

THE ARVADA COMMUNITY FOOD BANK, INC. DBA
COMMUNITY TABLE

Combined Financial Statements As Of
June 30, 2022 And 2021

Together With Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Arvada Community Food Bank, Inc., dba Community Table
and The Arvada Community Food Bank Foundation, Inc.:

Opinion

We have audited the accompanying combined financial statements of The Arvada Community Food Bank, Inc., dba Community Table and The Arvada Community Food Bank Foundation, Inc. (collectively referred to as the "Organization"), which comprise the combined statements of financial position as of June 30, 2022 and 2021, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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.

Responsibilities of Management for the Financial Statements

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

Independent Auditors' Report, Continued

In preparing the combined 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 financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 combined financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined 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.

Independent Auditors' Report (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate to 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

JDS Professional Group

November 4, 2022

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Combined Statements Of Financial Position
As Of June 30, 2022 And 2021

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	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 1,719,347	\$ 1,624,415
Inventory	134,514	127,086
Promises to give, net	59,908	42,162
Prepaid	13,627	3,613
Investments	1,571,750	972,196
Property and equipment, net	<u>180,000</u>	<u>245,300</u>
TOTAL ASSETS	<u><u>\$ 3,679,146</u></u>	<u><u>\$ 3,014,772</u></u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$	\$ 4,263
Accrued liabilities	19,868	43,164
Capital lease	5,293	7,267
Refundable advances	<u>59,245</u>	<u>68,608</u>
Total Liabilities	<u>84,406</u>	<u>123,302</u>
Net Assets:		
Without Donor Restrictions -		
Designated for property and equipment	174,707	238,033
Board designated	546,589	546,589
Undesignated	<u>2,791,680</u>	<u>2,012,193</u>
Total Without Donor Restrictions	3,512,976	2,796,815
With Donor Restrictions	<u>81,764</u>	<u>94,655</u>
Total Net Assets	<u>3,594,740</u>	<u>2,891,470</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 3,679,146</u></u>	<u><u>\$ 3,014,772</u></u>

The accompanying notes are an integral part of the financial statements

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Combined Statement Of Activities
For The Year Ended June 30, 2022

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	Without Donor Unrestricted	With Donor Restricted	Total
Support And Revenue:			
Contributed food	\$ 2,117,642	\$	\$ 2,117,642
Other in-kind contributions	1,034		1,034
Contributions and grants	1,787,866	122,205	1,910,071
Federal grants	70,000		70,000
Investment income	(143,375)		(143,375)
Special events, net of direct benefit to donor of \$ 21,493	106,917		106,917
Net assets released from restrictions - Satisfaction of program and time restrictions	135,096	(135,096)	
Total Support And Revenue	<u>4,075,180</u>	<u>(12,891)</u>	<u>4,062,289</u>
Expenses:			
Program Services -			
Food distribution	2,770,336		2,770,336
Self-Sufficiency	211,214		211,214
Total Program Services	<u>2,981,550</u>		<u>2,981,550</u>
Supporting Services -			
General administration	179,737		179,737
Fundraising	197,732		197,732
Total Supporting Services	<u>377,469</u>		<u>377,469</u>
Total Expenses	<u>3,359,019</u>		<u>3,359,019</u>
CHANGES IN NET ASSETS FROM OPERATIONS	716,161	(12,891)	703,270
Net Assets, Beginning Of Year	<u>2,796,815</u>	<u>94,655</u>	<u>2,891,470</u>
NET ASSETS, END OF YEAR	<u>\$ 3,512,976</u>	<u>\$ 81,764</u>	<u>\$ 3,594,740</u>

The accompanying notes are an integral part of the financial statements

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Combined Statement Of Activities
For The Year Ended June 30, 2021

