Meals on Wheels of the Greater Lehigh Valley, Inc.

June 30, 2020 and 2019

Financial Statements and Independent Auditors' Report

Concannon Miller
Certified Public Accountants
Business Consultants

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Meals on Wheels of the Greater Lehigh Valley, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Meals on Wheels of the Greater Lehigh Valley, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Meals on Wheels of the Greater Lehigh Valley, Inc. as of June 30, 2020 and 2019, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2020 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Concannon, Miller + Co., P.C.

Bethlehem, PA
October 29, 2020

Concannon Miller
Certified Public Accountants Business Consultants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Meals on Wheels of the Greater Lehigh Valley, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Meals on Wheels of the Greater Lehigh Valley, Inc. (the "Organization"), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon October 29, 2020.

Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Concannon, Miller + Co., P.C.

Bethlehem, PA
October 29, 2020

MEALS ON WHEELS OF THE GREATER LEHIGH VALLEY, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2020
(WITH SUMMARIZED TOTALS AS OF JUNE 30, 2019)

	2020		Totals	
	Without Donor Restrictions	With Donor Restrictions	2020	2019
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 416,541	$ 804,974	$ 1,221,515	$ 560,510
Service fees receivable	451,282		451,282	304,274
Contributions receivable		20,000	20,000	34,507
Pledges receivable		84,700	84,700	222,284
Prepaid expenses	750		750	3,914
Food stores inventory	99,612		99,612	54,317
Investments, at fair value	2,417,254	392,017	2,809,271	2,946,521
Total Current Assets	3,385,439	1,301,691	4,687,130	4,126,327
PROPERTY AND EQUIPMENT, NET	1,962,242		1,962,242	925,244
OTHER ASSETS				
Pledges receivable, net		57,435	57,435	106,528
Perpetual trusts held by others		764,962	764,962	760,168
Cash value of life insurance		104,590	104,590	92,842
Interest in a beneficial gift annuity - held by others		0	0	701
Total Other Assets	0	926,987	926,987	960,239
Total Assets	$ 5,347,681	$ 2,228,678	$ 7,576,359	$ 6,011,810
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Cash overdraft	$ 0	$ 0	$ 0	$ 70,976
Current portion of term debt	133,132		133,132	0
Accounts payable	67,504		67,504	61,835
Accrued payroll	60,148		60,148	66,040
Compensated absences	57,730		57,730	33,659
Total Current Liabilities	318,514	0	318,514	232,510
LONG-TERM LIABILITIES				
Term debt, net of current portion	1,239,076		1,239,076	0
Future interest in a beneficial gift annuity - held by others		0	0	701
Total Long-Term Liabilities	1,239,076	0	1,239,076	701
Total Liabilities	1,557,590	0	1,557,590	233,211
NET ASSETS				
Undesignated	(589,404)		(589,404)	359,546
Designated for Board endowment	2,417,253		2,417,253	2,318,079
Investment in property and equipment	1,962,242		1,962,242	925,244
	3,790,091	0	3,790,091	3,602,869
Restricted contributions		967,108	967,108	923,429
Restricted for investments and beneficial interest		1,261,570	1,261,570	1,252,301
	0	2,228,678	2,228,678	2,175,730
Total Net Assets	3,790,091	2,228,678	6,018,769	5,778,599
Total Liabilities and Net Assets	$ 5,347,681	$ 2,228,678	$ 7,576,359	$ 6,011,810

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

MEALS ON WHEELS OF THE GREATER LEHIGH VALLEY, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 0	$ 560,510	$ 560,510
Service fees receivable	304,274		304,274
Contributions receivable		34,507	34,507
Pledges receivable		222,284	222,284
Prepaid expenses	3,914		3,914
Food stores inventory	54,317		54,317
Investments, at fair value	2,547,630	398,891	2,946,521
Total Current Assets	2,910,135	1,216,192	4,126,327
PROPERTY AND EQUIPMENT, NET	925,244		925,244
OTHER ASSETS			
Pledges receivable, net		106,528	106,528
Perpetual trusts held by others		760,168	760,168
Cash value of life insurance		92,842	92,842
Interest in a beneficial gift annuity - held by others		701	701
Total Other Assets	0	960,239	960,239
Total Assets	$ 3,835,379	$ 2,176,431	$ 6,011,810
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Cash overdraft	$ 70,976	$ 0	$ 70,976
Accounts payable	61,835		61,835
Accrued payroll	66,040		66,040
Compensated absences	33,659		33,659
Total Current Liabilities	232,510	0	232,510
LONG-TERM LIABILITIES			
Future interest in a beneficial gift annuity - held by others		701	701
Total Liabilities	232,510	701	233,211
NET ASSETS			
Undesignated	359,546		359,546
Designated for Board endowment	2,318,079		2,318,079
Investment in property and equipment	925,244		925,244
	3,602,869	0	3,602,869
Restricted contributions		923,429	923,429
Restricted for investments and beneficial interest		1,252,301	1,252,301
	0	2,175,730	2,175,730
Total Net Assets	3,602,869	2,175,730	5,778,599
Total Liabilities and Net Assets	$ 3,835,379	$ 2,176,431	$ 6,011,810

