



***Greater Lehigh Valley
Chamber of Commerce
and Controlled Entity***

June 30, 2021 and 2020

***Consolidated Financial Statements
and Independent Auditor's Report***

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
JUNE 30, 2021 AND 2020

CONTENTS

	<u>Page(s)</u>
Independent Auditor's Report	2-3
Consolidated Financial Statements	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5-6
Consolidated Statements of Functional Expenses	7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9-20
Supplementary Information	
Independent Auditor's Report on Supplementary Information	21
Consolidating Statements of Financial Position	22-23
Consolidating Statements of Activities	24-25
Consolidating Schedules of Functional Expenses	26-27

INDEPENDENT AUDITOR’S REPORT

To the Boards of Governors of
Greater Lehigh Valley Chamber of Commerce
and Controlled Entity

Opinion

We have audited the accompanying consolidated financial statements of the Greater Lehigh Valley Chamber of Commerce and Controlled Entity (a nonprofit organization, the “Organization”), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Lehigh Valley Chamber of Commerce and Controlled Entity as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our ethical responsibilities in accordance with 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.

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 the Organization’s ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor’s 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Concannon, Miller + Co., P.C.

Bethlehem, PA
December 13, 2021

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30,	
<u>ASSETS</u>	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	\$ 753,683	\$ 121,362
Investments, at fair value	2,290,933	1,876,735
Accounts receivable, net of allowance of \$20,500 and \$36,500, respectively	279,082	562,754
Grants receivable	14,268	35,678
Contributions receivable	0	200
Prepaid expenses	31,759	21,915
Total Current Assets	3,369,725	2,618,644
 PROPERTY AND EQUIPMENT, NET	 22,237	 29,117
 OTHER ASSETS		
Restricted cash	494,033	234,682
Total Assets	\$ 3,885,995	\$ 2,882,443
 <u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 59,680	\$ 46,952
Grants payable	8,000	28,534
Note payable	473,744	0
Dues paid in advance	29,612	22,770
Accrued payroll expenses and other liabilities	88,054	104,194
Special projects in progress	481,348	744,552
Deferred revenues, members' dues	641,086	683,956
Deferred grant revenue	120,284	134,077
Total Current Liabilities	1,901,808	1,765,035
 LONG-TERM LIABILITIES		
Deferred rent expense	25,759	13,329
Total Liabilities	1,927,567	1,778,364
 NET ASSETS		
Without donor restrictions		
Undesignated	1,864,941	1,006,176
Board designated for fixed assets	24,249	29,116
Total Net Assets Without Donor Restrictions	1,889,190	1,035,292
With donor restrictions		
Total Net Assets	69,238	68,787
Total Net Assets	1,958,428	1,104,079
Total Liabilities and Net Assets	\$ 3,885,995	\$ 2,882,443

The accompanying notes are an integral part of the consolidated financial statements.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2020)

	2021		Totals	
	Without Donor Restrictions	With Donor Restrictions	2021	2020
Revenue and Support				
Membership dues	\$ 1,048,308	\$ 0	\$ 1,048,308	\$ 1,119,449
Council programs and special projects	2,262,154		2,262,154	1,767,193
Program support	1,082,897		1,082,897	620,315
Sale of publications	4,025		4,025	7,225
In-kind contributions	247,972		247,972	304,703
Dividend and interest income, net	54,511		54,511	36,176
Unrealized gain (loss) on investments	163,407		163,407	(207,201)
Realized gain on investments	197,326		197,326	234,647
Contributions	100,832	26,451	127,283	246,811
Loss on disposal of fixed assets	(2,012)		(2,012)	0
Other income	15,323		15,323	7,703
	<u>5,174,743</u>	<u>26,451</u>	<u>5,201,194</u>	<u>4,137,021</u>
NET ASSETS RELEASED FROM RESTRICTIONS	26,000	(26,000)	0	0
Total Revenue and Support	<u>5,200,743</u>	<u>451</u>	<u>5,201,194</u>	<u>4,137,021</u>
Expenses				
Program services	3,237,301		3,237,301	3,546,041
General and administrative	1,109,544		1,109,544	1,099,594
Total Expenses	<u>4,346,845</u>	<u>0</u>	<u>4,346,845</u>	<u>4,645,635</u>
CHANGE IN NET ASSETS	853,898	451	854,349	(508,614)
NET ASSETS, JULY 1	<u>1,035,292</u>	<u>68,787</u>	<u>1,104,079</u>	<u>1,612,693</u>
NET ASSETS, JUNE 30	<u>\$ 1,889,190</u>	<u>\$ 69,238</u>	<u>\$ 1,958,428</u>	<u>\$ 1,104,079</u>

The accompanying notes are an integral part of the consolidated financial statements.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Support			
Membership dues	\$ 1,119,449		\$ 1,119,449
Council programs and special projects	1,767,193		1,767,193
Program support	620,315		620,315
Sale of publications	7,225		7,225
In-kind contributions	304,704		304,704
Dividend and interest income, net	36,176		36,176
Unrealized loss on investments	(207,201)		(207,201)
Realized gain on investments	234,647		234,647
Contributions	209,250	37,561	246,811
Other income	7,703		7,703
	<u>4,099,461</u>	<u>37,561</u>	<u>4,137,022</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>23,210</u>	<u>(23,210)</u>	<u>0</u>
Total Revenue and Support	<u>4,122,671</u>	<u>14,351</u>	<u>4,137,022</u>
Expenses			
Program services	3,546,041		3,546,041
General and administrative	1,099,594		1,099,594
Total Expenses	<u>4,645,635</u>	<u>0</u>	<u>4,645,635</u>
CHANGE IN NET ASSETS	(522,964)	14,351	(508,613)
NET ASSETS, JULY 1	<u>1,558,257</u>	<u>54,436</u>	<u>1,612,693</u>
NET ASSETS, JUNE 30	<u>\$ 1,035,293</u>	<u>\$ 68,787</u>	<u>\$ 1,104,080</u>