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	Without Donor Unrestricted	With Donor Restricted	Total
Support And Revenue:			
Contributed food	\$ 1,651,149	\$	\$ 1,651,149
Other in-kind contributions	954		954
Contributions and grants	1,581,629	144,056	1,725,685
Federal grants	178,900		178,900
Investment income	100,848		100,848
Special events, net of direct benefit to donor of \$13,726	108,664		108,664
Net assets released from restrictions - Satisfaction of program and time restrictions	155,345	(155,345)	
Total Support And Revenue	3,777,489	(11,289)	3,766,200
Expenses:			
Program Services -			
Food distribution	2,179,857		2,179,857
Self-Sufficiency	263,309		263,309
Total Program Services	2,443,166		2,443,166
Supporting Services -			
General administration	165,906		165,906
Fundraising	182,791		182,791
Total Supporting Services	348,697		348,697
Total Expenses	2,791,863		2,791,863
CHANGES IN NET ASSETS FROM OPERATIONS	985,626	(11,289)	974,337
Net Assets, Beginning Of Year	1,811,189	105,944	1,917,133
NET ASSETS, END OF YEAR	<u>\$ 2,796,815</u>	<u>\$ 94,655</u>	<u>\$ 2,891,470</u>

The accompanying notes are an integral part of the financial statements

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Combined Statement Of Functional Expenses
For The Year Ended June 30, 2022

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	Program Services		Support Services		
	Food Distribution	Self- Sufficiency	General Administration	Fundraising	Total
In-kind food distributed	\$ 2,099,925	\$	\$	\$	\$ 2,099,925
Purchased food distributed and services provided	232,289	88,069			320,358
Salaries and benefits	234,450	106,705	141,243	138,460	620,858
Facilities expense	62,162	4,501	3,904	3,037	73,604
Office supplies	19,294	517	1,351	549	21,711
In-kind rent	18,000	3,600	1,300	1,200	24,100
Printing and publication	554	30	122	22,892	23,598
Insurance expense	11,700	645	2,569	573	15,487
Miscellaneous expense	7,063	660	3,186	10,599	21,508
Depreciation expense	69,937	4,884	3,256	3,256	81,333
Postage	772		226	12,653	13,651
Professional fees	14,190	1,073	21,780	3,660	40,703
Foundation expense		530	800	853	2,183
Total Expenses	<u>\$ 2,770,336</u>	<u>\$ 211,214</u>	<u>\$ 179,737</u>	<u>\$ 197,732</u>	<u>\$ 3,359,019</u>
Functional Expense as a % of Total Expenses	<u>82%</u>	<u>6%</u>	<u>5%</u>	<u>6%</u>	<u>100%</u>

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

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Combined Statement Of Functional Expenses
For The Year Ended June 30, 2021

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	Program Services		Support Services		
	Food Distribution	Self- Sufficiency	General Administration	Fundraising	Total
In-kind food distributed	\$ 1,559,767	\$	\$	\$	\$ 1,559,767
Purchased food distributed and services provided	182,419	100,770			283,189
Salaries and benefits	262,940	145,968	131,067	124,163	664,138
Facilities expense	59,588	5,192	4,305	2,827	71,912
Office supplies	7,660	338	652	763	9,413
In-kind rent	15,680	4,610	2,605	1,205	24,100
Printing and publication	483	63	96	20,016	20,658
Insurance expense	11,865	791	2,556	526	15,738
Miscellaneous expense	3,235	264	1,370	12,950	17,819
Depreciation expense	64,721	4,569	3,046	3,807	76,143
Postage		59	253	13,200	13,512
Professional fees	11,499	685	19,956	2,769	34,909
Foundation expense				565	565
Total Expenses	<u>\$ 2,179,857</u>	<u>\$ 263,309</u>	<u>\$ 165,906</u>	<u>\$ 182,791</u>	<u>\$ 2,791,863</u>
Functional Expense as a % of Total Expenses	<u>78%</u>	<u>9%</u>	<u>6%</u>	<u>7%</u>	<u>100%</u>

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

THE ARVADA COMMUNITY FOOD BANK, INC.
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Combined Statement Of Cash Flows
For The Years Ended June 30, 2022 And 2021