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

MEALS ON WHEELS OF THE GREATER LEHIGH VALLEY, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	2020		Totals	
	Without Donor Restrictions	With Donor Restrictions	2020	2019
OPERATING REVENUES AND SUPPORT				
SERVICE FEE REVENUE				
Governmental service fees	$ 1,434,784	$ 0	$ 1,434,784	$ 1,410,694
Food service fees	100,281		100,281	232,478
Client service fees	548,516		548,516	558,982
Total Service Fee Revenue	2,083,581	0	2,083,581	2,202,154
PROGRAM SUPPORT				
Contributions	1,088,689	224,779	1,313,468	918,160
United Way	201,571		201,571	198,113
Fundraising events, net of direct expenses of $22,827 and $31,376, respectively	24,555		24,555	39,663
Total Program Support	1,314,815	224,779	1,539,594	1,155,936
NET ASSETS RELEASED FROM RESTRICTIONS	194,738	(194,738)	0	0
Total Operating Revenues and Support	3,593,134	30,041	3,623,175	3,358,090
OPERATING EXPENSES				
Program services	2,790,696		2,790,696	3,151,753
General and administrative	436,031		436,031	456,032
Fund-raising	266,150		266,150	245,243
Total Expenses	3,492,877	0	3,492,877	3,853,028
CHANGE IN NET ASSETS FROM OPERATIONS	100,257	30,041	130,298	(494,938)
NON-OPERATING CHANGE IN NET ASSETS				
Contributions received from merger			0	2,708,571
Investment income, net of fees	77,691	6,365	84,056	102,845
Change in outside perpetual trust		4,794	4,794	14,781
Other income	1,440	11,748	13,188	8,910
Gain (loss) on disposal of assets	7,834		7,834	(117,311)
CHANGE IN NET ASSETS FROM NON-OPERATING ACTIVITIES	86,965	22,907	109,872	2,717,796
CHANGE IN NET ASSETS	187,222	52,948	240,170	2,222,858
NET ASSETS, JULY 1	3,602,869	2,175,730	5,778,599	3,555,741
NET ASSETS, JUNE 30	$ 3,790,091	$ 2,228,678	$ 6,018,769	$ 5,778,599

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

MEALS ON WHEELS OF THE GREATER LEHIGH VALLEY, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES AND SUPPORT			
SERVICE FEE REVENUE			
Governmental service fees	$ 1,410,694	$ 0	$ 1,410,694
Food service fees	232,478		232,478
Client service fees	558,982		558,982
Total Service Fee Revenue	2,202,154	0	2,202,154
PROGRAM SUPPORT			
Contributions	748,979	169,181	918,160
United Way	198,113		198,113
Fundraising events, net of direct expenses of $31,376	39,663		39,663
Total Program Support	986,755	169,181	1,155,936
NET ASSETS RELEASED FROM RESTRICTIONS	179,032	(179,032)	0
Total Operating Revenues and Support	3,367,941	(9,851)	3,358,090
OPERATING EXPENSES			
Program services	3,151,753		3,151,753
General and administrative	456,032		456,032
Fund-raising	245,243		245,243
Total Expenses	3,853,028	0	3,853,028
CHANGE IN NET ASSETS FROM OPERATIONS	(485,087)	(9,851)	(494,938)
NON-OPERATING CHANGE IN NET ASSETS			
Contributions received from merger	1,893,937	814,634	2,708,571
Investment income, net of fees	81,393	21,452	102,845
Change in outside perpetual trust		14,781	14,781
Other income		8,910	8,910
Loss on disposal of assets	(117,311)		(117,311)
CHANGE IN NET ASSETS FROM NON-OPERATING ACTIVITIES	1,858,019	859,777	2,717,796
CHANGE IN NET ASSETS	1,372,932	849,926	2,222,858
NET ASSETS, JULY 1	2,229,937	1,325,804	3,555,741
NET ASSETS, JUNE 30	$ 3,602,869	$ 2,175,730	$ 5,778,599

