



# Community Concepts, Incorporated and its Affiliates

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION AND GOVERNMENT REPORTS IN  
ACCORDANCE WITH THE UNIFORM GUIDANCE AND MAINE UNIFORM  
ACCOUNTING AND AUDITING PRACTICES FOR COMMUNITY AGENCIES

September 30, 2022 and 2021

With Independent Auditor's Report



# COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES

Year Ended September 30, 2022

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## INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Community Concepts, Incorporated and its Affiliates

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

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Community Concepts, Incorporated and its Affiliates (Organization), which comprise the consolidated statements of financial position as of September 30, 2022 and 2021, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of September 30, 2022 and 2021, and the consolidated changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

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

We conducted our audits in accordance with U.S. generally accepted auditing standards (U.S. GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Change in Accounting Principle***

As discussed in Note 1 to the consolidated financial statements, during the year ended September 30, 2022, the Organization adopted, Financial Accounting Standards Board Accounting Standards Update 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS and *Government 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with U.S. GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

***Report on Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual entities, and are not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of Department agreements is presented for

The Board of Directors  
Community Concepts, Incorporated and its Affiliates

purposes of additional analysis, as required by the *Maine Uniform Accounting and Auditing Practices for Community Agencies*, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2023 on our consideration of the Organizations' internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Organizations' 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 Organizations' internal control over financial reporting and compliance.



Bangor, Maine  
March 10, 2023

**COMMUNITY CONCEPTS, INCORPORATED  
AND ITS AFFILIATES**

**Consolidated Statements of Financial Position**

**September 30, 2022 and 2021**

**ASSETS**

	<u>2022</u>	<u>2021</u>
<b>Continuing operations</b>		
Current assets		
Cash and cash equivalents	\$ 8,714,331	\$ 8,442,540
Accounts and grants receivable	3,643,104	3,196,863
Loans receivable, current portion	253,648	1,461,679
Prepaid expenses	154,592	111,452
Inventories - real estate for resale	<u>498,978</u>	<u>723,754</u>
Total current assets - continuing operations	<u>13,264,653</u>	<u>13,936,288</u>
Property and equipment		
Land	2,134,879	2,112,779
Buildings and improvements	15,935,654	15,557,839
Equipment	1,766,533	1,618,448
Vehicles	<u>821,338</u>	<u>670,740</u>
	20,658,404	19,959,806
Less accumulated depreciation	<u>(10,851,779)</u>	<u>(10,309,045)</u>
Net property and equipment - continuing operations	<u>9,806,625</u>	<u>9,650,761</u>
Other assets		
Restricted cash and cash equivalents	4,109,046	4,494,063
Loans receivable, noncurrent portion, net of allowance	6,407,993	5,750,786
Other assets	232,049	104,615
Deferred loans receivable	187,368	224,613
Development fees receivable	59,847	59,847
Investment in limited partnerships	<u>433,426</u>	<u>433,845</u>
Total other assets - continuing operations	<u>11,429,729</u>	<u>11,067,769</u>
Total assets - continuing operations	<u>34,501,007</u>	34,654,818
<b>Discontinued operations</b>		
Total assets	<u>211,421</u>	<u>259,311</u>
Total assets	<u>\$ 34,712,428</u>	<u>\$ 34,914,129</u>

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

## LIABILITIES AND NET ASSETS

	<u>2022</u>	<u>2021</u>
<b>Continuing operations</b>		
Current liabilities		
Current portion of long-term debt	\$ 3,426,305	\$ 984,262
Accounts payable	570,476	797,521
Accrued expenses	2,311,136	2,614,423
Deferred revenue	6,443,579	5,377,171
Security deposits and other reserves	<u>106,751</u>	<u>93,021</u>
Total current liabilities - continuing operations	<u>12,858,247</u>	<u>9,866,398</u>
Noncurrent liabilities		
Long-term debt, net of current portion and deferred financing fees	9,277,737	12,269,073
Other long-term liabilities	2,100,000	2,100,000
Accrued long-term reserves and losses	<u>3,396</u>	<u>3,396</u>
Total noncurrent liabilities - continuing operations	<u>11,381,133</u>	<u>14,372,469</u>
Total liabilities - continuing operations	<b>24,239,380</b>	24,238,867
<b>Discontinued operations</b>		
Total liabilities - discontinued operations	<u>33,744</u>	<u>106,609</u>
Total liabilities	<u>24,273,124</u>	<u>24,345,476</u>
Net assets		
Without donor restrictions		
Undesignated	2,798,063	3,133,998
Net investment in property and equipment	<u>2,452,134</u>	<u>2,284,908</u>
Total net assets without donor restrictions	5,250,197	5,418,906
With donor restrictions	<u>5,189,107</u>	<u>5,149,747</u>
Total net assets	<u>10,439,304</u>	<u>10,568,653</u>
Total liabilities and net assets	<b>\$ <u>34,712,428</u></b>	<b>\$ <u>34,914,129</u></b>

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**COMMUNITY CONCEPTS, INCORPORATED  
AND ITS AFFILIATES**

**Consolidated Statements of Activities**

**Years Ended September 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Net assets without donor restrictions		
Support, revenue, and net assets released - continuing operations		
Grants and contracts	\$ 50,908,941	\$ 28,845,644
Fees	3,083,955	2,388,322
Rental income	1,164,536	1,088,777
Interest income	378,335	513,074
In-kind contributions	966,902	1,223,375
Other income	592,971	607,079
Net assets released from restrictions	<u>239,870</u>	<u>338,990</u>
Total support, revenue, and net assets released - continuing operations	<u>57,335,510</u>	<u>35,005,261</u>
Expenses - continuing operations		
Program services		
Housing and energy	10,084,553	7,396,276
Customer service	812,556	247,692
Children's services	7,207,023	7,760,342
Family services	1,928,195	2,584,215
Finance corporation	1,802,360	1,631,942
Property management	1,485,628	1,423,275
Other	<u>32,502,091</u>	<u>12,989,818</u>
Total program services - continuing operations	<u>55,822,406</u>	<u>34,033,560</u>
Management and general	1,644,635	1,750,127
Fundraising	<u>9,484</u>	<u>7,477</u>
Total expenses - continuing operations	<u>57,476,525</u>	<u>35,791,164</u>
Change in net assets from operating activities - continuing operations	<u>(141,015)</u>	<u>(785,903)</u>
Nonoperating activities		
Loss on contributions of limited partnerships	-	(2,174)
Change in net assets without donor restrictions - continuing operations	<u>(141,015)</u>	<u>(788,077)</u>
(Loss) gain from discontinued operations	<u>(27,694)</u>	<u>146,883</u>
Decrease in net assets without donor restrictions	<u>(168,709)</u>	<u>(641,194)</u>
Net assets with donor restrictions		
Contributions	188,720	226,392
Interest income	90,510	151,649
Net assets released from restrictions	<u>(239,870)</u>	<u>(338,990)</u>
Increase in net assets with donor restrictions	<u>39,360</u>	<u>39,051</u>
Decrease in net assets	<u>(129,349)</u>	<u>(602,143)</u>
Net assets at beginning of year	<u>10,568,653</u>	<u>11,170,796</u>
Net assets at end of year	<u>\$ 10,439,304</u>	<u>\$ 10,568,653</u>

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



**COMMUNITY CONCEPTS, INCORPORATED  
AND ITS AFFILIATES**

**Consolidated Statement of Functional Expenses**

Year Ended September 30, 2022

	Program Services							Total Program Services	Management and General	Fundraising	Total - Continuing Operations
	Housing and Energy	Customer Service	Children's Services	Family Services	Finance Corporation	Property Manage- ment	COVID and Other				
Salaries and wages	\$ 1,280,572	\$ 451,452	\$ 3,532,404	\$ 1,118,701	\$ 799,283	\$ 338,838	\$ 2,166,379	\$ 9,687,629	\$ 995,734	\$ -	\$ 10,683,363
Payroll taxes and benefits	<u>407,494</u>	<u>146,224</u>	<u>1,216,824</u>	<u>385,424</u>	<u>169,385</u>	<u>124,623</u>	<u>609,523</u>	<u>3,059,497</u>	<u>257,096</u>	<u>-</u>	<u>3,316,593</u>
Total personnel expenses	1,688,066	597,676	4,749,228	1,504,125	968,668	463,461	2,775,902	12,747,126	1,252,830	-	13,999,956
Direct client benefits	7,715,239	2,510	330,752	23,326	225,420	117,652	26,774,728	35,189,627	1,799	-	35,191,426
Contractual consultants	34,738	8,619	35,127	140	92,108	267,409	43,417	481,558	158,023	-	639,581
Travel	5,370	11,025	35,547	36,532	3,999	124	18,334	110,931	11,450	-	122,381
Occupancy	-	170	22,486	2,361	-	678,522	2,052,887	2,756,426	-	-	2,756,426
Supplies	16,128	3,175	101,210	22,819	11,504	11,681	104,377	270,894	20,586	-	291,480
Information technology and communication	219,834	114,723	265,820	173,181	114,550	4,895	192,166	1,085,169	111,461	-	1,196,630
Equipment expense	41,828	-	31,618	-	26,719	774	149,093	250,032	5,788	-	255,820
Vehicle operations	89,392	50	1,083	-	136	32,700	281	123,642	-	-	123,642
Other services	60,644	37,852	201,001	58,142	53,901	161,748	137,947	711,235	128,300	-	839,535
Insurance	16,197	-	3,630	-	-	100,231	3,469	123,527	105,176	-	228,703
Dues and subscriptions	3,048	500	3,175	857	6,846	844	13,208	28,478	19,459	-	47,937
Employee training and education	4,930	1,446	56,273	8,865	2,871	3,525	10,628	88,538	14,464	-	103,002
Interest expense	-	-	-	-	214,230	131,914	-	346,144	-	-	346,144
Donated services	-	-	964,114	-	-	-	2,788	966,902	-	-	966,902
Advertising	338	-	969	50	1,120	46	21,692	24,215	2,673	-	26,888
Allocated property management	142,139	34,370	400,035	93,344	49,755	(936,489)	81,158	(135,688)	135,688	-	-
Miscellaneous	6,500	440	4,955	4,453	30,533	40,394	61,920	149,195	(323,062)	9,484	(164,383)
Depreciation	<u>40,162</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>406,197</u>	<u>58,096</u>	<u>504,455</u>	<u>-</u>	<u>-</u>	<u>504,455</u>
Total expenses	10,084,553	812,556	7,207,023	1,928,195	1,802,360	1,485,628	32,502,091	55,822,406	1,644,635	9,484	57,476,525
Indirect costs allocated to programs	<u>237,592</u>	<u>137,931</u>	<u>590,330</u>	<u>190,467</u>	<u>135,292</u>	<u>8,263</u>	<u>344,760</u>	<u>1,644,635</u>	<u>(1,644,635)</u>	<u>-</u>	<u>-</u>
Total expenses after indirect cost allocations	<u>\$ 10,322,145</u>	<u>\$ 950,487</u>	<u>\$ 7,797,353</u>	<u>\$ 2,118,662</u>	<u>\$ 1,937,652</u>	<u>\$ 1,493,891</u>	<u>\$ 32,846,851</u>	<u>\$ 57,467,041</u>	<u>\$ -</u>	<u>\$ 9,484</u>	<u>\$ 57,476,525</u>

