

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
(A Not-for-Profit Corporation)**

**Financial Report  
December 31, 2020**

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
(A Not-for-Profit Corporation)**

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**SNYDER, DAITZ & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
1617 JOHN F. KENNEDY BLVD., STE. 720  
PHILADELPHIA, PA 19103-1821

350 RIVER ROAD  
SUITE G14  
NEW HOPE, PA 18938

DENNIS NATALI, CPA  
JOSEPH P. LEONARD, CPA

(215) 563-6141  
FAX (215) 563-6620

Independent Auditors' Report

Board of Directors  
Lehigh County Senior Citizens, Inc.  
d/b/a Lehigh Valley Active Life  
Allentown, PA

We have audited the accompanying financial statements of Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life (a nonprofit corporation) which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life as of December 31, 2020, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Statements**

We have previously audited the financial statements of Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life as of December 31, 2019 and our report dated October 7, 2020 expressed an unmodified audit opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Lehigh County Grants and the schedule of Occupancy Expenses on pages 15-16 is presented for 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.

**SNYDER, DAITZ & COMPANY**  
Philadelphia, PA

June 22, 2021

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
(A Not-for-Profit Corporation)**

**STATEMENT OF FINANCIAL POSITION**

December 31, 2020  
(With Summarized Totals for 2019)

	Total December 31,	
	2020	2019
<b>ASSETS</b>		
<b><u>CURRENT ASSETS</u></b>		
Cash		
Regular Accounts	\$ 308,003	\$ 132,492
Invested Cash	5,641	5,641
Petty Cash	84	84
Prepaid Expenses	4,745	22,015
Grants and Accounts Receivable (Note 5)	0	31,131
Investments (Note 3 and Note 4)	651,913	611,261
Total Current Assets	970,386	802,624
<b><u>FIXED ASSETS</u></b>		
Land, Building and Equipment (Net of Accumulated Depreciation) (Note 6)	532,726	498,529
Total Assets	\$ 1,503,112	\$ 1,301,153
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>CURRENT LIABILITIES</u></b>		
Accounts Payable	\$ 1,361	\$ 8,571
Deferred Revenue - PPP Loan (Note 8)	63,648	0
Deposits for Trips and Socials	0	20,440
Accrued Expenses	1,705	6,752
Total Current Liabilities	\$ 66,714	\$ 35,763
Non-Current Liabilities	0	0
Total Liabilities	\$ 66,714	\$ 35,763
<b><u>NET ASSETS - NOTE 12</u></b>		
Without donor restriction	\$ 1,429,692	\$ 1,258,684
With donor restriction	6,706	6,706
Total Net Assets	\$ 1,436,398	\$ 1,265,390
Total Liabilities and Net Assets	\$ 1,503,112	\$ 1,301,153

See independent auditors' report and notes to financial statements.

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
(A Not-for-Profit Corporation)**

**STATEMENT OF ACTIVITIES**

Year ended December 31, 2020  
(With Summarized Totals for 2019)

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total December 31,	
			2020	2019
<b>Revenues and Other Support:</b>				
City of Allentown	\$ 15,000	0	\$ 15,000	\$ 15,000
County of Lehigh	249,793	0	249,793	111,863
United Way of the Greater Lehigh Valley Foundations	21,196	0	21,196	21,879
Other Municipalities	25,000	0	25,000	26,395
Fundraising (Net Expenses of \$2,435 and \$1,656)	6,600	0	6,600	17,350
Development Grants and Income	5,805	0	5,805	10,442
Membership Dues	72,140	0	72,140	128,335
Investment Income	6,585	0	6,585	49,624
Other Income	11,097	0	11,097	15,404
Participant Fees	21,103	0	21,103	37,570
Realized/Unrealized Gain on Investments	47,305	0	47,305	202,218
Net Assets Released From Restrictions:				
Satisfaction of Restrictions	0	0	0	0
<b>Total Revenue and Other Support</b>	<b>\$ 516,388</b>	<b>0</b>	<b>\$ 516,388</b>	<b>\$ 722,404</b>
<b>Expenses:</b>				
Transportation	\$ 8,498	0	\$ 8,498	\$ 11,200
Socialization and Recreation	196,695	0	196,695	454,679
Nutritional Program	35,108	0	35,108	57,611
Therapeutic Socialization	9,316	0	9,316	13,292
Outreach/Fundraising	38,331	0	38,331	97,793
Administrative and General	57,432	0	57,432	72,302
<b>Total Expenses</b>	<b>\$ 345,380</b>	<b>0</b>	<b>\$ 345,380</b>	<b>\$ 706,877</b>
<b>Change in Net Assets</b>	<b>\$ 171,008</b>	<b>0</b>	<b>\$ 171,008</b>	<b>\$ 15,527</b>
<b>Net Assets, Beginning of Year</b>	<b>1,258,684</b>	<b>6,706</b>	<b>1,265,390</b>	<b>1,249,863</b>
<b>Net Assets, End of Year</b>	<b>\$ 1,429,692</b>	<b>\$ 6,706</b>	<b>\$ 1,436,398</b>	<b>\$ 1,265,390</b>