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	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Changes in net assets	\$ 703,270	\$ 974,337
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	81,333	76,143
Contributed rent	24,000	24,000
Donated stock		(33,423)
Loss on disposal of fixed assets		773
Discount to net present value - long term promises to give	(283)	(954)
Realized/unrealized losses (gains)	168,315	(92,203)
Changes in operating assets and liabilities -		
Contributed food received	(2,117,641)	(1,776,971)
Contributed food distributed	2,110,213	1,680,615
Decrease in grant receivables		16,566
(Increase) decrease in promises to give	(41,463)	26,347
(Increase) in prepaid expenses	(10,014)	(2,913)
Increase (decrease) in accounts payable	(4,263)	647
Increase (decrease) in accrued liabilities	(23,296)	2,370
Increase (decrease) in refundable advances	(9,363)	11,608
Net cash provided by operating activities	<u>880,808</u>	<u>906,942</u>
Cash flows from investing activities:		
Purchases of investments	(1,639,844)	(1,583,815)
Sales of investments	871,975	1,227,633
Purchases of property and equipment	(16,033)	(66,124)
Net cash (used in) investing activities	<u>(783,902)</u>	<u>(422,306)</u>
Cash flows from financing activities:		
Payments on capital lease	(1,974)	(1,684)
Net cash (used in) financing activities	<u>(1,974)</u>	<u>(1,684)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>94,932</u>	<u>482,952</u>
Cash and Cash Equivalents, Beginning Of Year	<u>1,624,415</u>	<u>1,141,463</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 1,719,347</u></u>	<u><u>\$ 1,624,415</u></u>

The accompanying notes are an integral part of the financial statements

**THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE**

Notes To Combined Financial Statements
For The Years Ended June 30, 2022 And 2021

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(1) Nature Of Organization

These financial statements have been combined to include the accounts of the Arvada Community Food Bank, Inc., dba Community Table (the “Community Table”) and The Arvada Community Food Bank Foundation, Inc. (the “Foundation”) (collectively referred to as the “Organization”).

Community Table is a not-for-profit corporation established in 1982. Community Table’s primary objective is to provide food and human services to foster self-sufficiency. For those facing food insecurity, the Community Table food pantry invites families to shop up to twice a month for needed groceries and personal care items. For the fiscal year July 1, 2021 to June 30, 2022, food donations to Community Table remained strong with more than 1.1 million pounds contributed, and providing more than 916,000 meals to area families and individuals. As one of the only area agencies fully open to client shopping, Community Table hosted more than 9,200 household visits to its Client Choice Food Pantry, an increase of more than 50% over the prior year. An additional 5,300 families picked up food boxes through the Community Table drive-through. More than 17,500 sacks of weekend food were distributed to area school children during the 21-22 school year, and 2,100 household food deliveries occurred through the Community Table’s mobile pantries at 4 different sites. For the summer of 2022, CT partnered with Food Bank of the Rockies to distribute food to six JeffCo Early Learning Locations in Northern Jefferson County. the Community Table’s Bridges to Opportunity Program provided more than 700 self-sufficiency assistance office visits with new and continuing clients in 2021-22, including assistance applying for public benefits, screening/case management services for federal housing/rent vouchers, support to families experiencing homelessness and various forms of information and referral. Through its Client Financial Assistance program more than 100 households were provide with one time rent, utility and other emergency financial solutions, and an additional 62 applications for Energy Outreach CO.

The Foundation is a not-for-profit corporation established in 2014. The Foundation’s primary objective is to provide assistance, financial or otherwise, to Community Table. Community Table is the sole voting member of the Foundation.

(2) Summary Of Significant Accounting Policies

Method Of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

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DBA COMMUNITY TABLE**

Notes To Combined Financial Statements (Continued)

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Basis Of Presentation

Financial statement presentation follows the recommendations of *Financial Statements for Not-for-Profit Organizations*. Under this standard, the Organization is required to report information regarding 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, where by the donor has stipulated the funds must be maintained in perpetuity. The Organization does not have any funds perpetual in nature.

