

LEHIGH TAX COLLECTION COMMITTEE

**Financial Statements and
Independent Auditor's Report**

December 31, 2023

**LEHIGH TAX COLLECTION COMMITTEE
TABLE OF CONTENTS**

	Page(s)
Independent Auditor's Report	1 - 2
 <u><i>Financial Statements</i></u>	
Statement of Assets and Members' Accounts – Cash Basis	3
Statement of Revenues, Expenses and Changes in Members' Accounts – Cash Basis	4
Notes to Financial Statements	5 - 6

INDEPENDENT AUDITOR'S REPORT

To the Members of the Committee Board
Lehigh Tax Collection Committee
Emmaus, PA

Opinion

We have audited the accompanying cash basis financial statements of Lehigh Tax Collection Committee, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Lehigh Tax Collection Committee's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis assets and members' accounts of Lehigh Tax Collection Committee, as of December 31, 2023, and the respective changes in members' accounts for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lehigh Tax Collection Committee, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Cong Bell, Rappold & Yuraita LLP

December 3, 2025

LEHIGH TAX COLLECTION COMMITTEE
STATEMENT OF ASSETS AND MEMBERS' ACCOUNTS – CASH BASIS
December 31, 2023

	<u>2023</u>
ASSETS	
Cash and Cash Equivalents	\$ 14,000
Certificates of Deposit	<u>65,000</u>
TOTAL ASSETS	<u><u>\$ 79,000</u></u>
 LIABILITIES AND MEMBERS' ACCOUNTS	
-NONE-	<u>\$ -</u>
TOTAL LIABILITIES	<u>-</u>
 MEMBERS' ACCOUNTS	
Unrestricted	<u>79,000</u>
TOTAL MEMBERS' ACCOUNTS	<u>79,000</u>
TOTAL LIABILITIES AND MEMBERS' ACCOUNTS	<u><u>\$ 79,000</u></u>

See independent auditor's report and notes to the financial statements.

**LEHIGH TAX COLLECTION COMMITTEE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN MEMBERS' ACCOUNTS – CASH BASIS
For the Year Ended December 31, 2023**

	2023
REVENUES	
Assessments to Members	\$ 79,918
Interest Income	<u>12</u>
Total Revenues	<u>79,930</u>
EXPENSES	
Management Fees	1,951
Insurance	4,785
Legal	7,848
Advertising	<u>1,209</u>
Total Expenses	<u>15,793</u>
NET INCREASE IN MEMBERS' ACCOUNTS	64,137
MEMBERS' ACCOUNTS - Beginning of Year	<u>14,863</u>
MEMBERS' ACCOUNTS - End of Year	<u><u>\$ 79,000</u></u>

See independent auditor's report and notes to the financial statements.

**LEHIGH TAX COLLECTION COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

1. Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The Lehigh Tax Collection Committee (the "Committee") is a government entity created and organized under Act 32 of 2008, 53 P.S. § 6924.501 *et seq.*, which amended and restated the Local Tax Enabling Act (LTEA), 53 P.S. § 6901 *et seq.* Delegates from the following school districts and municipalities make up the Committee: the School Districts of Allentown City, Catasauqua, East Penn, Northern Lehigh, Northwestern Lehigh, Parkland, Salisbury, Southern Lehigh, and Whitehall-Coplay; the City of Allentown; the Boroughs of Catasauqua, North Catasauqua, Alburtis, Emmaus, Macungie, Slatington, Walnutport, Coopersburg, and Coplay; and the Townships of Hanover, Lower Macungie, Upper Milford, Washington, Heidelberg, Lowhill, Lynn, Weisenberg, North Whitehall, South Whitehall, Upper Macungie, Salisbury, Lower Milford, Upper Saucon, and Whitehall. Under Act 32, the Committee is required to appoint a tax collector to collect earned income and possibly other taxes on a county-wide basis, and to oversee tax collection within the Lehigh County Tax Collection District (TCD).

Basis of Accounting

The financial statements of Lehigh Tax Collection Committee have been prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The cash basis differs from GAAP in that certain revenues and the related assets are recognized when received rather than when earned and certain expenditures or expenses are recognized when paid rather than when a liability is incurred.

Cash and Cash Equivalents

The Committee has defined cash and cash equivalents to include cash on hand, demand deposits and certificates of deposit with an original maturity of three months or less.

Certificates of Deposit

Certificates of deposit held for investment purposes with original maturities greater than three months are reported at amortized cost, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

The certificates of deposit in which the Committee invests are nonnegotiable and nonparticipating interest-earning investment contracts, and therefore are not considered debt securities subject to fair value reporting. As such, they are excluded from the definition of investments required to be reported at fair value under GASB 31.

The Committee has formally adopted the provisions of GASB Statement No. 31 and reports its held-to-maturity certificates of deposit at amortized cost.

Interest Rate Risk

The certificates of deposit have original maturity dates ranging from eight to twelve months. The Committee does not have a formal investment policy to manage interest rate risk but monitors maturity dates to ensure liquidity.

LEHIGH TAX COLLECTION COMMITTEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Concentration of Credit Risk

The Committee places limits on the amount the Committee may invest in any one issuer.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a financial institution failure, the Committee's deposits may not be returned to the Committee. The Committee does not have a formal deposit policy for custodial credit risk. As of December 31, 2023, the Committee's bank balances of \$14,000 and certificates of deposit of \$65,000 were fully insured by the Federal Deposit Insurance Corporation (FDIC).

2. Subsequent Events

In preparing these financial statements, the Committee has evaluated events and transactions for potential recognition or disclosure through December 3, 2025, the date the financial statements were available to be issued, and has determined that there were no material subsequent events that require recognition or disclosure.