See independent auditors' report and notes to financial statements.

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
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STATEMENT OF CASH FLOWS

Year ended December 31, 2020  
(With Summarized Totals for 2019)

	Total Year Ended December 31,	
	2020	2019
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
CHANGE IN NET ASSETS	\$ 171,008	\$ 15,527
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	43,525	43,426
(Increase) Decrease in:		
Grants and Accounts Receivable	31,131	12,097
Prepaid Expenses	17,270	6,722
Increase (Decrease) in:		
Accounts Payable	(7,210)	242
Accrued Expenses	(5,047)	(142)
Deposits for Trips and Socialization	(20,440)	(7,987)
Deferred Revenue - PA Dept. of Revenue	63,648	0
Net Realized/Unrealized (Gain) Loss on Investments	(34,764)	(86,324)
Net Cash (Used) Provided by Operating Activities	\$ 259,121	\$ (16,439)
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Purchase of Investments	0	0
Proceeds from the Sale of Investments	(5,888)	0
Purchases of Furniture, Equipment and Building Improvements	(77,722)	(32,636)
Net Cash Provided (Used) by Investing Activities	\$ (83,610)	\$ (32,636)
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>	0	0
Net Cash Provided (Used) by Financing Activities	0	0
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 175,511	\$ (49,075)
Cash and Cash Equivalents at Beginning of Year	138,217	187,292
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 313,728</b>	<b>\$ 138,217</b>

See independent auditors' report and notes to financial statements.

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
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**STATEMENT OF FUNCTIONAL EXPENSES**

Year ended December 31, 2020  
(With Summarized Totals for 2019)

