BerryDunn

Community Concepts, Incorporated and its Affiliates

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

September 30, 2022 and 2021

With Independent Auditor's Report

COMMUNITY CONCEPTS, INCORPORATED
AND ITS AFFILIATES

Consolidated Financial Statements

September 30, 2022 and 2021

Table of Contents

BerryDunn

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Community Concepts, Incorporated and its Affiliates

Opinion

We have audited the accompanying consolidated financial statements of Community Concepts, Incorporated and its Affiliates (the 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). 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 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, 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 Consolidating 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 are presented for purposes of additional analysis of the consolidated financial statements rather to present the financial position and activities of the individual entities, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the 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.

Berry Dunn McNeil & Parker, LLC

Bangor, Maine
March 10, 2023

COMMUNITY CONCEPTS, INCORPORATED
AND ITS AFFILIATES

Consolidated Statements of Financial Position

September 30, 2022 and 2021

ASSETS

	2022	2021
Continuing operations		
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	**498,978**	723,754
Total current assets - continuing operations	**13,264,653**	13,936,288
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	**821,338**	670,740
	20,658,404	19,959,806
Less accumulated depreciation	**(10,851,779)**	(10,309,045)
Net property and equipment - continuing operations	**9,806,625**	9,650,761
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	**433,426**	433,845
Total other assets - continuing operations	**11,429,729**	11,067,769
Total assets - continuing operations	**34,501,007**	34,654,818
Discontinued operations		
Total assets	**211,421**	259,311
Total assets	**$ 34,712,428**	$ 34,914,129

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

LIABILITIES AND NET ASSETS

	2022	2021
Continuing operations		
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	**106,751**	93,021
Total current liabilities - continuing operations	**12,858,247**	9,866,398
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	**3,396**	3,396
Total noncurrent liabilities - continuing operations	**11,381,133**	14,372,469
Total liabilities - continuing operations	**24,239,380**	24,238,867
Discontinued operations		
Total liabilities - discontinued operations	**33,744**	106,609
Total liabilities	**24,273,124**	24,345,476
Net assets		
Without donor restrictions		
Undesignated	**2,798,063**	3,133,998
Net investment in property and equipment	**2,452,134**	2,284,908
Total net assets without donor restrictions	**5,250,197**	5,418,906
With donor restrictions	**5,189,107**	5,149,747
Total net assets	**10,439,304**	10,568,653
Total liabilities and net assets	**$ 34,712,428**	$ 34,914,129

COMMUNITY CONCEPTS, INCORPORATED
AND ITS AFFILIATES

Consolidated Statements of Activities

Years Ended September 30, 2022 and 2021

	2022	2021
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	**239,870**	338,990
Total support, revenue, and net assets released - continuing operations	**57,335,510**	35,005,261
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	**32,502,091**	12,989,818
Total program services - continuing operations	**55,822,406**	34,033,560
Management and general	**1,644,635**	1,750,127
Fundraising	**9,484**	7,477
Total expenses - continuing operations	**57,476,525**	35,791,164
Change in net assets from operating activities - continuing operations	**(141,015)**	(785,903)
Nonoperating activities		
Loss on contributions of limited partnerships	**-**	(2,174)
Change in net assets without donor restrictions - continuing operations	**(141,015)**	(788,077)
(Loss) gain from discontinued operations	**(27,694)**	146,883
Decrease in net assets without donor restrictions	**(168,709)**	(641,194)
Net assets with donor restrictions		
Contributions	**188,720**	226,392
Interest income	**90,510**	151,649
Net assets released from restrictions	**(239,870)**	(338,990)
Increase in net assets with donor restrictions	**39,360**	39,051
Decrease in net assets	**(129,349)**	(602,143)
Net assets at beginning of year	**10,568,653**	11,170,796
Net assets at end of year	**$ 10,439,304**	$ 10,568,653

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										
	Housing and Energy	Customer Service	Children's Services	Family Services	Finance Corporation	Property Manage-ment	COVID and Other	Total Program Services	Management and General	Fundraising	Total - Continuing Operations
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	407,494	146,224	1,216,824	385,424	169,385	124,623	609,523	3,059,497	257,096	-	3,316,593
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	40,162	-	-	-	-	406,197	58,096	504,455	-	-	504,455
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	237,592	137,931	590,330	190,467	135,292	8,263	344,760	1,644,635	(1,644,635)	-	-
Total expenses after indirect cost allocations	$ 10,322,145	$ 950,487	$ 7,797,353	$ 2,118,662	$ 1,937,652	$ 1,493,891	$ 32,846,851	$ 57,467,041	$ -	$ 9,484	$ 57,476,525

