156            |
| Program Contract Costs and Supplies | 679,100              | -                                 | -                  | 679,100              |
| Project Cost Loss Reserve           | 72,000               | -                                 | -                  | 72,000               |
| Rents                               | 6,450                | -                                 | -                  | 6,450                |
| Subgrantee Payments                 | 148,727              | -                                 | -                  | 148,727              |
| Supplies                            | 823,017              | 26,800                            | 51,880             | 901,697              |
| Telephone                           | 73,817               | 45,435                            | 15,135             | 134,387              |
| Utilities                           | 143,221              | -                                 | -                  | 143,221              |
| Vehicle Operation and Repairs       | 104,618              | 38                                | -                  | 104,656              |
| Total Other                         | <u>25,710,771</u>    | <u>1,093,050</u>                  | <u>208,595</u>     | <u>27,012,416</u>    |
| Total Functional Expenses           | <u>\$ 29,507,750</u> | <u>\$ 3,134,005</u>               | <u>\$ 622,887</u>  | <u>\$ 33,264,642</u> |

See accompanying Notes to Consolidated Financial Statements.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2022 AND 2021**

|   | <u>2022</u>                 | <u>2021</u>                 |
|---|-----------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                             |                             |
| Change in Net Assets  | \$ 51,161                   | \$ 6,930,328                |
| Adjustments to Reconcile Change in Net Assets to Net Cash   |                             |                             |
| Provided (Used) by Operating Activities:                    |                             |                             |
| Depreciation  | 495,247                     | 443,554                     |
| Provision for (Recovery of) Loan Losses                     | 10,933                      | (65,431)                    |
| Noncash Loss Provision                                      | 348,000                     | 72,000                      |
| Unrealized Gain on Investment                               | -                           | (83,647)                    |
| (Increase) Decrease in Assets:                              |                             |                             |
| Grant Receivable  | (537,882)                   | (565,711)                   |
| Accounts Receivables, Other                                 | -                           | (377,082)                   |
| Unconditional Promises to Give                              | (229,278)                   | 270,281                     |
| Inventory   | (148,599)                   | (832,516)                   |
| Property Inventory  | (415,741)                   | (32,445)                    |
| Prepaid Expenses  | (69,808)                    | (114,651)                   |
| Increase (Decrease) in Liabilities:                         |                             |                             |
| Accounts Payable  | 13,251                      | 33,750                      |
| Accrued Wages   | (258,236)                   | 161,317                     |
| Accrued Expense   | (46,270)                    | 48,210                      |
| Accrued Interest  | -                           | (2,625)                     |
| Compensated Absences  | 8,443                       | 877                         |
| Refundable Advances   | (10,576,639)                | 10,974,110                  |
| Custodial Funds   | (50,005)                    | 5,699                       |
| Loans Held for Others                                       | 8,440                       | 10,978                      |
| Net Cash Provided by (Used in) Operating Activities         | <u>(11,396,983)</u>         | <u>16,876,996</u>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |                             |                             |
| Cash Paid for Land Leases                                   | -                           | (16,800)                    |
| Purchase of Investments                                     | -                           | (27,559)                    |
| Release of Investments                                      | 319,683                     | -                           |
| Program Loans Dispersed                                     | (761,080)                   | (536,000)                   |
| Program Loans Repaid  | 1,257,251                   | 1,394,386                   |
| Purchase of Property and Equipment                          | (124,572)                   | (661,622)                   |
| Net Cash Provided by Investing Activities                   | <u>691,282</u>              | <u>152,405</u>              |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |                             |                             |
| Payments on Line of Credit                                  | (100,000)                   | -                           |
| Proceeds from Notes Payable                                 | -                           | 10,000                      |
| Payments on Notes Payable                                   | (30,761)                    | (36,491)                    |
| Net Cash Used by Financing Activities                       | <u>(130,761)</u>            | <u>(26,491)</u>             |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | (10,836,462)                | 17,002,910                  |
| Cash and Cash Equivalents - Beginning of Year               | <u>25,178,697</u>           | <u>8,175,787</u>            |
| <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>              | <u><u>\$ 14,342,235</u></u> | <u><u>\$ 25,178,697</u></u> |

See accompanying Notes to Consolidated Financial Statements.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)  
YEARS ENDED JUNE 30, 2022 AND 2021**

|                           | <u>2022</u>                 | <u>2021</u>                 |
|---------------------------|-----------------------------|-----------------------------|
| Cash and Cash Equivalents | \$ 11,492,127               | \$ 12,195,205               |
| Restricted Cash           | <u>2,850,108</u>            | <u>12,983,492</u>           |
| Total                     | <u><u>\$ 14,342,235</u></u> | <u><u>\$ 25,178,697</u></u> |

**SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION**

Cash Payments for:

Interest

|                         |                         |
|-------------------------|-------------------------|
| <u><u>\$ 41,452</u></u> | <u><u>\$ 43,125</u></u> |
|-------------------------|-------------------------|

*See accompanying Notes to Consolidated Financial Statements.*

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND PURPOSE**

**Nature of Operations**

Community Action Committee of the Lehigh Valley, Inc. and Subsidiaries (the Organization) consists of six not-for-profit organizations incorporated under the laws of the Commonwealth of Pennsylvania. Major program revenue consists of private funds from utility contracts, corporate, foundation and individual contributions and governmental contracts. It is understood that any grantor or contributor could be lost in the near term.

**Consolidation Policy**

The accompanying consolidated financial statements include the accounts of the following companies, all of which are under common control, intercompany transactions have been eliminated from the consolidated financial statements:

**Community Action Committee of the Lehigh Valley, Inc. (CACLV)**

CACLV is the parent corporation and a description of the Organization's programs is as follows:

**Weatherization Program**

The Weatherization Program is a collection of energy-related services designed to conserve energy and save money on home heating and cooling costs. The program makes improvements to both single-family and multi-family homes, including infiltration prevention, water heater wraps, and insulation. To complement these physical improvements, the agency also educates residents in energy conservation and lead paint hazards. The Weatherization Program repairs or replaces heating systems in cold weather emergency situations for qualified low-income households.

**Sixth Street Shelter/Turner Street Apartments/Ferry Street Apartments**

The Sixth Street Shelter provides temporary housing (60-90 days) for homeless families with children. Shelter staff assists families to stabilize their crisis, save money, relocate to permanent housing, and obtain other appropriate services such as job training and child care.

Turner Street Apartments in Allentown and Ferry Street Apartments in Easton provide long-term transitional housing (up to two years) for families that have been homeless. Services are similar to those offered at the Sixth Street Shelter; however, families in these programs are expected to pursue vocational training or education as a condition of their stay, with an intended outcome of economic self-sufficiency.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND PURPOSE (CONTINUED)**

**Community Action Committee of the Lehigh Valley, Inc. (CACLV) (Continued)**

Second Harvest Food Bank of the Lehigh Valley and Northeast Pennsylvania (SHFB)

Second Harvest Food Bank of the Lehigh Valley and Northeast Pennsylvania (Second Harvest) distributes food to more than 200 non-profit "member" agencies that provide food assistance to people in need. These agencies include soup kitchens, day care centers, homeless shelters, residential rehabilitation services and emergency food pantries. As an affiliate of Feeding America (formerly America's Second Harvest), the national food bank network, Second Harvest has access to a portion of the millions of pounds of food solicited annually through the network. The food becomes available for a variety of reasons, including corporate generosity, food that is improperly weighed or packaged, product that is approaching the expiration date and producer's need for warehouse space. Additionally, Second Harvest solicits donations from local food producers, retailers and private citizens. Member agencies may acquire these products for free or for a shared maintenance fee of up to 16 cents per pound. Second Harvest is able to pick up donated product from donors and deliver the product to the member agencies.

- The Seed Farm provides affordable access to critical and otherwise prohibitively expensive resources—such as land, infrastructure, equipment, and mentoring—thereby lowering the barriers to farm entry so that beginning farmers may pursue careers in agriculture. Since 2010, TSF has provided intensive, full-season training in production, marketing, business planning, and equipment operation to dozens of beginning farmers looking to start farms.

Housing Counseling Program (HCP)

Housing Counseling Program aims to increase homeownership, stabilize neighborhoods and build community wealth, particularly for minorities and low- to moderate-income households. This is accomplished through the provision of home ownership opportunities, which includes the Home Ownership Counseling Program that provides first-time homebuyer educational seminars; pre-purchase counseling; pre-settlement counseling; financial literacy education; and the Home Ownership Savings Account Program, which requires the participant to save \$20 per week for two years, for a total of \$2,000 that will be matched for a combined total of \$4,000 to be used toward purchasing an owner-occupied home. HCP also provides foreclosure prevention services through the Foreclosure Mitigation Counseling Program, which provides counseling services to homeowners in default, at risk of default, or facing foreclosure. In addition, the Mortgage Foreclosure Diversion Program, operated by both Lehigh and Northampton County Court of Common Pleas, is a mediation program in the court systems available to owners of single-family homes in foreclosure.



**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND PURPOSE (CONTINUED)**

**Community Action Committee of the Lehigh Valley, Inc. (CACLV) (Continued)**

Community Action Homes (CAH)

Community Action Homes will focus resources in targeted areas of the City of Allentown, City of Bethlehem, Northampton County, and Lehigh County in order to undertake the following projects: acquisition/rehab/resale, owner-occupied rehab, owner-occupied facades, multi-unit facades, investor-owned rehabs, commercial facades, “porch paint” projects, and Land Trust duplexes from de-conversions. These improvements will be made to enhance the health, well-being and quality of life of neighborhood residents; increase property values in the surrounding neighborhoods; and create wealth for the residents and revenue for the cities and counties. Our Lehigh Valley Community Land Trust, Housing Counseling Program, and Weatherization programs are all part of Community Action Homes.

Custody/Subcontract Services

CACLV operates a rental assistance clearinghouse to facilitate and monitor the distribution of payments of rental assistance for the counties of Lehigh and Northampton.

CACLV operates as a fiscal agent from the Lehigh County Emergency Rental Assistance Program to facilitate and monitor the distribution of payments.

CACLV partners with United Way of the Greater Lehigh Valley to provide professional support for the Lehigh Valley Food Policy Council, a collective impact group to address the root causes of hunger and food insecurity, lack of access to fresh food, diminishing farmland, and barrier prohibiting success of local food producers.

Campaign for Racial and Ethnic Justice Program

The Campaign for Racial and Ethnic Justice was created to focus on the unique elements that hold people of color back in the pursuit of economic and social justice. Income and wealth disparity in our nation and community are too often drawn along color lines and CACLV created the campaign to seek remedies in the Lehigh Valley.

- Generation Next is a college readiness, access and completion program created to correct disparities in education. The program works with students to achieve college admission, integrate into college life, and complete a post-secondary program.
- SHE (an acronym for She Has Everything) is a strength-based empowerment program that assists girls to develop life skills that promote academic achievement, well-being, healthy relationships, resilience, teamwork, and leadership. The mission of SHE is to create an educational and inspirational environment in which girls build self-esteem, are empowered to change the dynamics in their personal relationships and the greater community, and seize control of their futures, ensuring healthy, fulfilling, and self-sufficient lives.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND PURPOSE (CONTINUED)**

**Community Action Committee of the Lehigh Valley, Inc. (CACLV) (Continued)**

Campaign for Racial and Ethnic Justice Program (Continued)

- Color Outside the Lines initiative engages the Lehigh Valley in a conversation about race and ethnicity that eliminates barriers to fairness and opportunity, strengthens our community, and leaves no one behind.

Slate Belt Rising

Slate Belt Rising (SBR) is CACLV's multi-municipal neighborhood partnership, the first of its kind in the Commonwealth of Pennsylvania, encompassing the boroughs of Wind Gap, Pen Argyl, Bangor and Portland. SBR's focus includes the beautification of business districts, façade improvements, establishment of committees with community stakeholders, engagement of the region's youth, and relationship building with CACLV programs and other partners in the target areas.