Use Of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Measure Of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and non operating activities. Operating activities consists of those items attributable to the Organization's ongoing program services and investment earnings. Nonoperating activities are limited to activities considered to be of a more unusual or nonrecurring nature.

Statement Of Cash Flows

For purposes of the statement of cash flows, cash and cash equivalents consists of demand deposits, and short term investments with an original maturity of three months or less.

Promises to Give

Promises to give consists of amounts due to the Organization. Management expects all promises to give to be fully collectible; accordingly, there is no allowance for doubtful accounts.

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Notes To Combined Financial Statements (Continued)

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Inventory

Inventories consist of undistributed food donations, as well as purchased food items. Donated food inventory is valued at an average of the national wholesale prices determined by Feeding America. Purchased food inventory is valued at the cost paid by the Organization.

Investments

Investments are stated at fair market value.

Property And Equipment

All acquisitions of property and equipment in excess of \$600 are recorded at cost if purchased, or at fair market value on the date of the gift, if donated. Expenditures for minor purchases, maintenance and repairs are charged to expense. The Organization reports gifts of equipment as unrestricted support unless explicit donor stipulations specify how the donated asset must be used.

Depreciation is computed using the straight-line method over the estimated useful lives as follows:

	<u>Estimated Useful Lives</u>
Office equipment	3 years
Leasehold improvements	10 years
Operating equipment	5 years
Vehicles	5 years

Fair Value Measurements

The Organization follows *Fair Value Measurements*, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

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DBA COMMUNITY TABLE

Notes To Combined Financial Statements (Continued)

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- 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.

Following is a description of the valuation methodologies used for assets measured at fair value.

Certificates of deposit: Valued at cost or original cost plus accrued interest.

Exchange traded funds: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the published net asset value (NAV) of the shares held at the reporting date.

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

In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statement of financial position.

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DBA COMMUNITY TABLE

Notes To Combined Financial Statements (Continued)

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The carrying amount reported in the combined statement of financial position for cash and cash equivalents, inventory, accounts payable and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

Revenue And Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets, or an unconditional promise to give is received. Unconditional promises to give are recorded at net realizable value if expected to be collected in one year and at net present value if expected to be collected in more than one year. Management expects that all promises to give will be fully collectible; accordingly, there is no allowance for uncollectible promises to give.

Conditional promises to give with a measurable performance or other barrier and a right of return/right of release are not recognized until the conditions on which they depend have been met.

Special event revenue is recognized in the period the event is held. As of June 30, 2022 and 2021, \$37,245, and \$16,608 is reflected in refundable advance for special event revenue collected in advance.

A portion of the Organization's revenue is derived from cost-reimbursable federal and local grants, which are conditioned upon certain performance requirements and/or 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 refundable advances in the statement of financial position. The Organization received local grant funds that have not been recognized as of June 30, 2022 and 2021, because qualifying expenditures have not yet been incurred. Such grants are reflected as refundable advances in the amount of \$22,000, and \$52,000 as of June 30, 2022 and 2021, respectively.

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. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization receives a substantial amount of donated services and expenses by unpaid volunteers. No amounts have been reflected in the accompanying financial statements since the volunteers' time and expenses do not meet the criteria for recognition under FASB ASC 958-605-25-16.

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Notes To Combined Financial Statements (Continued)

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Methods Used for Allocation of Expenses from Management and General Activities

The cost of providing program and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort
Facilities expense	Square footage allocation
In-kind rent	Square footage allocation
Insurance expense	Allocated by estimated proportion of benefit
Depreciation and amortization	Square footage allocation

Evaluation of Subsequent Events

The Organization has performed an evaluation of subsequent events through November 4, 2022, which is the date the combined financial statements were available to be issued, and has considered any relevant matters in the preparation of the combined financial statements and footnotes.