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										
	Housing and Energy	Customer Service	Children's Services	Family Services	Finance Corporation	Property Management	COVID and Other	Total Program Services	Management and General	Fundraising	Total - Continuing Operations
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	388,761	20,991	1,270,775	512,053	136,156	124,917	234,724	2,688,377	224,298	-	2,912,675
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	20,336	-	-	-	-	394,994	63,297	478,627	-	-	478,627
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	239,570	114,864	702,633	293,040	126,790	9,640	263,590	1,750,127	(1,750,127)	-	-
Total expenses after indirect cost allocations	$ 7,635,846	$ 362,556	$ 8,462,975	$ 2,877,255	$ 1,758,732	$ 1,432,915	$ 13,253,408	$ 35,783,687	$ -	$ 7,477	$ 35,791,164

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

	2022	2021
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	**544,944**	3,347,047
Net cash (used) provided by operating activities from discontinued operations	**(52,669)**	61,196
Net cash provided by operating activities	**492,275**	3,408,243
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	**(164,208)**	1,181,596
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	**(441,293)**	(1,418,170)
Net (decrease) increase in cash and cash equivalents	**(113,226)**	3,171,669
Cash and cash equivalents, beginning of year	**12,936,603**	9,764,934
Cash and cash equivalents, end of year	**$ 12,823,377**	$ 12,936,603
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	**$ 12,823,377**	$ 12,936,603
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.

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.

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.

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.

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, CCDC, 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.

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:

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

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.

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.

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.

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.

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:

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

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

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

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:

	2022	2021
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	**655,587**	655,587
Total restricted cash and cash equivalents	**$ 4,109,046**	$ 4,494,063

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

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

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

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

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

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

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

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

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

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

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.

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:

	Mortgage Loans	**Commercial Loans**	**Total**
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	**42,851**	**85,281**	**128,132**
Total loans	**$ 2,376,511**	**$ 4,805,076**	**$ 7,181,587**

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

	Mortgage Loans	Commercial Loans	Total
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	133,703	44,621	178,324
Total loans	$ 2,081,155	$ 5,534,918	$ 7,616,073

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.

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:

Partnership Name	General Partner Entity	Ownership %	**Capital Balance 2022**	Capital Balance 2021
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 %	**125,182**	125,200
Totals			**$ 433,426**	$ 433,845

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.

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

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

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

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

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

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	(1,071,507)
Excess of fair value of net assets over consideration in acquisition of LP	$ 16,517

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.

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:

	Level 1	**Level 2**	**Level 3**	**Total**
U.S. government agency securities	**$ 42,917**	**$ -**	**$ -**	**$ 42,917**
Totals	**$ 42,917**	**$ -**	**$ -**	**$ 42,917**

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

	Level 1	Level 2	Level 3	Total
U.S. government agency securities	$ 66,719	$ -	$ -	$ 66,719
Totals	$ 66,719	$ -	$ -	$ 66,719

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.

9. Borrowings

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

	2022	2021
CCI		
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.	**189,777**	193,399
Subtotal CCI	**3,153,380**	3,209,545
CCFC		
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

	2022	2021
Note payable to USDA Rural Business-Cooperative Service, interest at 1%, payable in monthly principal and interest payments of $3,780 through December 2025; collateralized by loan pool assets.	**$ 164,034**	$ 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.	**257,402**	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.	**67,823**	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.	**153,510**	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.	**28,555**	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.	**50,000**	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.	**286,720**	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.	**145,000**	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.	**216,689**	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.	**228,788**	240,862

	2022	2021
Line of credit to establish a lending pool with a bank in the amount of $4,000,000, bearing interest at the Federal Home Loan Bank of Boston amortized 5/20 CDA rate plus 2% (6.16% as of September 30, 2022). Repayment terms based on repayment of underlying notes receivable. The line expires on August 10, 2023 unless renewed; collateralized by notes receivable.	**$ 850,438**	$ 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.	**36,190**	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.	**77,462**	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.	**443,346**	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.	**180,611**	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.	**78,586**	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.	**71,016**	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.	**250,000**	250,000

	2022	2021
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.	**826,102**	936,370
Subtotal CCFC	**5,349,551**	5,883,289
CCDC		
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

	2022	2021
Mortgage note payable to the Lewiston Housing Authority in the amount of $100,000. The mortgage note bears interest at 4.58%, compounded annually, and is payable on December 31, 2034. Includes accumulated deferred interest payable. Collateralized by underlying real estate.	**$ 239,249**	$ 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.	**107,521**	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.	**1,073,544**	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.	**400,000**	400,000
Subtotal CCDC	**4,204,086**	4,163,729
	12,707,017	13,256,563
Less deferred financing fees	**(2,975)**	(3,228)
Less current portion	**(3,426,305)**	(984,262)
Long-term debt, net of current portion	**$ 9,277,737**	$ 12,269,073

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	7,600,101
Total	$ 12,707,017

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.