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

**COMMUNITY CONCEPTS, INCORPORATED  
AND ITS AFFILIATES**

**Consolidated Statement of Functional Expenses**

**Year Ended September 30, 2021**

	Program Services							Total Program Services	Management and General	Fundraising	Total - Continuing Operations
	Housing and Energy	Customer Service	Children's Services	Family Services	Finance Corporation	Property Management	COVID and Other				
Salaries and wages	\$ 1,183,233	\$ 82,843	\$ 3,833,752	\$ 1,576,096	\$ 755,548	\$ 342,315	\$ 1,501,711	\$ 9,275,498	\$ 869,375	\$ -	\$ 10,144,873
Payroll taxes and benefits	<u>388,761</u>	<u>20,991</u>	<u>1,270,775</u>	<u>512,053</u>	<u>136,156</u>	<u>124,917</u>	<u>234,724</u>	<u>2,688,377</u>	<u>224,298</u>	<u>-</u>	<u>2,912,675</u>
Total personnel expenses	1,571,994	103,834	5,104,527	2,088,149	891,704	467,232	1,736,435	11,963,875	1,093,673	-	13,057,548
Direct client benefits	5,213,100	71	310,281	13,951	230,795	127,409	10,065,803	15,961,410	-	-	15,961,410
Contractual consultants	41,417	-	22,545	4,414	17,544	283,345	137,820	507,085	32,217	-	539,302
Travel	4,990	934	25,402	41,275	2,113	194	35,208	110,116	73	-	110,189
Occupancy	-	-	18,300	-	4,807	791,178	471,737	1,286,022	-	-	1,286,022
Supplies	42,647	174	79,002	31,756	16,560	16,139	135,283	321,561	20,194	-	341,755
Information technology and communication	129,302	81,915	244,512	163,652	85,305	4,342	138,214	847,242	106,621	-	953,863
Equipment expense	18,763	-	24,941	-	25,264	1,002	12,506	82,476	3,296	-	85,772
Vehicle operations	62,133	-	1,794	-	-	29,143	189	93,259	-	-	93,259
Other services	67,128	27,467	202,247	101,026	36,090	92,773	67,710	594,441	94,256	-	688,697
Insurance	16,227	-	2,989	-	-	91,656	657	111,529	92,597	-	204,126
Dues and subscriptions	1,246	-	4,866	3,211	9,229	644	16,813	36,009	21,877	-	57,886
Employee training and education	4,532	-	48,256	12,923	4,115	4,161	7,062	81,049	6,882	-	87,931
Interest expense	-	-	-	-	224,189	142,611	6	366,806	-	-	366,806
Donated services	-	-	1,216,375	-	-	-	7,000	1,223,375	-	-	1,223,375
Advertising	431	-	1,769	1,316	2,891	-	16,781	23,188	1,710	-	24,898
Allocated property management	171,059	33,224	451,107	120,525	77,765	(1,062,596)	30,666	(178,250)	178,250	-	-
Miscellaneous	30,971	73	1,429	2,017	3,571	39,048	46,631	123,740	98,481	7,477	229,698
Depreciation	<u>20,336</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>394,994</u>	<u>63,297</u>	<u>478,627</u>	<u>-</u>	<u>-</u>	<u>478,627</u>
Total expenses	7,396,276	247,692	7,760,342	2,584,215	1,631,942	1,423,275	12,989,818	34,033,560	1,750,127	7,477	35,791,164
Indirect costs allocated to programs	<u>239,570</u>	<u>114,864</u>	<u>702,633</u>	<u>293,040</u>	<u>126,790</u>	<u>9,640</u>	<u>263,590</u>	<u>1,750,127</u>	<u>(1,750,127)</u>	<u>-</u>	<u>-</u>
Total expenses after indirect cost allocations	<u>\$ 7,635,846</u>	<u>\$ 362,556</u>	<u>\$ 8,462,975</u>	<u>\$ 2,877,255</u>	<u>\$ 1,758,732</u>	<u>\$ 1,432,915</u>	<u>\$ 13,253,408</u>	<u>\$ 35,783,687</u>	<u>\$ -</u>	<u>\$ 7,477</u>	<u>\$ 35,791,164</u>

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

**COMMUNITY CONCEPTS, INCORPORATED  
AND ITS AFFILIATES**

**Consolidated Statements of Cash Flows**

**Years Ended September 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Decrease in net assets	\$ (129,349)	\$ (602,143)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Contributions with long-term donor restrictions	(108,000)	(81,000)
Depreciation	504,455	478,627
Development fees forgiven by CCI in acquisition of limited partnerships	-	18,751
Investment loss from limited partnerships	419	987
Provision for loan losses	116,338	123,333
Loss (gain) from discontinued operations	27,694	(146,883)
Noncash contributions of limited partnerships	-	2,174
(Increase) decrease in		
Accounts and grants receivable	(446,241)	(71,694)
Prepaid expenses	(43,140)	31,591
Inventories - real estate for resale	224,776	(154,027)
Other assets	(151,814)	(1,878)
Increase (decrease) in		
Accounts payable	(227,045)	(221,854)
Accrued expenses	(303,287)	29,455
Deferred revenue	1,066,408	3,938,822
Security deposits and other reserves	13,730	2,786
Net cash provided by operating activities from continuing operations	<u>544,944</u>	<u>3,347,047</u>
Net cash (used) provided by operating activities from discontinued operations	<u>(52,669)</u>	<u>61,196</u>
Net cash provided by operating activities	<u>492,275</u>	<u>3,408,243</u>
Cash flows from investing activities		
Cash acquired in acquisition of limited partnerships	-	87,917
Revolving loans disbursed	(1,742,256)	(728,815)
Revolving loans repaid	2,176,742	2,021,078
Deferred loans repaid	37,245	3,091
Redemption of investment securities	24,380	79,024
Purchases of property and equipment	(660,319)	(280,699)
Net cash (used) provided by investing activities	<u>(164,208)</u>	<u>1,181,596</u>
Cash flows from financing activities		
Contributions with long-term donor restrictions	108,000	81,000
Proceeds from issuance of long-term debt	289,688	133,584
Repayment of long-term debt	(838,981)	(1,632,754)
Net cash used by financing activities	<u>(441,293)</u>	<u>(1,418,170)</u>
Net (decrease) increase in cash and cash equivalents	(113,226)	3,171,669
Cash and cash equivalents, beginning of year	<u>12,936,603</u>	<u>9,764,934</u>
Cash and cash equivalents, end of year	<u>\$ 12,823,377</u>	<u>\$ 12,936,603</u>
Composition of cash and cash equivalents		
Unrestricted cash and cash equivalents	\$ 8,714,331	\$ 8,442,540
Restricted cash and cash equivalents	4,109,046	4,494,063
Cash and cash equivalents, end of year	<u>\$ 12,823,377</u>	<u>\$ 12,936,603</u>
Supplemental cash flow disclosures:		
Cash paid for interest	\$ 245,725	\$ 308,392
Long-term debt acquired in contribution of limited partnership	\$ -	\$ 1,071,509
Property and equipment acquired in contribution of limited partnership	\$ -	\$ 1,040,485
Accounts payable acquired in contribution of limited partnership	\$ -	\$ 40,378

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

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**1. Nature of Activities**

**Description of Purpose**

Community Concepts, Incorporated (CCI) was incorporated in the State of Maine as a nonprofit organization for the purpose of providing a focal point for anti-poverty and other social service efforts primarily throughout Oxford, Franklin, and Androscoggin Counties. Together with Affiliates (described below), the reporting entity is referred to as the Organization.

**Housing and Energy**

This program provides eligible families with home repair and energy services including heating repair and replacement programs, lead inspection and construction services, several energy saving programs to include weatherization and indoor air quality programs. Additionally, the program has helped over 350 new homeowners build and own their homes through the Self-Help Housing program.

This program also includes the Low-Income Heating Assistance Program which provides heat to low income families. The emergency food program distributes food to area food pantries. Another program, Low-Income Home Energy Assistance, qualifies thousands of families for heating cost assistance through the Maine State Housing Authority and can directly address emergency heating needs on a limited basis.

**Customer Service**

Customer Service is instrumental in driving a positive customer experience through all client interactions with department staff. This work includes coordination and delivery of transportation services, providing client wrap around supports through whole family coaching supports as well as all workforce development programming and reception.

This program operates through a State-authorized broker and provided over 33,000 trips completing over 1.3 million miles driven in the year ended September 30, 2022. It functions primarily with a network of volunteer drivers. The program services eligible riders without access to safe and affordable transportation with rides to well-being appointments. On average in 2022, CCI transported 423 unduplicated riders each month. As disclosed in Note 3, the Organization divested itself of the transportation related portion of the Customer Service program during the year ended September 30, 2022.

**Children's Services**

This program serves preschool children with Head Start and Early Head Start services at a variety of locations throughout Oxford and Franklin counties. It also provides center day care and support for home day care providers.

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**Family Services**

This program provides case management and support services to families and youth facing substance abuse, child abuse and neglect, and mental health issues.

**Finance Corporation**

CCI's affiliate, Community Concepts Finance Corporation (CCFC), offers various loan products and services to eligible families and businesses. Financial services include home ownership training, and foreclosure and credit counseling. The program also manages various residential and business lending programs providing loans and technical assistance to new or expanding small businesses and mortgages for non-traditional residential borrowers. CCFC is a designated business lending intermediary for both the Small Business Administration (SBA) Microloan Program and the U.S. Department of Agriculture (USDA) Intermediary Relending Program. It is also an approved lender under the Rural Microentrepreneur Assistance Program (RMAP).

**Property Management**

This program is responsible for maintaining all Organization sites and nearly 200 units of affordable rentals. Services are also contracted to property owners who need management services.

**Other**

This functional area includes various services funded via municipal and county funding as well as certain services paid for via the Community Services Block Grant program. Also included here are community education activities provided through the Organization's corporate advancement office. Additionally, this functional area includes funds received for pandemic relief, including rent relief and the Lewiston Wellness Shelter.

**Newly Adopted Accounting Standard Update**

During the year ended September 30, 2022, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which supersedes accounting standards that previously existed under U.S. Generally Accepted Accounting Principles (U.S. GAAP) and increases the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. This ASU has been adopted retrospectively, therefore, the financial statements and the related notes have been presented accordingly. The impact of the adoption to the year ended September 30, 2021 resulted in no material changes to financial reporting.

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**Notes to Consolidated Financial Statements**

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**2. Summary of Significant Accounting Policies**

**Basis of Presentation**

The financial statements of the Organization have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities.

**Consolidated Financial Statements**

In accordance with U.S. GAAP for not-for-profit organizations, CCI must consolidate with its own financial statements the financial results and positions of the following organizations, the Affiliates, which are, with CCI, subject to common control.

- CCFC is an organization whose purpose is to encourage, stimulate, and promote housing development and homeownership and business development primarily in, but not limited to, Western Maine.
- Community Concepts Development Corporation (CCDC) is an organization whose purpose is to serve as the general and managing partner for any new housing limited partnerships (LPs) formed in 2003 and beyond.
- Community Concepts Housing Corporation (CCHC) is a for-profit corporation formed to serve as a general partner in an LP undertaking a low-income housing project in Lewiston.
- Lewiston Auburn Community Housing (LACH) was incorporated in 2005 to obtain financing for, and otherwise assist in the development of, low-income housing opportunities in the Lewiston-Auburn area.

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For each of these affiliates, members of their Boards of Directors are also members of the Board of Directors of CCI and activities are directed under shared management. Transactions and balances among the various entities have been eliminated in the consolidated financial statements.

In addition to the affiliated entities previously mentioned, LACH formed a separate corporate entity in 2007, LACH Development, Inc., in which LACH is the sole shareholder. LACH Development, Inc. serves as a 0.005% general partner in Bates Street Senior Housing Associates, LP. LACH Development, Inc. has been consolidated within the financial position, results of operations, and cash flows reported for LACH within the consolidated financial statements.

**Income Taxes**

CCI, CCFC, CCDG, and LACH are each exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (the Code). However, income from certain activities not directly related to these entities' tax-exempt purposes is subject to taxation as unrelated business income. In addition, the entities qualify for the charitable contribution deduction under Section 170(b)(1)(A) and have been classified as organizations other than private foundations under Section 509(a)(1) of the Code. CCHC is not recognized as an exempt organization; thus, net income generated by this entity is generally taxable. No provision has been made for such income taxes as this entity has not generated any such taxable income. No provision for taxes on income is made for the partnerships, as all taxable income and losses are allocated to the partners for inclusion on their respective tax returns.