Administration

Administration includes the management of the staff, programs and finances of CACLV and the supportive services that accompany the agency's and subsidiaries' management. Community planning and advocacy are at the core of the agency's mission. Community Action Agencies have a historic purpose of promoting change and advocating for the interests of the poor. Funding for Administration and community planning and advocacy is provided primarily through the Community Services Block Grant (CSBG), although various other funding sources provide partial support.

The subsidiaries of Community Action Committee of the Lehigh Valley are as follows:

**Community Action Development Corporation of the Lehigh Valley, Inc. DBA  
Community Action Development Corporation of Allentown (CADCA)**

The mission of this Subsidiary is to assist and promote neighborhood revitalization and community spirit by providing access to economic opportunity, creating and sustaining businesses owned and operated by its neighbors, and empowering people to have a voice in the decisions that affect their lives. CADCA completed the second year for the six year Allentown's Core Neighborhood Partnership Program in collaboration with multiple youth serving community partners.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1 ORGANIZATION AND PURPOSE (CONTINUED)**

**Community Action Development Corporation of Bethlehem, Inc. (CADCB)**

The mission of CACLV's subsidiary, Community Action Development Corporation of Bethlehem (CADCB), is to promote social and economic change by fostering business and other economic opportunities within the communities of Bethlehem. CADCB worked together with neighbors to advance a neighborhood-based vision of community and economic development that builds on the strengths and assets of life in South Bethlehem and Northside 2027 neighborhoods by empowering residents and expanding economic opportunity through small business support, housing rehabilitation and advocacy, and community development projects.

**Lehigh Valley Community Land Trust (LVCLT)**

The mission of CACLV's subsidiary, Lehigh Valley Community Land Trust (LVCLT), is to create and preserve affordable homes for working families. LVCLT is committed to strengthening communities by providing permanent affordable housing for income-qualified households through the development or redevelopment of land and/or the purchase and rehabilitation of real estate in Lehigh Valley.

**Rising Tide Community Loan Fund (RTCLF)**

This Subsidiary is a certified Community Development Financial Institution (certified by the U.S. Department of the Treasury). The mission of RTCLF is to support prospective, start-up and established small businesses whose risk factors make it difficult to obtain funds from traditional lenders, but who inevitably make up the backbone of a thriving local economy.

**Lehigh and Northampton Counties Revolving Loan Fund, Inc. (LNCRLF)**

The organization provides loans to small or start-up business ventures, that may not qualify to bank standards, to improve the social welfare of economically depressed or blighted neighborhoods of the community. Donor/investors have loaned funds for use in program lending at no or below market interest.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

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

Material estimates that are particularly susceptible to significant change relate to the determination of the allowance for losses on loans and the valuation of real estate and food inventory.

**Revenue and Revenue Recognition**

Revenue is recognized when earned. Program service income and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. For the years ended June 30, 2022 and 2021 there is no deferred revenue for program service income. Accounts receivable related to program service income for the years ended June 30, 2022, 2021, and 2020 are \$431,158, \$431,158, and \$54,076, respectively.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Consequently, at June 30, 2022, conditional promises to give of approximating \$4,550,000, have not been recognized in the accompanying statement of activities because the condition on which they depend has not yet been met. Detail of the promises to give and conditional promises to give are contained in Note 5.

A portion of the Organization's revenue is derived from cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. As of June 30, 2022 and 2021, the Organization has refundable advances of \$2,350,867 and \$12,927,044, respectively. Revenue under the grant contracts for the years ended June 30, 2022 and 2021, was \$39,850,891 and \$14,871,668, respectively. Receivables related to grant contracts of the Organization as of June 30, 2022, 2021, and 2020 are \$1,879,815, \$1,356,825, and \$791,114, respectively.

Additionally, sales of real estate included in revenue of CACLV and LVCLT are recorded at the time of closing of the sale when title to and possession of the property improvements are transferred to the buyer. Costs of sales are based on direct costs. Closing costs and sales expense are specifically identified with the house sold and shown as a direct reduction to the sales receipts.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**In Kind Contributions**

**Donated Goods and Services**

A portion of the Organization's functions are conducted by unpaid volunteer officers and committees. The value of this contributed time is not reflected in the accompanying consolidated financial statements since the volunteers' time does not meet the criteria for recognition. Gifts of donated food and grocery products over which the Organization has control (i.e. variance power) are reported as unrestricted public support and, shortly thereafter, as expense when granted to food rescue organizations.

**Below Market In-Kind Interest**

RTCLF has several loans payable, as more fully described in Note 12, which are noninterest bearing or bear interest at a below market rate. Interest has been imputed on the RTCLF loans at 2.22% and 0.73% for the years ended June 30, 2022 and 2021. The interest is recorded as an in-kind contribution and in-kind interest expense.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* — Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board can designate, from net assets without donor restrictions, net assets for an operating reserve and board- designated endowment. Their governing boards have designated certain net assets as of June 30, 2022 and 2021, detail included in Note 15.

*Net Assets with Donor Restrictions* — Net assets subject to donor or grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long- lived assets are recognized as revenue when the assets are placed in service. Donor- imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Detail of net assets with donor restrictions is included in Note 14.

**Cash and Cash Equivalents**

Cash and cash equivalents, for the purposes of the Consolidated Statements of Cash Flows, includes short-term, highly liquid financial instruments with original maturities of 90 days or less.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions**

Contributions received are recorded as revenue with or without donor restriction depending on the existence and/or nature of any donor restriction. Contributed property and equipment is recorded at fair value at the date of the donation.

**Promises to Give**

Unconditional written promises to give that are expected 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 recorded at the present value of their estimated future cash flows. Conditional promises to give are not included as support until the conditions are substantially met.

**Property and Equipment**

CACLV's property and equipment with acquisition costs of \$5,000 or more are recorded at cost and depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 years. All the other subsidiaries' property and equipment with acquisition costs of \$1,000 or more are recorded at cost and depreciated over their estimated useful lives of the assets on the straight-line basis ranging from three to seven years.

Depreciation charged to expense is \$495,247 and \$443,554 for the years ended June 30, 2022 and 2021, respectively.

**Land Held in Trust**

Land has been received through purchase, bargain purchase or donation. Land purchased at market value is recorded at the net present value of the ground rent. Land acquired by bargain purchase or donation is recorded at fair market value at the date received. Land is transferred from property inventory to land held in trust at the time property is acquired. As of June 30, 2022 and 2021 land held in trust was \$329,547 and 329,547, respectively.

**Property Inventory**

Property inventory represents costs incurred by CACLV for housing rehabilitation projects. Costs consist primarily of the initial property purchase (including the land cost), rehabilitation costs, and other carrying costs incurred during rehabilitation. Holding costs incurred after a house is ready for sale, such as utilities, maintenance, and interest are charged to expense. Property inventory as of June 30, 2022 and 2021, net of loss reserves, is \$565,383 and \$497,642, respectively.

**Program Loans Receivable**

Loans are reported for RTCLF and LNCRLF at their recorded investment, which is the outstanding principal balance plus accrued interest and net of any unearned income, such as deferred fees or costs, and charge-offs. Interest on loans is recognized over the term of the loan and is calculated using the simple-interest method on principal amounts outstanding.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Loan Loss Reserve**

The allowance for loan losses for RTCLF and LNCRLF reflects management's judgment of probable loan losses inherent in the portfolio at the balance sheet date. The Organizations use a disciplined process and methodology to establish the allowance for loan losses each year. To determine the total allowance for loan losses, management estimates the reserves needed for each segment of the portfolios, including loans analyzed individually and loans analyzed on a collective basis.

To determine the balance of the allowance account, loans are pooled by portfolio segment and losses are modeled using historical experience and quantitative and other mathematical techniques over the loss emergence period and consideration of specific allowance amounts related to loans in excess of 60 days past due.

The establishment of the allowance for loan losses relies on a consistent process that requires multiple layers of management review and judgment and responds to changes in economic conditions, among other influences. From time to time, events or economic factors may affect the loan portfolios, causing management to provide additional amounts to or release balances from the loan loss reserve.

Management monitors differences between estimated and actual incurred loan losses. This monitoring process includes periodic assessments by management of individual loans and the methods used to estimate incurred losses on those loans. Additions to the loan loss reserve are made by charges to the provision for loan losses. Recoveries of previously charged off amounts are credited to the loan loss reserve.

**Loan Charge-Offs**

For program loans receivable, RTCLF and LNCRLF fully or partially charges off a loan when repayment is deemed to be protracted beyond reasonable time frames.

**Compensated Absences**

All full-time and full benefit part-time employees earn annual leave benefits. Accordingly, the liability for employees' rights to receive compensation for future absences is recorded as a liability in the accompanying statements of financial position.

**Income Taxes**

Community Action Committee of the Lehigh Valley, Inc. and Subsidiaries is comprised of six not-for-profit corporations that are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740-10, related to uncertain tax positions. 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.

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes (Continued)**

The accounting standards on accounting for uncertainty in income taxes address the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position.

Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the consolidated financial statements from a tax position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year 2022 and 2021.

The Parent Organization and each of its subsidiaries file Form 990 - Return of Organization Exempt From Income Tax annually. The Organization's returns for tax years 2019, 2020 and 2021 are subject to examination by the IRS, generally for three years after they were filed.

**Adoption of New Accounting Standards**

The Organization adopted Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 improves financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. The adoption of ASU 2020-07 had no impact on the financial statement presentation.

**NOTE 3 LIQUIDITY AND AVAILABILITY**

Management and Board of Directors regularly monitors liquidity needed to meet the Organization's operating needs and other contractual commitments. The Organization regularly manages cash resources to maximize any interest earnings and minimize the cost of borrowing. It also has various sources of liquidity at its disposal, including cash and cash equivalents, lines of credit and contractually obligated short-term receivables.

For the purposes of analyzing short-term liquidity needs, the Organization strives to maintain sufficient liquid financial assets to cover two to three months of operating expenses. In addition to the financial assets available, the Organization operates with a balanced budget and anticipates collecting sufficient revenues to cover general operating expenditures.



**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 3 LIQUIDITY AND AVAILABILITY (CONTINUED)**

The breakdown of financial resources as of June 30 available to meet general expenditures within one year of the balance sheet date are listed below:

|  | 2022                | 2021                |
|--|---------------------|---------------------|
| Cash and Cash Equivalents  | \$ 14,342,235       | \$ 25,178,697       |
| Grant Receivable   | 2,325,865           | 1,787,983           |
| Unconditional Promises to Give   | 264,794             | 24,291              |
| Program Loans Receivable, Net of Loss Reserve  | 69,754              | 592,792             |
| Less: Contractual or Donor-Imposed Restriction<br>Making Financial Assets Unavailable for<br>General Expenditure | (9,804,021)         | (21,385,318)        |
| Total  | <u>\$ 7,198,627</u> | <u>\$ 6,198,445</u> |

**NOTE 4 RESTRICTED CASH**

Restricted cash as of June 30 was restricted for the following purposes:

|   | 2022                | 2021                 |
|---|---------------------|----------------------|
| <b>CACLV</b>                                      |                     |                      |
| Family and Resident Savings                       | \$ 3,630            | \$ 53,635            |
| Lehigh County Emergency Rental Assistance Program | 1,086,883           | 4,015,797            |
| True Endowment (SHFB)                             | 5,000               | 5,000                |
| Total CACLV                                       | 1,095,513           | 4,074,432            |
| <b>LVCLT</b>                                      |                     |                      |
| Program Expenses                                  | -                   | 104,020              |
| Total LVCLT                                       | -                   | 104,020              |
| <b>LNCLF</b>                                      |                     |                      |
| Lending   | 497,853             | 454,263              |
| Total LNCLF                                       | 497,853             | 454,263              |
| <b>RTCLF</b>                                      |                     |                      |
| Lending   | 180,500             | 180,500              |
| City of Bethlehem Fund                            | 641,851             | 485,852              |
| Truist  | -                   | 5,000                |
| Century Fund                                      | 37,751              | 65,192               |
| Lehigh University                                 | 163,699             |                      |
| Community Development Financial Institutions Fund | 232,941             |                      |
| Lehigh County CHIRP                               | -                   | 4,169,270            |
| Northampton County CHIRP                          | -                   | 3,444,963            |
| Total RTCLF                                       | 1,256,742           | 8,350,777            |
| Total Restricted Cash                             | <u>\$ 2,850,108</u> | <u>\$ 12,983,492</u> |

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 5 PROMISES TO GIVE**

**Unconditional Promises to Give**

Contributions arising from unconditional promises to give consist of the following:

|   | <u>2022</u>       | <u>2021</u>      |
|---|-------------------|------------------|
| <b>CACLV</b>  |                   |                  |
| Donor Restricted for Program Costs and Facilities and Equipment | \$ 15,628         | \$ 36,793        |
| <b>CACLV</b>  |                   |                  |
| Donor Restricted for Program Costs                              | 250,000           | -                |
| Less: Allowance for Pledges Receivable                          | 500               | 500              |
| Less: Discounts for Pledges Receivable                          | 334               | 777              |
| Total   | <u>\$ 264,794</u> | <u>\$ 35,516</u> |

Unconditional promises to give are expected to be realized as follows:

|                    | <u>2022</u>       | <u>2021</u>      |
|--------------------|-------------------|------------------|
| Less than One Year | \$ 264,794        | \$ 24,291        |
| One to Five Years  | -                 | 11,225           |
| Total              | <u>\$ 264,794</u> | <u>\$ 35,516</u> |

**Conditional Promises to Give**

During the year ended June 30, 2022, CACLV and its subsidiaries received conditional pledges for various purposes. Since these pledges represent conditional promise to give, they are not recorded as contribution revenue until donor conditions are met.

