

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

**Financial Report
December 31, 2022**

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

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INDEPENDENT AUDITOR'S REPORT

DENNIS NATALI, CPA
JOSEPH P. LEONARD, CPA

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

Opinion

We have audited the accompanying financial statements of Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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, 2022, 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.

Basis for Opinion

We conducted our audit 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 Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life'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 audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of Lehigh County Grants and the Schedule of Occupancy Expenses on pages 15-16 are 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 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 and in all material respects in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 19, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Snyder, Daitz, & Company

SNYDER, DAITZ & COMPANY
Philadelphia, PA

July 17, 2023

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

STATEMENT OF FINANCIAL POSITION

December 31, 2022
(With Summarized Totals for 2021)

	Total December 31,	
	2022	2021
ASSETS		
<u>CURRENT ASSETS</u>		
Cash		
Regular Accounts	\$ 152,978	\$ 221,430
Invested Cash	5,641	5,641
Petty Cash	84	84
Prepaid Expenses	4,076	3,679
Grants and Accounts Receivable (Note 5)	8,865	7,329
Investments (Note 3 and Note 4)	571,871	664,463
Total Current Assets	743,515	902,626
<u>FIXED ASSETS</u>		
Land, Building and Equipment (Net of Accumulated Depreciation) (Note 6)	673,753	692,630
Total Assets	\$ 1,417,268	\$ 1,595,256
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	\$ 14,404	\$ 10,299
Deposits for Trips and Socials	0	0
Accrued Expenses	4,646	943
Total Current Liabilities	\$ 19,050	\$ 11,242
Non-Current Liabilities	0	0
Total Liabilities	\$ 19,050	\$ 11,242
<u>NET ASSETS - NOTE 12</u>		
Without donor restriction	\$ 1,391,512	\$ 1,577,308
With donor restriction	6,706	6,706
Total Net Assets	\$ 1,398,218	\$ 1,584,014
Total Liabilities and Net Assets	\$ 1,417,268	\$ 1,595,256

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, 2022
(With Summarized Totals for 2021)

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total December 31,	
			2022	2021
Revenues and Other Support:				
City of Allentown	\$ 15,000	0	\$ 15,000	\$ 15,000
Pennsylvania Grant (PPP Loan)	0	0	0	63,648
County of Lehigh	161,479	0	161,479	255,722
United Way of the Greater Lehigh Valley	22,898	0	22,898	21,324
Foundations	25,000	0	25,000	25,000
Other Municipalities	16,150	0	16,150	14,950
Fundraising (Net Expenses of \$7,184 and \$2,435)	41,861	0	41,861	4,926
Development Grants and Income	35,159	0	35,159	42,643
Membership Dues	9,817	0	9,817	7,435
Investment Income	11,553	0	11,553	25,647
Other Income	31,023	0	31,023	6,508
Participant Fees	93,368	0	93,368	57,221
Realized/Unrealized Gain(Loss) on Investments	(104,007)	0	(104,007)	(12,894)
Net Assets Released From Restrictions:				
Satisfaction of Restrictions	0	0	0	0
Total Revenue and Other Support	\$ 359,301	0	\$ 359,301	\$ 527,130
Expenses:				
Transportation	\$ 10,057	0	\$ 10,057	\$ 8,078
Socialization and Recreation	343,488	0	343,488	220,945
Nutritional Program	43,595	0	43,595	37,545
Therapeutic Socialization	12,902	0	12,902	10,631
Outreach/Fundraising	65,814	0	65,814	47,787
Administrative and General	69,241	0	69,241	54,528
Total Expenses	\$ 545,097	0	\$ 545,097	\$ 379,514
Change in Net Assets	\$ (185,796)	0	\$ (185,796)	\$ 147,616
Net Assets, Beginning of Year	1,577,308	6,706	1,584,014	1,436,398
Net Assets, End of Year	\$ 1,391,512	\$ 6,706	\$ 1,398,218	\$ 1,584,014

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 CASH FLOWS

Year ended December 31, 2022
(With Summarized Totals for 2021)