	Program Services				Total	Support Services		Total	Year Ended December 31,	
	Transportation	Socialization- Recreation	Nutritional	Therapeutic Socialization		Outreach/ Fundraising	Administrative and General		Total 2020	Total 2019
<b>PERSONNEL</b>										
Salaries	\$ 3,083	\$ 70,283	\$ 9,557	\$ 3,534	\$ 86,457	\$ 17,852	\$ 32,220	\$ 49,872	\$ 136,329	\$ 294,326
Payroll Taxes	574	6,201	1,033	459	8,267	1,493	1,723	3,216	11,483	25,521
Employee Benefits	1,050	9,378	1,779	729	12,936	1,953	2,410	4,363	17,299	18,424
<b>Total Salaries and Related Expenses</b>	<b>\$ 4,707</b>	<b>\$ 85,862</b>	<b>\$ 12,369</b>	<b>\$ 4,722</b>	<b>\$ 107,860</b>	<b>\$ 21,098</b>	<b>\$ 36,353</b>	<b>\$ 57,451</b>	<b>\$ 165,111</b>	<b>\$ 338,271</b>
Professional Services	0	0	0	0	0	0	8,688	8,688	8,688	10,102
Service Contracts	0	0	0	0	0	0	0	0	0	1,116
Occupancy	2,238	29,334	5,514	1,432	\$ 38,518	882	2,084	2,946	41,464	67,579
Telephone	263	1,584	264	132	\$ 2,243	132	264	396	2,639	2,640
Postage	0	2,782	0	0	2,782	795	398	1,193	3,975	9,425
Technology	0	0	0	0	0	0	0	0	0	0
Office Supplies and Expense	79	1,033	79	79	1,270	159	159	318	1,588	8,408
Socialization and Recreation Supplies	0	16,478	0	0	16,478	0	0	0	16,478	54,354
Socialization and Recreation Instructor Fee	0	32,008	0	0	32,008	0	0	0	32,008	124,905
Therapeutic Socialization Expense	0	0	0	0	0	0	0	0	0	0
Insurance	872	4,798	1,309	436	7,415	436	873	1,309	8,724	6,724
Transportation Expense	0	0	0	0	0	0	0	0	0	0
Local Travel	0	0	0	0	0	0	0	0	0	0
Investment and Bank Fees	0	0	0	0	0	0	320	320	320	380
Conference and Convention	0	0	0	0	0	0	0	0	0	45
Development	0	0	0	0	0	11,778	0	11,778	11,778	23,203
Newsletter	0	1,622	0	0	1,622	0	0	0	1,622	9,119
Miscellaneous	339	2,913	339	339	3,930	1,765	1,765	3,530	7,460	7,180
<b>Total Expense Before Depreciation</b>	<b>\$ 8,498</b>	<b>\$ 178,414</b>	<b>\$ 19,874</b>	<b>\$ 7,140</b>	<b>\$ 213,926</b>	<b>\$ 37,025</b>	<b>\$ 50,904</b>	<b>\$ 87,929</b>	<b>\$ 301,855</b>	<b>\$ 663,451</b>
Depreciation	0	18,281	15,234	2,176	35,691	1,306	6,528	7,834	43,525	43,426
<b>Total Expenses for 2020</b>	<b>\$ 8,498</b>	<b>\$ 196,695</b>	<b>\$ 35,108</b>	<b>\$ 9,316</b>	<b>\$ 249,617</b>	<b>\$ 38,331</b>	<b>\$ 57,432</b>	<b>\$ 95,763</b>	<b>\$ 345,380</b>	
<b>Total Expenses for 2019</b>	<b>\$ 11,200</b>	<b>\$ 454,879</b>	<b>\$ 57,811</b>	<b>\$ 13,292</b>	<b>\$ 536,782</b>	<b>\$ 97,793</b>	<b>\$ 73,202</b>	<b>\$ 170,095</b>		<b>\$ 706,877</b>

See notes to financial statements.



**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
(A Not-for-Profit Corporation)**

Notes to Financial Statements  
December 31, 2020

**NOTE 1 – THE ORGANIZATION**

**Nature of Activities**

Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life is a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania for the purpose of providing services to Lehigh County Senior Citizens.

The organization is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The Organization prepares its financial statements in accordance with accounting principles generally accepted in United States of America, which involves the application of accrual accounting. Consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

**Basis of Presentation**

The financial statements are presented in accordance with FASB ASC 958 Presentation of Financial Statements of Not-for-Profit Entities. Under FASB ASC 958, the Organization is required to report 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. Net assets with donor restrictions are detailed in Note 11.

**Management Estimates**

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

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash and cash equivalents.

**Accounts Receivable Reserves**

The Organization reviews its receivables on a regular basis for collectability. The Organization considers all receivables fully collectible; accordingly, no allowance for doubtful accounts is required. When a question of the collectability of a particular receivable arises it is written off or reserved for at that time. Recoveries of items previously charged off are recognized as income when received.

**LEHIGH COUNTY SENIOR CITIZENS, INC.**  
**D/B/A LEHIGH VALLEY ACTIVE LIFE**  
**(A Not-for-Profit Corporation)**

Notes to Financial Statements  
December 31, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Land, Building and Equipment**

Land, building and equipment is stated at cost. Depreciation is computed by use of the straight-line method based on estimated useful lives. The Organization has a policy to capitalize all purchases greater than \$500 with a useful life of one year or more.