The accompanying notes are an integral part of the consolidated financial statements.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

	<u>Year Ended June 30, 2021</u>			<u>Year Ended June 30, 2020</u>		
	<u>Program Expenses</u>	<u>G&A Expenses</u>	<u>Total Expenses</u>	<u>Program Expenses</u>	<u>G&A Expenses</u>	<u>Total Expenses</u>
Salaries	\$ 1,404,442	\$ 702,935	\$ 2,107,377	\$ 1,397,412	\$ 700,250	\$ 2,097,662
Council programs and special projects	872,282		872,282	916,544		916,544
Employee benefits and payroll taxes	251,749	129,489	381,238	243,410	125,911	369,321
Occupancy costs	117,474	60,424	177,898	133,508	69,061	202,569
Membership	39,850		39,850	40,370		40,370
Other	41,729	40,236	81,965	44,495	41,737	86,232
Office	91,808	55,678	147,486	62,746	48,585	111,331
Marketing and publications	167,500	18,611	186,111	234,342	26,038	260,380
Professional fees	11,280	57,848	69,128	5,171	32,077	37,248
Travel and meetings	48,977	25,192	74,169	45,518	23,545	69,063
Grants	161,913		161,913	392,569		392,569
Telephone	20,855	10,727	31,582	19,802	10,243	30,045
Depreciation	7,442	3,828	11,270	10,154	5,253	15,407
Bad debt		4,576	4,576		16,894	16,894
	<u>\$ 3,237,301</u>	<u>\$ 1,109,544</u>	<u>\$ 4,346,845</u>	<u>\$ 3,546,041</u>	<u>\$ 1,099,594</u>	<u>\$ 4,645,635</u>

The accompanying notes are an integral part of the consolidated financial statements.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended	
	June 30,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 854,349	\$ (508,614)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities		
Depreciation	11,270	15,407
Loss on disposal of fixed assets	2,012	0
Unrealized (gain) loss on investments	(163,407)	207,201
Realized gain on investments	(197,326)	(234,647)
Bad debt expense	4,576	16,894
Changes in assets and liabilities		
Accounts receivable	279,096	(228,007)
Grants receivable	21,410	(23,065)
Contributions receivable	200	200
Prepaid expenses	(9,844)	1,028
Accounts payable	12,728	(24,336)
Grants payable	(20,534)	(2,695)
Dues paid in advance	6,842	(7,201)
Accrued payroll expenses and other liabilities	(16,140)	16,076
Special projects in progress	(263,204)	447,218
Deferred revenues, members' dues	(42,870)	5,130
Deferred grant revenue	(13,793)	18,152
Deferred rent expense	12,430	2,787
Net Cash Provided by (Used in) Operating Activities	<u>477,795</u>	<u>(298,472)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(1,317,176)	(1,324,429)
Proceeds from sale of investments	1,263,711	1,389,461
Purchases of property and equipment	(6,402)	(13,811)
Net Cash Provided by (Used in) Investing Activities	<u>(59,867)</u>	<u>51,221</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable	473,744	0
Net Cash Provided by Financing Activities	<u>473,744</u>	<u>0</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	891,672	(247,251)
CASH AND CASH EQUIVALENTS, JULY 1	<u>356,044</u>	<u>603,295</u>
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 1,247,716</u>	<u>\$ 356,044</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
NON CASH OPERATING ACTIVITIES		
In-kind contribution of services	<u>\$ 247,972</u>	<u>\$ 304,703</u>
CASH AND CASH EQUIVALENTS, JUNE 30		
Unrestricted balance	\$ 753,683	\$ 121,362
Restricted to special projects in progress	<u>494,033</u>	<u>234,682</u>
	<u>\$ 1,247,716</u>	<u>\$ 356,044</u>

The accompanying notes are an integral part of the consolidated financial statements.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 Nature of Operations and Purpose of the Organization

The Greater Lehigh Valley Chamber of Commerce (the “Chamber”) provides informational and educational materials and programs to its members and the general business community. The Chamber unifies the business community to leverage regional resources and promotes the economic expansion of the Greater Lehigh Valley, Pennsylvania.

The Greater Lehigh Valley Chamber of Commerce Foundation (the “Foundation”) is a not-for-profit organization established in 1984. The Foundation's mission is to carry on a public charity within the Greater Lehigh Valley of Pennsylvania in order to support community and economic development initiatives and to further the cultural, educational, religious, and historical heritage of the Greater Lehigh Valley, including but not limited to, the promotion and operation of visitor activities and related functions.

NOTE 2 Summary of Significant Accounting Policies

Basis of Consolidation

The accompanying consolidated financial statements include the accounts of the Chamber and the Foundation, collectively known as the “Organization”. The Foundation is consolidated with the Chamber since the Chamber has an economic interest in the Foundation. All significant intercompany transactions and balances have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting, in accordance with FASB ASC 958, *Not-for-Profit Entities*.