(3) **Tax Exempt Status**

Community Table and the Foundation have previously received notice from the Internal Revenue Service of exemption from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the accompanying financial statements contain no provision for income taxes. In addition, Community Table qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under Section 509(a)(2). The Foundation has been classified as a public charity as a Type I supporting organization of Community Table under section 509(a)(3).

The Organization follow *Accounting for Uncertainty in Income Taxes* which requires the respective organizations to determine whether a tax position (and the related tax benefit) is more likely than not to be sustained upon examination by the applicable taxing authority, based solely on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement, presuming the tax position is examined by the appropriate taxing authority that has knowledge of all relevant information. During the years ended June 30, 2022 and 2021, Community Table and Foundation's management evaluated their tax positions to determine the

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Notes To Combined Financial Statements (Continued)

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existence of uncertainties, and did not note any matters that would require recognition or which may have an effect on its tax-exempt status. Community Table and the Foundation are no longer subject to U.S. federal tax audits on its Form 990 by taxing authorities for fiscal years ending prior to 2019. The years subsequent to this year contain matters that could be subject to differing interpretations of applicable tax laws and regulations. Although the outcome of tax audits is uncertain, Community Table and the Foundation believes that no issue would arise.

(4) Unconditional Promises To Give

Unconditional promises to give are summarized as follows as of June 30, 2022 and 2021:

Amount Due:	2022	2021
Within one year	\$ 59,908	\$ 32,445
One to five years		10,000
	59,908	42,445
Less: discount to net present value		(283)
Total:	<u>\$ 59,908</u>	<u>\$ 42,162</u>

As of June 30, 2022 and 2021, the discount rate used was 0% and 2.91%, respectively.

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DBA COMMUNITY TABLE

Notes To Combined Financial Statements (Continued)

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(5) **Investments**

The following table presents the Organization's fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Investments:		
Certificates of deposit	\$ 288,151	\$ 287,028
Exchange traded funds:		
U.S. fund large value	237,864	65,150
U.S. fund large growth	74,749	
U.S. fund foreign large value	78,774	
U.S. fund natural resources	14,678	
U.S. fund high yield bond	29,880	19,740
U.S. fund foreign large growth	63,807	39,978
U.S. fund preferred stock	23,519	
U.S. fund energy limited partnership	11,700	
U.S. fund long term bond	30,353	
U.S. fund emerging markets bond	17,661	
U.S. fund bank loan	24,568	
U.S. fund short government		25,450
Small cap		25,191
Large cap		30,120
Mutual funds:		
U.S. large cap	89,720	134,833
U.S. mid cap	137,842	110,310
U.S. small cap	40,369	37,802
International bonds	351,133	139,151
International equities	56,982	46,334
Domestic bonds		11,109
Total	<u>\$ 1,571,750</u>	<u>\$ 972,196</u>

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Notes To Combined Financial Statements (Continued)

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Investment income consisted of the following as of June 30, 2022 and 2021:

	2022	2021
Interest and dividends	\$ 38,065	\$ 10,522
Net gains (losses) on investments	(181,440)	90,326
Total	<u>\$ (143,375)</u>	<u>\$ 100,848</u>

(6) Concentrations Of Credit Risk

The Organization's cash demand deposits and certificates of deposits are held at financial institutions at which deposits are insured up to \$250,000 by the FDIC and the National Credit Union Share Insurance Fund (NCUSIF), federal funds backed by the full faith and credit of the United States Government. As of June 30, 2022, the Organization's cash demand deposits and certificates of deposit exceeded the FDIC's insurance limit of \$250,000 per institution by \$842,856.

(7) Property And Equipment

As of June 30, 2022 and 2021, property and equipment consisted of the following:

	2022	2021
Office equipment	\$ 114,987	\$ 116,261
Leasehold improvements	892,867	892,867
Operating equipment	130,767	123,400
Vehicles	129,909	122,929
	<u>1,268,530</u>	<u>1,255,457</u>
Less: accumulated depreciation	(1,088,530)	(1,010,157)
Property And Equipment, Net	<u>\$ 180,000</u>	<u>\$ 245,300</u>

(8) Donated Food

The Organization receives donated food from individual donors and local area merchants.