	Total Year Ended December 31,	
	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
CHANGE IN NET ASSETS	\$ (185,796)	\$ 147,616
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	63,608	58,359
(Increase) Decrease in:		
Grants and Accounts Receivable	(1,536)	(7,329)
Prepaid Expenses	(397)	1,066
Increase (Decrease) in:		
Accounts Payable	4,105	8,938
Accrued Expenses	3,703	(762)
Deposits for Trips and Socialization	0	0
Deferred Revenue - PA Dept. of Revenue	0	(63,648)
Net Realized/Unrealized (Gain) Loss on Investments	104,007	12,894
Net Cash (Used) Provided by Operating Activities	\$ (12,306)	\$ 157,134
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of Investments	0	0
Proceeds from the Sale of Investments	(11,415)	(25,443)
Purchases of Furniture, Equipment and Building Improvements	(44,731)	(218,264)
Net Cash Provided (Used) by Investing Activities	\$ (56,146)	\$ (243,707)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>	0	0
Net Cash Provided (Used) by Financing Activities	0	0
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (68,452)	\$ (86,573)
Cash and Cash Equivalents at Beginning of Year	227,155	313,728
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 158,703	\$ 227,155

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 FUNCTIONAL EXPENSES

Year ended December 31, 2022
(With Summarized Totals for 2021)

	Program Services			Support Services		Year Ended			
	Transportation	Socialization- Recreation	Nutritional	Therapeutic Socialization	Total	December 31,			
						Outreach/ Fundraising	Administrative and General	Total 2022	Total 2021
PERSONNEL									
Salaries	\$ 3,934	\$ 100,176	\$ 7,425	\$ 5,411	\$ 116,946	\$ 25,232	\$ 48,721	\$ 190,899	\$ 139,497
Payroll Taxes	768	8,288	1,381	614	11,051	1,995	2,302	15,348	10,991
Employee Benefits	462	3,524	748	287	5,021	620	833	6,474	13,933
Total Salaries and Related Expenses	\$ 5,164	\$ 111,988	\$ 9,554	\$ 6,312	\$ 133,018	\$ 27,847	\$ 51,856	\$ 79,703	\$ 164,421
Professional Services	0	0	0	0	0	9,585	0	9,585	8,724
Occupancy	3,245	50,593	9,679	2,343	65,860	1,429	4,329	71,618	54,634
Telephone	262	1,569	261	131	2,223	131	261	392	2,416
Postage	0	4,465	0	0	4,465	1,276	638	6,379	5,542
Office Supplies and Expense	235	3,061	235	236	3,767	471	471	4,709	2,690
Socialization and Recreation Supplies	0	37,914	0	0	37,914	0	0	37,914	11,568
Socialization and Recreation Instructor Fee	0	94,351	0	0	94,351	0	0	94,351	39,593
Insurance	902	4,963	1,354	451	7,670	451	902	9,023	9,804
Local Travel	0	0	0	0	0	0	0	0	590
Investment and Bank Fees	0	0	0	0	0	0	0	0	0
Development	0	0	0	0	0	21,473	0	21,473	11,050
Newsletter	0	6,129	0	0	6,129	0	0	6,129	4,710
Miscellaneous	249	1,740	249	248	2,486	1,243	1,243	4,972	5,413
Total Expense Before Depreciation	\$ 10,057	\$ 316,773	\$ 21,332	\$ 9,721	\$ 357,883	\$ 63,906	\$ 59,700	\$ 481,489	\$ 321,155
Depreciation	0	26,715	22,263	3,181	52,159	1,908	9,541	63,608	58,359
Total Expenses for 2022	\$ 10,057	\$ 343,488	\$ 43,595	\$ 12,902	\$ 410,042	\$ 65,814	\$ 69,241	\$ 545,097	
Total Expenses for 2021	\$ 8,078	\$ 220,945	\$ 37,545	\$ 10,631	\$ 277,199	\$ 47,787	\$ 54,528	\$ 102,315	\$ 379,514

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

Notes to Financial Statements
December 31, 2022

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, 2022

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
(A Not-for-Profit Corporation)

Notes to Financial Statements
December 31, 2022

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 2020, 2021 and 2022 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">• Quoted prices for similar assets or liabilities in active markets;• Quoted prices for identical or similar assets or liabilities in inactive markets;• Inputs other than quoted prices that are observable for the asset or liability;• Inputs that are derived principally from or corroborated by observable market data by correlation or other means. |

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.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-Profit Corporation)**

Notes to Financial Statements
December 31, 2022

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, 2022 and 2021.