The Organization follows the provisions of FASB Accounting Standards Codification (ASC) Topic 740-10, *Income Taxes - Overall*, including those related to uncertain tax positions. This guidance clarifies the criteria that an individual tax position must satisfy for some or all of the benefits of that position to be recognized in an entity's financial statements. It also prescribes a recognition threshold of more-likely-than-not, and a measurement attribute for all tax positions taken or expected to be taken on a tax return, in order for those tax positions to be recognized in the financial statements. There was no effect on the Organization's consolidated financial statements related to following these provisions, and no interest or penalties related to uncertain tax positions were accrued. The Organization is currently open to audit under the statute of limitations by the Internal Revenue Service and state taxing authorities for years ended September 30, 2019 through 2022.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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**Revenue Recognition**

A portion of the Organization's revenue is derived from cost reimbursable federal and state contracts and grants, which are conditional upon the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the consolidated statements of financial position. The Organization received cost reimbursable grants of \$6,443,579 and \$5,377,170 that had not been recognized at September 30, 2022 and 2021, respectively, because qualifying expenditures had not yet been incurred. This revenue stream is not subject to ASC Topic 606 *Revenue from Contracts with Customers*.

The Organization also purchases and resells property to clients. This revenue is recognized at a point in time at the date of the sale.

Under the Organization's contractual arrangements with the Maine Department of Health and Human Services (DHHS), the Organization provides services to clients for an agreed upon fee. The Organization recognizes revenue for client services in accordance with the provisions of ASC Topic 606.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual services rendered. Generally, performance obligations are satisfied over time when services are provided. The Organization measures the performance obligation from when the Organization begins to provide services to a client to the point when they are no longer required to provide services to that client, which is generally at the time of DHHS notification to the Organization.

Each performance obligation is separately identifiable from other promises in the contract with the client and DHHS. As the performance obligations are met (i.e., day of services), revenue is recognized based on allocated transaction price. The transaction price is allocated to separate performance obligations based upon the relative standalone selling price.

Because all of its performance obligations relate to short-term contracts, the Organization has elected to apply the optional exemption provided in Topic 606, and therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Program service fee revenue by payor is as follows:

	<u>2022</u>	<u>2021</u>
Clients through sale of property	\$ 2,461,650	\$ 1,783,000
Private fees	417,101	406,149
Other	<u>205,204</u>	<u>199,173</u>
Net program service fee revenue	\$ <u>3,083,955</u>	\$ <u>2,388,322</u>



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Accounts and grants receivable related to exchange transactions were \$118,347, \$174,283, and \$237,739 as of September 30, 2022, 2021, and 2020, respectively.

**Cash and Cash Equivalents**

For purposes of the consolidated statements of cash flows, the Organization considers highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Accounts and Grants Receivable**

Accounts and grants receivable are recorded at the contractual amounts of earned revenue due from various government grants and contracts and from clients. No allowance for uncollectible accounts has been established as all accounts and grants receivable are believed to be fully collectible.

**Inventories**

Inventories consist of real estate held for resale under the Self-Help Housing program. Real estate held for resale is valued at cost, plus various housing projects' work in process and the cost of improvements necessary to prepare the real estate for sale.

**Property and Equipment**

Property and equipment with an estimated useful life in excess of one year and an initial basis of \$5,000 or more is carried at cost if purchased, or fair market value if donated, and is depreciated using the straight-line method over the estimated useful lives of the respective assets, ranging from three to thirty years.

**Loans Receivable**

Loans that management has the intent and ability to hold for the foreseeable future, or until maturity or pay-off, are stated at the amount of unpaid principal, reduced by an allowance for loan losses (ALL). Direct loan origination costs have not been capitalized as the amount would be immaterial. Impairment is considered on an individual basis, rather than collectively, and a charge is recorded to operations when a loan is deemed impaired.

Loans past due 30 days or more are considered delinquent. Management is responsible to initiate timely collection efforts to promptly address delinquency and mitigate the risk of eventual adverse impact on the Organization.

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Loan interest income is accrued daily on the outstanding balances. For all classes of loans, past due loans are considered for nonaccrual when they are 90 days past due, based upon management's assessment of risk of loss. During this time, loan collection efforts continue per the Organization guidelines and management attempts to work with the borrower to resolve the situation. Once held as a nonaccruing asset, interest is no longer accrued for that particular loan. The loan is then on a cash basis so that interest is booked only when payment is made. A loan may be taken off nonaccrual status and returned to an accruing status once the past due obligation has been paid current and the borrower has made two consecutive payments on time. The Organization had total loans in non accrual status of \$94,973 and \$473,324 at September 30, 2022 and 2021, respectively.

**ALL**

The ALL is established as losses are estimated to occur through a provision for loan losses charged to earnings. Loan losses are charged against the ALL when management and the Organization's Board of Directors determine the loss is confirmed. Subsequent recoveries, if any, are credited to the ALL. The ALL is evaluated on a regular basis by management. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

Due to the nature of the programs under which the Organization makes loans, all loans are considered to have some degree of impairment, and, accordingly, are assigned an ALL based on management's evaluation of their collectibility. During 2022 and 2021, the average balance of impaired loans was \$6,937,000 and \$7,978,000, respectively.

**Methodology**

The ALL is based on historical loss ratios adjusted for qualitative factors stratified by the following portfolio segments: mortgage loans and commercial loans. Management uses a range of qualitative loss factors, ranging from 2% to 100% of the outstanding loan balance at the time of inception, based on risk rankings which are discussed in Note 4. Once a loan has been moved to the "Loss" ranking, the ALL is based on the calculated risk of loss.

The qualitative factors are determined based on the various risk characteristics of each portfolio segment. Risk characteristics relevant to each portfolio segment are as follows:

Mortgage Loans - All loans in this segment are collateralized by first and second mortgages on owner-occupied residential real estate. The repayment ability of the borrower is dependent on the credit quality of the applicant. The overall health of the economy, including unemployment rates and housing prices, will also have an effect on the credit quality of this segment.

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Commercial Loans - Loans in this segment are made to businesses and are generally collateralized by assets of the business. A cash flow assessment is completed to determine the repayment ability of the borrower. In addition, a weakened economy, leading to decreased consumer spending, will have an effect on the credit quality in this segment.

**Grants and Contracts**

Governmental grants are provided to support specific programs and are subject to various budgetary restrictions. Grants received are required to be expended within the time stated in the guidelines of the grant. Support received under grants and contracts is recorded as public support as services are provided or reimbursable costs incurred. Amounts received in advance of revenue recognition are reported as deferred revenue.

**Donated Services and In-Kind Contributions**

Donated services and in-kind contributions are used by the Organization to satisfy the cost sharing requirements of contracts, including, but not limited to, the U.S. Department of Health and Human Services Head Start and Early Head Start programs. For the years ended September 30, 2022 and 2021, certain services and the use of certain facilities were donated to the Organization. The estimated fair value of these items totaled \$966,902 and \$1,223,375 for the years ended September 30, 2022 and 2021, respectively, and has been reflected in the accompanying consolidated financial statements as in-kind contributions with a like amount included in expenses as donated services. In addition, volunteers provide assistance to the Organization for its Head Start and Early Head Start programs. These services have not been reflected in the accompanying consolidated financial statements as they do not meet the criteria outlined in FASB ASC 958-605, *Revenue Recognition*. For the years ended September 30, 2022 and 2021, the estimated value of these services totaled \$600,119 and \$368,922, respectively.

**Contributions**

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction.

**Functional Expenses**

The Organization allocates its expenses on a functional basis among its various functions. Expenses that can be identified with a specific program are charged directly to that program according to their natural expense classification. Costs which are not directly attributable to a specific program or programs are presented as management and general within the consolidated statements of functional expenses. The Organization also employs certain indirect cost pools, in which certain costs are accumulated and then allocated to other cost centers based on relative usage.

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The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function of the Organization. Those expenses include occupancy, human resources, and the information technology department. Occupancy is allocated based on square footage; human resources is allocated based on full-time employees in each program; and the information technology department is allocated based on the number of full-time employees in each program.

**Subsequent Events**

In accordance with FASB ASC 855-10, *Subsequent Events*, management has evaluated subsequent events for possible recognition or disclosure through March 10, 2023, which is the date these consolidated financial statements were available to be issued.

**Relief Legislation and Forgiveness of Paycheck Protection Program Loan**

Beginning in 2020, local, U.S., and world governments encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group meetings. Most sectors have experienced disruption to business operations.

The U.S. government responded with several phases of relief legislation, as a response to the COVID-19 outbreak. The relief legislation, among other things, 1) authorized emergency loans to distressed businesses by establishing, and providing funding for, forgivable bridge loans, 2) provided additional funding for grants and technical assistance, 3) delayed due dates for employer payroll taxes and estimated tax payments for organizations, and 4) revised provisions of the Internal Revenue Code, including those related to losses, charitable deductions, and business interest.

The Organization received an advance through the Payroll Protection Program provisions of the Coronavirus Aid, Relief, and Economic Security Act. In 2021, the SBA informed the Organization that the \$1,759,738 advance was forgiven. The Organization recognized this forgiveness in the year ended September 30, 2020. The PPP loan forgiveness is subject to SBA review for six years from the date of loan forgiveness.

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**3. Discontinued Operations**

During the year ended September 30, 2022, the Organization divested itself of its Transportation program. This decision was made based on continued operating losses and cash demands caused by that program. Assets and liabilities related to discontinued operations, were as follows as of September 30:

	<u>2022</u>	<u>2021</u>
Accounts receivable	\$ 209,416	\$ 255,118
Fixed assets, net of depreciation	<u>2,005</u>	<u>4,193</u>
Total assets - discontinued operations	<u><u>211,421</u></u>	<u><u>259,311</u></u>
Accounts payable and accrued expenses	\$ 33,744	\$ 86,067
Program advance - donations/contributions	<u>-</u>	<u>20,542</u>
Total liabilities - discontinued operations	<u><u>\$ 33,744</u></u>	<u><u>\$ 106,609</u></u>

The operating results of Transportation were as follows for the years ended September 30:

	<u>2022</u>	<u>2021</u>
Grants and contracts	\$ 733,958	\$ 755,176
Fees	360,290	644,066
Other income	<u>108,947</u>	<u>108,873</u>
Total revenue	1,203,195	1,508,115
Salaries and benefits	(433,478)	\$ (547,256)
Travel expenses	(664,011)	(671,608)
General and administrative	<u>(133,400)</u>	<u>(142,368)</u>
Total expenses	<u><u>(1,230,889)</u></u>	<u><u>(1,361,232)</u></u>
(Loss) gain from discontinued operations	<u><u>\$ (27,694)</u></u>	<u><u>\$ 146,883</u></u>

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**4. Loans Receivable and Restricted Cash and Cash Equivalents**

Loans receivable (excluding forgivable loans) consist of mortgage loans to individuals and commercial loans to Maine businesses made under various programs funded by government agencies and loan capital investors. Mortgage loans are collateralized by real estate and are issued to eligible homeowners in Western Maine in an effort to promote and expand homeownership in the region. Commercial loans are collateralized by business assets and are issued to qualifying small businesses to assist such enterprises in an effort to grow the Western Maine economy. As of September 30, 2022 and 2021, management established an ALL in the amount of \$519,946 and \$403,608, respectively. This allowance has been netted against loans receivable within the consolidated statements of financial position.

Under the requirements of the SBA Microloan Program, the Organization is mandated to establish and maintain a loan loss reserve depository account to cover potential losses in the Microloan Program. Loans which are deemed uncollectible are required to be written off against this reserve, which is required to be maintained at a level equal to 15% of outstanding loans to the SBA. The Organization is also required to maintain separate depository accounts through which all cash flows arising from the operation of the SBA Microloan Program are processed and held. Another government funded lending program, the USDA RMAP, also requires the Organization to maintain separate depository accounts.