CADCA has received conditional pledges from local corporations which have remaining pledge commitments of \$650,000 per year payable over the next four years totaling \$2,600,000 as of June 30, 2022. The pledges are contingent upon future Commonwealth of Pennsylvania tax credits and approvals under its Neighborhood Partnership Program. Pledge payments under the program were \$400,000 and \$650,000 in 2022 and 2021, respectively. Unconditional promises to give related to the pledges were \$250,000 and \$-0- as of June 30, 2022 and 2021, respectively.

During the year ended June 30, 2022, CADCB received conditional pledges from local corporations accumulating to \$325,000 per year over a six year period totaling \$1,950,000. The pledges are contingent upon future Commonwealth of Pennsylvania tax credits, under its Neighborhood Partnership Program. Pledge payments received against these commitments were \$325,000 for the year ended June 30, 2022.

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**NOTE 6 PROGRAM AND FORGIVABLE LOANS RECEIVABLE**

Program loans receivable for RTCLF and LNCRLF are comprised of various extensions of credit to small business owners and entrepreneurs of the community. Repayments are due monthly including interest at rates ranging from 4% to 10%. Interest income received on loans was \$172,564 and \$205,923 for the years ended June 30, 2022 and 2021, respectively.

Original terms range from 18 to 180 months. Loans receivable are reported delinquent when they become 30 days past due. Loans over 90 days past due are considered delinquent for CDFI funding. Loans 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 loans receivable. Allowances for loan losses are established by management based on a review of the creditworthiness of the borrower and historical collections.

During 2020, RTCLF began operation of the Northampton County COVID-19 Small Business Emergency Relief Fund. The program loans have an interest rate of 0% and are from \$3,000 and \$15,000 each. The total amount of these loans included in government and corporate grant micro loans for the years ended June 30, 2022 and 2021 is \$38,362 and \$53,500, respectively. The repayment of principal is restricted for lending and program activities.

RTCLF receives grant funding from the City of Bethlehem ("City") to fund loans. The funds must be retained and used to further the loan program on a perpetual basis. All related loans, including accumulated interest and fees, are required to be returned to the City upon request or at the termination of the loan program. As such, the accumulated balance of such activity is maintained as Loans Held for Others on the Statement of Financial Position.

Total accumulated grants and related interest as of June 30, 2022 and 2021 were \$931,108 and \$922,668, respectively. These accumulated grants and interest have been reported as noncurrent liabilities as there is no current expectation that the funds would be recalled by the City nor that the program would be terminated.

At June 30, 2022, the \$931,108 was physically comprised of \$289,257 of outstanding loans and \$641,851 of restricted cash as included in Note 4. As of June 30, 2021, the \$922,668 was physically comprised of \$436,817 of outstanding loans and \$485,852 of restricted cash as included in Note 4.

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**NOTE 6 PROGRAM AND FORGIVABLE LOANS RECEIVABLE (CONTINUED)**

Aggregate loans receivable at June 30 were comprised of the following:

|                                  | <u>2022</u>         | <u>2021</u>         |
|----------------------------------|---------------------|---------------------|
| Micro Loans:                     |                     |                     |
| CDFI Funds                       | \$ 133,463          | \$ -                |
| LNCRLF                           | 21,275              | 68,312              |
| Government and Corporate Grants  | 59,805              | 82,450              |
| Investor Loan Funds              | 53,714              | 147,759             |
| Unrestricted Funds               | 381,892             | 404,681             |
| Total Micro Loans                | <u>650,149</u>      | <u>703,202</u>      |
| Small Business Loans:            |                     |                     |
| CDFI Funds                       | 369,031             | -                   |
| Government and Corporate Grants  | 267,814             | 407,866             |
| Investor Loan Funds              | 201,671             | 305,619             |
| Unrestricted Funds               | 392,952             | 991,121             |
| Total Small Business Loans       | <u>1,231,468</u>    | <u>1,704,606</u>    |
| Total Loans Outstanding          | 1,881,617           | 2,407,808           |
| Loss Reserve                     | (123,913)           | (143,000)           |
| Total Aggregate Loans Receivable | <u>\$ 1,757,704</u> | <u>\$ 2,264,808</u> |

Scheduled annual maturities of term loans receivable at June 30, 2022 are as follows:

| <u>Year Ended June 30</u> | <u>Amount</u>       |
|---------------------------|---------------------|
| 2023                      | \$ 69,754           |
| 2024                      | 23,651              |
| 2025                      | 61,138              |
| 2026                      | 365,595             |
| 2027                      | 503,930             |
| Thereafter                | 857,549             |
| Total                     | <u>\$ 1,881,617</u> |

The Organizations have an established a methodology to determine the adequacy of the allowance for loan losses that assesses the risks and losses inherent in the Organization's portfolios. For purposes of determining the allowance for loan losses, the Organizations segment loans in their portfolios by product type. The Organization's loans are segmented into the following pools: Micro Loans and Small Business Loans. Each class of loan requires judgment to determine the estimation method that fits the credit risk characteristics of its portfolio segment.

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**NOTE 6 PROGRAM AND FORGIVABLE LOANS RECEIVABLE (CONTINUED)**

The following are the factors the Organizations use to determine the balance of the allowance account for each class of loans.

**Micro Loans and Small Business Loans**

Micro loans and small business loans are evaluated collectively to determine a loss percentage to apply to loans. Loss percentages vary between classes. These loss percentages are based on historical loss experience. For the years ended June 30, 2022 and 2021 the loss percentage used for small business and micro loans was 4%-10%, for both years when evaluated collectively. The Organizations consider the allowance for loan losses of \$123,913 and \$143,000 adequate to cover loan losses inherent in the loan portfolios, as of June 30, 2022 and 2021, respectively. The following table presents by portfolio segment, the changes in the allowance for loan losses and the recorded investment in loans.

LNCRLF micro loans are federally funded and pose no risk of loss. Loans are still collectively evaluated for impairment but any write off will be charged directly to the Fund so there is no risk of loss and no allowance recognized. The balance of LNCRLF federally funded loans collectively evaluated for impairment as of June 30, 2022 and 2021 was \$21,575 and \$68,313, respectively.

| <u>Year Ended June 30, 2022</u> | <u>Micro Loans</u> | <u>Small Business<br/>Loans</u> | <u>Total</u>        |
|---------------------------------|--------------------|---------------------------------|---------------------|
| Loan Loss Reserve:              |                    |                                 |                     |
| Beginning Balance               | \$ 45,529          | \$ 97,471                       | \$ 143,000          |
| Charge-Offs                     | (36,120)           | -                               | (36,120)            |
| Recoveries                      | -                  | 6,100                           | 6,100               |
| Provision                       | 28,322             | (17,389)                        | 10,933              |
| Ending Balances                 | <u>\$ 37,731</u>   | <u>\$ 86,182</u>                | <u>\$ 123,913</u>   |
| Ending Balances:                |                    |                                 |                     |
| Evaluated for Impairment:       |                    |                                 |                     |
| Individually                    | \$ 15,112          | \$ -                            | \$ 15,112           |
| Collectively                    | 48,817             | 59,984                          | 108,801             |
| Total                           | <u>\$ 63,929</u>   | <u>\$ 59,984</u>                | <u>\$ 123,913</u>   |
| Program Loans Receivables:      |                    |                                 |                     |
| Ending Balances:                |                    |                                 |                     |
| Evaluated for Impairment:       |                    |                                 |                     |
| Individually                    | \$ 87,681          | \$ -                            | \$ 87,681           |
| Collectively                    | 541,193            | 1,231,468                       | 1,772,661           |
| Total                           | <u>\$ 628,874</u>  | <u>\$ 1,231,468</u>             | <u>\$ 1,860,342</u> |

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**NOTE 6 PROGRAM AND FORGIVABLE LOANS RECEIVABLE (CONTINUED)**

Micro Loans and Small Business Loans (Continued)

| <u>Year Ended June 30, 2021</u> | <u>Micro Loans</u> | <u>Small Business<br/>Loans</u> | <u>Total</u>        |
|---------------------------------|--------------------|---------------------------------|---------------------|
| Loan Loss Reserve:              |                    |                                 |                     |
| Beginning Balance               | \$ 185,281         | \$ 125,019                      | \$ 310,300          |
| Charge-Offs                     | (17,057)           | (87,812)                        | (104,869)           |
| Recoveries                      | 3,000              | -                               | 3,000               |
| Provision                       | (125,695)          | 60,264                          | (65,431)            |
| Ending Balances                 | <u>\$ 45,529</u>   | <u>\$ 97,471</u>                | <u>\$ 143,000</u>   |
| Ending Balances:                |                    |                                 |                     |
| Evaluated for Impairment:       |                    |                                 |                     |
| Individually                    | \$ 7,230           | \$ -                            | \$ 7,230            |
| Collectively                    | 38,299             | 97,471                          | 135,770             |
| Total                           | <u>\$ 45,529</u>   | <u>\$ 97,471</u>                | <u>\$ 143,000</u>   |
| Program Loans Receivables:      |                    |                                 |                     |
| Ending Balances:                |                    |                                 |                     |
| Evaluated for Impairment:       |                    |                                 |                     |
| Individually                    | \$ 48,947          | \$ 84,484                       | \$ 133,431          |
| Collectively                    | 654,255            | 1,620,122                       | 2,274,377           |
| Total                           | <u>\$ 703,202</u>  | <u>\$ 1,704,606</u>             | <u>\$ 2,407,808</u> |

Credit Quality Information:

The following tables present the classes of the loan portfolio summarized by aggregate unclassified rating (loans not considered greater than normal risk) and classified ratings of substandard (well defined weakness) and doubtful (unlikely to be paid in full) within the Organization's internal risk rating system as of June 30.