Basis of Presentation

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

Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions or law. The governing board has designated, from net assets without donor restrictions, net assets for various fixed asset purchases and capital improvement projects.

With Donor Restrictions – Net assets subject to donor-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.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 2 Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include cash and money market funds held in the Organization's bank or brokerage accounts.

The Organization has classified as restricted certain cash that is not available for use in its operations. All cash received and designated for a specific program, event or purpose has been designated as restricted. At June 30, 2021 and 2020, cash of \$494,033 and \$234,682, respectively, has been restricted for such purposes.

Valuation of Investments in Securities at Fair Value

The Organization complies with the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*. Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Accounts Receivable

Accounts receivable consists primarily of amounts owed for membership dues and special events for future periods. These receivables are non-interest bearing and are not collateralized. The Organization maintains allowances for credit losses for estimated losses resulting from the inability of customers to make required payments. Management considers the Organization's historical losses and the financial stability of its customers when determining the collectability of specific customer accounts.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 2 Summary of Significant Accounting Policies (Continued)

Accounts Receivable (Continued)

Based on management's assessment, the Organization provides for estimated uncollectible amounts through a charge to bad debt expense and a credit to a valuation allowance. Balances that remain outstanding after the Organization has used reasonable efforts are written off through a charge to the valuation and a credit to accounts receivable. The balance of the allowance for credit losses at June 30, 2021 and 2020 was \$20,500 and \$36,500, respectively.

Property and Equipment

Purchased property and equipment are recorded at cost. Maintenance and repairs which neither materially add to the value of property nor appreciably prolong its life are charged to expense. The cost of assets retired or otherwise disposed of and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Related gains or losses from such transactions are credited or charged to income.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 10 years.

Revenue Recognition

The Organization's membership base generally consists of small and medium size businesses and organizations located in the Lehigh Valley and surrounding regions of Pennsylvania. Operating revenue is mainly generated through annual dues charged to members as well as through various events held during the year. Local economic factors and government regulations affecting member organizations can have an impact on the amount and timing of the Organization's revenue and cash flows.

Membership Dues

The Chamber charges annual dues to its members for membership in the Organization. Over the course of the annual membership, members receive various benefits including marketing and promotional opportunities as well as discounted services. Dues are determined based on pre-determined rates that vary depending on a member's employee headcount. The Chamber generally bills its members one month in advance of the anniversary date of membership. Payment terms are generally net 30 days from the invoice date. Any collections received in advance of the anniversary date are accounted for as dues paid in advance. Upon the anniversary date of membership, the Chamber records the receivable from continuing members and accounts for the corresponding members' dues as deferred revenue. Deferred revenue is then recognized monthly over the annual period which is covered by the membership. The Chamber uses estimates of renewal periods and cancellations when determining the monthly dues revenue recognized in each period.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 2 Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Council Programs and Special Projects

Various councils within the Organization conduct special events and projects for the Organization. Sponsorship and ticket revenue and refundable prepaid expenses for these events are recorded as deferred revenue until the event occurs. Revenue and related expenses from the events and projects are recognized at the point in time in which the event is held or the project is completed.

Contributions

Donor restricted contributions whose restrictions are met within the same year as received are reported as without donor restriction contributions in the accompanying consolidated financial statements. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restriction support. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Program Support

Program support includes revenue earned from providing various supporting services, such as marketing and other administrative activities, to other local organizations, including other chamber of commerce organizations. In accordance with ASC 606, *Revenue from Contracts with Customers*, program support revenue is recognized at the point in time when the specific performance obligations in the contract with the Organization have been satisfied. Performance obligations are often completed on a monthly basis, at which time the Organization bills for the service and recognizes revenue. Contracts for program support services typically have terms of twelve to eighteen months.

Contributed and In-Kind Services

Contributed services are recorded as support if those services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The value of these contributed professional services, which are reported in the consolidated statement of activities as contributions at their fair value, and their corresponding expenses, are summarized as follows:

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 2 Summary of Significant Accounting Policies (Continued)

Contributed and In-Kind Services (Continued)

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Program services	\$ 223,174	\$ 274,233
General and administrative	24,798	30,470
	<u>\$ 247,972</u>	<u>\$ 304,703</u>

In addition to the above services, a significant number of volunteers have donated their time to the Organization. No amounts have been included in the consolidated financial statements for these services because they do not meet the criteria for recognition under generally accepted accounting principles.

Advertising and Promotions

The Organization reports advertising expenses, net of certain related revenues. The Organization expenses advertising costs as they are incurred. Total advertising costs for the years ended June 30, 2021 and 2020 were \$472,883 and \$494,675, respectively. Related advertising revenue for the years ended June 30, 2021 and 2020 was \$524,102 and \$518,153, respectively. Included in each of these amounts were \$237,330 and \$283,858 of in-kind services provided during the years ended June 30, 2021 and 2020, respectively.

Functional Expenses

The consolidated statements of functional expenses report certain categories of expenses that are attributable to one or more program or supporting function of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Functional expenses are charged to program services and administration based on direct expenditures incurred. Any expenditure not directly chargeable is allocated to the functional expense categories benefited. The expenses that are allocated include salaries and wages, payroll taxes and employee benefits, which are allocated on the basis of estimates of time and effort; depreciation, maintenance and repairs, contract services, and utilities, which are allocated based on the percentage of payroll costs assigned to program and administration. The remaining expenses are allocated based on historical estimates of usage between program and support functions.