All of the required deposit account balances described above are included in restricted cash and cash equivalents in the consolidated statements of financial position, which consists of the following at September 30:

	<u>2022</u>	<u>2021</u>
Loan loss reserve - SBA Microloan Program	\$ 380,879	\$ 387,432
Operating account - SBA Microloan Program	708,711	896,771
Loan loss reserve - USDA RMAP	25,161	25,151
Operating account - USDA RMAP	190,228	172,859
Residential lending - U.S. Department of Housing and Urban Development (HUD)	25,019	-
Business lending - various	2,123,461	2,356,263
Restricted by donors	<u>655,587</u>	<u>655,587</u>
Total restricted cash and cash equivalents	<u>\$ 4,109,046</u>	<u>\$ 4,494,063</u>

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The components of net loans receivable at September 30 are as follows:

	<u>2022</u>	<u>2021</u>
Mortgage loans	\$ 2,376,511	\$ 2,081,155
Commercial loans	<u>4,805,076</u>	<u>5,534,918</u>
Subtotal	7,181,587	7,616,073
ALL	<u>(519,946)</u>	<u>(403,608)</u>
Loans receivable, net of ALL	<u>\$ 6,661,641</u>	<u>\$ 7,212,465</u>

Activity in the ALL was as follows for the year ended September 30, 2022:

	<u>Mortgage Loans</u>	<u>Commercial Loans</u>	<u>Total</u>
Allowances, beginning of year	\$ 110,048	\$ 293,560	\$ 403,608
Provision for loan losses	<u>13,901</u>	<u>102,437</u>	<u>116,338</u>
Allowances, end of year	<u>\$ 123,949</u>	<u>\$ 395,997</u>	<u>\$ 519,946</u>

Activity in the ALL was as follows for the year ended September 30, 2021:

	<u>Mortgage Loans</u>	<u>Commercial Loans</u>	<u>Total</u>
Allowances, beginning of year	\$ 96,303	\$ 328,831	\$ 425,134
Provision for loan losses	13,745	109,588	123,333
Charge offs	<u>-</u>	<u>(144,859)</u>	<u>(144,859)</u>
Allowances, end of year	<u>\$ 110,048</u>	<u>\$ 293,560</u>	<u>\$ 403,608</u>

The following table presents an aging analysis of loans as of September 30, 2022:

	<u>Mortgage Loans</u>	<u>Commercial Loans</u>	<u>Total</u>
31-60 days past due	\$ 285,519	\$ -	\$ 285,519
61-90 days past due	5,892	-	5,892
91+ days past due	<u>50,352</u>	<u>663,457</u>	<u>713,809</u>
Total past due loans	341,763	663,457	1,005,220
Current	<u>2,034,748</u>	<u>4,141,619</u>	<u>6,176,367</u>
Total loans	<u>\$ 2,376,511</u>	<u>\$ 4,805,076</u>	<u>\$ 7,181,587</u>

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**September 30, 2022 and 2021**

The following table presents an aging analysis of loans as of September 30, 2021:

	Mortgage <u>Loans</u>	Commercial <u>Loans</u>	<u>Total</u>
31-60 days past due	\$ 6,372	\$ -	\$ 6,372
61-90 days past due	-	327,836	327,836
91+ days past due	<u>48,422</u>	<u>424,902</u>	<u>473,324</u>
Total past due loans	54,794	752,738	807,532
Current	<u>2,026,361</u>	<u>4,782,180</u>	<u>6,808,541</u>
Total loans	<u>\$ 2,081,155</u>	<u>\$ 5,534,918</u>	<u>\$ 7,616,073</u>

There were no loans 91+ days past due and still accruing interest as of September 30, 2022 and 2021.

The Organization classifies loans in each loan category by credit risk exposure. The following tables present the credit risk profile by creditworthiness category as of September 30, 2022 and 2021. The categories are as follows:

Low: These loans are made to borrowers with a good financial condition, good credit, and ability to repay. Under current circumstances, management sees no risk of non-payment or loss in a highly unlikely liquidation.

Medium: These loans are made to borrowers with an acceptable financial condition and ability to repay. The borrower's credit rating is acceptable or marginal, but improving. Management sees some risk of loss under current circumstances, but believes the loan and support services from the Organization will allow for repayment in full.

Satisfactory: Loans in this category have potential weaknesses that, if not corrected, may result in payment defaults or a weakening of the collateral position. These borrowers require prompt attention and additional monitoring, but do not demonstrate sufficient risk to warrant a more adverse rank.

Watch: These borrowers have a well-defined weakness and normal repayment of principal and interest may be jeopardized by adverse trends or development of a negative financial or managerial problem. These loans have an important collateral weakness which is not supported by other financial strengths. No loss is foreseen, but a protracted workout is a possibility and prompt corrective action is required.

Doubtful: Loans classified as doubtful have all the weaknesses inherent in those classified watch with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, highly questionable and improbable.



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Loss: Loans in this category have a specifically determined estimate of a loss. Losses are recognized as they become apparent.

On a quarterly basis, or more often if needed, the Organization formally reviews the ratings on all commercial and mortgage loans.

The following table presents an analysis of loans by risk rating (excluding forgivable loans) as of September 30, 2022:

	<b><u>Mortgage Loans</u></b>	<b><u>Commercial Loans</u></b>	<b><u>Total</u></b>
Low	\$ 913,530	\$ 1,047,772	\$ 1,961,302
Medium	215,880	1,722,100	1,937,980
Satisfactory	741,986	1,115,627	1,857,613
Watch	462,264	170,839	633,103
Doubtful	-	663,457	663,457
Loss	<u>42,851</u>	<u>85,281</u>	<u>128,132</u>
Total loans	<b><u>\$ 2,376,511</u></b>	<b><u>\$ 4,805,076</u></b>	<b><u>\$ 7,181,587</u></b>

The following table presents an analysis of loans by risk rating (excluding forgivable loans) as of September 30, 2021:

	<b><u>Mortgage Loans</u></b>	<b><u>Commercial Loans</u></b>	<b><u>Total</u></b>
Low	\$ 1,236,986	\$ 1,571,503	\$ 2,808,489
Medium	126,574	2,190,598	2,317,172
Satisfactory	418,005	910,747	1,328,752
Watch	165,887	178,236	344,123
Doubtful	-	639,213	639,213
Loss	<u>133,703</u>	<u>44,621</u>	<u>178,324</u>
Total loans	<b><u>\$ 2,081,155</u></b>	<b><u>\$ 5,534,918</u></b>	<b><u>\$ 7,616,073</u></b>

There were no loans committed, but not yet disbursed, at September 30, 2022 and 2021.

**5. Deferred Loans Receivable and Deferred Second Mortgages**

Deferred loans receivable represent home mortgage loans provided for properties that have been renovated and sold by the Organization, as well as second mortgages to assist people in meeting their mortgage needs. Balances receivable by the Organization under these agreements amounted to \$187,368 and \$224,613 at September 30, 2022 and 2021, respectively. Relative to these loans, the Organization has established an ALL of \$22,000 at September 30, 2022 and 2021. Additionally, the Organization is party to certain second mortgages issued to eligible homeowners. Under these agreements, repayment by the homeowner occurs only upon the non-fulfillment of certain restrictions in the future. Furthermore, any such repayments received by the Organization are immediately repayable to the funder who initially provided these monies.

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Accordingly, as the Organization is the administrative agency, no assets or liabilities associated with these instruments are presented within the Organization's consolidated financial statements. The balances of such deferred second mortgages amounted to \$596,390 and \$622,594 at September 30, 2022 and 2021, respectively.

**6. Investment in LPs**

The Organization has invested in LPs, in the role of general partner. The purpose of these partnerships is to construct and operate residential housing units in Oxford, Androscoggin, and Franklin Counties. The Organization has the following ownership interests in these partnerships, accounted for under the equity method:

<u>Partnership Name</u>	<u>General Partner Entity</u>	<u>Ownership %</u>	<u>Capital Balance 2022</u>	<u>Capital Balance 2021</u>
Court Street Senior Housing Associates, LP (Court Street Senior Housing)	CCI	1.00 %	\$ 308,244	\$ 308,645
Bates Street Senior Housing Associates, LP (Bates Street Senior Housing)	CCHC and LACH Development, Inc.	0.01 %	<u>125,182</u>	<u>125,200</u>
Totals			<u>\$ 433,426</u>	<u>\$ 433,845</u>

The Organization acts as the general partner for each of the partnerships with a capital balance. In that capacity, the Organization could be liable for any unpaid debts should one of the partnerships financially fail. Although financial reserves are maintained should such an event occur, any amounts above those reserves would become the responsibility of the Organization.

The following is a summary of the most recent financial position and results of operations of Court Street Senior Housing and Bates Street Senior Housing. The information below is for the LPs' most recently audited fiscal year-end, December 31, 2021.

	<u>Court Street Senior Housing</u>	<u>Bates Street Senior Housing</u>
Current assets	\$ 11,025	\$ 11,598
Other assets	82,055	489,319
Property and equipment, net	<u>167,275</u>	<u>3,436,386</u>
Total assets	<u>\$ 260,355</u>	<u>\$ 3,937,303</u>
Current liabilities	\$ 20,788	\$ 71,821
Long-term debt	<u>1,399,681</u>	<u>1,507,088</u>
Total liabilities	1,420,469	1,578,909
Partners' (deficit) capital	<u>(1,160,114)</u>	<u>2,358,394</u>
Total liabilities and (deficit) capital	<u>\$ 260,355</u>	<u>\$ 3,937,303</u>

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	<u>Court Street Senior Housing</u>	<u>Bates Street Senior Housing</u>
Revenue	\$ 234,613	\$ 256,791
Expenses	<u>274,671</u>	<u>429,493</u>
Partnership net loss	<u>\$ (40,058)</u>	<u>\$ (172,702)</u>
General partner's share of net loss	<u>\$ (401)</u>	<u>\$ (18)</u>

The information below is for the LPs held at September 30, 2021, for the LPs' fiscal year ended December 31, 2020.

	<u>Court Street Senior Housing</u>	<u>Bates Street Senior Housing</u>
Current assets	\$ 5,590	\$ 6,305
Other assets	68,854	537,058
Property and equipment, net	<u>168,216</u>	<u>3,497,651</u>
Total assets	<u>\$ 242,660</u>	<u>\$ 4,041,014</u>
Current liabilities	\$ 37,769	\$ 49,390
Long-term debt	<u>1,262,867</u>	<u>1,458,389</u>
Total liabilities	1,300,636	1,507,779
Partners' (deficit) capital	<u>(1,057,976)</u>	<u>2,533,235</u>
Total liabilities and (deficit) capital	<u>\$ 242,660</u>	<u>\$ 4,041,014</u>
Revenue	\$ 196,466	\$ 222,420
Expenses	<u>293,332</u>	<u>405,480</u>
Partnership net loss	<u>\$ (96,866)</u>	<u>\$ (183,060)</u>
General partners' share of net loss	<u>\$ (969)</u>	<u>\$ (18)</u>

Investment in LPs consists of the Organization's portion of partner's deficit.

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*Acquisition of LP*

During the year ended September 30, 2021, CCDC acquired 100% ownership interest in Farmington Hills Housing. Farmington Hills Housing is a Maine State Housing Authority project and must comply with special requirements and regulations as required by Maine State Housing Authority. CCDC acquired all assets of this entity in exchange for assumption of its liabilities and consideration of \$1. The difference between the fair value and the consideration was considered a contribution from the unrelated former partner in this entity. The fair values of assets acquired and liabilities assumed and recorded using the acquisition method of accounting as of the date of acquisition were:

Cash – unrestricted	\$ 6,240
Cash – restricted	81,677
Property and equipment	1,040,485
Accounts payable and other liabilities	(40,378)
Long-term debt	<u>(1,071,507)</u>
Excess of fair value of net assets over consideration in acquisition of LP	\$ <u>16,517</u>

**7. Investments in Securities**

*Fair Value Measurement*

FASB ASC Topic 820, *Fair Value Measurement*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs of 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 to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are:

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:

- 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.

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Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the Organization's investment assets at fair value as of September 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
U.S. government agency securities	\$ <u>42,917</u>	\$ _____ -	\$ _____ -	\$ <u>42,917</u>
Totals	\$ <u>42,917</u>	\$ _____ -	\$ _____ -	\$ <u>42,917</u>

Investment assets at fair value as of September 30, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
U.S. government agency securities	\$ <u>66,719</u>	\$ _____ -	\$ _____ -	\$ <u>66,719</u>
Totals	\$ <u>66,719</u>	\$ _____ -	\$ _____ -	\$ <u>66,719</u>

The U.S. government agency securities are included in other assets in the consolidated statements of financial position.

**8. Advances to Partnerships**

From time-to-time, the Organization has advanced funds to the various partnerships in which it has ownership interests. Receivables related to these advances have arisen primarily as the result of developer fees associated with certain real estate development projects undertaken by the partnerships. Per the terms of the related agreements, such receivables are either repayable to the Organization in cash or convertible to residual equity interests, with such repayment or conversion slated to take place more than one year from the balance sheet date. Amounts due from such partnerships were \$97,743 in September 30, 2022 and 2021, and are included in other assets in the consolidated statements of financial position.