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**NOTE 6 PROGRAM AND FORGIVABLE LOANS RECEIVABLE (CONTINUED)**

Micro Loans and Small Business Loans (Continued)

| <u>2022</u>           | <u>Unclassified</u> | <u>Substandard</u> | <u>Doubtful</u>  | <u>Total</u>        |
|-----------------------|---------------------|--------------------|------------------|---------------------|
| Micro Loans:          |                     |                    |                  |                     |
| CDFI Funds            | \$ -                | \$ 133,463         | \$ -             | \$ 133,463          |
| LNCRLF                | 21,275              | -                  | -                | 21,275              |
| Government and        |                     |                    |                  |                     |
| Corporate Grants      | 21,443              | 15,792             | 22,571           | 59,806              |
| Investor Loan Funds   | 34,609              | 19,105             | -                | 53,714              |
| Unrestricted Funds    | 200,427             | 116,354            | 65,111           | 381,892             |
| Small Business Loans: |                     |                    |                  |                     |
| CDFI Funds            | -                   | 369,031            | -                | 369,031             |
| Government and        |                     |                    |                  |                     |
| Corporate Grants      | 267,814             | -                  | -                | 267,814             |
| Investor Loan Funds   | 175,810             | 25,861             | -                | 201,671             |
| Unrestricted Funds    | 388,973             | 3,979              | -                | 392,952             |
| Total                 | <u>\$ 1,110,351</u> | <u>\$ 683,585</u>  | <u>\$ 87,682</u> | <u>\$ 1,881,618</u> |
| <u>2021</u>           | <u>Unclassified</u> | <u>Substandard</u> | <u>Doubtful</u>  | <u>Total</u>        |
| Micro Loans:          |                     |                    |                  |                     |
| LNCRLF                | \$ 68,312           | \$ -               | \$ -             | \$ 68,312           |
| Government and        |                     |                    |                  |                     |
| Corporate Grants      | 34,450              | 24,000             | 24,000           | 82,450              |
| Investor Loan Funds   | 125,654             | -                  | 22,105           | 147,759             |
| Unrestricted Funds    | 312,492             | 50,462             | 41,727           | 404,681             |
| Small Business Loans: |                     |                    |                  |                     |
| Government and        |                     |                    |                  |                     |
| Corporate Grants      | 407,866             | -                  | -                | 407,866             |
| Investor Loan Funds   | 247,794             | 57,825             | -                | 305,619             |
| Unrestricted Funds    | 954,608             | 36,513             | -                | 991,121             |
| Total                 | <u>\$ 2,151,176</u> | <u>\$ 168,800</u>  | <u>\$ 87,832</u> | <u>\$ 2,407,808</u> |

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**NOTE 6 PROGRAM AND FORGIVABLE LOANS RECEIVABLE (CONTINUED)**

**Micro Loans and Small Business Loans (Continued)**

Age Analysis of Past Due Financing Receivables by Class:

The following are tables which include an aging analysis of the recorded investment of past due term loans receivables as of June 30.

| <u>2022</u>                        | Current             | 31-60 Days<br>Past Due | 31-60 Days<br>Past Due | 61-90 Days<br>Past Due | Greater<br>Than 90 Days<br>Past Due | Total Program<br>Loans<br>Receivables |
|------------------------------------|---------------------|------------------------|------------------------|------------------------|-------------------------------------|---------------------------------------|
| Micro Loans:                       |                     |                        |                        |                        |                                     |                                       |
| CDFI Funds                         | \$ 48,518           | \$ 84,945              | \$ -                   | \$ -                   | \$ -                                | \$ 133,463                            |
| LNCRLF                             | 21,275              | -                      | -                      | -                      | -                                   | 21,275                                |
| Government and<br>Corporate Grants | 47,805              | 12,000                 | -                      | -                      | -                                   | 59,806                                |
| Investor Loan Funds                | 34,609              | -                      | -                      | -                      | 19,105                              | 53,714                                |
| Unrestricted Funds                 | 343,334             | 2,236                  | 11,801                 | -                      | 24,521                              | 381,892                               |
| Small Business Loans:              |                     |                        |                        |                        |                                     |                                       |
| CDFI Funds                         | 369,031             | -                      | -                      | -                      | -                                   | 369,031                               |
| Government and<br>Corporate Grants | 267,814             | -                      | -                      | -                      | -                                   | 267,814                               |
| Investor Loan Funds                | 201,671             | -                      | -                      | -                      | -                                   | 201,671                               |
| Unrestricted Funds                 | 318,122             | 74,830                 | -                      | -                      | -                                   | 392,952                               |
| Total                              | <u>\$ 1,652,179</u> | <u>\$ 174,011</u>      | <u>\$ 11,801</u>       | <u>\$ -</u>            | <u>\$ 43,626</u>                    | <u>\$ 1,881,618</u>                   |

| <u>2021</u>                        | Current             | 0-30 Days<br>Past Due | 31-60 Days<br>Past Due | 61-90 Days<br>Past Due | Greater<br>Than 90 Days<br>Past Due | Total<br>Program Loans<br>Receivables |
|------------------------------------|---------------------|-----------------------|------------------------|------------------------|-------------------------------------|---------------------------------------|
| Micro Loans:                       |                     |                       |                        |                        |                                     |                                       |
| LNCRLF                             | \$ 68,312           | \$ -                  | \$ -                   | \$ -                   | \$ -                                | \$ 68,312                             |
| Government and<br>Corporate Grants | 70,450              | 12,000                | -                      | -                      | -                                   | 82,450                                |
| Investor Loan Funds                | 125,654             | -                     | -                      | -                      | 22,105                              | 147,759                               |
| Unrestricted Funds                 | 313,416             | 71,652                | -                      | 19,613                 | -                                   | 404,681                               |
| Small Business Loans:              |                     |                       |                        |                        |                                     |                                       |
| Government and<br>Corporate Grants | 407,866             | -                     | -                      | -                      | -                                   | 407,866                               |
| Investor Loan Funds                | 295,765             | 9,854                 | -                      | -                      | -                                   | 305,619                               |
| Unrestricted Funds                 | 906,637             | -                     | -                      | 84,484                 | -                                   | 991,121                               |
| Total                              | <u>\$ 2,188,100</u> | <u>\$ 93,506</u>      | <u>\$ -</u>            | <u>\$ 104,097</u>      | <u>\$ 22,105</u>                    | <u>\$ 2,407,808</u>                   |



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**NOTE 6 PROGRAM AND FORGIVABLE LOANS RECEIVABLE (CONTINUED)**

**Micro Loans and Small Business Loans (Continued)**

Forgivable loans receivable consist of loans given under the Allentown Retail Mosaic Self-Forgiving Loan Program. The loans contain terms that allow the loans to be completely forgiven after five years have passed and the borrower has met certain conditions including job creation provisions. Due to the nature of the loans, the loans have been completely allowed for at loan inception and the related expense included in program costs. Total forgivable loans outstanding as of June 30, 2022 and 2021 are \$45,000 and \$45,000, respectively. The outstanding loans are scheduled to mature at \$15,000 each year for the years ended June 30, 2023, 2024 and 2026.

**NOTE 7 FOOD BANK INVENTORY**

Food bank inventory consists of both donated and purchased food. The approximate average wholesale value of one pound of donated food is estimated at \$1.79 and \$1.79 in 2022 and 2021, respectively, based upon amounts provided by Feeding America (formerly named America's Second Harvest). For 2022 and 2021, USDA and CSFP-TEFAP were valued at the USDA commodity's price list and State food was valued at the purchase price which is valued by the State commodity's price list or the identified donated value.

The Second Harvest Food Bank is the beneficiary of food contributions from individuals, corporations, and governmental agencies. The total pounds and valuation of food donated during the years ended June 30 is as follows:

| 2022                  |                  |                      |                       |
|-----------------------|------------------|----------------------|-----------------------|
| Source                | Total Pounds     | Value                | Valuation Methodology |
| Federal Donations     | 3,149,859        | \$ 5,432,357         | Commodity Price List  |
| Non-Federal Donations | 5,236,219        | 9,565,481            | \$1.79 Per Pound      |
|                       | <u>8,386,078</u> | <u>\$ 14,997,837</u> |                       |
| 2021                  |                  |                      |                       |
| Source                | Total Pounds     | Value                | Valuation Methodology |
| Federal Donations     | 4,088,363        | \$ 5,259,627         | Commodity Price List  |
| Non-Federal Donations | 4,132,688        | 7,182,724            | \$1.79 Per Pound      |
|                       | <u>8,221,051</u> | <u>\$ 12,442,352</u> |                       |

In addition, the Organization purchases food products to supplement the contributions received. Total amounts expended during the years ended June 30, 2022 and 2021 were \$1,797,785 and \$2,192,416, respectively.

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**NOTE 8 INVESTMENTS**

Investments are stated at fair value and consist of the following as of June 30:

|                  | 2022 |            | 2021       |            |
|------------------|------|------------|------------|------------|
|                  | Cost | Fair Value | Cost       | Fair Value |
| Annuity Contract | \$ - | \$ -       | \$ 237,488 | \$ 319,683 |

**NOTE 9 ENDOWMENT**

CACLV's endowment consists of an individual fund established for Second Harvest Food Bank. As of June 30, 2022 and 2021 the Organization has endowment funds of \$5,000.

The Organization has not adopted investment or spending policies for endowment assets. All endowments are considered to be conservatively invested in a bank account.

**NOTE 10 LAND HELD IN TRUST**

LVCLT maintains title to the land underlying the homes and the homeowner mortgages the physical housing structure. LVCLT leases the land to the homeowner at a monthly rate to be determined for a 99-year term. In addition, the Organization retains a right of first refusal to buy back the building.

LVCLT owns 31 lots at June 30, 2022 and 2021, respectively. CACLV and LVCLT sold 0 homes and two homes in 2022 and 2021, respectively.

**NOTE 11 LINES OF CREDIT**

CACLV has a \$2,000,000 revolving line of credit. Interest was at Prime Rate plus 0.75%, with a minimum interest rate of 4.00%. The line is secured by all the assets of the parent organization. The line of credit is renewed annually and currently expires on March 14, 2022. The balance outstanding on the line of credit was \$-0- as of June 30, 2021 and 2020.

LVCLT held a \$500,000 revolving line of credit with an interest rate of 4.25%. The line was secured by the properties owned by LVCLT. The line of credit expired on August 6, 2021 and was not renewed. The balance outstanding on the line of credit was \$0 as of June 30, 2021. .

RTCLF has an unsecured, annually renewable, line of credit agreement with a bank which provides for maximum borrowings of \$100,000 and which requires monthly interest only payments at a fixed rate of 2% on any outstanding balances. As of June 30, 2022 and 2021, the Organization had outstanding borrowings of \$0 and \$100,000, respectively. This line of credit is due on demand with no set expiration date.

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**NOTE 11 LINES OF CREDIT (CONTINUED)**

RTCLF has a secured, annually renewable, line of credit agreement with a bank which provides for maximum borrowings of \$150,000 and which requires monthly interest only payments at a fixed rate of 5% on any outstanding balances. As of June 30, 2022 and 2021, the Organization had no outstanding borrowings on this line of credit. The security on this line of credit is a portion of the Organization's Program Loans Receivable balance. This line of credit is due on demand with no set expiration date.

RTCLF has an unsecured, annually renewable, line of credit agreement with a bank which provides for maximum borrowings of \$150,000 and which requires monthly interest only payments at a fixed rate of 2% on any outstanding balances. As of June 30, 2022 and 2021, the Organization had outstanding borrowings of \$75,000. This line of credit is due on demand with no set expiration date.