Income Taxes

No provision for income taxes has been made in the consolidated financial statements since the Chamber is exempt from federal and state income taxes under Section 501(c)(6) of the Internal Revenue Code and the Foundation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. However, income from activities not directly related to the Organization's tax-exempt purpose, if any, would be subject to taxation as unrelated business income.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 2 Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

The Organization complies with guidance for uncertainty in income taxes using the provisions of FASB ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by tax authorities. As of June 30, 2021 and 2020, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the consolidated financial statements.

Use of Estimates

The preparation of consolidated financial statements, in accordance with generally accepted accounting principles, requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Liquidity and Availability

The Organization has \$3,369,725 of financial assets available for general expenditures within one year of the consolidated statement of financial position date, as noted in the current assets section of the statement. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the consolidated statement of financial position date.

The Organization maintains financial assets, consisting of cash and short-term investments, on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are adjusted, as necessary. As described in Note 8, the Organization also has lines of credit totaling \$1,300,000, which it could draw upon in the event of an unanticipated liquidity need.

NOTE 3 Concentration of Credit Risk

The Organization maintains cash balances at several financial institutions. The amounts held at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to a maximum of \$250,000. The risk is managed by maintaining deposits at high quality financial institutions. At times during the year, the Organization's cash accounts may be in excess of federally insured limits. At June 30, 2021, the Organization's uninsured cash balance was approximately \$837,000.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 4 Investments

The Organization's investments are recorded at fair value and have been categorized based upon a fair value hierarchy, in accordance with FASB ASC 820 (see Note 2). Investments held are summarized as follows:

	June 30,	
	2021	2020
Level 1:		
Cash and equivalents	\$ 42,037	\$ 179,770
Common stock and mutual funds	1,879,210	1,087,070
Treasury notes	94,285	169,035
Level 2:		
Corporate bonds	189,120	297,525
Municipal bonds	63,132	82,950
Agency bonds	23,149	60,385
Total Investments	<u>\$ 2,290,933</u>	<u>\$ 1,876,735</u>

Total investment return and its classification in the statements of activities are summarized as follows:

	June 30,	
	2021	2020
Dividend and interest income, net of fees	\$ 54,511	\$ 36,176
Unrealized gain (loss) on investments	163,407	(207,201)
Realized gains on investments	197,326	234,647
Total Return on Investments	<u>\$ 415,244</u>	<u>\$ 63,622</u>

Investment fees for the years ended June 30, 2021 and 2020 were \$12,536 and \$13,747, respectively.

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the consolidated statements of financial position.

NOTE 5 Accounts Receivable

Accounts receivable represent amounts due for membership dues, as well as amounts from customers related to events. The balances consist of the following:

	June 30,	
	2021	2020
Membership dues	\$ 97,522	\$ 197,109
Events	202,060	393,385
Other	0	8,760
Less allowance for credit losses	20,500	36,500
	<u>\$ 279,082</u>	<u>\$ 562,754</u>

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 6 Contributions Receivable

Contributions receivable consist of pledges intended to support the Organization's efforts to improve every main street in the Lehigh Valley. The receivable balances are considered current and are expected to be collected in less than one year. Contributions receivable balances for the years ended June 30, 2021 and 2020 were \$0 and \$200, respectively.

NOTE 7 Property and Equipment

	June 30,	
	2021	2020
Office furniture and equipment	\$ 177,256	\$ 271,611
Less accumulated depreciation	155,019	242,494
Property and Equipment, Net	\$ 22,237	\$ 29,117

Depreciation expense for the years ended June 30, 2021 and 2020 was \$11,270 and \$15,407, respectively.

NOTE 8 Lines of Credit

The Organization has a \$100,000 unsecured line of credit available with a bank for operational purposes. The line of credit expires on October 13, 2024. Interest on outstanding borrowings is payable at The Wall Street Journal Rate plus 1% (4.25% at June 30, 2021). There were no borrowings at June 30, 2021 and 2020.

The Organization has an additional \$1,200,000 line of credit with a bank for operational purposes. Borrowings on the line of credit are secured by the Organization's investments, and the line of credit expires on April 20, 2022. Interest on outstanding borrowings is payable at the lender's prime rate with a floor of 3% (3.25% at June 30, 2021). There were no borrowings on the line of credit at June 30, 2021.

NOTE 9 Note Payable

The Organization obtained a loan for \$473,744 through the Small Business Administration's (SBA) Paycheck Protection Program (PPP). The loan had a fixed interest rate of 1% and a five year repayment term. The loan was eligible for forgiveness if the proceeds were spent in accordance with the criteria specified under the PPP. Subsequent to June 30, 2021, the Organization received forgiveness of the entire loan balance.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 10 Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes or periods:

	June 30,	
	2021	2020
Time restriction on contributions receivable	\$ 0	\$ 200
Council scholarships	69,238	68,587
	\$ 69,238	\$ 68,787

NOTE 11 Net Assets Released from Donor Restrictions

Net assets 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 donors as follows:

	June 30,	
	2021	2020
Receipt of contributions receivable	\$ 200	\$ 200
DABA website expenses	0	10,667
Council scholarships	25,800	12,343
	\$ 26,000	\$ 23,210

NOTE 12 Commitments

The Chamber leases its Allentown office space under an operating lease expiring in June 2022. The agreement has the option to extend the lease for three consecutive periods of five years and one three year, eleven-month period. For the year ending June 30, 2021, the Chamber received a reduction in rent from the lessor. The Chamber has recorded rental expense for the lease on a straight-line basis over the initial term of the lease, resulting in the Chamber recording rent payable of \$8,013 and \$5,551 as of June 30, 2021 and 2020, respectively, which is reported as deferred rent expense in the consolidated financial statements. Due to the straight-line method used to account for this lease, total rent expense related to this lease was \$42,015 and \$46,521 for the years ended June 30, 2021 and 2020, respectively.