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

MEALS ON WHEELS OF THE GREATER LEHIGH VALLEY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	Program Services			Total Program Services	General and Administrative	Fund-Raising	Total Expenses	
	Client Services	Volunteer Services	Food Services				2020	2019
Salaries and wages	$ 442,071	$ 112,436	$ 524,580	$ 1,079,087	$ 242,488	$ 163,164	$ 1,484,739	$ 1,479,347
Employee benefits	87,869	27,023	133,578	248,470	48,141	25,293	321,904	384,343
Payroll taxes	34,027	8,354	42,121	84,502	20,396	11,914	116,812	128,896
Food and kitchen			1,002,824	1,002,824			1,002,824	1,234,844
Supplies	11,963	2,156	15,292	29,411	17,989	2,583	49,983	59,129
Telephone	6,575	4,765	3,170	14,510	2,770	3,170	20,450	19,960
Postage	4,312			4,312	3,270	3,574	11,156	10,034
Utilities	6,133	5,909	25,766	37,808	7,357	5,496	50,661	41,238
Insurance	8,105		15,201	23,306	13,023	1,242	37,571	22,075
Repairs and maintenance	6,963	1,645	39,588	48,196	11,995	1,468	61,659	96,621
Travel and delivery	18,696		21,011	39,707	671		40,378	48,072
Professional fees				0	40,068	12,628	52,696	43,405
Conferences and training	1,912		354	2,266	2,395	1,538	6,199	6,420
Dues				0	3,702		3,702	3,552
Advertising				0	444	10,170	10,614	9,352
Development and appeals				0		8,485	8,485	36,758
Volunteer training and benefits		22,291		22,291		234	22,525	16,005
Depreciation	25,946		108,363	134,309	10,684	7,631	152,624	170,640
Computer services	12,176	7,052	469	19,697	6,882	7,560	34,139	38,807
Bad debt				0			0	3,530
	$ 666,748	$ 191,631	$ 1,932,317	$ 2,790,696	$ 436,031	$ 266,150	$ 3,492,877	$ 3,853,028

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

MEALS ON WHEELS OF THE GREATER LEHIGH VALLEY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2019

	Program Services						
	Client Services	Volunteer Services	Food Services	Total Program Services	General and Administrative	Fund-Raising	Total
Salaries and wages	$ 432,704	$ 149,179	$ 517,109	$ 1,098,992	$ 234,488	$ 145,867	$ 1,479,347
Employee benefits	113,105	31,355	164,019	308,479	52,937	22,927	384,343
Payroll taxes	36,943	13,092	47,407	97,442	19,395	12,059	128,896
Food and kitchen			1,234,844	1,234,844			1,234,844
Supplies	24,322	1,778	13,226	39,326	17,765	2,038	59,129
Telephone	7,095	5,002	2,621	14,718	2,621	2,621	19,960
Postage	4,524			4,524	2,721	2,789	10,034
Utilities	4,594	4,715	23,803	33,112	4,292	3,834	41,238
Insurance	5,519		11,037	16,556	5,519		22,075
Repairs and maintenance	8,862	1,998	42,333	53,193	41,874	1,554	96,621
Travel and delivery	12,209		34,784	46,993	1,079		48,072
Professional fees				0	39,570	3,835	43,405
Conferences and training	559		228	787	4,581	1,052	6,420
Dues	658			658	2,774	120	3,552
Advertising	3,167	1,213	239	4,619	212	4,521	9,352
Development and appeals				0	11,096	25,662	36,758
Volunteer training and benefits		16,005		16,005			16,005
Depreciation	17,252		136,320	153,572	8,187	8,881	170,640
Computer services	12,931	7,420	4,052	24,403	6,921	7,483	38,807
Bad debt	3,530			3,530			3,530
	$ 687,974	$ 231,757	$ 2,232,022	$ 3,151,753	$ 456,032	$ 245,243	$ 3,853,028

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

MEALS ON WHEELS OF THE GREATER LEHIGH VALLEY, INC.
STATEMENTS OF CASH FLOWS

	Years Ended June 30, 2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from governmental contracts	$ 1,297,539	$ 1,436,876
Cash received from food service fees	79,299	312,576
Cash received from client service fees	559,735	544,080
Cash received from program support	1,735,124	1,410,635
Cash received from merger	0	15,810
Cash paid for employees	(1,905,276)	(1,991,518)
Cash paid to vendors and purchased services	(1,448,867)	(1,642,499)
Net Cash Provided by Operating Activities	317,554	85,960
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of capital assets	9,000	170
Purchase of capital assets	(1,190,788)	(32,602)
Purchases of investments, net of proceeds from sales	153,031	69,420
Net Cash Provided by (Used in) Investing Activities	(1,028,757)	36,988
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from term debt	1,372,208	0
Proceeds from line of credit	125,000	110,000
Payments on line of credit	(125,000)	(110,000)
Net Cash Provided by (Used in) Financing Activities	1,372,208	0
NET INCREASE IN CASH	661,005	122,948
CASH AND CASH EQUIVALENTS, JULY 1	560,510	437,562
CASH AND CASH EQUIVALENTS, JUNE 30	$ 1,221,515	$ 560,510

RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2020	2019
CHANGE IN NET ASSETS	$ 240,170	$ 2,222,858
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Depreciation	152,624	170,640
(Gain) loss on disposal of assets	(7,834)	117,311
Noncash assets contributed in merger	0	(2,692,761)
Realized (gain) loss on investments	153,818	(55,077)
Unrealized (gain) loss on investments	(169,598)	32,405
Change in outside perpetual trust	(4,794)	(14,781)
Cash value of life insurance	(11,748)	(8,910)
Bad debt expense	0	3,530
Changes in operating assets and liabilities		
Service fees receivable	(147,008)	87,848
Contributions receivable	14,507	11,993
Pledges receivable	186,677	242,706
Prepaid expenses	3,164	(3,107)
Food stores inventory	(45,295)	(8,272)
Cash overdraft	(70,976)	70,976
Accounts payable	5,668	(92,467)
Accrued payroll	(5,892)	11,458
Compensated absences	24,071	(10,390)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 317,554	$ 85,960

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	2020	2019
In-kind contribution of goods and services	$ 13,078	$ 17,247

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

NOTE 1 Nature and Purpose of the Organization

Meals on Wheels of the Greater Lehigh Valley, Inc., formerly Meals on Wheels of Northampton County, Inc., ("Organization") is a private, not-for-profit charitable organization tax exempt under Section 501(c)(3) of the Internal Revenue Code and incorporated under the laws of the Commonwealth of Pennsylvania to assist in the providing for nutritional needs of the expanding population of elderly, disabled and homebound persons of all ages.

On August 22, 2018, the Lehigh County Orphans Court approved the merger of Meals on Wheels of Northampton County, Inc. and Meals on Wheels of Lehigh County, Inc., with the surviving organization renamed to become the Meals on Wheels of the Greater Lehigh Valley, Inc. The merger was completed to provide efficiency and to increase effectiveness of similar programs run by the two organizations. While the merger was effective at this date, the assets of Meals on Wheels of Lehigh County were not fully transferred and merged with the assets of Meals on Wheels of Northampton County until September 30, 2018.

NOTE 2 Summary of Significant Accounting Policies

Basis of Accounting

The accompanying 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's net assets and changes therein are classified and reported as follows:

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

Net Assets 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.

Cash and Cash Equivalents

Cash consists solely of the Organization's checking and savings accounts held at one financial institution.

Service Fees Receivable

The balance in service fees receivable represent program service fees charged to the respective County, third party agency or individual for meals provided in the previous months. The Organization reviews the composition of these balances in consideration of any allowance for credit losses.

NOTE 2 Summary of Significant Accounting Policies (Continued)

Service Fees Receivable (Continued)

Management considers the following factors when determining the collectability of specific service fees receivable: historical collection experience, a review of the current status of receivables, receipts subsequent to year end and judgement. Based on management's assessment, all of the contributions are considered to be realizable at the amounts stated in the accompanying statements of financial position and no allowance for credit losses was considered necessary as of June 30, 2020 and 2019.

Pledges Receivable

Pledges receivable are unconditional promises to give from private foundations, organizations and individuals and are recognized as contributions when the promise is received. Unconditional 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. The discounts on these amounts are computed using a risk-free interest rate applicable to the years in which the promises are received, ranging from .22% to 2.73%. Amortization of the discounts is included in contribution revenue.

Conditional promises to give are not included as support until the conditions on which they depend are substantially met.

The Organization uses the allowance method to determine uncollectible contributions. Under this method, the Organization prepares an allowance based on prior experience and management's analysis of individual accounts. In the opinion of management, all of the contributions are considered to be realizable at the amounts stated in the accompanying statements of financial position and no allowance for credit losses was considered necessary as of June 30, 2020 and 2019.

Bequests

Bequests are not recognized or recorded as support until all of the following conditions are met: the demise of testator, the amount of the bequest is known, the Organization is certain that, based on the estate's net assets, the amount bequeathed is realizable, and the probate court has declared the will valid.

Inventory

Inventory consists of food stores and is stated at the lower of cost or market, valued on a first-in, first-out basis.

NOTE 2 Summary of Significant Accounting Policies (Continued)

Valuation of Investments in Securities at Fair Value

The Organization complies with the provisions of FASB ASC 820, *Fair Value Measurement 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.

Invested with Lehigh Valley Community Foundation – Measured at the reported value by the Foundation, which approximates fair value. The Organization does not have discretion over the investment composition of funds held with the Foundation.

Outside Perpetual Trusts – Measured based on the Organization's pro-rata share of the Trust assets, which approximates fair value.