**NOTE 12 NOTES PAYABLE**

Long-term debt at June 30 consists of the following:

|  | <u>2022</u>    | <u>2021</u>    |
|--|----------------|----------------|
| <b>CACLV</b>   |                |                |
| Mortgage payable to bank in monthly installments of \$2,537, including interest at 4.150%, due April 12, 2024, secured by real estate.   | \$ 51,793      | \$ 79,421      |
| Mortgage payable to the City of Allentown in annual installments of \$700 or 50% of excess operating proceeds for the property for the year ended June 30. Payments are due annually beginning August 1, 2016 with the entire payment attributable to principal. The note has 0% interest. After 15 years the loan will be forgiven as long as restriction use requirements are met and CACLV remains the owner. | <u>309,767</u> | <u>312,900</u> |
| Total Debt, CACLV  | 361,560        | 392,321        |
| Less: Current Portion  | <u>29,438</u>  | <u>30,983</u>  |
| Total Debt, CACLV, Noncurrent Portion  | 332,122        | 361,338        |

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**NOTE 12 NOTES PAYABLE (CONTINUED)**

|   | <u>2022</u>                | <u>2021</u>                |
|---|----------------------------|----------------------------|
| <b>RTCLF</b>  |                            |                            |
| Loans payable to various banks, interest varies from noninterest bearing to 2.5%. All loan payments are monthly with interest only payments, Final payments are due on demand or in various periods from March 2020 to December 2030. | 2,175,000                  | 2,175,000                  |
| Loans payable to various individuals, noninterest bearing. Final payments are due in five years from execution date in various periods from August 2021 through October 2024.   | <u>135,000</u>             | <u>135,000</u>             |
| Total Debt, RTCLF   | 2,310,000                  | 2,310,000                  |
| Less: Current Portion   | <u>510,000</u>             | <u>125,000</u>             |
| Total Debt, RTCLF, Noncurrent Portion   | <u>1,800,000</u>           | <u>2,185,000</u>           |
| Total Debt, Noncurrent Portion  | <u><u>\$ 2,132,122</u></u> | <u><u>\$ 2,546,338</u></u> |

Maturities of long-term debt are as follows:

| <u>Year Ending June 30</u> | <u>CACLV</u>             | <u>RTCLF</u>               | <u>Total</u>               |
|----------------------------|--------------------------|----------------------------|----------------------------|
| 2023                       | \$ 29,438                | \$ 510,000                 | \$ 539,438                 |
| 2024                       | 23,755                   | 1,160,000                  | 1,183,755                  |
| 2025                       | 700                      | 190,000                    | 190,700                    |
| 2026                       | 700                      | -                          | 700                        |
| 2027                       | 700                      | 50,000                     | 50,700                     |
| Thereafter                 | 306,267                  | 400,000                    | 706,267                    |
| Total                      | <u><u>\$ 361,560</u></u> | <u><u>\$ 2,310,000</u></u> | <u><u>\$ 2,671,560</u></u> |

Interest expense on debt for the Organization was \$50,554 and \$43,125 for the years ended June 30, 2022 and 2021, respectively.

The long-term debt is subject to several financial covenants, including a loan loss reserve of not less than 7% on the Well Fargo loan balance and a ratio of net assets to total assets of at least .33 to 1. As of June 30, 2022, the Organization was in compliance with these covenants.

**NOTE 13 REFUNDABLE ADVANCES**

The Organization receives funds under cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Funds received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. Refundable advances as of June 30 are shown in the table below.

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**NOTE 13 REFUNDABLE ADVANCES (CONTINUED)**

|  | <u>2022</u>                | <u>2021</u>                 |
|--|----------------------------|-----------------------------|
| <b>CACLV</b>   |                            |                             |
| Lehigh County Emergency Rental Assistance Program        | \$ 1,050,483               | \$ 3,972,324                |
| Second Harvest Food Bank                                 | 808,369                    | 963,797                     |
| Community Action Better Homes                            | <u>258,612</u>             | <u>278,826</u>              |
| Total CACLV  | 2,117,464                  | 5,214,947                   |
| <b>RTCLF</b>   |                            |                             |
| Lehigh County COVID-19 Hospitality Recovery Program      | -                          | 4,183,030                   |
| Northampton County COVID-19 Hospitality Recovery Program | -                          | 3,457,769                   |
| Other  | <u>232,941</u>             | <u>71,298</u>               |
| Total RTCLF  | <u>232,941</u>             | <u>7,712,097</u>            |
| Total Refundable Advances                                | <u><u>\$ 2,350,405</u></u> | <u><u>\$ 12,927,044</u></u> |

CACLV was granted a \$1,038,505 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. CACLV initially recorded the loan as a refundable advance and has recorded the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right to return of the PPP loan or when such conditions are explicitly waived. Proceeds from the loan are eligible for forgiveness if CACLV maintains employment levels during its covered period and uses the funds for certain payroll, rent, and utility expenses. The loan was fully forgiven May 26, 2021 and is included in government grant revenue on the Consolidated Statement of Activities for the year ended June 30, 2021.

**NOTE 14 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions, including assets that were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors, for the years ended June 30 are as follows:

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**NOTE 14 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

|  | <u>2022</u>                | <u>2021</u><br>(As Restated) |
|--|----------------------------|------------------------------|
| <i>Subject to Expenditure for Specific Purpose:</i>                |                            |                              |
| <b>CACLV</b>   |                            |                              |
| Specific Program Operation   | \$ 341,770                 | \$ 308,323                   |
| Second Harvest Food Bank Operations                                | 5,707,527                  | 5,701,136                    |
| Second Harvest Food Bank Building and Equipment                    | -                          | 46,799                       |
| Total CACLV  | <u>6,049,297</u>           | <u>6,056,258</u>             |
| <b>CADCA</b>   |                            |                              |
| Specific Program Operation   | -                          | 18,000                       |
| Neighborhood Assistance Program                                    | 256,912                    | 345,018                      |
| Total CADCA  | <u>256,912</u>             | <u>363,018</u>               |
| <b>CADCB</b>   |                            |                              |
| Neighborhood Assistance Program                                    | 253,279                    | 50,420                       |
| Bethlehem Commercial Rent Subsidy Program                          | -                          | 50,000                       |
| Friendship Park  | 41,990                     | -                            |
| Keystone Communities   | 30,000                     | -                            |
| Other Programs   | -                          | 9,000                        |
| Total CADCB  | <u>325,269</u>             | <u>109,420</u>               |
| <b>LVCLT</b>   |                            |                              |
| Property Development   | -                          | 104,020                      |
| Total LVCLT  | <u>-</u>                   | <u>104,020</u>               |
| <b>RTCLF</b>   |                            |                              |
| Northampton County Revolving Loan Fund                             | 250,000                    | 250,000                      |
| Other Programs   | 48,808                     | 72,809                       |
| Total RTCLF  | <u>298,808</u>             | <u>322,809</u>               |
| <b>LNCRLF</b>  |                            |                              |
| Revolving Loan Fund  | 518,330                    | 521,446                      |
| Total LNCRLF   | <u>518,330</u>             | <u>521,446</u>               |
| <i>Endowments Not Subject to Spending Policy or Appropriation:</i> |                            |                              |
| <b>CACLV</b>   |                            |                              |
| Second Harvest Food Bank Perpetual Trust                           | 5,000                      | 5,000                        |
| Total CACLV  | <u>5,000</u>               | <u>5,000</u>                 |
| Total Net Assets With Donor Restrictions                           | <u><u>\$ 7,453,616</u></u> | <u><u>\$ 7,481,971</u></u>   |

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**NOTE 14 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

Net assets were released from donor restrictions for the years ended June 30 as follows:

|   | 2022                        | 2021                       |
|---|-----------------------------|----------------------------|
| <i>Satisfaction of Purpose Restriction:</i>         |                             |                            |
| <b>CACLV</b>  |                             |                            |
| Specific Program Operation                          | \$ 1,613,878                | \$ 1,273,774               |
| Second Harvest Food Bank Operations                 | 3,027,787                   | 1,686,747                  |
| Second Harvest Food Bank Building and Equipment     | 46,800                      | 47,275                     |
| Total CACLV   | <u>4,688,465</u>            | <u>3,007,796</u>           |
| <b>CADCA</b>  |                             |                            |
| Specific Program Operation                          | 18,000                      | 77,645                     |
| Neighborhood Assistance Program                     | 738,106                     | 647,492                    |
| Total CADCA   | <u>756,106</u>              | <u>725,137</u>             |
| <b>CADCB</b>  |                             |                            |
| Neighborhood Assistance Program                     | 122,141                     | 164,881                    |
| Bethlehem Commercial Rent Subsidy Program           | 50,000                      |                            |
| Friendship Park                                     | 8,010                       | -                          |
| Other Programs                                      | 9,000                       | -                          |
| COVID-19 Support                                    | -                           | 985                        |
| Total CADCB   | <u>189,151</u>              | <u>165,866</u>             |
| <b>LVCLT</b>  |                             |                            |
| Other Programs                                      | 104,020                     | -                          |
|   | <u>104,020</u>              | <u>-</u>                   |
| <b>RTCLF</b>  |                             |                            |
| COVID-19 Small Business, Loan Loss, and Debt Relief | 7,640,799                   | 438,384                    |
| Other Programs                                      | 32,441                      | 3,272                      |
| Total RTCLF   | <u>7,673,240</u>            | <u>441,656</u>             |
| <b>LNCRLF</b>                                       |                             |                            |
| Revolving Loan Fund                                 | 5,465                       | 6,481                      |
| Total LNCRLF  | <u>5,465</u>                | <u>6,481</u>               |
| Total Released from Donor Restrictions              | <u><u>\$ 13,416,447</u></u> | <u><u>\$ 4,346,936</u></u> |

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**NOTE 15 NET ASSETS WITHOUT DONOR RESTRICTIONS**

Net assets without donor restriction that have a defined use or purpose as defined by the Organization's Board of Directors are Board designated net assets. Board designation of net assets does not imply donor restriction and the defined use may be changed by board action. Board designated net assets of the Organization relate to the following:

|                           | <u>2022</u>          | <u>2021</u>          |
|---------------------------|----------------------|----------------------|
| Undesignated              | \$ 13,524,162        | \$ 13,444,646        |
| Board Designated for:     |                      |                      |
| Capital Reserve (CACLV)   | 250,000              | 250,000              |
| Operating Reserve (CACLV) | 250,000              | 250,000              |
| Endowment (RTCLF)         | 10,005               | 10,005               |
| Total                     | <u>\$ 14,034,167</u> | <u>\$ 13,954,651</u> |

**NOTE 16 RETIREMENT PLAN**

The Organization has a defined contribution retirement plan which covers all employees having one year of service. The Plan provides for participants' pretax contributions to the Plan up to limits defined in Section 401 (k) of the Internal Revenue Code. Under the Plan, the Organization is required to make plan contributions in an amount equal to 7% of eligible participants' compensation.

The Organization's contributions to the Plan were \$223,109 and \$192,225 for the years ended June 30, 2022 and 2021, respectively.

**NOTE 17 FUNCTIONALIZED EXPENSES**

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, interest, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort.



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JUNE 30, 2022 AND 2021**

**NOTE 18 LEASE COMMITMENT**

CACLV and its subsidiaries lease facilities (including program space), parking space and transportation and office equipment under various operating lease agreements. Rent expense under these agreements was \$90,087 and \$92,435 in 2022 and 2021, respectively. Future lease commitments are as follows:

| <u>Year Ended June 30</u> | <u>CACLV</u>      |
|---------------------------|-------------------|
| 2023                      | \$ 85,983         |
| 2024                      | 76,008            |
| 2025                      | 55,204            |
| 2026                      | 12,745            |
| Thereafter                | 164               |
| Total                     | <u>\$ 230,104</u> |

**NOTE 19 CONCENTRATION OF CREDIT RISK**

The Organization maintains its cash in various bank deposit accounts which at times exceeds the federal insured limits. The financial institutions are considered high quality and the Organization has not experienced any losses in such accounts.

The Organization receives a substantial portion of its support in the form of annual grants from federal, state, and local governmental agencies. This support is dependent on the Organization's continued qualifications for such funding, together with the amounts available to the governmental sources. Accordingly, reductions in this support could have a significant impact on the Organization's operations.