During the year ended June 30, 2022, the Organization received and distributed approximately 1,160,000 and 1,222,000 pounds of food, respectively. As of June 2021, the Organization received and distributed approximately 986,000 and 952,000 pounds of food, respectively. As of June 30, 2022 and 2021, donated and purchased inventory consisted of 67,653 and 65,250 pounds, respectively.

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Notes To Combined Financial Statements (Continued)

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(9) Expenses

Total expenses incurred for the year ended June 30, 2022, were the following:

	<u>Total Expenses</u>	<u>Less Direct Costs</u>	<u>Total Expenses Reported By Function</u>
Program services	\$ 2,981,550	\$	\$ 2,981,550
Fundraising	197,732		197,732
Direct benefit to donor	21,493	(21,493)	
General administration	179,737		179,737
	<u>\$ 3,380,512</u>	<u>\$ (21,493)</u>	<u>\$ 3,359,019</u>

Total expenses incurred for the year ended June 30, 2021, were the following:

	<u>Total Expenses</u>	<u>Less Direct Costs</u>	<u>Total Expenses Reported By Function</u>
Program services	\$ 2,443,166	\$	\$ 2,443,166
Fundraising	182,791		182,791
Direct benefit to donor	13,726	(13,726)	
General administration	165,906		165,906
	<u>\$ 2,805,589</u>	<u>\$ (13,726)</u>	<u>\$ 2,791,863</u>

(10) Net Assets

Board designated net assets: The Organization's governing board designated a portion of net assets without donor restrictions as follows as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Operating reserve	\$ 450,000	\$ 450,000
Capital improvements reserve	96,589	96,589
Total	<u>\$ 546,589</u>	<u>\$ 546,589</u>

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Notes To Combined Financial Statements (Continued)

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Net assets with donor restrictions consisted of the following as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Contributed facility	\$ 10,000	\$ 33,717
Promise to give - time restriction	49,908	2,103
Food assistance - time restriction		13,200
Client financial assistance	571	15,224
Home energy assistance		6,341
Health Clinic		4,135
New box truck	21,285	19,935
Total	<u>\$ 81,764</u>	<u>\$ 94,655</u>

(11) Liquidity And Availability Of Financial Assets

As of June 30, 2022, the Organization had \$3,341,005 of financial assets, less the board designated net assets of \$546,589, or \$2,794,416 of financial assets available within one year of the Statement of Financial Position date to meet cash needs for general expenditure consisting of cash and cash equivalents of \$1,719,347, cash promises to give of \$49,908, and short-term investments of \$1,571,750.

As of June 30, 2021, the Organization had \$2,598,714 of financial assets, less the board designated net assets of \$546,589, or \$2,052,125 of financial assets available within one year of the Statement of Financial Position date to meet cash needs for general expenditure consisting of cash and cash equivalents of \$1,624,415, cash promises to give of \$2,103, and short-term investments of \$972,196.

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The promises to give consisting of in-kind facility contributions and client financial assistance are not reflected as a financial asset due to the nature of the contribution. The Organization has a goal to maintain financial assets on hand to meet 120 days of normal operating expenses. The Organization has a policy to structure its financial assets to be available as for its general expenditures, liabilities, and other obligations as they come due. In addition, as part of its liquidity management, the Organization invests cash in excess of daily requirements in various short-term investments instruments

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Notes To Combined Financial Statements (Continued)

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(12) Contributed Facility

The Organization entered into a long-term lease agreement for use of its office facilities commencing on March 3, 2010, expiring on December 3, 2022. Under such agreement, the building owner has agreed to allow the Organization to utilize these facilities at a cost of \$100 per year. The donated rent, utilities and maintenance were valued at \$24,000, for the years ended June 30, 2022 and 2021. A net promise to give in the amount of \$10,000 and \$33,717 is reflected in the financial statements for the years ended June 30, 2022 and 2021, relating to such contributed facility.