Perpetual Trusts Held by Others

Perpetual trusts held by others are funds held by outside trusts for the benefit of the Organization in accordance with the terms of the irrevocable trusts. These funds are neither in the possession, nor under the control, of the Organization. Such terms provide that the Organization is to receive a portion of the income earned by the funds that are held in trust. The Organization's portion of the fair value of the trusts are recognized as assets and gift income at the dates the trusts are established. Distributions from the trusts are recorded as investment income and the carrying value of the assets is adjusted for changes in the estimates of future receipts.

NOTE 2 Summary of Significant Accounting Policies (Continued)

Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose.

Property and equipment are carried at cost, less accumulated depreciation. 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 three to forty years.

Revenue Recognition

Service Fee Revenue

In accordance with ASC 606, *Revenue from Contracts with Customers*, revenue from the Organization's various programs are recognized at the time that the performance obligation under the contract has been fulfilled. The significant majority of the Organization's activities comprise of preparation and sale of fresh and frozen meals to clients throughout the greater Lehigh Valley. Revenue is recognized based on a retrospective count of the actual meals provided in a given month and based on the contracted rates with the respective agency or individual.

The portion of ticket sales for special events that relates to the commensurate value the attendee receives in return is recognized when the related events are held and performance obligations are met. In-kind contributions are recognized as income when the donated assets are physically received.

As of June 30, 2020 and 2019, the Organization held no contract assets or liabilities.

Public Support

In accordance with ASC 958, public support is comprised primarily of contributions which are recorded as revenue when an unconditional promise to give has been made. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

NOTE 2 Summary of Significant Accounting Policies (Continued)

Donated Services

The Organization receives a substantial amount of donated services from unpaid volunteers who assist in fund-raising activities. However, these donated services are not reflected in the financial statements since these services are not professional in nature, and, as such, do not meet the criteria for recognition as contributed services.

Contributed professional services are recognized at fair market value if the services received require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Any amounts reflected in the accompanying financial statements as contributions in-kind are offset by like amounts included in expenses.

Advertising

Advertising costs are charged to operations when incurred. Total advertising costs for the years ended June 30, 2020 and 2019 were $10,614 and $9,352, respectively.

Functional Allocation of Expenses

The costs of providing the Organization’s various programs and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program, fundraising or support service are allocated directly according to their natural classification. Other expenses that are common to several functions are allocated based on estimates made for time spent by key personnel between functions, space occupied by function, and other objective bases.

Income Taxes

No provision for income taxes has been made in the financial statements since the Organization 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.

The Organization complies with the 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, 2020 and 2019, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

NOTE 2 Summary of Significant Accounting Policies (Continued)

Estimates

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

NOTE 3 Change in Accounting Principle

In May 2014, the FASB issued new revenue recognition guidance under Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (ASC 606)*. The guidance provides a single, comprehensive model for recognizing revenue from contracts with customers. The new revenue recognition guidance supersedes existing guidance and requires expanded disclosures relating to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Organization adopted the new standard effective July 1, 2018 using the modified retrospective transition method, which requires the cumulative effect of adoption, if any, to be recognized as an adjustment to opening net assets in the period of adoption.

As part of the adoption of the ASU, the Organization elected the following transition practical expedients: (i) to reflect the aggregate of all contract modifications that occurred prior to the date of initial application when identifying satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price; and (ii) to apply the standard only to contracts that are not completed at the initial date of application. Because contract modifications are minimal, there is not a significant impact as a result of electing these practical expedients.

The Organization's revenue arrangements generally consist of a single performance obligation to transfer promised goods or services. As a result, the Organization did not identify any material differences in the amount and timing of revenue recognition for its revenue streams. Accordingly, the Organization did not record any transition adjustment upon adoption of the new guidance. Based on the Organization's evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard.

Additionally, in June 2018, FASB issued ASU 2018-08, *Accounting Guidance for Contributions Received and Made*. This ASU was issued to clarify accounting guidance for contributions received and contributions made. The amendments to this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, *Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution was conditional. The implementation of this standard had no impact on the financial statements.

NOTE 4 Liquidity and Availability

The Organization's cash flows and liquidity are primarily driven by the monthly receipt on the service fees charged on a monthly basis in exchange for the food services provided throughout the year and based on the terms of the respective contracts with state agencies or directly with clients. In addition, the Organization receives significant contributions, grants and pledges that are restricted in use by the donors. The Organization considers and treats these gifts as restricted in accordance with the directions of the donors and such funds remain unavailable for general expenditures. Unrestricted contributions, grants and pledges are considered for use with respect to ongoing, major programs, central to its annual operations and such unrestricted gifts are available to meet cash requirements for general expenditures. The Organization manages its liquidity in accordance with two guiding principles: (1) controlling its operations within a prudent range of financial soundness and stability and, (2) maintaining adequate liquid assets to fund near – term operating requirements.