The Chamber leased its Bethlehem office space under an operating lease expiring in April 2028. In July 2020, the lease was renegotiated and now has a ten-year term expiring in June 2030. The Chamber has recorded rental expense for the lease on a straight-line basis over the initial term of the lease, resulting in the Chamber recording rent payable of \$17,746 and \$7,778 as of June 30, 2021 and 2020, respectively, which is reported as deferred rent expense in the consolidated financial statements. Due to the straight-line method used to account for this lease, total rent expense related to this property was \$51,782 and \$51,249 for the years ended June 30, 2021 and 2020, respectively.

The Chamber leased its Phillipsburg office under a one year lease with payment terms of \$500 per month. The lease expired on December 31, 2018 and was not renewed. The rent expense related to this lease was \$3,000 for the year ended June 30, 2020.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 12 Commitments (Continued)

The Chamber leases its Easton office space under an operating lease which expires in August 2022. For the year ending June 30, 2021, the Chamber received a reduction in rent from the lessor. Rent expense related to this lease was \$10,500 and \$14,700 for the years ended June 30, 2021 and 2020, respectively.

The Chamber leases its Nazareth office space under an operating lease which expired in March 2019. The lease has been verbally renewed on a month to month basis. Rent expense related to this lease was \$8,664 for each of the years ended June 30, 2021 and 2020.

The Chamber leases its Emmaus office space under an operating lease expiring in January 2022. The lease has a renewal option for an additional three years. Rent expense related to this office space was \$6,060 for each of the years ended June 30, 2021 and 2020.

The Chamber leased its Whitehall office space under an operating agreement that expired in April 2018. The lease continued under the same terms on a month to month basis until it was formally renewed in June 2021 for a two year term ending in May 2023 . Total rent expense for the office space was \$4,800 for each of the years ended June 30, 2021 and 2020.

The Organization leases various equipment under non-cancellable operating leases with existing termination dates between July 2021 and November 2026. Rent expense under these leases was \$23,261 and \$23,374 for the years ended June 30, 2021 and 2020, respectively.

The future minimum lease payments under these noncancelable arrangements as of June 30, 2021 are as follows:

2022	\$ 144,107
2023	63,094
2024	56,656
2025	56,498
2026	56,897
Thereafter	226,690
	<u>\$ 603,942</u>

NOTE 13 Collaborative Arrangements

The Organization entered into an agreement with the Carbon Chamber and Economic Development Corporation (“CCEDC”) through which the Organization provides staff to support the ongoing events and activities of the CCEDC. In return, the Organization receives payments to support the payroll and benefit cost of those employees. The agreement was amended in January 2021 to extend the contractual terms and now expires December 31, 2022. Total revenue under this agreement, and subsequent amendments, totaled \$197,082 and \$183,008 for the years ended June 30, 2021 and 2020, respectively.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 13 Collaborative Arrangements (Continued)

In July 2018, the Organization entered into an agreement with the Greater Pocono Chamber of Commerce (“GPCC”) through which the Organization provides staff to support various functions of the GPCC, including events, memberships, and general operations. In return, the Organization receives payments to support the payroll and benefit cost of those employees. Revenue under this agreement totaled \$81,600 and \$68,800 for the years ended June 30, 2021 and 2020, respectively. The agreement expires in June 2022.

NOTE 14 Retirement Plan

The Chamber has a SIMPLE retirement plan covering all eligible employees. Contributions are determined on a discretionary basis ranging up to 3% of each eligible employee's salary. Employer contributions to the plan were \$56,564 and \$52,534 in 2021 and 2020, respectively.

NOTE 15 Related Party Transactions

The Organization receives sponsorships and regularly purchases products and services from companies affiliated with various board members. Sponsorships, dues and other support received from related parties during the years ended June 30, 2021 and 2020 totaled \$875,996 and \$592,089, respectively, with related party receivables of \$67,106 and \$65,574 remaining at June 30, 2021 and 2020, respectively. Products and services purchased were \$36,497 and \$50,026 for the years ended June 30, 2021 and 2020, respectively, and related party payables of \$1,324 and \$300 remain at June 30, 2021 and 2020, respectively.

NOTE 16 Partnership with Nazareth Area Chamber of Commerce

In February 2020, the Organization entered into a partnership agreement with the Nazareth Area Chamber of Commerce (NACC). The Organization will provide marketing and programing services to NACC and all members of NACC will become members of the Organization. NACC will remain a separate entity but board members of NACC will join the board of the Organization. The partnership agreement has a three-year term and will renew for successive one year terms unless canceled by either party.

The agreement also requires the Organization to satisfy certain financial obligations of NACC as well as obtain certain financial resources from NACC. As of June 30, 2020, the Organization incurred expenses, net of proceeds, totaling \$11,864 related to the partnership agreement. At June 30, 2020, the Organization had receivable balances totaling \$8,760 and a payable balance of \$1,400 related to the partnership agreement.