	<u>Years</u>
Building	31-1/2
Furniture and Equipment	5 - 10

**Contributions**

In accordance with FASB ASC 958 (formerly SFAS No. 116) Accounting for Contributions Received and Contributions Made, contributions received are recorded as “without donor restrictions” or “with donor restrictions”, depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as without donor restriction if the restriction expired in the reporting period in which the contribution was recognized.

All other donor-restricted support is reported as an increase in with donor restricted net assets. 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 Statement of Activities as net assets released from restrictions. Only a donor can impose a restriction; the Board may designate contributions for a purpose, but the contribution is classified as unrestricted in that case. If a contribution is made with a donor-imposed condition, it is not recorded until the condition has been met.

**Promises to Give**

Unconditional promises to give are recognized as support in the period received and as net assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

**Revenue**

The organization accounts for its revenue from trips and socials, as exchange transactions. Revenue is recognized in the statement of activities when earned, and any amounts received but not earned are recorded as refundable deposits on the statement of financial position.

**Functional Allocation of Expenses**

Salaries and benefits are allocated based on estimates of time and effort. Occupancy and depreciation are allocated based on the percentages derived from the estimated allocation of salaries. Professional fees, technology, socialization and recreation supplies and instructors, therapeutic socialization, investment and bank fees, development and newsletter, which can be related directly to either program or administrative, are reflected as such. Certain other cost including conferences and conventions, telephone, insurance, office supplies, postage, local travel and miscellaneous are allocated based on cost, usage and related benefits of the specific services provided.

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
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Notes to Financial Statements  
December 31, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Donated Materials and Services**

Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated services in as much as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and in its fundraising campaigns.

Meals provided through the congregate nutrition programs, as well as supplies for that program, were provided by the Lehigh County Area Agency on Aging, as were the majority of units of transportation provided through Metro Plus.

**Income Tax**

The Organization is exempt from federal income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code and none of its present or anticipated future activities are subject to unrelated business income. Therefore, no provision for income taxes has been made in the accompanying financial statements.

Uncertain tax positions are evaluated in accordance with FASB ASC 740-10. FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in the Organization's financial statements and prescribes a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold has been met. FASB ASC 740-10 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, and disclosure. The Organization had no material unrecognized tax benefits or accrued interest penalties.

The Organization's federal Exempt Organization Business Income Tax Returns (Form 990) for 2018, 2019 and 2020 are subject to examination by the IRS, generally for three years after they were filed.

**NOTE 3 – FAIR VALUE MEASUREMENTS**

Financial Accounting Standards Board ASC 820-10, Fair Value Measurements, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described below:

- |         |   |
|---------|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.   |
| Level 2 | Inputs to the valuation methodology include: <ul style="list-style-type: none"><li>• Quoted prices for similar assets or liabilities in active markets;</li><li>• Quoted prices for identical or similar assets or liabilities in inactive markets;</li><li>• Inputs other than quoted prices that are observable for the asset or liability;</li><li>• Inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li></ul> |

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
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Notes to Financial Statements  
December 31, 2020

**NOTE 3 – FAIR VALUE MEASUREMENTS – CONTINUED**

Level 3 Inputs to the valuation methodology are unobservable, are significant to the fair value measurement and include management's judgments about the assumptions market participants would use in pricing the asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Investments classified within Level 3 whose fair value measurements consider several inputs may include Level 1 and/or Level 2 inputs as components of the overall fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

*Mutual Funds:* Valued at the net asset value ("NAV") of shares held by the organization at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2020 and 2019:

Investments as Fair Value at December 31, 2020				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds				
Lifestrategy Mod Growth				
Stocks 20%	\$130,383	\$ 0	\$ 0	\$130,383
Bonds 80%	<u>521,531</u>	<u>0</u>	<u>0</u>	<u>521,531</u>
	<u>\$651,914</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$651,914</u>
Investments as Fair Value at December 31, 2019				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds				
Lifestrategy Mod Growth				
Stocks 60%	\$366,757	\$ 0	\$ 0	\$366,757
Bonds 40%	<u>244,504</u>	<u>0</u>	<u>0</u>	<u>244,504</u>
	<u>\$611,261</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$611,261</u>