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**9. Borrowings**

At September 30, 2022 and 2021, long-term debt consisted of the following:

	<u>2022</u>	<u>2021</u>
<u>CCI</u>		
Note payable to Maine State Housing Authority, interest at 3% is deferred until the earlier of June 1, 2024, or the sale or change in use of the subject property, at which time the principal is payable in full, along with all such interest. The note is collateralized by land and improvements subject to a lease for such land located on Court Street in Auburn, Maine.	\$ 185,500	\$ 185,500
Note payable to USDA Rural Development in the amount of \$400,000, payable in monthly installments of \$1,709, including interest at a fixed rate of 4.125% through July 2048; collateralized by property located in Farmington, Maine.	324,200	331,119
Note payable to USDA Rural Development in the amount of \$2,555,000 payable in monthly installments of \$11,483, including interest at a fixed rate of 4.5%, due in full May 2051; collateralized by real property located in Lewiston, Maine.	2,215,807	2,253,155
Note payable to a bank in the amount of \$300,000 payable in monthly installments of principal and interest at 5.55%, due in full May 2041; collateralized by real property located in Lewiston, Maine.	238,096	246,372
Note payable to USDA Rural Development in the amount of \$225,000 payable in monthly installments of \$941, including interest at a fixed rate of 4% through September 2050; collateralized by property located in Wilton, Maine.	<u>189,777</u>	<u>193,399</u>
Subtotal CCI	<u>3,153,380</u>	<u>3,209,545</u>
<u>CCFC</u>		
Note payable to William Caspar Graustain Memorial Fund in the amount of \$100,000, interest of 2%, due in a single balloon payment on August 31, 2023.	100,000	100,000
Note payable to a bank, interest rates ranging from 5.14% to 5.93%, payable in installments of interest and principal tied to repayment of certain notes receivable; collateralized by loan pool assets, expiring March 2023, unless renewed.	177,830	184,324
Note payable to USDA Rural Business-Cooperative Service, payable in monthly installments of \$3,900, including interest at a fixed rate of 1%; collateralized by loan pool assets, due in full October 2024.	124,462	165,259

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	<u>2022</u>	<u>2021</u>
Note payable to USDA Rural Business-Cooperative Service, interest at 1%, payable in monthly principal and interest payments of \$3,780 through December 2025; collateralized by loan pool assets.	\$ <b>164,034</b>	\$ 204,440
Note payable to USDA Rural Business-Cooperative Service, interest at 1%, payable in monthly principal and interest payments of \$1,826 through December 2034; collateralized by loan pool assets.	<b>257,402</b>	275,868
Note payable to a bank, floating interest based on lender's mortgage portfolio rate as adjusted from time-to-time, payable in installments of principal and interest tied to repayment of certain notes receivable; collateralized by loan pool assets, to be renewed annually.	<b>67,823</b>	74,232
Note payable to a bank, interest at 4%; collateralized by loan pool assets, periodic payments of principal and interest to be made from loan pool repayments. Expires March 31, 2023 unless renewed.	<b>153,510</b>	165,630
Revolving loan payable to a bank, borrowing limit of \$500,000, interest at 4.25%, monthly payments of principal and interest tied to repayment of certain notes receivable; collateralized by loan pool assets, expiring March 31, 2023 unless renewed.	<b>28,555</b>	55,321
Note payable to a bank, interest at 2%, due in full June 25, 2025; collateralized by loan pool assets. Interest only payments are to be made annually on the anniversary date of the note.	<b>50,000</b>	50,000
Note payable to USDA RMAP, borrowing limit of \$500,000. Interest at 2% per annum from the date funds are advanced; collateralized by deposits and notes receivable. Principal and interest payments of \$2,808 beginning in March 2014, for 217 consecutive monthly payments, with any remaining balance due in March 2032.	<b>286,720</b>	317,839
Notes payable to a not-for-profit organization in the amount of \$75,000 and \$70,000, fixed interest rate of 2.5%, all principal of the notes shall be due and payable in full in December 2024; collateralized by notes receivable.	<b>145,000</b>	145,000
Note payable to SBA in the amount of \$1,000,000, payable with interest at 1.625% maturing August 2024 in monthly installments of \$9,800, including principal and interest; collateralized by deposits and notes receivable.	<b>216,689</b>	334,193
Line of credit to establish a lending pool with a bank in the amount of \$500,000, bearing interest at the Federal Home Loan Bank of Boston five-year classic rate plus 2% (6.25% as of September 30, 2022). Repayment terms based on repayment of underlying notes receivable. The line expires on April 4, 2023 unless renewed; collateralized by deposits and notes receivable.	<b>228,788</b>	240,862

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	<u>2022</u>	<u>2021</u>
Line of credit to establish a lending pool with a bank in the amount of \$4,000,000, bearing interest at the Federal Home Loan Bank of Boston amortized 5/20 CDA rate plus 2% (6.16% as of September 30, 2022). Repayment terms based on repayment of underlying notes receivable. The line expires on August 10, 2023 unless renewed; collateralized by notes receivable.	\$ <b>850,438</b>	\$ 601,107
Note payable to the Federal Home Loan Bank of Boston, interest at 3.23%, payable in monthly principal and interest payments of \$167 through December 1, 2036, at which date the remaining principal balance shall become due in full.	<b>36,190</b>	36,190
Note payable to the Federal Home Loan Bank of Boston, interest at 3.36%, payable in monthly principal and interest payments of \$403 through February 2, 2037, at which date the remaining principal balance shall become due in full.	<b>77,462</b>	80,425
Revolving loan payable to USDA, interest at the fixed rate of 1%, due in annual installments of principal and interest totaling \$63,675 through March 15, 2025 but paid in full during the year ended September 30, 2022.	-	237,694
Note payable to SBA, interest at the fixed rate of 2%, less a buy down of 1.25% through the twelfth month, at which point interest is re-evaluated, due in monthly installments of principal and interest totaling \$7,407 commencing August 2018 through August 2027, at which date the loan is due in full; collateralized by notes receivable.	<b>443,346</b>	531,615
Revolving loan payable to a bank, interest at the fixed rate of 4%, due in full in March 2023 unless renewed; collateralized by assignment of certain loans and guaranteed by CCI.	<b>180,611</b>	180,611
Revolving loan payable to a bank, interest at the fixed rate of 4% for 12 months. Thereafter, the loan shall be fixed in successive 12-month intervals at the FHLBB 5-year advance rate plus 1.5% (5.75% as of September 30, 2022). Monthly payments of interest only, principal due in full in March 2023 unless renewed; collateralized by certain notes receivable and guaranteed by CCI.	<b>78,586</b>	78,586
Revolving loan payable to a bank, interest at the rate of 4.06%, due in monthly installments of principal and interest totaling \$1,218 through February 2023, at which date the remaining principal balance shall be due in full; guaranteed by CCI.	<b>71,016</b>	82,495
Note payable to the Sandy River Charitable Foundation in the amount of \$250,000, interest at 2%, unsecured note, due in full in May 2023. Interest only payments are to be made annually on the anniversary date of the note.	<b>250,000</b>	250,000



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	<u>2022</u>	<u>2021</u>
Note payable to establish a lending pool with a bank, bearing interest at the Federal Home Loan Bank of Boston community development rate plus 2% (6.16% as of September 30, 2022). Repayment terms based on repayment of underlying notes receivable. Collateralized by notes receivable.	\$ 534,987	\$ 555,228
Note payable to SBA, interest at the fixed rate of 0.5%, due in monthly installments of principal and interest totaling \$9,259 commencing January 2021 through March 2030, at which date the loan is due in full; collateralized by notes receivable.	<u>826,102</u>	<u>936,370</u>
Subtotal CCFC	<u>5,349,551</u>	<u>5,883,289</u>
<u>CCDC</u>		
Mortgage note payable to Maine State Housing Authority, non-interest bearing; collateralized by real estate and personal property, due in full June 25, 2027.	342,000	342,000
Mortgage note payable to Maine State Housing Authority, non-interest bearing; collateralized by real estate and personal property, due in full June 25, 2027.	350,000	350,000
Note payable to Maine State Housing Authority, non-interest bearing; collateralized by real estate and personal property, due in full December 9, 2044.	57,337	57,337
Note payable to Maine State Housing Authority, non-interest bearing; collateralized by real estate and personal property. The note is a deferred forgivable note and is due and payable on July 6, 2027	7,366	-
Note payable to Maine State Housing Authority, non-interest bearing; collateralized by real estate and personal property. The note is due and payable on May 11, 2029.	400,000	400,000
Note payable to Maine State Housing Authority, non-interest bearing; collateralized by real estate and personal property. The note is due and payable on December 23, 2032.	392,982	392,982
Deferred payment promissory note payable to Maine State Housing Authority; non-interest bearing and payable on or before the earlier of (1) the default of the Mortgage and Security Agreement, or (2) December 31, 2033. Collateralized by underlying real estate.	320,000	320,000
Mortgage note payable to the City of Lewiston in the amount of \$214,875. This note bears interest at 4.58%, compounded annually, and is payable on or before the earlier of (1) a default of the Mortgage and Security Agreement given as a security for the note, or (2) December 31, 2033. Includes accumulated deferred interest payable. Collateralized by underlying real estate.	514,087	491,573

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	<u>2022</u>	<u>2021</u>
Mortgage note payable to the Lewiston Housing Authority in the amount of \$100,000. The mortgage note bears interest at 4.58%, compounded annually, and is payable on December 31, 2034. Includes accumulated deferred interest payable. Collateralized by underlying real estate.	\$ <b>239,249</b>	\$ 228,772
Mortgage note payable to Maine State Housing Authority collateralized by the real estate and personal property. The note is non-interest bearing and all payments are deferred until February 28, 2033 when all outstanding principal is due in full.	<b>107,521</b>	107,521
Mortgage note payable to Maine State Housing Authority collateralized by the real estate and personal property. The note is non-interest bearing and all payments are deferred until January 20, 2036 when all outstanding principal is due in full.	<b>1,073,544</b>	1,073,544
Mortgage note payable to Norway Savings Bank collateralized by the real estate and personal property. The note is non-interest bearing and all payments are deferred until March 13, 2032 when all outstanding principal is due in full.	<u>400,000</u>	<u>400,000</u>
Subtotal CCDC	<u>4,204,086</u>	<u>4,163,729</u>
	<b>12,707,017</b>	13,256,563
Less deferred financing fees	<b>(2,975)</b>	(3,228)
Less current portion	<u>(3,426,305)</u>	<u>(984,262)</u>
Long-term debt, net of current portion	<u>\$ 9,277,737</u>	<u>\$ 12,269,073</u>

Maturities on long-term debt are as follows:

2023	\$ 3,426,305
2024	921,999
2025	265,204
2026	225,467
2027	267,941
Thereafter	<u>7,600,101</u>
Total	<u>\$ 12,707,017</u>

Additionally, the Organization has one working capital line of credit with a bank with a borrowing limit of \$1,500,000; bearing interest at prime plus 0.5%, expiring July 1, 2023 unless renewed. There were no balances outstanding on the line of credit at September 30, 2022 and 2021.

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Total outstanding long-term debt noted above was used by the Organization to finance the following activities:

	<u>2022</u>	<u>2021</u>
Property and equipment (CCI)	\$ 3,153,380	\$ 3,209,545
Lending pools (CCFC)	5,349,551	5,883,289
Low-income housing (CCDC)	<u>4,204,086</u>	<u>4,163,729</u>
Totals	<u>\$12,707,017</u>	<u>\$13,256,563</u>

**10. Other Long-Term Liabilities and Special Financing**

Other long-term liabilities consist of funds provided to the Organization under the terms of several "equity-equivalent" (so-called "EQ2") agreements from local banks. Such instruments possess characteristics both of equity as well as of debt, and have been provided to the Organization as a means of funding current and future lending activities. While such instruments are evidenced by agreements calling for the repayment of advanced funds to the issuer and bear interest at varying rates, the Organization's repayment obligations are deeply subordinated to substantially all other obligations it carries. Rates vary from a variable interest rate equal to Prime less 1.25% (5% at September 30, 2022), to a fixed interest rate equal to the FHLBB Classic Advance Rate, plus 1% at the time of the advance. The variable rate applies to \$2,000,000 of the liability. Moreover, these agreements provide for indefinite or rolling maturities, thus rendering them similar in some respects to equity financing. Accordingly, the Organization has recorded its current outstanding balances provided under these arrangements as a separate component of non-current liabilities within the consolidated statements of financial position. The balance is due in full on September 24, 2025. Such balances amounted to \$2,100,000 at September 30, 2022 and 2021.