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021 AND 2020

NOTE 17 Economic Disruption

In March 2020, a global pandemic of the COVID-19 virus caused substantial economic disruption, including a significant decline in the Organization's operating revenue and cash flows. The Organization actively addressed the situation by working with members and sponsors on payment terms, rescheduling events that could not be held due to restrictions put in place during the pandemic, and exploring options for additional revenue generation and expense reduction. Additionally, in January 2021, the Chamber received financial assistance through the Payroll Protection Program, as disclosed in Note 9. Management continues to evaluate the impact of the pandemic on operations and does not consider the situation to be permanent.

NOTE 18 Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through December 13, 2021, the date the consolidated financial statements were available to be issued. Except as disclosed in Note 9, no events or transactions have occurred that would require recognition or disclosure in the consolidated financial statements.

NOTE 19 Recent Accounting Pronouncements

Leases

In February 2016, the FASB issued amended guidance for the treatment of leases. The guidance requires lessees to recognize a right-of-use asset and a corresponding lease liability for all operating and finance leases with lease terms greater than one year. The guidance also requires both qualitative and quantitative disclosures regarding the nature of the Organization's leasing activities. The guidance will initially be applied using a modified retrospective approach. The amendments in the guidance will be effective for the fiscal year ending June 30, 2023. Early adoption is permitted. Management is evaluating the impact of the amended lease guidance on the Organization's consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

To the Boards of Governors of
Greater Lehigh Valley Chamber of Commerce
and Controlled Entity

We have audited the consolidated financial statements of the Greater Lehigh Valley Chamber of Commerce and Controlled Entity as of and for the years ended June 30, 2021 and 2020, and have issued our report thereon dated December 13, 2021, which contained an unmodified opinion on those consolidated financial statements. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Statements of Financial Position, Consolidating Statements of Activities and Consolidating Schedules of Functional Expenses are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Concannon, Miller + Co., P.C.

Bethlehem, PA
December 13, 2021

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021
See Independent Auditor's Report on Supplementary Information

<u>ASSETS</u>	<u>Greater Lehigh Valley Chamber of Commerce</u>	<u>Greater Lehigh Valley Chamber of Commerce Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
CURRENT ASSETS				
Cash and cash equivalents	\$ 565,270	\$ 188,413	\$ 0	\$ 753,683
Investments, at fair value	2,290,933			2,290,933
Accounts receivable, net	265,802	13,280		279,082
Grants receivable	14,268			14,268
Due from related party		30,268	(30,268)	0
Prepaid expenses	31,759			31,759
Total Current Assets	<u>3,168,032</u>	<u>231,961</u>	<u>(30,268)</u>	<u>3,369,725</u>
PROPERTY AND EQUIPMENT, NET	22,237			22,237
OTHER ASSETS				
Restricted cash	468,501	25,532		494,033
Total Other Assets	<u>468,501</u>	<u>25,532</u>		<u>494,033</u>
Total Assets	<u>\$ 3,658,770</u>	<u>\$ 257,493</u>	<u>\$ (30,268)</u>	<u>\$ 3,885,995</u>
<u>LIABILITIES AND NET ASSETS</u>				
CURRENT LIABILITIES				
Accounts payable	\$ 59,380	\$ 300	\$ 0	\$ 59,680
Grants payable		8,000		8,000
Note payable	473,744			473,744
Dues paid in advance	29,612			29,612
Accrued payroll expenses and other liabilities	88,054			88,054
Due to related party	30,268		(30,268)	0
Special projects in progress	455,816	25,532		481,348
Deferred revenues, members' dues	641,086			641,086
Deferred grant revenue	120,284			120,284
Total Current Liabilities	<u>1,898,244</u>	<u>33,832</u>	<u>(30,268)</u>	<u>1,901,808</u>
LONG-TERM LIABILITIES				
Deferred rent expense	25,759			25,759
Total Liabilities	<u>1,924,003</u>	<u>33,832</u>	<u>(30,268)</u>	<u>1,927,567</u>
NET ASSETS				
Without donor restrictions				
Undesignated	1,710,518	154,423		1,864,941
Board designated for fixed assets	24,249	0		24,249
Total Net Assets Without Donor Restrictions	<u>1,734,767</u>	<u>154,423</u>		<u>1,889,190</u>
Net assets with donor restrictions	0	69,238		69,238
Total Net Assets	<u>1,734,767</u>	<u>223,661</u>	<u>0</u>	<u>1,958,428</u>
Total Liabilities and Net Assets	<u>\$ 3,658,770</u>	<u>\$ 257,493</u>	<u>\$ (30,268)</u>	<u>\$ 3,885,995</u>