**NOTE 20 FAIR VALUE MEASUREMENTS**

The estimated fair value of the Organization's financial instruments measured on a recurring basis as of June 30 are as follows:

|                  | <u>2022</u> |                        | <u>2021</u>       |                        |
|------------------|-------------|------------------------|-------------------|------------------------|
|                  | Fair Value  | Valuation<br>(Level 3) | Fair Value        | Valuation<br>(Level 3) |
| Annuity Contract | <u>\$ -</u> | <u>\$ -</u>            | <u>\$ 319,683</u> | <u>\$ 319,683</u>      |

**COMMUNITY ACTION COMMITTEE  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 20 FAIR VALUE MEASUREMENTS (CONTINUED)**

The change in the Organization's financial instrument measured on a recurring basis as of June 30 is as follows:

|                  | Balance<br>June 30, 2021 | Unrealized<br>Gain (Loss) | Distributions       | Balance<br>June 30, 2022 |
|------------------|--------------------------|---------------------------|---------------------|--------------------------|
| Annuity Contract | <u>\$ 319,683</u>        | <u>\$ -</u>               | <u>\$ (319,683)</u> | <u>\$ -</u>              |

  

|                  | Balance<br>June 30, 2020 | Unrealized<br>Gain (Loss) | Additions        | Balance<br>June 30, 2021 |
|------------------|--------------------------|---------------------------|------------------|--------------------------|
| Annuity Contract | <u>\$ 208,477</u>        | <u>\$ 83,647</u>          | <u>\$ 27,559</u> | <u>\$ 319,683</u>        |

Level 3 are assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

**NOTE 21 SUBSEQUENT EVENTS**

The Organization has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through December 18, 2023, the date the consolidated financial statements were available to be issued. No events or transactions have occurred subsequent to year end that require recognition or disclosure in the consolidated financial statements.

**NOTE 22 PRIOR PERIOD ADJUSTMENT**

During the year ended June 30, 2022, the Organization has identified that certain grants received in prior years, and as more fully described in Note 6, are required to be returned to the donor upon conclusion of the program or upon the donor's request. As such, the accumulation of such funding has been reported as Loans Held for Others on the Statement of Financial Position. The effect of this correction was to decrease net assets with donor restrictions as of July 1, 2020 by \$911,690, decrease the change in net assets for the year ended June 30, 2021 by \$10,978 and increase Loans Held for Others as of June 30, 2021 by \$922,668.

In addition, the prior period consolidated financial statements have reclassified the amounts previously reported as Donated Food Products on the Statement of Activities so that the balance now only reflects the actual donated inventory during the fiscal year. The effect of this reclassification is as follows:

|                       | As Previously<br>Reported | Adjustment     | As Reclassed  |
|-----------------------|---------------------------|----------------|---------------|
| Donated Food Products | \$ 14,712,860             | \$ (2,270,508) | \$ 12,442,352 |
| Food Distributions    | 13,778,368                | (78,092)       | 13,700,276    |
| Food Purchases        | 2,192,416                 | (2,192,416)    | -             |

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION  
YEAR ENDED JUNE 30, 2022  
(WITH SUMMARIZED TOTALS FOR JUNE 30, 2021)**

| ASSETS   | CACLV                | CADCA             | CADCBC            | LVCLT             | RTCLT               | LNCRLF            | Eliminations        | Total                |                       |
|--|----------------------|-------------------|-------------------|-------------------|---------------------|-------------------|---------------------|----------------------|-----------------------|
|  |                      |                   |                   |                   |                     |                   |                     | 2022                 | 2021<br>(As Restated) |
| <b>CURRENT ASSETS</b>  |                      |                   |                   |                   |                     |                   |                     |                      |                       |
| Cash and Cash Equivalents                                      | \$ 7,781,190         | \$ 247,066        | \$ 547,939        | \$ 86,653         | \$ 2,829,279        | \$ -              | \$ -                | \$ 11,492,127        | \$ 12,195,205         |
| Restricted Cash  | 1,095,513            | -                 | -                 | -                 | 1,256,742           | 497,853           | -                   | 2,850,108            | 12,983,492            |
| Grant Receivable   | 2,314,267            | -                 | 7,348             | -                 | 4,250               | -                 | -                   | 2,325,865            | 1,787,983             |
| Unconditional Promises to Give                                 | 14,794               | 250,000           | -                 | -                 | -                   | -                 | -                   | 264,794              | 24,291                |
| Accounts Receivable, Subsidiaries                              | 89,908               | 50,860            | 54,523            | -                 | 44,472              | -                 | (239,763)           | -                    | -                     |
| Program Loans Receivable, Net of<br>2022 Reserves of \$123,913 | -                    | -                 | -                 | -                 | 48,479              | 21,275            | -                   | 69,754               | 592,792               |
| Inventory  | 2,045,638            | -                 | -                 | -                 | -                   | -                 | -                   | 2,045,638            | 1,897,039             |
| Property Inventory, Net of<br>2022 Reserves of \$482,000       | 565,383              | -                 | -                 | -                 | -                   | -                 | -                   | 565,383              | 497,642               |
| Prepaid Expenses   | 306,765              | -                 | 850               | -                 | 53,000              | -                 | -                   | 360,615              | 290,807               |
| Total Current Assets   | 14,213,458           | 547,926           | 610,660           | 86,653            | 4,236,222           | 519,128           | (239,763)           | 19,974,284           | 30,269,251            |
| <b>PROPERTY AND EQUIPMENT, NET</b>                             | 6,573,093            | -                 | -                 | 329,547           | 19,741              |                   |                     | 6,922,381            | 7,293,056             |
| <b>OTHER ASSETS</b>  |                      |                   |                   |                   |                     |                   |                     |                      |                       |
| Unconditional Promises to Give                                 | -                    | -                 | -                 | -                 | -                   | -                 | -                   | -                    | 11,225                |
| Investments  | -                    | -                 | -                 | -                 | -                   | -                 | -                   | -                    | 319,683               |
| Program Loans Receivable,<br>Net of Current Portion            | -                    | -                 | -                 | -                 | 1,687,950           | -                 | -                   | 1,687,950            | 1,672,016             |
| Total Other Assets   | -                    | -                 | -                 | -                 | 1,687,950           | -                 | -                   | 1,687,950            | 2,002,924             |
| Total Assets   | <u>\$ 20,786,551</u> | <u>\$ 547,926</u> | <u>\$ 610,660</u> | <u>\$ 416,200</u> | <u>\$ 5,943,913</u> | <u>\$ 519,128</u> | <u>\$ (239,763)</u> | <u>\$ 28,584,615</u> | <u>\$ 39,565,231</u>  |

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(WITH SUMMARIZED TOTALS FOR JUNE 30, 2021)**

| LIABILITIES AND NET ASSETS        | CACLV         | CADCA      | CADCB      | LVCLT      | RTCLT        | LNCRLF     | Eliminations | Total         |                       |
|-----------------------------------|---------------|------------|------------|------------|--------------|------------|--------------|---------------|-----------------------|
|                                   |               |            |            |            |              |            |              | 2022          | 2021<br>(As Restated) |
| <b>CURRENT LIABILITIES</b>        |               |            |            |            |              |            |              |               |                       |
| Current Portion of Long-Term Debt | \$ 29,438     | \$ -       | \$ -       | \$ -       | \$ 510,000   | \$ -       | \$ -         | \$ 539,438    | \$ 155,983            |
| Line of Credit                    | -             | -          | -          | -          | 75,000       | -          | -            | 75,000        | 100,000               |
| Accounts Payable                  | 506,341       | 30,346     | 1,779      | -          | 5,262        | -          | -            | 543,728       | 530,477               |
| Accounts Payable, Subsidiaries    | 149,854       | 33,742     | 42,793     | 632        | 11,944       | 798        | (239,763)    | -             | -                     |
| Accrued Expenses                  | 67,942        | 5,292      | 6,115      | -          | 7,250        | -          | -            | 86,599        | 132,869               |
| Accrued Interest                  | -             | -          | -          | -          | 9,875        | -          | -            | 9,875         | 9,875                 |
| Accrued Wages                     | 267,407       | 5,772      | 7,492      | -          | 3,705        | -          | -            | 284,376       | 542,612               |
| Compensated Absences              | 128,802       | 3,490      | 4,217      | -          | 4,042        | -          | -            | 140,551       | 132,108               |
| Refundable Advances               | 2,117,464     | -          | -          | -          | 232,941      | -          | -            | 2,350,405     | 12,927,044            |
| Custodial Funds                   | 3,630         | -          | -          | -          | -            | -          | -            | 3,630         | 53,635                |
| Total Current Liabilities         | 3,270,878     | 78,642     | 62,396     | 632        | 860,019      | 798        | (239,763)    | 4,033,602     | 14,584,603            |
| <b>NONCURRENT LIABILITIES</b>     |               |            |            |            |              |            |              |               |                       |
| Long-Term Debt, Less              |               |            |            |            |              |            |              |               |                       |
| Current Maturities                | 332,122       | -          | -          | -          | 1,800,000    | -          | -            | 2,132,122     | 2,621,338             |
| Loans Held for Others             | -             | -          | -          | -          | 931,108      | -          | -            | 931,108       | 922,668               |
| Total Noncurrent Liabilities      | 332,122       | -          | -          | -          | 2,731,108    | -          | -            | 3,063,230     | 3,544,006             |
| Total Liabilities                 | 3,603,000     | 78,642     | 62,396     | 632        | 3,591,127    | 798        | (239,763)    | 7,096,832     | 18,128,609            |
| <b>NET ASSETS</b>                 |               |            |            |            |              |            |              |               |                       |
| Without Donor Restrictions        |               |            |            |            |              |            |              |               |                       |
| Undesignated                      | 10,619,249    | 212,372    | 222,995    | 415,568    | 2,053,978    | -          | -            | 13,524,162    | 13,444,646            |
| Board Designated                  | 510,005       | -          | -          | -          | -            | -          | -            | 510,005       | 510,005               |
| With Donor Restrictions           | 6,054,297     | 256,912    | 325,269    | -          | 298,808      | 518,330    | -            | 7,453,616     | 7,481,971             |
| Total Net Assets                  | 17,183,551    | 469,284    | 548,264    | 415,568    | 2,352,786    | 518,330    | -            | 21,487,783    | 21,436,622            |
| Total Liabilities and Net Assets  | \$ 20,786,551 | \$ 547,926 | \$ 610,660 | \$ 416,200 | \$ 5,943,913 | \$ 519,128 | \$ (239,763) | \$ 28,584,615 | \$ 39,565,231         |

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022  
(WITH SUMMARIZED TOTALS FOR JUNE 30, 2021)**