**11. Operating Leases**

The Organization leases office space, office equipment, and a telephone system under the terms of various long-term non-cancelable operating leases expiring at various dates through 2026. Future minimum payments under these leases are as follows:

2023	\$ 82,200
2024	15,800
2025	4,400
2026	<u>900</u>
Total	<u>\$ 103,300</u>

Rent expense paid under all operating leases totaled \$114,361 and \$129,432 for the years ended September 30, 2022 and 2021, respectively.

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**12. Retirement Plan**

The Organization participates in a defined contribution retirement plan as authorized by Code Section 403(b). The Organization contributes an amount equal to 2% of the employee's compensation after the completion of two years of continuous service. A year of service for the purpose of eligibility to participate in the plan is the 12-month period beginning on the employee's date of employment and the 12-month period beginning on the anniversary date of the employee's employment, in which the employee is credited with at least 1,000 hours of service. The Organization also matches dollar-for-dollar the amount of voluntary contributions employees make to the plan, on a monthly basis, up to an additional 4% of the employee's compensation, after completion of two years of service. Employees are eligible to participate in the plan when they reach 21 years of age. Additionally, employees are vested 100% upon becoming a participant of the plan. Retirement plan expense for the years ended September 30, 2022 and 2021 totaled \$424,583 and \$401,988, respectively.

**13. Commitments and Contingencies**

**Government Grants**

The Organization participates in various governmental grant programs which may be subject to future program compliance audits by grantors or their representatives. Accordingly, the Organization's compliance with applicable program grant requirements may be established at some future date. The amount, if any, of liabilities arising from disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

**Forgivable Debt**

According to the terms of a loan agreement with the Housing Assistance Council (HAC), the Organization has a contingent liability at September 30, 2022 and 2021 in the amount of \$123,900 and \$47,600, respectively, which is not included as a note payable within the consolidated statements of financial position. This amount represents the portion due to be forgiven by HAC upon final certification by HUD of grant compliance on the part of HAC.

**Concentrations of Credit Risk Arising From Uninsured Cash Deposits**

The Organization maintains its cash balances in bank deposit accounts that, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk from cash and cash equivalents.

**Land Subject to Ground Lease**

The Organization is a general partner in an LP and leases land and land improvements to the partnership. The asset is reported at \$185,500 and is included in land in the consolidated statements of financial position. The lease payments are receivable at the end of a 30-year period expiring in June 2024. Due to uncertainty as to eventual receipt of such lease payments, no lease receivable has been recorded.

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**Contingency**

The Organization may be involved in various claims or legal actions arising in the ordinary course of business. The ultimate disposition of any such matters is indeterminable, but in the opinion of management, the amount of any potential liabilities would not have a significant impact on the Organization's financial condition.

**14. Donor Restrictions and Limitations of Net Asset Balances**

Net assets with donor restrictions consisted of the following at September 30:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specific purpose:		
Revolving and expendable lending pools and programs	\$ 3,859,465	\$ 3,750,822
Nonlending program purposes and activities	<u>845,763</u>	<u>915,046</u>
Total net assets subject to expenditure for specific purpose	<u>4,705,228</u>	<u>4,665,868</u>
Not subject to expenditure:		
Perpetually restricted capital project funds	245,000	245,000
Perpetual revolving small business and other lending pools	<u>238,879</u>	<u>238,879</u>
Total net assets not subject to expenditure	<u>483,879</u>	<u>483,879</u>
Total net assets with donor restrictions	<u>\$ 5,189,107</u>	<u>\$ 5,149,747</u>

**15. Liquidity and Availability of Financial Assets**

Financial assets and liquid resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital construction costs not financed with debt, were as follows as of September 30:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 8,714,331	\$ 8,442,540
Accounts and grants receivable, net	3,643,104	3,196,863
Less donor restricted funds in excess of restricted cash and cash equivalents	<u>(190,176)</u>	<u>(259,459)</u>
Total financial assets available at year end for current use for general expenditure	<u>\$ 12,167,259</u>	<u>\$ 11,379,944</u>

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

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**September 30, 2022 and 2021**

In addition to the financial assets disclosed above, the Organization has access to a line of credit as disclosed in Note 9.

The Organization has a liquidity policy that maintains current financial assets, less current liabilities at a minimum of 30 days operating expenses. The Organization has a policy to target a year-end balance of reserves of unrestricted, undesignated net assets to meet 15 to 30 days of expected expenditures. To achieve these targets, the entity forecasts its future cash flows and monitors its liquidity quarterly, and monitors its reserves annually. During the years ended September 30, 2022 and 2021, the level of liquidity and reserves was managed within the policy requirements.

**16. Financial Instruments with Off-Statement of Financial Position Risk**

The Organization is a party to credit-related financial instruments with off-statement of financial position risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and lines of credit. Such commitments involve, to varying degrees, elements of credit, and interest rate risk in excess of the amount recognized in the statements of financial condition.

The Organization's exposure to credit loss is represented by the contractual amount of these commitments. The Organization follows the same credit policies in making commitments as it does for on-statement of financial position instruments.

At September 30, 2022 and 2021, the following financial instruments were outstanding whose contract amounts represent credit risk:

	<u>2022</u>	<u>2021</u>
Unadvanced commitments under letters of credit	\$ <u>100,000</u>	\$ <u>130,000</u>

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. The commitments for equity lines of credit may expire without being drawn upon. Therefore, the total commitment amounts do not necessarily represent future cash requirements. The amount of collateral obtained, if it is deemed necessary by the Organization, is based on management's credit evaluation of the customer.

**17. Contributed Nonfinancial Assets**

For the years ended September 30, 2022 and 2021, contributed nonfinancial assets recognized within the consolidated statements of activities included:

	<u>2022</u>	<u>2021</u>
Professional services	\$ 86,230	\$ 93,701
Supplies	596,260	812,877
Use of buildings	<u>284,412</u>	<u>316,797</u>
Total contributed nonfinancial assets	\$ <u>966,902</u>	\$ <u>1,223,375</u>

**COMMUNITY CONCEPTS, INCORPORATED  
AND ITS AFFILIATES**

**Notes to Consolidated Financial Statements**

**September 30, 2022 and 2021**

Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. The Organization does not monetize contributed nonfinancial assets.

Contributed professional services consist primarily of discounts from professional organizations providing services to the Organization. Professional services are valued and reported at their estimated fair value based on current rates for similar services.

The donations of supplies include a variety of books, food for families, supplies for classrooms and discounts on subscriptions. Donations are valued and reported at their estimated fair value based on current rates for similar items.

The contributed use of buildings are used for general and administrative activities. In valuing the contributed buildings, which include various locations in Oxford, Franklin, and Androscoggin counties, the Organization estimated the fair value on the basis of recent comparable sales rentals in Maine's real estate market.

## **SUPPLEMENTARY INFORMATION**



COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES

Schedule 1

Consolidating Statement of Financial Position

September 30, 2022

ASSETS	Community Concepts, Inc.	Community Concepts Finance Corp.	Community Concepts Development Corp.	Community Concepts Housing Corp.	Lewiston Auburn Community Housing	Eliminations	Total
<b>Continuing Operations</b>							
Current assets							
Cash and cash equivalents	\$ 6,032,839	\$ 2,093,949	\$ 578,537	\$ -	\$ 9,006	\$ -	\$ 8,714,331
Accounts and grants receivable	3,392,418	250,867	55,193	-	-	(55,374)	3,643,104
Loans receivable, current portion	-	253,648	-	-	-	-	253,648
Due from affiliate	1,332,272	-	-	99,774	-	(1,432,046)	-
Prepaid expenses	99,812	-	54,329	-	451	-	154,592
Inventories - real estate for resale	498,978	-	-	-	-	-	498,978
Total current assets - continuing operations	<u>11,356,319</u>	<u>2,598,464</u>	<u>688,059</u>	<u>99,774</u>	<u>9,457</u>	<u>(1,487,420)</u>	<u>13,264,653</u>
Property and equipment							
Land	1,295,938	-	838,941	-	-	-	2,134,879
Buildings and improvements	5,980,944	-	9,954,710	-	-	-	15,935,654
Equipment	1,178,449	46,649	541,435	-	-	-	1,766,533
Vehicles	821,338	-	-	-	-	-	821,338
	9,276,669	46,649	11,335,086	-	-	-	20,658,404
Less accumulated depreciation	<u>(4,197,418)</u>	<u>(46,649)</u>	<u>(6,607,712)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,851,779)</u>
Net property and equipment - continuing operations	<u>5,079,251</u>	<u>-</u>	<u>4,727,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,806,625</u>
Other assets							
Restricted cash and cash equivalents	681,606	3,427,440	-	-	-	-	4,109,046
Notes receivable, noncurrent portion, net of allowance	-	6,407,993	-	-	-	-	6,407,993
Other assets	214,803	42,917	-	-	-	(25,671)	232,049
Deferred loans receivable	-	187,368	-	-	-	-	187,368
Development fees receivable	59,847	-	-	-	-	-	59,847
Investment in limited partnerships	308,244	-	-	125,241	(59)	-	433,426
Total other assets - continuing operations	<u>1,264,500</u>	<u>10,065,718</u>	<u>-</u>	<u>125,241</u>	<u>(59)</u>	<u>(25,671)</u>	<u>11,429,729</u>
Total assets - continuing operations	<u>17,700,070</u>	<u>12,664,182</u>	<u>5,415,433</u>	<u>225,015</u>	<u>9,398</u>	<u>(1,513,091)</u>	<u>34,501,007</u>
<b>Discontinued operations</b>	<u>211,421</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>211,421</u>
Total assets	<u>\$ 17,911,491</u>	<u>\$ 12,664,182</u>	<u>\$ 5,415,433</u>	<u>\$ 225,015</u>	<u>\$ 9,398</u>	<u>\$ (1,513,091)</u>	<u>\$ 34,712,428</u>

COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES

Schedule 1  
(Concluded)

Consolidating Statement of Financial Position

September 30, 2022

LIABILITIES AND NET ASSETS (DEFICIT)	Community Concepts, Inc.	Community Concepts Finance Corp.	Community Concepts Development Corp.	Community Concepts Housing Corp.	Lewiston Auburn Community Housing	Eliminations	Total
<b>Continuing Operations</b>							
Current liabilities							
Current portion of long-term debt	\$ 53,581	\$ 3,372,724	\$ -	\$ -	\$ -	\$ -	\$ 3,426,305
Accounts payable	320,492	83,963	247,066	-	-	(81,045)	570,476
Accrued expenses	2,155,871	87,670	67,595	-	-	-	2,311,136
Due to affiliate	-	627,116	797,028	-	7,902	(1,432,046)	-
Deferred revenue	6,381,497	62,082	-	-	-	-	6,443,579
Security deposits and other reserves	1,683	35,446	69,622	-	-	-	106,751
Total current liabilities - continuing operations	<u>8,913,124</u>	<u>4,269,001</u>	<u>-</u>	<u>-</u>	<u>7,902</u>	<u>(1,513,091)</u>	<u>12,858,247</u>
Noncurrent liabilities							
Long-term debt, net of current portion and deferred financing fees	3,099,799	1,976,827	4,201,111	-	-	-	9,277,737
Other long-term liabilities	-	2,100,000	-	-	-	-	2,100,000
Accrued long-term reserves and losses	3,396	-	-	-	-	-	3,396
Total noncurrent liabilities - continuing operations	<u>3,103,195</u>	<u>4,076,827</u>	<u>4,201,111</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,381,133</u>
Total liabilities - continuing operations	<u>12,016,319</u>	<u>8,345,828</u>	<u>5,382,422</u>	<u>-</u>	<u>7,902</u>	<u>(1,513,091)</u>	<u>24,239,380</u>
<b>Discontinued operations</b>							
Total liabilities - discontinued operations	<u>33,744</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,744</u>
Total liabilities	<u>12,050,063</u>	<u>8,345,828</u>	<u>5,382,422</u>	<u>-</u>	<u>7,902</u>	<u>(1,513,091)</u>	<u>24,273,124</u>
Net assets (deficit)							
Without donor restriction undesignated	3,144,138	(79,334)	(493,252)	225,015	1,496	-	2,798,063
Net investment in property and equipment	1,925,871	-	526,263	-	-	-	2,452,134
Total without donor restriction	5,070,009	(79,334)	33,011	225,015	1,496	-	5,250,197
With donor restrictions	791,419	4,397,688	-	-	-	-	5,189,107
Total net assets	<u>5,861,428</u>	<u>4,318,354</u>	<u>33,011</u>	<u>225,015</u>	<u>1,496</u>	<u>-</u>	<u>10,439,304</u>
Total liabilities and net assets	<u>\$ 17,911,491</u>	<u>\$ 12,664,182</u>	<u>\$ 5,415,433</u>	<u>\$ 225,015</u>	<u>\$ 9,398</u>	<u>\$ (1,513,091)</u>	<u>\$ 34,712,428</u>

COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES

Schedule 2

Consolidating Statement of Activities

Year Ended September 30, 2022

	<u>Community Concepts, Inc.</u>	<u>Community Concepts Finance Corp.</u>	<u>Community Concepts Development Corp.</u>	<u>Community Concepts Housing Corp.</u>	<u>Lewiston Auburn Community Housing</u>	<u>Total</u>
Net assets without donor restrictions						
Support, revenue, and net assets released- continuing operations						
Grants and contracts	\$ 50,156,139	\$ 752,802	\$ -	\$ -	\$ -	\$ 50,908,941
Fees	2,968,779	115,176	-	-	-	3,083,955
Rental income	85,215	-	1,079,321	-	-	1,164,536
Interest income	14,582	362,487	1,266	-	-	378,335
In-kind contributions	964,397	-	2,505	-	-	966,902
Other income	188,853	360,846	32,528	10,744	-	592,971
Net assets released from restrictions	<u>217,246</u>	<u>22,624</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>239,870</u>
Total support, revenue, and net assets released - continuing operations	<u>54,595,211</u>	<u>1,613,935</u>	<u>1,115,620</u>	<u>10,744</u>	<u>-</u>	<u>57,335,510</u>
Expenses- continuing operations						
Program services						
Housing and energy	10,084,553	-	-	-	-	10,084,553
Customer Service	812,556	-	-	-	-	812,556
Children's services	7,204,518	-	2,505	-	-	7,207,023
Family services	1,928,082	-	-	-	113	1,928,195
Finance corporation	26,983	1,775,075	-	302	-	1,802,360
Property management	112,287	-	1,373,341	-	-	1,485,628
Other	<u>32,475,149</u>	<u>-</u>	<u>26,942</u>	<u>-</u>	<u>-</u>	<u>32,502,091</u>
Total program services - continuing operations	<u>52,644,128</u>	<u>1,775,075</u>	<u>1,402,788</u>	<u>302</u>	<u>113</u>	<u>55,822,406</u>
Management and general	1,510,355	134,280	-	-	-	1,644,635
Fundraising	<u>9,484</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,484</u>
Total expenses - continuing operations	<u>54,163,967</u>	<u>1,909,355</u>	<u>1,402,788</u>	<u>302</u>	<u>113</u>	<u>57,476,525</u>
Change in net assets without donor restrictions- continuing operations	431,244	(295,420)	(287,168)	10,442	(113)	(141,015)
Loss from discontinued operations	<u>(27,694)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,694)</u>
Change in net assets without donor restrictions - continuing operations	<u>403,550</u>	<u>(295,420)</u>	<u>(287,168)</u>	<u>10,442</u>	<u>(113)</u>	<u>(168,709)</u>
Net assets with donor restrictions						
Contributions	188,720	-	-	-	-	188,720
Interest income	-	90,510	-	-	-	90,510
Net assets released from restrictions	<u>(217,246)</u>	<u>(22,624)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(239,870)</u>
Change in net assets with donor restrictions	<u>(28,526)</u>	<u>67,886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,360</u>
Total change in net assets	375,024	(227,534)	(287,168)	10,442	(113)	(129,349)
Net assets at beginning of year	<u>5,486,404</u>	<u>4,545,888</u>	<u>320,179</u>	<u>214,573</u>	<u>1,609</u>	<u>10,568,653</u>
Net assets at end of year	<u>\$ 5,861,428</u>	<u>\$ 4,318,354</u>	<u>\$ 33,011</u>	<u>\$ 225,015</u>	<u>\$ 1,496</u>	<u>\$ 10,439,304</u>

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Schedule of Expenditures of Federal Awards**

**Year Ended September 30, 2022**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal AL Number</u>	<u>Pass-through Number</u>	<u>Federal Expenditures</u>
U.S. Department of Agriculture			
SNAP Cluster			
Passed through: State of Maine Department of Health and Human Services (MDHHS)			
Supplemental Nutrition Assistance Program	10.551	OFI-22-010	\$ 4,892
Total SNAP Cluster:			<u>4,892</u>
Direct Programs:			
Rural Self-Help Housing Technical Assistance	10.420	N/A	<u>439,521</u>
Intermediary Relending Program (a)	10.767	N/A	<u>883,261</u>
Rural Microentrepreneur Assistance Program	10.870	N/A	37,817
Rural Microentrepreneur Assistance Program (a)	10.870	N/A	<u>317,839</u>
Total AL Number 10.870:			<u>355,656</u>
Passed through: State of Maine Department of Education			
Child and Adult Care Food Program	10.558	CF-22-429	120,289
Child and Adult Care Food Program	10.558	FP-22-429	<u>188,805</u>
Total AL Number 10.558:			<u>309,094</u>
Total U.S. Department of Agriculture:			<u>1,992,424</u>
U.S. Department of Energy			
Passed through: Maine State Housing Authority			
Weatherization Assistance for Low-Income Persons	81.042	N/A	<u>363,403</u>
Total U.S. Department of Energy:			<u>363,403</u>
U.S. Department of Health and Human Services			
CCDF Cluster			
Direct Programs:			
Child Care and Development Block Grant	93.575	N/A	<u>620,718</u>
Total CCDF Cluster:			<u>620,718</u>
Head Start Cluster			
Direct Programs:			
Head Start	93.600	N/A	<u>6,005,932</u>
Total Head Start Cluster:			<u>6,005,932</u>

(a) Outstanding loan, balances include beginning of year outstanding balances and current year disbursements

See accompanying notes to schedule of expenditures of federal awards

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Schedule of Expenditures of Federal Awards**

**Year Ended September 30, 2022**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal AL Number</u>	<u>Pass-through Number</u>	<u>Federal Expenditures</u>
Direct Programs:			
COVID-19 Provider Relief Fund	93.498	N/A	<u>\$ 57,777</u>
Passed through: MDHHS			
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	COM-21-5030	84,117
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	COM-22-6003	<u>67,488</u>
Total AL Number 93.323:			<u>151,605</u>
Title IV-E Prevention and Family Services and Programs (A)	93.472	CDO-21-4230	<u>30,854</u>
Temporary Assistance for Needy Families	93.558	CDO-21-4230	211,321
Temporary Assistance for Needy Families	93.558	CFS-21-8601	57,370
Temporary Assistance for Needy Families	93.558	CFS-22-1405	52,272
Temporary Assistance for Needy Families	93.558	OFI-22-401	<u>126,269</u>
Total AL Number 93.558:			<u>447,232</u>
Passed through: Maine State Housing Authority			
Low-Income Home Energy Assistance	93.568	N/A	<u>3,263,303</u>
Passed through: MDHHS			
Community Services Block Grant	93.569	CFS-20-7103	100,184
Community Services Block Grant	93.569	CFS-21-7003A	<u>472,607</u>
Total AL Number 93.569:			<u>572,791</u>
Direct Programs:			
Community-Based Child Abuse Prevention Grants	93.590	N/A	9,344
Passed through: Maine Children's Trust			
Community-Based Child Abuse Prevention Grants	93.590	N/A	<u>7,022</u>
Total AL Number 93.590:			<u>16,366</u>
Passed through: MDHHS			
Stephanie Tubbs Jones Child Welfare Services Program	93.645	CFS-21-8601	(15,404)
Stephanie Tubbs Jones Child Welfare Services Program	93.645	CFS-22-8601B	<u>79,462</u>
Total AL Number 93.645			<u>64,058</u>

(a) Outstanding loan, balances include beginning of year outstanding balances and current year disbursements

See accompanying notes to schedule of expenditures of federal awards

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Schedule of Expenditures of Federal Awards**

**Year Ended September 30, 2022**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal AL Number</u>	<u>Pass-through Number</u>	<u>Federal Expenditures</u>
Social Services Block Grant	93.667	CFS-22-4011	\$ 66,506
Social Services Block Grant	93.667	CFS-23-4011	17,768
Total AL Number 93.667:			<u>84,274</u>
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	CDO-21-4230	<u>863,636</u>
Total U.S. Department of Health and Human Services:			<u>12,178,546</u>
U.S. Department of Homeland Security Passed through: United Way Emergency Food and Shelter National Board Program	97.024	N/A	<u>17,352</u>
Total U.S. Department of Homeland Security:			<u>17,352</u>
U.S. Department of Housing and Urban Development CDBG - Entitlement Grants Cluster Passed through: City of Rockland, Maine Community Development Block Grants/Entitlement Grants	14.218	N/A	<u>40,417</u>
Total CDBG - Entitlement Grants Cluster:			<u>40,417</u>
Hope VI Cluster Passed through: Lewiston Housing Authority Choice Neighborhoods Implementation Grants	14.889	FR-6000-N-34	<u>8,557</u>
Total Hope VI Cluster:			<u>8,557</u>
Passed through: Housing Assistance Council Self-Help Homeownership Opportunity Program	14.247	N/A	<u>108,000</u>
Passed through: City of Biddeford Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	MELHB0717-19	73,682

(a) Outstanding loan, balances include beginning of year outstanding balances and current year disbursements

See accompanying notes to schedule of expenditures of federal awards

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Schedule of Expenditures of Federal Awards**

**Year Ended September 30, 2022**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal AL Number</u>	<u>Pass-through Number</u>	<u>Federal Expenditures</u>
Passed through: City of Lewiston, Maine Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	N/A	\$ 64,700
Passed through: City of Portland Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	N/A	3,110
Passed through: Maine State Housing Authority Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	MELHD0298-16	<u>1,923,599</u>
Total AL Number 14.900:			<u>2,065,091</u>
Older Adults Home Modification Grant Program	14.921	N/A	<u>5,765</u>
Total U.S. Department of Housing and Urban Development:			<u>2,227,830</u>
U.S. Department of Labor WIOA Cluster			
Passed through: Eastern Maine Development Corp.			
WIA Adult Program	17.258	AA-33233-19-55-A- 2#	212,219
WIA Youth Activities	17.259	AA-33233-19-55-A- 2#	133,007
WIA Dislocated Worker Formula Grants	17.278	AA-33233-19-55-A- 2#	<u>127,824</u>
Total WIOA Cluster:			<u>473,050</u>
Passed through: Eastern Maine Development Corp.			
Workforce Investment Act (WIA) National Emergency Grants	17.277	DW-34480-20-60-A- 23	16,662
Workforce Investment Act (WIA) National Emergency Grants	17.277	N/A	<u>45,711</u>
Total AL Number 17.277:			<u>62,373</u>
Total U.S. Department of Labor:			<u>535,423</u>

(a) Outstanding loan, balances include beginning of year outstanding balances and current year disbursements

See accompanying notes to schedule of expenditures of federal awards

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Schedule of Expenditures of Federal Awards**

**Year Ended September 30, 2022**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal AL Number</u>	<u>Pass-through Number</u>	<u>Federal Expenditures</u>
U.S. Department of Treasury			
Passed through: NeighborWorks America			
Neighborworks	21.000	G-SIF-2019-53633	\$ 4,402
Neighborworks	21.000	N/A	<u>393,229</u>
Total AL Number 21.000:			<u>397,631</u>
Passed through: Maine State Housing Authority			
COVID-19 Emergency Rental Assistance Program	21.023	N/A	<u>31,199,134</u>
Total U.S. Department of Treasury:			<u>31,596,765</u>
U.S. Election Assistance Commission			
Direct Programs:			
Northern Border Regional Development	90.601	N/A	<u>14,698</u>
Total U.S. Election Assistance Commission:			<u>14,698</u>
U.S. Small Business Administration			
Direct Programs:			
Microloan Program (a)	59.046	N/A	1,802,178
Microloan Program	59.046	N/A	<u>390,511</u>
Total AL Number 59.046:			<u>2,192,689</u>
Total U.S. Small Business Administration:			<u>2,192,689</u>
Total Expenditures of Federal Awards:			<u>\$ 51,119,130</u>

(a) Outstanding loan, balances include beginning of year outstanding balances and current year disbursements

See accompanying notes to schedule of expenditures of federal awards



**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Notes to Schedule of Expenditures of Federal Awards**

**Year Ended September 30, 2022**

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Community Concepts, Incorporated and its Affiliates (the Organization) under programs of the federal government for the year ended September 30, 2022. The information in the schedule is presented in accordance with Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position, changes in net assets or cash flows of the Organization.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**3. Indirect Cost Rate**

The Organization has elected not to use the 10% de minimis indirect cost rate.