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
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Notes to Financial Statements  
December 31, 2020

**NOTE 4 – INVESTMENTS**

Cost and market values of the investments are as follows:

	<u>December 31, 2020</u>		<u>December 31, 2019</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Mutual Funds	<u>\$533,850</u>	<u>\$651,914</u>	<u>\$533,849</u>	<u>\$611,261</u>
	<u>\$533,850</u>	<u>\$651,914</u>	<u>\$533,849</u>	<u>\$611,261</u>

**NOTE 5 – GRANTS AND ACCOUNTS RECEIVABLE**

	<u>2020</u>	<u>2019</u>
Grants and accounts receivable consist of:		
City of Allentown	\$ 0	\$ 0
Lehigh County	<u>0</u>	<u>31,131</u>
	<u>\$ 0</u>	<u>\$ 31,131</u>

**NOTE 6 – LAND, BUILDING AND EQUIPMENT**

Land, building and equipment consist of the following:

	<u>2020</u>	<u>2019</u>
Land	\$ 62,864	\$ 62,864
Building	1,847,579	1,780,577
Furniture and Equipment	<u>322,741</u>	<u>312,022</u>
	\$ 2,233,184	\$ 2,155,463
Less: Accumulated Depreciation	<u>(\$ 1,700,458)</u>	<u>(\$ 1,656,934)</u>
	<u>\$ 532,726</u>	<u>\$ 498,529</u>

Depreciation charged to expense was \$43,525 and \$43,426 for 2020 and 2019, respectively.

**NOTE 7 – RETIREMENT PLAN**

The Organization has a 403(b) defined contribution pension plan for its employees. During 2020 and 2019, the Organization did not contribute any employer match to the plan.

**NOTE 8 – DEFERRED REVENUE – PPP LOAN**

On April 16, 2020 the Company received a loan from TD Bank in the amount of \$306,370, pursuant to the Payroll Protection Program (PPP) under the CARES Act, which was enacted in March 27, 2020. The loan, which was in the form of a note dated April 7, 2020, matures on April 7, 2022, and bears an interest rate at 1%, payable monthly commencing on November 16, 2020. The note may be prepaid at any time prior to maturity with no prepayment penalty. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, rent and utilities. The Company intends to use the entire loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
(A Not-for-Profit Corporation)**

Notes to Financial Statements  
December 31, 2020

**NOTE 9 – LIQUIDITY MANAGEMENT**

Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Financial assets at year end:	
Cash and cash equivalents	\$ 308,003
Grants and contributions receivable	0
Investments	<u>651,913</u>
Total financial assets	<u>\$ 959,916</u>
Less: Amounts not available to be used within one year:	
Net assets with purpose restrictions	
Cash	(\$ 6,706)
Deferred Revenue – PPP Loan	<u>( 63,648)</u>
Financial assets available to meet general expenditures Over the next year	<u>\$ 889,562</u>

Cash and cash equivalents of \$308,003 reflected on the statement of financial position includes \$6,706 of cash restricted by donors for certain purposes as well as a PPP loan in the amount of \$63,648 which will likely be return in December 31, 2021.

Grants and contributions receivable of \$0 reflected on the statement of financial position includes \$-0- restricted by donors for certain purposes.

The investments of \$651,919 reflected on the statement of financial position can be liquidated with board authorization and would be available if necessary.

Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life's goal is generally to maintain financial assets available to meet 90 days of operating expenses.

As part of its liquidity plan, the finance committee performs a monthly review of its financial statements and cash flows with management and accountant. Excess cash is invested in short-term investments, primarily money market accounts, where it is available to be drawn upon as needed.

**NOTE 10 – SUMMARIZED TOTALS FOR YEAR ENDED DECEMBER 31, 2018**

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with Lehigh County Senior Citizens, Inc.'s financial statements for the year ended December 31, 2018, from which summarized information was derived.

**NOTE 11 – DATE OF MANAGEMENT'S REVIEW**

Management has evaluated subsequent events through June 22, 2021, the date on which the financial statements were available to be issued, and had determined that no material subsequent events exist that require disclosure.