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

See Independent Auditor's Report on Supplementary Information

<u>ASSETS</u>	<u>Greater Lehigh Valley Chamber of Commerce</u>	<u>Greater Lehigh Valley Chamber of Commerce Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
CURRENT ASSETS				
Cash and cash equivalents	\$ 0	\$ 121,362	\$ 0	\$ 121,362
Investments, at fair value	1,876,735			1,876,735
Accounts receivable, net	546,434	16,320		562,754
Grants receivable	35,678			35,678
Contributions receivable		200		200
Due from related party	498		(498)	0
Prepaid expenses	21,915			21,915
Total Current Assets	<u>2,481,260</u>	<u>137,882</u>	<u>(498)</u>	<u>2,618,644</u>
PROPERTY AND EQUIPMENT, NET	29,117			29,117
OTHER ASSETS				
Restricted cash	206,721	27,961		234,682
Total Assets	<u>\$ 2,717,098</u>	<u>\$ 165,843</u>	<u>\$ (498)</u>	<u>\$ 2,882,443</u>
 <u>LIABILITIES AND NET ASSETS</u>				
CURRENT LIABILITIES				
Accounts payable	\$ 46,827	\$ 125	\$ 0	\$ 46,952
Grants payable		28,534		28,534
Dues paid in advance	22,770			22,770
Accrued payroll expenses and other liabilities	104,194			104,194
Due to related party		498	(498)	0
Special projects in progress	716,591	27,961		744,552
Deferred revenues, members' dues	683,956			683,956
Deferred grant revenue	134,077			134,077
Total Current Liabilities	<u>1,708,415</u>	<u>57,118</u>	<u>(498)</u>	<u>1,765,035</u>
LONG-TERM LIABILITIES				
Deferred rent expense	13,329			13,329
Total Liabilities	<u>1,721,744</u>	<u>57,118</u>	<u>(498)</u>	<u>1,778,364</u>
NET ASSETS				
Without donor restrictions				
Undesignated	966,238	39,938		1,006,176
Board designated for fixed assets	29,116	0		29,116
Total Net Assets Without Donor Restrictions	<u>995,354</u>	<u>39,938</u>		<u>1,035,292</u>
Net assets with donor restrictions	0	68,787		68,787
Total Net Assets	<u>995,354</u>	<u>108,725</u>	<u>0</u>	<u>1,104,079</u>
Total Liabilities and Net Assets	<u>\$ 2,717,098</u>	<u>\$ 165,843</u>	<u>\$ (498)</u>	<u>\$ 2,882,443</u>

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

See Independent Auditor's Report on Supplementary Information

	Greater Lehigh Valley Chamber of Commerce		Greater Lehigh Valley Chamber of Commerce Foundation		Eliminations	Consolidated		Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	
Revenue and Support								
Membership dues	\$ 1,048,308	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,048,308	\$ 0	\$ 1,048,308
Council programs and special projects	2,061,731		200,423			2,262,154		2,262,154
Program support	1,067,031		453,300		(437,434)	1,082,897		1,082,897
Sale of publications	4,025					4,025		4,025
In-kind contributions	247,972					247,972		247,972
Dividend and interest income, net	54,339		172			54,511		54,511
Unrealized gain on investments	163,407					163,407		163,407
Realized gain on investments	197,326					197,326		197,326
Management fees	6,500				(6,500)	0		0
Contributions			200,832	26,451	(100,000)	100,832	26,451	127,283
Loss on disposal of fixed assets	(2,012)					(2,012)		(2,012)
Other income	15,323					15,323		15,323
	<u>4,863,950</u>	<u>0</u>	<u>854,727</u>	<u>26,451</u>	<u>(543,934)</u>	<u>5,174,743</u>	<u>26,451</u>	<u>5,201,194</u>
NET ASSETS RELEASED FROM RESTRICTIONS			26,000	(26,000)		26,000	(26,000)	0
Total Revenue and Support	<u>4,863,950</u>	<u>0</u>	<u>880,727</u>	<u>451</u>	<u>(543,934)</u>	<u>5,200,743</u>	<u>451</u>	<u>5,201,194</u>
Expenses								
Program services	3,036,714		738,021		(537,434)	3,237,301		3,237,301
General and administrative	1,087,823		28,221		(6,500)	1,109,544		1,109,544
Total Expenses	<u>4,124,537</u>	<u>0</u>	<u>766,242</u>	<u>0</u>	<u>(543,934)</u>	<u>4,346,845</u>	<u>0</u>	<u>4,346,845</u>
CHANGE IN NET ASSETS	739,413	0	114,485	451	0	853,898	451	854,349
NET ASSETS, JULY 1, 2020	<u>995,354</u>	<u>0</u>	<u>39,938</u>	<u>68,787</u>	<u>0</u>	<u>1,035,292</u>	<u>68,787</u>	<u>1,104,079</u>
NET ASSETS, JUNE 30, 2021	<u>\$ 1,734,767</u>	<u>\$ 0</u>	<u>\$ 154,423</u>	<u>\$ 69,238</u>	<u>\$ 0</u>	<u>\$ 1,889,190</u>	<u>\$ 69,238</u>	<u>\$ 1,958,428</u>

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE
AND CONTROLLED ENTITY
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

See Independent Auditor's Report on Supplementary Information

	Greater Lehigh Valley Chamber of Commerce		Greater Lehigh Valley Chamber of Commerce Foundation		Eliminations	Consolidated		Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	
Revenue and Support								
Membership dues	\$ 1,119,449	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,119,449	\$ 0	\$ 1,119,449
Council programs and special projects	1,583,545		183,648			1,767,193		1,767,193
Program support	620,315					620,315		620,315
Sale of publications	7,225					7,225		7,225
In-kind contributions	304,703					304,703		304,703
Dividend and interest income, net	35,599		577			36,176		36,176
Unrealized loss on investments	(207,201)					(207,201)		(207,201)
Realized gain on investments	234,647					234,647		234,647
Management fees	6,500				(6,500)	0		0
Contributions			309,250	37,561	(100,000)	209,250	37,561	246,811
Other income	7,703					7,703		7,703
	<u>3,712,485</u>		<u>493,475</u>	<u>37,561</u>	<u>(106,500)</u>	<u>4,099,460</u>	<u>37,561</u>	<u>4,137,021</u>
NET ASSETS RELEASED FROM RESTRICTIONS			<u>23,210</u>	<u>(23,210)</u>		<u>23,210</u>	<u>(23,210)</u>	<u>0</u>
Total Revenue and Support	<u>3,712,485</u>		<u>516,685</u>	<u>14,351</u>	<u>(106,500)</u>	<u>4,122,670</u>	<u>14,351</u>	<u>4,137,021</u>
Expenses								
Program services	3,032,206		613,835		(100,000)	3,546,041		3,546,041
General and administrative	1,075,505		30,589		(6,500)	1,099,594		1,099,594
Total Expenses	<u>4,107,711</u>		<u>644,424</u>		<u>(106,500)</u>	<u>4,645,635</u>		<u>4,645,635</u>
CHANGE IN NET ASSETS	(395,226)	0	(127,739)	14,351	0	(522,965)	14,351	(508,614)
NET ASSETS, JULY 1, 2019	<u>1,390,580</u>	<u>0</u>	<u>167,677</u>	<u>54,436</u>		<u>1,558,257</u>	<u>54,436</u>	<u>1,612,693</u>
NET ASSETS, JUNE 30, 2020	<u>\$ 995,354</u>	<u>\$ 0</u>	<u>\$ 39,938</u>	<u>\$ 68,787</u>	<u>\$ 0</u>	<u>\$ 1,035,292</u>	<u>\$ 68,787</u>	<u>\$ 1,104,079</u>