Financial assets available for general expenditure within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents without donor restrictions	$ 416,541
Investments available for operations	2,417,254
Service fees receivable	451,282
Contributions receivable	20,000
Pledges receivable within twelve months	84,700
	$ 3,489,777

The investments held and included above comprise entirely of board designated endowments. As such, the funds are available for operations at the discretion of the board of directors and related appropriation of such funds.

NOTE 5 Merger

As disclosed in Note 1, the Organization is the surviving entity from the merger of Meals on Wheels of Northampton County, Inc and Meals on Wheels of Lehigh County, Inc. The primary reasons for merging the two organizations was to provide efficiencies and to increase effectiveness of similar programs run by the two organizations.

Subsequent to the merger and during the remainder of the year ended June 30, 2019, the Board of Directors of each organization were merged with a composition as of year end of an even mix of representation from each of the prior organizations. Similarly, the staff and volunteers of both pre-merger organizations continue their work with the new entity.

NOTE 5 Merger (Continued)

The fair value of Meals on Wheels of Lehigh County's major classes of assets and liabilities acquired by the Organization as of the date of merger are as follows:

Cash and cash equivalents	$	15,810
Service fees receivable		126,470
Investments, at fair value		1,849,610
Investments in outside perpetual trusts		745,387
Property and equipment, net		67,916
Accounts payable		(96,622)
	$	2,708,571

NOTE 6 Concentration of Credit Risk

The Organization may be subject to credit risk on its cash balances, which are placed at one commercial bank. The amounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a maximum of $250,000. The risk is managed by maintaining all deposits in a high quality financial institution. From time to time, the Organization may have amounts on deposit in excess of the FDIC limits. The Organization had an at-risk balance of approximately $1,026,000 at June 30, 2020.

The Organization relies on various contracts with government agencies and local businesses to support its programs. During the years ended June 30, 2020 and 2019, the Organization received 15% and 17%, respectively, of its total revenue and support from one such contract. To mitigate such risk, the Organization is regularly looking for new grantors and contributors to reduce the concentration of revenue.

NOTE 7 Pledges Receivable

	June 30,	
	2020	**2019**
Time restricted sponsorships and contributions	$ 146,700	$ 343,300
Less unamortized discount	4,565	14,488
	$ 142,135	$ 328,812
Less than one year	$ 84,700	$ 222,284
One to five years	57,435	106,528
	$ 142,135	$ 328,812

At June 30, 2020 and 2019, approximately 68% and 85% respectively, of the unconditional promises to give are from one donor and three donors, respectively.

NOTE 8 Property and Equipment

	June 30, 2020	June 30, 2019
Land, buildings and improvements	$ 1,561,080	$ 1,561,080
Construction in progress	1,205,918	25,000
Equipment	1,255,228	1,245,359
Vehicles	252,026	315,838
	4,274,252	3,147,277
Less accumulated depreciation	2,312,010	2,222,033
	$ 1,962,242	$ 925,244

Depreciation expense was $152,624 and $170,640 for the years ended June 30, 2020 and 2019, respectively. In addition, during the year ended June 30, 2020, the Organization capitalized interest costs of $33,660 into construction in progress as it continues to renovate a new site for operations purchased during the year.

NOTE 9 Investments

The Organization's investments are recorded at fair value and have been categorized based upon a fair value hierarchy, in accordance with ASC 820 (see Note 2). The investments are comprised of the following:

	Investments at Fair Value as of June 30, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Without Donor Restrictions:				
Money market funds	$ 305,101	$ 0	$ 0	$ 305,101
Mutual funds				
Equities	512,838			512,838
Fixed income	481,876			481,876
Alternatives	31,592			31,592
Equities	1,085,847			1,085,847
	2,417,254			2,417,254
With Donor Restrictions:				
Money market funds	1,579	0	0	1,579
Mutual funds				
Equities	337,642			337,642
Invested with Lehigh Valley Community Foundation		52,796		52,796
	339,221	52,796	0	392,017
Total Investments	$ 2,756,475	$ 52,796	$ 0	$ 2,809,271
Beneficial Interest in Outside Perpetual Trust (Note 10)	$ 0	$ 764,962	$ 0	$ 764,962

NOTE 9 Investments (Continued)

	Investments at Fair Value as of June 30, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Without Donor Restrictions:				
Money market funds	$ 37,222	$ 0	$ 0	$ 37,222
Mutual funds				
Equities	1,390,681			1,390,681
Fixed income	471,921			471,921
Alternatives	41,980			41,980
Equities	605,826			605,826
	2,547,630			2,547,630
With Donor Restrictions:				
Money market funds	1,555	0	0	1,555
Mutual funds				
Equities	341,830			341,830
Invested with Lehigh Valley Community Foundation		55,506		55,506
	343,385	55,506	0	398,891
Total Investments	$ 2,891,015	$ 55,506	$ 0	$ 2,946,521
Beneficial Interest in Outside Perpetual Trust (Note 10)	$ 0	$ 760,168	$ 0	$ 760,168

Generally, for all mutual funds, fair value is determined by reference to quoted market prices and other relevant information generated by market transactions.