**4. Lending Programs**

The balance of loans with continuing compliance requirements are as follows at September 30, 2022:

Intermediary Relending Program	\$ 545,898
Rural Microentrepreneur Assistance Program	286,720
Microloan Program	<u>1,486,137</u>
	<u>\$ 2,318,755</u>

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**  
**Schedule of Expenditures of Department Agreements**  
**Year Ended September 30, 2022**

Department Office	Agreement Number	Agreement Amount	Agreement Period	Agreement Service	Agreement Status	Federal Expense	State Expense	Total Department Expense
<b>DHHS</b>								
* CDM	CDM-22-5351	\$ 266,774	7/1/2021-6/30/2022	Lead Inspection	Final	\$ -	\$ 78,600	\$ 78,600
* CDM	CDM-23-5351	266,744	7/1/2022-6/30/2023	Lead Inspection	Interim	-	57,200	57,200
CFS	CFS-20-7103	562,238	1/1/2020-9/30/2022	Community Services Block Grant	Final	100,184	-	100,184
CFS	CFS-21-7003A	483,900	10/1/2021-9/30/2022	Community Services Block Grant	Final	472,607	-	472,607
CFS	CFS-21-8601	1,521,177	7/1/2020-12/31/2021	Family Support	Final	41,966	83,275	125,241
CFS	CFS-22-8601B	1,768,854	1/1/2022-6/30/2022	Family Support	Final	79,462	102,649	182,111
CFS	CFS-22-1405	878,558	7/1/2021-6/30/2023	Early Head Start	Interim	52,272	373,151	425,423
* CFS	CFS-22-4011	915,243	7/1/2021-6/30/2022	Transportation	Final	66,506	363,654	430,160
* CFS	CFS-23-4011	925,243	7/1/2022-6/30/2023	Transportation	Interim	17,768	118,498	136,266
COM	COM-21-5030	187,809	2/1/2021-12/31/2021	COVID-19 Relief	Final	84,117	-	84,117
COM	COM-22-6003	151,514	1/1/2022-12/31/2022	COVID-19 Social Supports	Interim	67,488	-	67,488
OFI	OFI-22-010	51,977	10/1/2021-9/30/2022	Workforce Development	Final	4,892	-	4,892
* OFI	OFI-22-401	300,000	7/1/2021-6/30/2023	Whole Family Services	Interim	126,269	-	126,269
						1,113,531	1,177,027	2,290,558
<b>DHHS Indirect</b>								
* Maine Children's Trust	CDO-21-4230	1,517,076	1/1/2021-9/30/2022	Maine Families	Final	1,105,811	203,213	1,309,024
* Maine Children's Trust	CFS-23-1600	174,000	7/1/2022-6/30/2023	Androscoggin Child Abuse & Neglect	Interim	-	19,125	19,125
* Maine Children's Trust	CFS-21-1600 B	174,000	7/1/2021-6/30/2022	Androscoggin Child Abuse & Neglect	Final	-	133,002	133,002
						1,105,811	355,340	1,461,151
						\$ 2,219,342	\$ 1,532,367	\$ 3,751,709

\* Department agreement tested as major

The accompanying notes are an integral part of this schedule.

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Notes to Schedule of Expenditures of Department Agreements**

**Year Ended September 30, 2022**

**1. Basis of Presentation**

The accompanying schedule of expenditures of Department agreements (the SEDA) includes the Department agreement activity of Community Concepts, Incorporated and its Affiliates (the Organization) under programs of the Department for the year ended September 30, 2022. The information in the SEDA is presented in accordance with requirements of *Maine Uniform Accounting and Auditing Practices for Community Agencies* (MAAP). Because the SEDA presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

**Basis of Settlement**

Grants which are cost settled include an estimated settlement of state funds based upon the available grant revenue and other revenue based upon allowable costs.

**2. Summary of Significant Accounting Policies for Department Agreement Expenditures**

Expenditures reported on the SEDA consist of direct and indirect costs which are recognized as incurred using the accrual method of accounting. Such expenditures are recognized following the cost principles contained in Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and MAAP. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement.

**3. Other Disclosures**

Is your Agency required to have a federal Uniform Guidance audit?  yes  no

Percentage of major agreements tested in relation to total Department expenses: 61%



**INDEPENDENT AUDITOR'S 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**

The Board of Directors  
Community Concepts, Incorporated and its Affiliates

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Community Concepts, Incorporated (a nonprofit organization) and its Affiliates (the Organization), which comprise the consolidated statement of financial position as of September 30, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 10, 2023

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated 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 entity's consolidated 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.

Our consideration of 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. 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from 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 consolidated financial statements. 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*.

The Board of Directors  
Community Concepts, Incorporated and its Affiliates

### **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.

*Berry Dunn McNeil & Parker, LLC*

Bangor, Maine  
March 10, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Directors  
Community Concepts, Incorporated and its Affiliates

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Community Concepts, Incorporated and its Affiliates's (the Organization) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended September 30, 2022. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs related to federal awards.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 U.S. generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

The Board of Directors  
Community Concepts, Incorporated and its Affiliates

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Berry Dunn McNeil & Parker, LLC*

Bangor, Maine  
March 10, 2023



**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Schedule of Findings and Questioned Costs Related to Federal Awards**

**Year Ended September 30, 2022**

**Section I – Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting

Material weakness(es) identified?

Yes  No

Significant deficiency(ies) identified that are not considered to be material weakness(es)?

Yes  None reported

Noncompliance material to financial statements noted?

Yes  No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified:

Yes  No

Significant deficiency(ies) identified that are not considered to be material weakness(es)?

Yes  None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?

Yes  No

Identification of major programs:

AL Number(s)

Name of Federal Program or Cluster

14.900

Lead-Based Paint Hazard Control  
in Privately-Owned Housing

93.568

Low-Income Home Energy Assistance

93.870

Maternal, Infant and Early Childhood  
Home Visiting Grant

21.023

COVID-19 Emergency Rental Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,533,574

Auditee qualified as low-risk auditee?

Yes  No

**Section II. Financial Statement Findings**

None

**Section III. Federal Award Findings and Questioned Costs**

None



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR DEPARTMENT AGREEMENT AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH MAINE UNIFORM ACCOUNTING  
AND AUDITING PRACTICES FOR COMMUNITY AGENCIES**

The Board of Directors  
Community Concepts, Incorporated and its Affiliates

**Report on Compliance for Each Major Department Agreement**

***Opinion on Each Major Department Agreement***

We have audited Community Concepts, Incorporated and its Affiliates' (the Organization) compliance with the types of compliance requirements described in the *Maine Uniform Accounting and Auditing Practices for Community Agencies* (MAAP) and with the requirements identified in the Contract Compliance Riders of the Organization's agreements with the Maine Department of Health and Human Services (the Department) that could have a direct and material effect on each of the Organization's major Department agreements for the year ended September 30, 2022. The Organization's major Department agreements are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs related to Department agreements.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Department agreements for the year ended September 30, 2022.

***Basis for Opinion on Each Major Department Agreement***

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and MAAP. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Department agreement. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's Department agreements.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 U.S. generally accepted auditing standards, *Government Auditing Standards*, and MAAP will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major Department agreement as a whole.

In performing an audit in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, and MAAP, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with MAAP, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matter***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with MAAP and which is described in the accompanying schedule of findings and questioned costs related to Department agreements as finding 2022-001. Our opinion on each major Department agreement is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Organization's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs related to Department agreements. The Organization's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Department agreement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Department agreement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Department agreement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs related to Department agreements as finding 2022-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

MAAP requires the auditor to perform limited procedures on the Organization's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs related to Department agreements. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the MAAP. Accordingly, this report is not suitable for any other purpose.

*Berry Dunn McNeil & Parker, LLC*

Bangor, Maine  
March 10, 2023

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Schedule of Findings and Questioned Costs Related  
to Department Agreements**

**Year Ended September 30, 2022**

**Section I. Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Yes  No

Significant deficiency(ies) identified that are not  
considered to be material weakness(es)?

Yes  None reported

Noncompliance material to financial statements noted?

Yes  No

**Department Agreements**

Internal control over major Department agreements:

Material weakness(es) identified:

Yes  No

Significant deficiency(ies) identified that are not  
considered to be material weakness(es)?

Yes  None reported

Type of auditor's report issued on compliance for programs tested:

Unmodified

Any audit findings disclosed that are required to be reported  
in accordance with MAAP regulations?

Yes  No

Identification of major Department agreements tested:

CDO-23-4230  
CFS-22/23-4011  
OFI-22-401  
CDM-22/23-5351  
CFS-21-1600B /  
CFS-23-1600

Maine Families  
Transportation  
Whole Family Services  
Lead Inspection  
Androscoggin Child Abuse & Neglect

**Section II. Financial Statement Findings**

None.

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Schedule of Findings and Questioned Costs Related  
to Department Agreements (Concluded)**

**Year Ended September 30, 2022**

**Section III. Department Findings**

**Finding 2022-001**

**Programs Affected**

Maine Department of Health and Human Services; Contract No. CFS-22/23-4011 Transportation

**Criteria**

The contract requires that "No child under the age of sixteen (16) shall be transported without an adult, except when: i. The Provider is in possession of the consent form... signed by the legal parent or guardian of the child, authorizing the Provider to provide transportation to the unaccompanied minor; or ii. The minor is able to request transportation to a service without parental consent, only if allowed by state or federal law."

**Condition and Context**

In our nonstatistical sample of forty trips provided by the Organization, we observed that the Organization was not able to locate a signed parental consent form for one of the six minors included in that sample.

**Questioned Costs**

\$23,000

**Identification of Repeat Findings**

N/A

**Cause and Effect**

The Organization closed the Transportation program and transferred the related files to storage. The Organization was not able to locate the required form in the storage facility. Therefore, the Organization is not in compliance with the contractual requirement to maintain parental consent forms for every minor served.

**Recommendation**

The Organization should ensure that all contractually required forms are properly obtained and maintained.

**COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES**

**Summary Schedule of Prior Year Findings and Questioned  
Costs Related to Department Agreements**

**Year Ended September 30, 2022**

N/A



ccimaine.org  
(800) 866-5588

240 Bates Street  
Lewiston, ME 04240  
(207) 795-4065

## Corrective Action Plan: Finding 2022-001

February 1, 2023

Berry Dunn  
Attn: Emily Parker  
2211 Congress Street  
Portland, ME 04102

Dear Emily,

Our Board of Directors and Leadership collectively made the decision to close Transportation Services at Community Concepts effective September 30, 2022. If Transportation Services were to reopen at a future date, we would implement a corrective action of having a member of leadership sign off on all required releases involving the transportation of minor(s) prior to scheduling the trip as a measure to deem the release as complete.

If additional information is requested, please feel free to reach out to me by phone at (207) 333-6422 or by email at [mgreen@community-concepts.org](mailto:mgreen@community-concepts.org).

Thank you,

*Melissa Green*  
Melissa Green  
Director of Customer Service

Community Concepts is an equal opportunity provider and employer.