(13) Related Party

During 2022, two of the CEO's relatives were also employees of the Organization. Subsequent to year end, one additional relative was hired resulting in 40% of the Organization's workforce related.

(14) New Accounting Pronouncements

In December of 2018, FASB issued ASU No. 2018-20, Leases. ASU No. 2018-20 which requires the Organization to recognize all leased assets on the statement of financial position with corresponding liability resulting in a gross up of the statement of financial position. Entities will also be required to present additional disclosure as to the nature and extend of leasing activities. The requirements of this statements are effective for the Organization's year ended June 30, 2022. The Organization has not evaluated the impact due to the timing of implementation of this standard.

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Combined Schedule Of Financial Position

As Of June 30, 2022

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(With Summarized Financial Information for the Year Ended June 30, 2021)

	The Arvada Community Food Bank	The Arvada Community Food Bank Foundation	Eliminations	2022 Total	2021 Total
ASSETS					
Cash and cash equivalents	\$ 1,643,770	\$ 75,577	\$	\$ 1,719,347	\$ 1,624,415
Inventory	134,514			134,514	127,086
Promises to give, net	59,908			59,908	42,162
Prepays		13,627		13,627	3,613
Investments	1,378,880	192,870		1,571,750	972,196
Net property and equipment	180,000			180,000	245,300
TOTAL ASSETS	\$ 3,397,072	\$ 282,074	\$	\$ 3,679,146	\$ 3,014,772
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable	\$	\$	\$	\$	\$ 4,263
Accrued liabilities	19,868			19,868	43,164
Capital Lease	5,293			5,293	7,267
Refundable advances	22,000	37,245		59,245	68,608
Total Liabilities	47,161	37,245		84,406	123,302
Net Assets:					
Without donor restriction					
Designated for property and equipment	174,707			174,707	238,033
Board designated	546,589			546,589	546,589
Undesignated	2,546,851	244,829		2,791,680	2,012,193
Total without donor restriction	3,268,147	244,829		3,512,976	2,796,815
With donor restrictions	81,764			81,764	94,655
Total Net Assets	3,349,911	244,829		3,594,740	2,891,470
TOTAL LIABILITIES AND NET ASSETS	\$ 3,397,072	\$ 282,074	\$	\$ 3,679,146	\$ 3,014,772

THE ARVADA COMMUNITY FOOD BANK, INC.
DBA COMMUNITY TABLE

Combined Schedule Of Activities
For The Year Ended June 30, 2022

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(With Summarized Financial Information for the Year Ended June 30, 2021)

	The Arvada Community Food Bank	The Arvada Community Food Bank Foundation	Eliminations	2022 Total	2021 Total
Support And Revenue:					
Contributed food	\$ 2,117,642	\$	\$	\$ 2,117,642	\$ 1,651,149
Other in-kind contributions	1,034			1,034	954
Contributions and grants	1,909,078	993		1,910,071	1,725,685
Federal grants	70,000			70,000	178,900
Investment income	(120,102)	(23,273)		(143,375)	100,848
Special events, net of direct benefit to donor of \$13,726	19,802	87,115		106,917	108,664
Total Support and Revenue	3,997,454	64,835		4,062,289	3,766,200
Expenses:					
Program Services -					
Food distribution	2,770,336			2,770,336	2,179,857
Self-Sufficiency	210,684	530		211,214	263,309
Total Program Services	2,981,020	530		2,981,550	2,443,166
Supporting Services -					
General administration	178,937	800		179,737	165,906
Fundraising	197,614	118		197,732	182,791
Total Supporting Services	376,551	918		377,469	348,697
Total Expenses	3,357,571	1,448		3,359,019	2,791,863
CHANGES IN NET ASSETS	639,883	63,387		703,270	974,337
Net Assets, Beginning Of Year	2,710,028	181,442		2,891,470	1,917,133
NET ASSETS, END OF YEAR	\$ 3,349,911	\$ 244,829	\$	\$ 3,594,740	\$ 2,891,470