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 that such changes could materially affect the amounts reported in the statements of financial position.

NOTE 10 Beneficial Interest in Outside Perpetual Trusts

The Organization is named as a beneficiary of two perpetual trusts held by corporate trustees. The amounts recorded as an asset represent the pro-rata share of the fair value of the trusts' assets that provides for distribution of income to the Organization as beneficiary. Income is disbursed annually as a percentage of the value of the investment at its valuation date. The Organization is a 5% beneficiary in the first trust and the share of the assets was $167,132 and $165,386 as of June 30, 2020 and 2019, respectively. Income distribution received from the first trust was $4,718 and $5,600 for the years ended June 30, 2020 and 2019, respectively. The Organization is a one-sixth beneficiary in the second trust and the share of assets was $597,830 and $594,782 as of June 30, 2020 and 2019, respectively. Income distribution received for the second trust was $5,013 and $10,548 for the years ended June 30, 2020 and 2019, respectively.

NOTE 11 Term Debt

During the year ended June 30, 2020, the Organization executed a note payable with a bank on which $1,071,408 was borrowed and used to purchase a building. The note requires monthly interest payments, at a fixed rate of 3.9%, and all principal and unpaid interest is due upon maturity in August 2022. The Organization expects to repay the loan with the proceeds from the sale of its existing building upon the completion of renovations and movement of all operations to the new site.

In addition, during the year ended June 30, 2020, in response to the COVID-19 pandemic (see Note 18), the Organization obtained a loan for $300,800 through the Small Business Administration's (SBA) Paycheck Protection Program (PPP). The loan has a fixed interest rate of 1% and a two year repayment term (maturity occurs in April 2022). The loan is eligible for forgiveness if the proceeds are spent in accordance with the criteria specified under the PPP. Management anticipates that during the fiscal year ending June 30, 2021 the Organization will receive forgiveness of the entire loan balance.

NOTE 12 Endowment

Since 2001, the Organization has held an open campaign to create an endowment for the future benefit of the Organization ("True Endowment"). The Organization also has created a separate endowment from the support of a single donor with the intent to support the clients of the Organization in their homes ("Compassionate Care" endowment). With the merger (Note 5) the Organization acquired another endowment which was funded by a bequest and which is held and invested with the Lehigh Valley Community Foundation.

Contributions provided for any of these endowments require the Organization to maintain the principal in perpetuity. The True Endowment restricts the use of all gains, losses, interest and dividends for current operating expenses. The Compassionate Care endowment restricts the use of all gains, losses, interest and dividends for the direct assistance of the Organization's clients. The endowment held by the Lehigh Valley Community Foundation is restricted to support the ongoing operations of the Organization. Therefore, gains, losses, interest and dividends are reported as net assets with donor restrictions until expended.

In addition, the Organization maintains a portion of its net assets as a quasi-endowment to support future operations. The amounts designated were $2,417,253 and $2,318,079 at June 30, 2020 and 2019. These funds are held in two separate accounts, respectively, at June 30, 2020 and 2019.

Endowment Return Objectives, Risk Parameters and Strategies

The Organization has adopted investment and spending policies, approved by the Board of Directors, which govern the Organization's endowments. The primary objective of these policies is to produce a total return which will permit the maximum support for the general operating fund of the Organization to the extent that it is consistent with (a) prudent management of investments, (b) preservation of principal and (c) potential for long-term asset growth.

NOTE 12 Endowment (Continued)

Interpretation of Relevant Law

The Organization follows Commonwealth of Pennsylvania law and its own governing documents with respect to the management of endowment funds. In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund is spendable.

As a result of this interpretation, the Organization classified as net assets with donor restrictions (a) the original value of gifts donated to the endowment; (b) the original value of subsequent gifts to the endowment; and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not to be maintained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization.

Spending Policy

The Organization follows "Total Return Policy" guidelines as established under Pennsylvania Act 141 and as adopted by the Board of Directors. The Organization's policy will be to distribute annually between two and seven percent (allowable "Total Return Policy" range) of the trailing three fiscal year average of the endowment's total asset value. The Board of Directors, with input from the finance committee, will establish annually the percentage to be adopted for distribution. For the year ended June 30, 2020, the Organization did not formally adopt a total return percentage but did disburse $20,000 from the True Endowment and $199 from the Compassionate Care Endowment. For the year ended June 30, 2019, the Organization adopted a 7% appropriation on the True Endowment and a 3% appropriation on the Compassionate Care endowment.