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, 2022 and 2021:

<u>Investments as Fair Value at December 31, 2022</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds				
Lifestrategy Mod Growth				
Stocks 20%	\$114,374	\$ 0	\$ 0	\$114,374
Bonds 80%	<u>457,497</u>	<u>0</u>	<u>0</u>	<u>457,497</u>
	<u>\$571,871</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$571,871</u>

<u>Investments as Fair Value at December 31, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds				
Lifestrategy Mod Growth				
Stocks 20%	\$132,893	\$ 0	\$ 0	\$132,893
Bonds 80%	<u>531,570</u>	<u>0</u>	<u>0</u>	<u>531,570</u>
	<u>\$664,463</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$664,463</u>

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

Notes to Financial Statements
December 31, 2022

NOTE 4 – INVESTMENTS

Cost and market values of the investments are as follows:

	<u>December 31, 2022</u>		<u>December 31, 2021</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Mutual Funds	<u>\$671,587</u>	<u>\$571,871</u>	<u>\$660,172</u>	<u>\$664,463</u>
	<u>\$671,587</u>	<u>\$571,871</u>	<u>\$660,172</u>	<u>\$664,463</u>

NOTE 5 – GRANTS AND ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Grants and accounts receivable consist of:		
Lehigh County	<u>\$ 8,865</u>	<u>\$ 7,329</u>

NOTE 6 – LAND, BUILDING AND EQUIPMENT

Land, building and equipment consist of the following:

	<u>2022</u>	<u>2021</u>
Land	\$ 62,864	\$ 62,864
Building	2,030,006	1,997,271
Furniture and Equipment	<u>403,308</u>	<u>391,312</u>
	\$ 2,496,178	\$ 2,451,447
Less: Accumulated Depreciation	<u>(\$ 1,822,425)</u>	<u>(\$ 1,758,817)</u>
	<u>\$ 673,753</u>	<u>\$ 692,630</u>

Depreciation charged to expense was \$63,608 and \$58,359 for 2022 and 2021, respectively.

NOTE 7 – RETIREMENT PLAN

The Organization has a 403(b) defined contribution pension plan for its employees. During 2022 and 2021, 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 \$63,648, 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.

This loan was forgiven on July 13, 2021 at which time it was removed as a liability and recognized as revenue.

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

Notes to Financial Statements
December 31, 2022

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	\$ 158,703
Grants and contributions receivable	8,865
Investments	<u>571,871</u>
Total financial assets	<u>\$ 739,439</u>
Less: Amounts not available to be used within one year:	
Net assets with purpose restrictions	
Cash	<u>(\$ 6,706)</u>
Financial assets available to meet general expenditures Over the next year	<u>\$ 732,733</u>

Cash and cash equivalents of \$158,703 reflected on the statement of financial position includes \$6,706 of cash restricted by donors for certain purposes.

Grants and contributions receivable of \$8,865 reflected on the statement of financial position includes \$-0- restricted by donors for certain purposes.

The investments of \$571,871 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 at least 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, 2021

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, 2021, from which summarized information was derived.

NOTE 11 – DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through July 11, 2023, 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, 2022

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>2022</u>	<u>2021</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>2022</u>	<u>2021</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>2022</u>	<u>2021</u>
	<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, 2022, revenue from one source was in excess of 10% of the organization's revenue. Revenue from this source totaled \$161,479 or 45% of total revenue.

For the year ended December 31, 2021, revenue from two sources was in excess of 10% of the organization's revenue. Revenue from this source totaled \$255,722 or 49% 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, 2022

	<u>2022</u>	<u>2021</u>
General Grant	\$ 161,479	\$ 111,982
Capital Funds	0	143,740
	<u>\$ 161,479</u>	<u>\$ 255,722</u>

See independent auditors' report on supplementary information.

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

SCHEDULE OF OCCUPANCY EXPENSES

Year ended December 31, 2022
 (With Summarized Totals for 2021)

	Program Services				Total	Outreach/ Fundraising	Support Services		Year ended	
	Transportation	Socialization/ Recreation	Nutritional	Therapeutic Socialization			Management & General	Total	2022	2021
Water and Sewer	\$ 97	\$ 1,449	\$ 193	\$ 97	\$ 1,836	0	\$ 96	\$ 1,932	\$ 1,503	
Gas	0	11,254	625	250	12,129	0	375	12,504	10,080	
Light and Power	959	11,507	3,836	959	17,261	\$ 959	958	19,178	12,551	
Building Repair and Maintenance	0	13,177	1,550	0	14,727	0	775	15,502	12,288	
Housekeeping Supplies	0	3,513	1,004	251	4,768	0	251	5,019	2,043	
Pest Control	0	198	594	0	792	0	0	792	741	
Insurance	902	4,963	1,354	451	7,670	451	902	9,023	9,803	
Trash Removal	19	94	206	18	337	19	19	375	387	
Lawn and Walkway Care	1,268	4,438	317	317	6,340	0	0	6,340	4,950	
Contracted Services	0	0	0	0	0	0	953	953	288	
	\$ 3,245	\$ 50,593	\$ 9,679	\$ 2,343	\$ 65,860	\$ 1,429	\$ 4,329	\$ 71,618	\$ 54,634	

See independent auditors' report on supplementary information.