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

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

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	900
Total	$ 103,300

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

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.

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:

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

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:

	2022	2021
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	**(190,176)**	(259,459)
Total financial assets available at year end for current use for general expenditure	**$12,167,259**	$11,379,944

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.

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:

	2022	2021
Unadvanced commitments under letters of credit	**$ 100,000**	$ 130,000

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:

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

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
Continuing Operations							
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	11,356,319	2,598,464	688,059	99,774	9,457	(1,487,420)	13,264,653
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	(4,197,418)	(46,649)	(6,607,712)	-	-	-	(10,851,779)
Net property and equipment - continuing operations	5,079,251	-	4,727,374	-	-	-	9,806,625
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	1,264,500	10,065,718	-	125,241	(59)	(25,671)	11,429,729
Total assets - continuing operations	17,700,070	12,664,182	5,415,433	225,015	9,398	(1,513,091)	34,501,007
Discontinued operations	211,421	-	-	-	-	-	211,421
Total assets	$ 17,911,491	$ 12,664,182	$ 5,415,433	$ 225,015	$ 9,398	$ (1,513,091)	$ 34,712,428

COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES

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
Continuing Operations							
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	8,913,124	4,269,001	[illegible]	-	7,902	(1,513,091)	12,858,247
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	3,103,195	4,076,827	4,201,111	-	-	-	11,381,133
Total liabilities - continuing operations	12,016,319	8,345,828	5,382,422	-	7,902	(1,513,091)	24,239,380
Discontinued operations							
Total liabilities - discontinued operations	33,744	-	-	-	-	-	33,744
Total liabilities	12,050,063	8,345,828	5,382,422	-	7,902	(1,513,091)	24,273,124
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	5,861,428	4,318,354	33,011	225,015	1,496	-	10,439,304
Total liabilities and net assets	$ 17,911,491	$ 12,664,182	$ 5,415,433	$ 225,015	$ 9,398	$ (1,513,091)	$ 34,712,428

COMMUNITY CONCEPTS, INCORPORATED AND ITS AFFILIATES

Schedule 2

Consolidating Statement of Activities

Year Ended September 30, 2022

	Community Concepts, Inc.	Community Concepts Finance Corp.	Community Concepts Development Corp.	Community Concepts Housing Corp.	Lewiston Auburn Community Housing	Total
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	217,246	22,624	-	-	-	239,870
Total support, revenue, and net assets released - continuing operations	54,595,211	1,613,935	1,115,620	10,744	-	57,335,510
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	32,475,149	-	26,942	-	-	32,502,091
Total program services - continuing operations	52,644,128	1,775,075	1,402,788	302	113	55,822,406
Management and general	1,510,355	134,280	-	-	-	1,644,635
Fundraising	9,484	-	-	-	-	9,484
Total expenses - continuing operations	54,163,967	1,909,355	1,402,788	302	113	57,476,525
Change in net assets without donor restrictions- continuing operations	431,244	(295,420)	(287,168)	10,442	(113)	(141,015)
Loss from discontinued operations	(27,694)	-	-	-	-	(27,694)
Change in net assets without donor restrictions - continuing operations	403,550	(295,420)	(287,168)	10,442	(113)	(168,709)
Net assets with donor restrictions						
Contributions	188,720	-	-	-	-	188,720
Interest income	-	90,510	-	-	-	90,510
Net assets released from restrictions	(217,246)	(22,624)	-	-	-	(239,870)
Change in net assets with donor restrictions	(28,526)	67,886	-	-	-	39,360
Total change in net assets	375,024	(227,534)	(287,168)	10,442	(113)	(129,349)
Net assets at beginning of year	5,486,404	4,545,888	320,179	214,573	1,609	10,568,653
Net assets at end of year	$ 5,861,428	$ 4,318,354	$ 33,011	$ 225,015	$ 1,496	$ 10,439,304