The activity and net asset classification of these endowments for the years ended June 30, 2020 and 2019 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at July 1, 2018	$ 751,890	$ 413,161	$ 1,165,051
Contributions	0	400	400
Contributions via merger (Note 5)	1,581,440	54,772	1,636,212
Appropriation of endowment assets for expenditure	(85,000)	(6,562)	(91,562)
Investment income			
Interest and dividends, net of fees	65,492	8,121	73,613
Unrealized gains	4,257	22,241	26,498
Total investment income	69,749	30,362	100,111
Endowment net assets at June 30, 2019	2,318,079	492,133	2,810,212

NOTE 12 Endowment (Continued)

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at June 30, 2019	2,318,079	492,133	2,810,212
Contributions	235,000	0	235,000
Appropriation of endowment assets for expenditure	(200,000)	(13,638)	(213,638)
Investment income			
Interest and dividends, net of fees	50,546	7,864	73,613
Realized and unrealized gains, net	13,628	10,249	26,498
Total investment income	64,174	18,113	100,111
Endowment net assets at June 30, 2020	$ 2,417,253	$ 496,608	$ 2,810,212

NOTE 13 Governmental Fees

Revenue from governmental fees consisted of the following:

	June 30, 2020	June 30, 2019
County of Northampton		
Area Agency on Aging	$ 549,836	$ 567,783
Human Services Development Fund	94,635	108,583
County of Lehigh		
Area Agency on Aging	337,303	217,467
Human Services Development Fund	50,596	33,434
Congregate	0	213,355
State of Pennsylvania		
Waiver program	402,414	270,072
	$ 1,434,784	$ 1,410,694

During the year ended June 30, 2020, the waiver program was decentralized and the Organization worked with three separate providers to deliver meals to the respective clients.

NOTE 14 Retirement Plans

The Organization has a defined contribution simplified employee retirement plan covering substantially all of its employees. The Organization's contribution is computed at a rate of 10% of the participating employees' salaries. The Organization's contribution expense for the years ended June 30, 2020 and 2019 were $132,977 and $132,069, respectively.

The Organization also provides a 403(b) plan where employees may elect to defer a portion of their earnings up to limits determined by the Internal Revenue Code. The Organization is currently not contributing nor matching employee contributions to the plan.

NOTE 15 Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes:

	June 30, 2020	June 30, 2019
Subject to expenditure for specific purpose:		
Capital campaign	$ 840,863	$ 809,318
Time or use restrictions on contributions	126,245	114,111
Subject to the Organization's appropriation:		
Original donor-restricted gift required to be maintained in perpetuity by donor	378,550	366,803
Outside perpetual trust	764,962	760,168
Accumulated gain	118,058	125,330
	$ 2,228,678	$ 2,175,730

NOTE 16 Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by donors as follows:

	June 30, 2020	June 30, 2019
Purpose restrictions accomplished:		
Planning and development costs of the building expansion project	$ 95,505	$ 44,278
Meal assistance fund	0	29,471
Specific projects covered by donor gifts	85,595	98,721
Appropriation of endowment	13,638	6,562
	$ 194,738	$ 179,032

NOTE 17 Related Party Contributions

The Organization receives contributions from its various board members. Contributions received from these related parties during the years ended June 30, 2020 and 2019 totaled $15,271 and $26,618, respectively.

NOTE 18 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 is actively addressing the situation by working with customers and vendors on payment terms, managing costs based on the volume of work required, and by maintaining strong relationships with its clients and government agencies so to properly plan for changes in operating volume in the near and long term. Management continues to evaluate the impact of the pandemic on operations and does not consider the decline to be permanent.

NOTE 19 Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through October 29, 2020, the date the financials were available to be issued. No events or transactions occurred that would require recognition or disclosure in the financial statements.

NOTE 20 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, 2022. Early adoption is permitted. Management is evaluating the impact of the amended lease guidance on the Organization’s financial statements.

INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

To the Board of Directors of
Meals on Wheels of the Greater Lehigh Valley, Inc.

We have audited the statements of financial position of Meals on Wheels of the Greater Lehigh Valley, Inc. as of June 30, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and have issued our report thereon dated October 29, 2020, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Government Contracts is presented for the purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Concannon, Miller + Co., P.C.

Bethlehem, PA
October 29, 2020

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MEALS ON WHEELS OF THE GREATER LEHIGH VALLEY, INC.
SCHEDULE OF GOVERNMENT CONTRACTS
YEAR ENDED JUNE 30, 2020

	Contract Maximum	Billings	Units of Service (Meals)
County of Northampton			
Area Agency on Aging	$ 580,000	$ 549,836	94,695
Human Services Development Fund	97,432	94,635	16,807
County of Lehigh			
Area Agency on Aging	343,207	337,303	34,562
Human Services Development Fund	51,425	50,596	6,832
State of Pennsylvania			
Waiver program	Unlimited	402,414	58,587