|                                   | CACLV                | CADCA             | CADCB             | LVCLT             | RTCLF               | LNCRFL      | Eliminations | Total                |                      |
|-----------------------------------|----------------------|-------------------|-------------------|-------------------|---------------------|-------------|--------------|----------------------|----------------------|
|                                   |                      |                   |                   |                   |                     |             |              | 2022                 | 2021                 |
|                                   |                      |                   |                   |                   |                     |             |              |                      | (As Restated)        |
| <b>REVENUE AND SUPPORT</b>        |                      |                   |                   |                   |                     |             |              |                      |                      |
| <b>WITHOUT DONOR</b>              |                      |                   |                   |                   |                     |             |              |                      |                      |
| <b>RESTRICTIONS</b>               |                      |                   |                   |                   |                     |             |              |                      |                      |
| Contributions and Grants, Private | \$ 1,962,295         | \$ 41,515         | \$ 710            | \$ 500            | \$ 77,657           | \$ -        | \$ -         | \$ 2,082,677         | \$ 1,375,897         |
| Grants. Government                | 29,315,899           | 192,157           | 411,562           | -                 | 912,459             | -           | (555,998)    | 30,276,079           | 14,871,668           |
| Donated Food Products             | 14,997,837           | -                 | -                 | -                 | -                   | -           | -            | 14,997,837           | 12,442,352           |
| Shared Maintenance Fee            | 77,519               | -                 | -                 | -                 | -                   | -           | -            | 77,519               | 131,080              |
| Program Services                  | 1,910,723            | -                 | -                 | 13,227            | 180,874             | -           | (343,026)    | 1,761,798            | 1,930,222            |
| Other Income                      | -                    | -                 | -                 | -                 | -                   | -           | -            | -                    | 20,760               |
| Interest Income                   | 4,483                | -                 | -                 | -                 | -                   | -           | -            | 4,483                | 202,986              |
| Total                             | 48,268,756           | 233,672           | 412,272           | 13,727            | 1,170,990           | -           | (899,024)    | 49,200,393           | 30,974,965           |
| <b>NET ASSETS RELEASED</b>        |                      |                   |                   |                   |                     |             |              |                      |                      |
| <b>FROM RESTRICTIONS</b>          |                      |                   |                   |                   |                     |             |              |                      |                      |
| For Program Operations            | 4,641,665            | 756,106           | 189,151           | 104,020           | 7,673,240           | 5,465       | -            | 13,369,647           | 4,299,661            |
| For Capital Additions             | 46,800               | -                 | -                 | -                 | -                   | -           | -            | 46,800               | 47,275               |
| Total                             | 4,688,465            | 756,106           | 189,151           | 104,020           | 7,673,240           | 5,465       | -            | 13,416,447           | 4,346,936            |
| Total Revenue and Support         | 52,957,221           | 989,778           | 601,423           | 117,747           | 8,844,230           | 5,465       | (899,024)    | 62,616,840           | 35,321,901           |
| <b>EXPENSES</b>                   |                      |                   |                   |                   |                     |             |              |                      |                      |
| Program                           | 50,071,878           | 888,229           | 500,729           | 111,148           | 8,075,184           | 4,241       | (684,213)    | 58,967,196           | 31,778,258           |
| Supporting Services:              |                      |                   |                   |                   |                     |             |              |                      |                      |
| Management and General            | 2,969,995            | 38,229            | 38,559            | 25                | 93,557              | 1,224       | (157,584)    | 2,984,005            | 3,134,005            |
| Fundraising                       | 575,642              | 23,828            | 27,075            | -                 | 6,324               | -           | (57,227)     | 575,642              | 622,887              |
| Total Expenses                    | 53,617,515           | 950,286           | 566,363           | 111,173           | 8,175,065           | 5,465       | (899,024)    | 62,526,843           | 35,535,150           |
| (Gain) Loss on Sale of Homes      | 6,796                | -                 | -                 | 3,685             | -                   | -           | -            | 10,481               | (787)                |
| Total                             | 53,624,311           | 950,286           | 566,363           | 114,858           | 8,175,065           | 5,465       | (899,024)    | 62,537,324           | 35,534,363           |
| <b>CHANGES IN NET ASSETS</b>      |                      |                   |                   |                   |                     |             |              |                      |                      |
| <b>WITHOUT DONOR</b>              |                      |                   |                   |                   |                     |             |              |                      |                      |
| <b>RESTRICTIONS</b>               |                      |                   |                   |                   |                     |             |              |                      |                      |
|                                   | (667,090)            | 39,492            | 35,060            | 2,889             | 669,165             | -           | -            | 79,516               | (212,462)            |
| <b>WITHOUT DONOR</b>              |                      |                   |                   |                   |                     |             |              |                      |                      |
| <b>RESTRICTIONS</b>               |                      |                   |                   |                   |                     |             |              |                      |                      |
| Net Assets - Beginning of Year    | 11,796,344           | 172,880           | 187,935           | 412,679           | 1,384,813           | -           | -            | 13,954,651           | 11,896,605           |
| <b>NET ASSETS - END OF YEAR</b>   | <b>\$ 11,129,254</b> | <b>\$ 212,372</b> | <b>\$ 222,995</b> | <b>\$ 415,568</b> | <b>\$ 2,053,978</b> | <b>\$ -</b> | <b>\$ -</b>  | <b>\$ 14,034,167</b> | <b>\$ 11,684,143</b> |

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF ACTIVITIES (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(WITH SUMMARIZED TOTALS FOR JUNE 30, 2021)**

|   | CACLV               | CADCA              | CADCB             | LVCLT               | RTCLF             | LNCRLF            | Eliminations | Total            |                     |
|---|---------------------|--------------------|-------------------|---------------------|-------------------|-------------------|--------------|------------------|---------------------|
|   |                     |                    |                   |                     |                   |                   |              | 2022             | 2021                |
| <b>REVENUE AND SUPPORT<br/>WITH DONOR<br/>RESTRICTIONS</b>      |                     |                    |                   |                     |                   |                   |              |                  |                     |
| Contributions and Grants, Private                               | \$ 2,747,039        | \$ 650,000         | \$ 405,000        | \$ -                | \$ -              | \$ -              | \$ -         | \$ 3,802,039     | \$ 9,213,973        |
| Grants. Government  | 1,934,465           | -                  | -                 | -                   | 7,649,239         | -                 | -            | 9,583,704        | -                   |
| Interest Income   | -                   | -                  | -                 | -                   | -                 | 2,349             | -            | 2,349            | 5,245               |
| Total   | 4,681,504           | 650,000            | 405,000           | -                   | 7,649,239         | 2,349             | -            | 13,388,092       | 9,219,218           |
| <b>NET ASSETS RELEASED<br/>FROM RESTRICTIONS</b>                |                     |                    |                   |                     |                   |                   |              |                  |                     |
| For Program Operations  | (4,641,665)         | (756,106)          | (189,151)         | (104,020)           | (7,673,240)       | (5,465)           | -            | (13,369,647)     | (4,299,661)         |
| For Capital Additions   | (46,800)            | -                  | -                 | -                   | -                 | -                 | -            | (46,800)         | (47,275)            |
| Total   | (4,688,465)         | (756,106)          | (189,151)         | (104,020)           | (7,673,240)       | (5,465)           | -            | (13,416,447)     | (4,346,936)         |
| <b>CHANGES IN NET ASSETS<br/>WITHOUT DONOR<br/>RESTRICTIONS</b> |                     |                    |                   |                     |                   |                   |              |                  |                     |
|   | (6,961)             | (106,106)          | 215,849           | (104,020)           | (24,001)          | (3,116)           | -            | (28,355)         | 4,872,282           |
| <b>WITH DONOR<br/>RESTRICTIONS</b>                              |                     |                    |                   |                     |                   |                   |              |                  |                     |
| Net Assets - Beginning of Year                                  | 6,061,258           | 363,018            | 109,420           | 104,020             | 322,809           | 521,446           | -            | 7,481,971        | 2,609,689           |
| <b>NET ASSETS - END OF YEAR</b>                                 | 6,054,297           | 256,912            | 325,269           | -                   | 298,808           | 518,330           | -            | 7,453,616        | 7,481,971           |
| <b>TOTAL CHANGE NET ASSETS</b>                                  | <u>\$ (674,051)</u> | <u>\$ (66,614)</u> | <u>\$ 250,909</u> | <u>\$ (101,131)</u> | <u>\$ 645,164</u> | <u>\$ (3,116)</u> | <u>\$ -</u>  | <u>\$ 51,161</u> | <u>\$ 4,659,820</u> |

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2022  
(WITH SUMMARIZED TOTALS FOR JUNE 30, 2021)**

|   | CACLV         | CADCA      | CADCB      | LVCLT      | RTCLT        | LNCRLF   | Eliminations | Total         |               |
|---|---------------|------------|------------|------------|--------------|----------|--------------|---------------|---------------|
|   |               |            |            |            |              |          |              | 2022          | 2021          |
| PROGRAM EXPENSES                        |               |            |            |            |              |          |              |               |               |
| PERSONNEL                               |               |            |            |            |              |          |              |               |               |
| Salaries and Wages                      | \$ 2,587,617  | \$ 111,193 | \$ 181,005 | \$ -       | \$ 198,386   | \$ 796   | \$ -         | \$ 3,078,997  | \$ 2,540,390  |
| Employee Benefits/Payroll Taxes         | 1,148,662     | 53,427     | 91,412     | -          | 103,054      | 297      | -            | 1,396,852     | 1,223,303     |
| Conferences and Training                | 18,960        | 3,768      | 930        | -          | 122          | -        | -            | 23,780        | 18,067        |
| Travel                                  | 23,670        | 1,690      | 80         | -          | 605          | -        | -            | 26,045        | 15,219        |
| Total Personnel                         | 3,778,909     | 170,078    | 273,427    | -          | 302,167      | 1,093    | -            | 4,525,674     | 3,796,979     |
| OTHER                                   |               |            |            |            |              |          |              |               |               |
| Advertising and Promotion               | 49,268        | 673        | 3,014      | -          | 29,681       | -        | -            | 82,636        | 411           |
| Computer Tech Support                   | -             | 60         | 94         | -          | 2,657        | -        | -            | 2,811         | 1,442         |
| Contracted Services/Assistance          | 24,328,720    | -          | -          | -          | -            | -        | -            | 24,328,720    | 6,910,475     |
| Depreciation                            | 380,018       | 386        | -          | -          | 3,494        | -        | -            | 383,898       | 335,080       |
| Dues and Subscriptions                  | 35,333        | 3,335      | 175        | -          | 12,345       | -        | -            | 51,188        | 44,385        |
| Equipment Maintenance and Repairs       | 152,860       | 5,660      | 3,522      | -          | -            | 74       | -            | 162,116       | 103,840       |
| Facility Maintenance and Utilities      | 189,986       | -          | -          | -          | -            | -        | -            | 189,986       | 191,026       |
| Food Distributions                      | 16,670,648    | -          | -          | -          | -            | -        | -            | 16,670,648    | 13,700,276    |
| Grants                                  | -             | -          | 175,527    | -          | 7,535,299    | -        | -            | 7,710,826     | 107,348       |
| Insurance                               | 76,478        | 897        | 688        | 6,436      | 797          | -        | -            | 85,296        | 74,985        |
| Interest                                | -             | -          | -          | -          | 47,738       | -        | -            | 47,738        | 39,173        |
| Provision for (recovery of) Loan Losses | -             | -          | -          | -          | 10,933       | -        | -            | 10,933        | (65,431)      |
| Management Fees                         | -             | 2,735      | 5,772      | -          | 116,634      | 3,074    | (128,215)    | -             | -             |
| Minor Equipment Purchase                | 277,623       | -          | -          | -          | 506          | -        | -            | 278,129       | 58,603        |
| Miscellaneous                           | 49,376        | 5,156      | 1,200      | 160        | 4,145        | -        | -            | 60,037        | 47,542        |
| Occupancy                               | -             | 24,423     | 20,727     | -          | -            | -        | -            | 45,150        | 36,206        |
| Payroll Processing Fees                 | -             | -          | -          | -          | 1,140        | -        | -            | 1,140         | 1,691         |
| Postage                                 | 43,376        | 352        | 4          | -          | 721          | -        | -            | 44,453        | 26,996        |
| Printing                                | 51,261        | 518        | 221        | -          | 625          | -        | -            | 52,625        | 11,002        |
| Professional Fees                       | 1,911,487     | 268        | 5,475      | 532        | 4,137        | -        | -            | 1,921,899     | 2,041,221     |
| Program Contract Costs and Supplies     | -             | 660,069    | -          | 104,020    | -            | -        | -            | 764,089       | 679,100       |
| Project Cost Loss Reserve               | 348,000       | -          | -          | -          | -            | -        | -            | 348,000       | 72,000        |
| Subgrantee Payments                     | 555,998       | -          | -          | -          | -            | -        | (555,998)    | -             | 148,727       |
| Supplies                                | 802,401       | 2,280      | 1,393      | -          | 445          | -        | -            | 806,519       | 823,017       |
| Telephone                               | 65,897        | 11,339     | 9,490      | -          | 1,720        | -        | -            | 88,446        | 73,817        |
| Utilities                               | 132,757       | -          | -          | -          | -            | -        | -            | 132,757       | 143,221       |
| Vehicle Operation and Repairs           | 171,482       | -          | -          | -          | -            | -        | -            | 171,482       | 104,618       |
| Total Other                             | 46,292,969    | 718,151    | 227,302    | 111,148    | 7,773,017    | 3,148    | (684,213)    | 54,441,522    | 25,710,771    |
| Total Program Expenses                  | \$ 50,071,878 | \$ 888,229 | \$ 500,729 | \$ 111,148 | \$ 8,075,184 | \$ 4,241 | \$ (684,213) | \$ 58,967,196 | \$ 29,507,750 |