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE AND CONTROLLED ENTITY
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021
See Independent Auditor's Report on Supplementary Information

	Greater Lehigh Valley Chamber of Commerce			Greater Lehigh Valley Chamber of Commerce Foundation			Eliminations	Consolidated		
	Program Expenses	G&A Expenses	Total Expenses	Program Expenses	G&A Expenses	Total Expenses		Program Expenses	G&A Expenses	Consolidated
Salaries	\$ 1,330,860	\$ 684,540	\$ 2,015,400	\$ 73,582	\$ 18,395	\$ 91,977	\$ 0	\$ 1,404,442	\$ 702,935	\$ 2,107,377
Council programs and special projects	807,190		807,190	65,092		65,092		872,282	0	872,282
Employee benefits and payroll taxes	251,749	129,489	381,238					251,749	129,489	381,238
Occupancy costs	117,474	60,424	177,898					117,474	60,424	177,898
Membership	39,850		39,850					39,850	0	39,850
Other	141,729	40,236	181,965	437,434		437,434	(537,434)	41,729	40,236	81,965
Office	91,808	55,082	146,890		596	596		91,808	55,678	147,486
Marketing and publications	167,500	18,611	186,111					167,500	18,611	186,111
Professional fees	11,280	55,118	66,398		2,730	2,730		11,280	57,848	69,128
Travel and meetings	48,977	25,192	74,169					48,977	25,192	74,169
Grants				161,913		161,913		161,913	0	161,913
Telephone	20,855	10,727	31,582					20,855	10,727	31,582
Management fees					6,500	6,500	(6,500)	0	0	0
Depreciation	7,442	3,828	11,270					7,442	3,828	11,270
Bad debt		4,576	4,576					0	4,576	4,576
	<u>\$ 3,036,714</u>	<u>\$ 1,087,823</u>	<u>\$ 4,124,537</u>	<u>\$ 738,021</u>	<u>\$ 28,221</u>	<u>\$ 766,242</u>	<u>\$ (543,934)</u>	<u>\$ 3,237,301</u>	<u>\$ 1,109,544</u>	<u>\$ 4,346,845</u>

GREATER LEHIGH VALLEY CHAMBER OF COMMERCE AND CONTROLLED ENTITY
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020
See Independent Auditor's Report on Supplementary Information

	Greater Lehigh Valley Chamber of Commerce			Greater Lehigh Valley Chamber of Commerce Foundation			Eliminations	Consolidated		
	Program Expenses	G&A Expenses	Total Expenses	Program Expenses	G&A Expenses	Total Expenses		Program Expenses	G&A Expenses	Consolidated
Salaries	\$ 1,312,844	\$ 679,108	\$ 1,991,952	\$ 84,568	\$ 21,142	\$ 105,710	\$ 0	\$ 1,397,412	\$ 700,250	\$ 2,097,662
Council programs and special projects	779,846		779,846	136,698		136,698		916,544	0	916,544
Employee benefits and payroll taxes	243,410	125,911	369,321					243,410	125,911	369,321
Occupancy costs	133,508	69,061	202,569					133,508	69,061	202,569
Membership	40,370		40,370					40,370	0	40,370
Other	144,495	41,737	186,232				(100,000)	44,495	41,737	86,232
Office	62,746	47,938	110,684		647	647		62,746	48,585	111,331
Marketing and publications	234,342	26,038	260,380					234,342	26,038	260,380
Professional fees	5,171	29,777	34,948		2,300	2,300		5,171	32,077	37,248
Travel and meetings	45,518	23,545	69,063					45,518	23,545	69,063
Grants				392,569		392,569		392,569	0	392,569
Telephone	19,802	10,243	30,045					19,802	10,243	30,045
Management fees					6,500	6,500	(6,500)	0	0	0
Depreciation	10,154	5,253	15,407					10,154	5,253	15,407
Bad debt		16,894	16,894					0	16,894	16,894
	<u>\$ 3,032,206</u>	<u>\$ 1,075,505</u>	<u>\$ 4,107,711</u>	<u>\$ 613,835</u>	<u>\$ 30,589</u>	<u>\$ 644,424</u>	<u>\$ (106,500)</u>	<u>\$ 3,546,041</u>	<u>\$ 1,099,594</u>	<u>\$ 4,645,635</u>