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
(A Not-for-Profit Corporation)**

Notes to Financial Statements  
December 31, 2020

**NOTE 12 - NET ASSETS**

**Net Assets without Donor Restrictions**

Net assets without donor restrictions represent funds retained by Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life that were received without any donor-imposed restrictions. In addition, donor-restricted contributions whose restrictions have been met in the same reporting period are reported as unrestricted support.

**Board Designated**

The Board of Directors has elected to designate a certain amount of unrestricted net assets to be used for certain purposes as follows:

	<u>2020</u>	<u>2019</u>
Long Term Investment Fund	<u>\$216,790</u>	<u>\$216,790</u>

**Net Assets with Donor Restrictions**

Net Assets with donor restrictions represent resources restricted by the donor as to time or use with the expectation that such restrictions will be satisfied in the future.

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

	<u>2020</u>	<u>2019</u>
History Project	<u>\$ 1,065</u>	<u>\$ 1,065</u>

**Endowment Fund:**

This fund is included with the Vanguard investments

Income earned on the permanently restricted principal purposes of the endowment can be used for operating

	<u>5,641</u>	<u>5,641</u>
	<u>\$ 6,706</u>	<u>\$ 6,706</u>

**NOTE 13 - CONCENTRATION OF REVENUE SOURCES**

**Cash**

The Organization maintains cash balances in accounts with the same bank which at various times during the year exceed \$250,000, the amount insured by the Federal Deposit Insurance Corporation (FDIC).

**Revenue**

For the year ended December 31, 2020, revenue from two source was in excess of 10% of the organization's revenue. Revenue from this source totaled \$249,793 or 48% of total revenue.

For the year ended December 31, 2019, revenue from two sources was in excess of 10% of the organization's revenue. Revenue from this source totaled \$111,863 or 16% of total revenue.

## **SUPPLEMENTARY INFORMATION**



**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
(A Not-for-Profit Corporation)**

**SCHEDULE OF LEHIGH COUNTY GRANTS**

Year ended December 31, 2020

	<u>2020</u>	<u>2019</u>
General Grant	\$ 100,426	\$ 111,863
Capital Funds	149,367	0
	<u>\$ 249,793</u>	<u>\$ 111,863</u>

See independent auditors' report on supplementary information.

**LEHIGH COUNTY SENIOR CITIZENS, INC.  
D/B/A LEHIGH VALLEY ACTIVE LIFE  
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**SCHEDULE OF OCCUPANCY EXPENSES**

Year ended December 31, 2020  
(With Summarized Totals for 2019)

	Program Services				Total	Support Services			Year ended December 31,	
	Transportation	Socialization/ Recreation	Nutritional	Therapeutic Socialization		Outreach/ Fundraising	Management & General	Total	2020	2019
Water and Sewer	\$ 80	\$ 1,194	\$ 159	\$ 80	\$ 1,513	0	\$ 80	\$ 80	\$ 1,593	\$ 1,944
Gas	0	7,845	436	174	8,455	0	262	262	8,717	9,955
Light and Power	419	5,024	1,675	419	7,537	\$ 418	418	836	8,373	15,376
Building Repair and Maintenance	0	5,828	686	0	6,514	0	342	342	6,856	16,495
Housekeeping Supplies	0	1,416	404	102	1,922	0	101	101	2,023	6,011
Pest Control	0	182	547	0	729	0	0	0	729	644
Insurance	872	4,798	1,309	436	7,415	436	873	1,309	8,724	6,723
Trash Removal	7	38	83	7	135	8	8	16	151	763
Lawn and Walkway Care	860	3,009	215	214	4,298	0	0	0	4,298	6,055
Contracted Services	0	0	0	0	0	0	0	0	0	3,613
	<u>\$ 2,238</u>	<u>\$ 29,334</u>	<u>\$ 5,514</u>	<u>\$ 1,432</u>	<u>\$ 38,518</u>	<u>\$ 862</u>	<u>\$ 2,084</u>	<u>\$ 2,946</u>	<u>\$ 41,464</u>	<u>\$ 67,579</u>

See independent auditors' report on supplementary information.