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(WITH SUMMARIZED TOTALS FOR JUNE 30, 2021)**

|                                       | CACLV        | CADCA     | CADCB     | LVCLT | RTCLT     | LNCRLF   | Eliminations | Total        |              |
|---------------------------------------|--------------|-----------|-----------|-------|-----------|----------|--------------|--------------|--------------|
|                                       |              |           |           |       |           |          |              | 2022         | 2021         |
| MANAGEMENT AND GENERAL EXPENSES       |              |           |           |       |           |          |              |              |              |
| PERSONNEL                             |              |           |           |       |           |          |              |              |              |
| Salaries and Wages                    | \$ 1,488,360 | \$ -      | \$ -      | \$ -  | \$ -      | \$ -     | \$ -         | \$ 1,488,360 | \$ 1,401,431 |
| Employee Benefits/Payroll Taxes       | 635,651      | -         | -         | -     | -         | -        | -            | 635,651      | 624,888      |
| Conferences and Training              | 42,177       | -         | -         | -     | -         | -        | -            | 42,177       | 9,645        |
| Travel                                | 11,300       | -         | -         | -     | -         | -        | -            | 11,300       | 4,991        |
| Total Personnel                       | 2,177,488    | -         | -         | -     | -         | -        | -            | 2,177,488    | 2,040,955    |
| OTHER                                 |              |           |           |       |           |          |              |              |              |
| Advertising and promotion             | 6,682        |           |           |       |           |          |              | 6,682        | -            |
| Bad Debt Expense                      | 23,561       | -         | -         | -     | -         | 1,376    | -            | 24,937       | 52,701       |
| Contracted Services/Assistance        | 81,330       | -         | -         | -     | -         | -        | -            | 81,330       | 315,968      |
| Depreciation                          | 111,349      | -         | -         | -     | -         | -        | -            | 111,349      | 108,474      |
| Dues and Subscriptions                | 33,425       | -         | -         | 25    | -         | -        | -            | 33,450       | 25,948       |
| Equipment Maintenance and Repairs     | 10,078       | -         | -         | -     | -         | -        | -            | 10,078       | 9,142        |
| Facility Maintenance and Utilities    | 70,429       | -         | -         | -     | -         | -        | -            | 70,429       | 95,622       |
| Insurance                             | 63,412       | -         | -         | -     | -         | -        | -            | 63,412       | 54,211       |
| Interest                              | 2,816        | -         | -         | -     | -         | -        | -            | 2,816        | 3,952        |
| Management Fees                       | -            | 32,968    | 38,559    | -     | 86,057    | -        | (157,584)    | -            | -            |
| Minor Equipment Purchase              | 21,624       | -         | -         | -     | -         | -        | -            | 21,624       | 100,568      |
| Miscellaneous                         | 26,148       | 11        | -         | -     | -         | -        | -            | 26,159       | 21,886       |
| Postage                               | -            | -         | -         | -     | -         | -        | -            | -            | 4,401        |
| Printing                              | -            | -         | -         | -     | -         | -        | -            | -            | 969          |
| Professional Fees                     | 243,304      | 5,250     | -         | -     | 7,500     | (152)    | -            | 255,902      | 226,935      |
| Supplies                              | 17,753       | -         | -         | -     | -         | -        | -            | 17,753       | 26,800       |
| Telephone                             | 49,731       | -         | -         | -     | -         | -        | -            | 49,731       | 45,435       |
| Utilities                             | 28,276       | -         | -         | -     | -         | -        | -            | 28,276       | -            |
| Vehicle Operation and Repairs         | 2,589        | -         | -         | -     | -         | -        | -            | 2,589        | 38           |
| Total Other                           | 792,507      | 38,229    | 38,559    | 25    | 93,557    | 1,224    | (157,584)    | 806,517      | 1,093,050    |
| Total Management and General Expenses |              |           |           |       |           |          |              |              |              |
|                                       | \$ 2,969,995 | \$ 38,229 | \$ 38,559 | \$ 25 | \$ 93,557 | \$ 1,224 | \$ (157,584) | \$ 2,984,005 | \$ 3,134,005 |



**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(WITH SUMMARIZED TOTALS FOR JUNE 30, 2021)**

|                                   | CACLV         | CADCA      | CADCB      | LVCLT      | RTCLT        | LCNRLF   | Eliminations | Total         |               |
|-----------------------------------|---------------|------------|------------|------------|--------------|----------|--------------|---------------|---------------|
|                                   |               |            |            |            |              |          |              | 2022          | 2021          |
| <b>FUNDRAISING EXPENSES</b>       |               |            |            |            |              |          |              |               |               |
| <b>PERSONNEL</b>                  |               |            |            |            |              |          |              |               |               |
| Salaries and Wages                | \$ 339,471    | \$ -       | \$ -       | \$ -       | \$ -         | \$ -     | \$ -         | \$ 339,471    | \$ 283,396    |
| Employee Benefits/Payroll Taxes   | 139,683       | -          | -          | -          | -            | -        | -            | 139,683       | 127,389       |
| Conferences and Training          | -             | -          | -          | -          | -            | -        | -            | -             | 2,032         |
| Travel                            | -             | -          | -          | -          | -            | -        | -            | -             | 1,475         |
| Total Personnel                   | 479,154       | -          | -          | -          | -            | -        | -            | 479,154       | 414,292       |
| <b>OTHER</b>                      |               |            |            |            |              |          |              |               |               |
| Dues and Subscriptions            | -             | -          | -          | -          | -            | -        | -            | -             | 8,432         |
| Equipment Maintenance and Repairs | -             | -          | -          | -          | -            | -        | -            | -             | 22,373        |
| Management Fees                   | -             | 23,828     | 27,075     | -          | 6,324        | -        | (57,227)     | -             | -             |
| Other Expense                     | -             | -          | -          | -          | -            | -        | -            | -             | 9,317         |
| Postage                           | 11,097        | -          | -          | -          | -            | -        | -            | 11,097        | 27,254        |
| Printing                          | 85,391        | -          | -          | -          | -            | -        | -            | 85,391        | 74,204        |
| Supplies                          | -             | -          | -          | -          | -            | -        | -            | -             | 51,880        |
| Telephone                         | -             | -          | -          | -          | -            | -        | -            | -             | 15,135        |
| Total Other                       | 96,488        | 23,828     | 27,075     | -          | 6,324        | -        | (57,227)     | 96,488        | 208,595       |
| Total Fundraising Expenses        | 575,642       | 23,828     | 27,075     | -          | 6,324        | -        | (57,227)     | 575,642       | 622,887       |
| Total Functional Expenses         | \$ 53,617,515 | \$ 950,286 | \$ 566,363 | \$ 111,173 | \$ 8,175,065 | \$ 5,465 | \$ (899,024) | \$ 62,526,843 | \$ 33,264,642 |

**COMMUNITY ACTION COMMITTEE  
OF THE LEHIGH VALLEY, INC. AND SUBSIDIARIES  
PARENT COMPANY'S STATEMENT OF PROGRAM EXPENSES  
YEAR ENDED JUNE 30, 2022**

| <b>PROGRAM EXPENSES</b>         | <b>Weatherization<br/>Program</b> | <b>Sixth Street<br/>Shelter</b> | <b>Second<br/>Harvest<br/>Food Bank</b> | <b>Housing<br/>Counseling<br/>Program</b> | <b>Community<br/>Action<br/>Homes</b> | <b>Custody<br/>Subcontractor</b> | <b>Racial and<br/>Ethnic Justice<br/>Program</b> | <b>Slate Belt<br/>Rising</b> | <b>Total<br/>Program</b> |
|---------------------------------|-----------------------------------|---------------------------------|---|---|---------------------------------------|----------------------------------|--|------------------------------|--------------------------|
| <b>PERSONNEL</b>                |                                   |                                 |   |   |                                       |                                  |  |                              |                          |
| Salaries and Wages              | \$ 401,150                        | \$ 367,066                      | \$ 1,081,447                            | \$ 217,458                                | \$ 208,053                            | \$ -                             | \$ 262,758                                       | \$ 49,685                    | \$ 2,587,617             |
| Employee Benefits/Payroll Taxes | 216,605                           | 124,068                         | 503,018                                 | 87,779                                    | 73,785                                | -                                | 118,146  | 25,261                       | 1,148,662                |
| Conferences and Training        | 65                                | 561                             | 10,773                                  | 145                                       | 164                                   | 302                              | 6,950  | -                            | 18,960                   |
| Travel                          | 524                               | 273                             | 11,794                                  | 566                                       | 7,806                                 | 12                               | 2,671  | 24                           | 23,670                   |
| Total Personnel                 | 618,344                           | 491,968                         | 1,607,032                               | 305,948                                   | 289,808                               | 314                              | 390,525  | 74,970                       | 3,778,909                |
| <b>OTHER</b>                    |                                   |                                 |   |   |                                       |                                  |  |                              |                          |
| Advertising and promotion       | -                                 | 4,431                           | 32,638                                  | 1,275                                     | 990                                   | 1,167                            | 8,084  | 683                          | 49,268                   |
| Contracted Services             | 120                               | 121,872                         | 216,320                                 | (1,125)                                   | 648,620                               | 23,135,360                       | 44,596   | 162,957                      | 24,328,720               |
| Depreciation                    | 9,723                             | 83,828                          | 283,435                                 | 3,032                                     | -                                     | -                                | -  | -                            | 380,018                  |
| Dues and subscriptions          | 1,093                             | 989                             | 23,130                                  | 5,425                                     | 1,736                                 | 52                               | 2,908  | -                            | 35,333                   |
| Equipment maintenance           | 2,305                             | 4,877                           | 140,739                                 | 3,452                                     | 190                                   | 9                                | 1,207  | 81                           | 152,860                  |
| Facility maintenance            | -                                 | 100,525                         | 89,461                                  | -   | -                                     | -                                | -  | -                            | 189,986                  |
| Food distributions              | -                                 | -                               | 16,670,648                              | -   | -                                     | -                                | -  | -                            | 16,670,648               |
| Insurance                       | 21,244                            | 20,661                          | 28,081                                  | 3,371                                     | 1,087                                 | -                                | 1,970  | 64                           | 76,478                   |
| Minor equipment purchase        | 3,244                             | 1,909                           | 26,710                                  | 5,770                                     | 1,784                                 | 235,524                          | 1,821  | 861                          | 277,623                  |
| Other expenses                  | -                                 | 3,480                           | 37,319                                  | 17  | 63                                    | 8,151                            | 346  | -                            | 49,376                   |
| Postage                         | 1,457                             | 4,386                           | 36,601                                  | 604                                       | 204                                   | 13                               | 108  | 3                            | 43,376                   |
| Printing                        | -                                 | 24,571                          | 25,024                                  | 220                                       | 126                                   | 130                              | 1,140  | 50                           | 51,261                   |
| Professional fees               | 1,523,881                         | 12,727                          | 257,011                                 | 96  | 2,463                                 | 87,279                           | 28,030   | -                            | 1,911,487                |
| Project loss reserve            | -                                 | -                               | -                                       | -   | 348,000                               | -                                | -  | -                            | 348,000                  |
| Supplies                        | 563,950                           | 41,189                          | 180,132                                 | 388                                       | 1,158                                 | 6,052                            | 9,532  | -                            | 802,401                  |
| Telephone                       | 6,759                             | 26,421                          | 22,459                                  | -   | 3,064                                 | 2,193                            | 4,372  | 629                          | 65,897                   |
| Subgrantee payments             | -                                 | -                               | -                                       | -   | -                                     | 555,998                          | -  | -                            | 555,998                  |
| Utilities                       | -                                 | 45,926                          | 86,831                                  | -   | -                                     | -                                | -  | -                            | 132,757                  |
| Vehicle operations              | 20,258                            | 4,888                           | 146,222                                 | -   | 9                                     | 40                               | 65   | -                            | 171,482                  |
| Total Other                     | 2,154,034                         | 502,680                         | 18,302,761                              | 22,525                                    | 1,009,494                             | 24,031,968                       | 104,179  | 165,328                      | 46,292,969               |
| Total Program Expenses          | \$ 2,772,378                      | \$ 994,648                      | \$ 19,909,793                           | \$ 328,473                                | \$ 1,299,302                          | \$ 24,032,282                    | \$ 494,704                                       | \$ 240,298                   | \$ 50,071,878            |