



**Options for Community Living, Inc.  
and Affiliates**

Combined Financial Statements  
and Supplementary Information

December 31, 2018 and 2017

# Options for Community Living, Inc. and Affiliates

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December 31, 2018 and 2017

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## **Independent Auditors' Report**

To the Board of Directors of  
Options for Community Living, Inc. and Affiliates

### **Report on the Combined Financial Statements**

We have audited the accompanying combined financial statements of Options for Community Living, Inc. and Affiliates ("Options"), which comprise the combined statements of financial position as of December 31, 2018 and 2017, and the related combined statements of activities and change in net assets and functional expenses for the year ended December 31, 2018 and cash flows for the years ended December 31, 2018 and 2017, and the related notes to the combined financial statements.

### **Management's Responsibility for the Combined 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Options for Community Living, Inc. and Affiliates as of December 31, 2018 and 2017, and the change in their net assets for the year ended December 31, 2018 and their cash flows for the years ended December 31, 2018 and 2017 in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### **Report on Summarized Comparative Information**

We have previously audited Options' 2017 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated April 30, 2018. In our opinion, the summarized comparative information on the combined statement of activities and change in net assets presented herein for the year ended December 31, 2017 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

### **Report on Supplementary Combining Information**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining information on pages 16 to 17 is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, change in net assets, and cash flows of the individual organizations, and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

*Baker Tilly Virchow Krause, LLP*

Melville, New York  
April 29, 2019

## Options for Community Living, Inc. and Affiliates

Combined Statements of Financial Position

December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 4,167,496	\$ 4,649,456
Investments	3,738,056	4,596,406
Accounts receivable, net of allowance for doubtful accounts of \$80,000	1,629,232	1,254,085
Prepaid expenses and other current assets	218,008	206,660
Total current assets	<u>9,752,792</u>	<u>10,706,607</u>
<b>Assets Limited as to Use</b>		
Reserve for replacements	1,568,884	1,460,624
Residual receipts reserve	40,467	42,144
Tenant deposits held in trust	119,665	114,961
Other assets limited as to use	233,860	221,822
	<u>1,962,876</u>	<u>1,839,551</u>
<b>Land, Buildings and Improvements and Equipment, Net</b>	<u>46,070,949</u>	<u>44,477,960</u>
Total assets	<u><u>\$ 57,786,617</u></u>	<u><u>\$ 57,024,118</u></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 593,941	\$ 579,390
Accrued salaries and related costs	563,529	825,037
Due to governmental agencies	1,477,228	1,337,555
Line of credit	2,373,000	-
Current portion of long-term debt	168,100	156,326
Deferred income	928,489	37,478
Other current liabilities	7,857	17,014
Total current liabilities	6,112,144	2,952,800
<b>Long-Term Debt, Net</b>	3,665,658	3,571,768
<b>Tenant Deposits Held in Trust</b>	119,665	114,961
<b>Advance from New York State</b>	2,705,776	2,705,776
<b>Other Liabilities</b>	<u>218,382</u>	<u>311,357</u>
Total liabilities	<u>12,821,625</u>	<u>9,656,662</u>
<b>Net Assets</b>		
Net assets without donor restrictions	44,923,921	47,349,848
Net assets with donor restrictions	41,071	17,608
Total net assets	<u>44,964,992</u>	<u>47,367,456</u>
Total liabilities and net assets	<u><u>\$ 57,786,617</u></u>	<u><u>\$ 57,024,118</u></u>

See notes to combined financial statements

## Options for Community Living, Inc. and Affiliates

Combined Statement of Activities and Change in Net Assets  
Year Ended December 31, 2018 (with summarized comparative totals for 2017)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b>Revenue</b>				
Program services:				
Mental health licensed programs	\$ 6,396,821	\$ -	\$ 6,396,821	\$ 6,288,889
Mental health supportive housing	4,565,355	-	4,565,355	4,067,535
ATC - care coordination	3,868,651	-	3,868,651	3,817,660
ATC - residential services	2,042,190	-	2,042,190	1,939,347
HUD Section 811 rental fees	1,563,201	-	1,563,201	1,554,121
Mainstream rent vouchers	1,065,429	-	1,065,429	1,064,980
Thrift shop	23,508	-	23,508	23,016
	<u>19,525,155</u>	<u>-</u>	<u>19,525,155</u>	<u>18,755,548</u>
Other revenue:				
Investment (loss) income	(82,212)	-	(82,212)	321,830
Contributions and grants	68,606	84,590	153,196	103,481
Special event, net of direct benefits to donors of \$18,338	-	-	-	51,102
Miscellaneous income	72,892	-	72,892	7,285
	<u>59,286</u>	<u>84,590</u>	<u>143,876</u>	<u>483,698</u>
Net assets released from restrictions	<u>61,127</u>	<u>(61,127)</u>	<u>-</u>	<u>-</u>
Total revenue	<u>19,645,568</u>	<u>23,463</u>	<u>19,669,031</u>	<u>19,239,246</u>
<b>Expenses</b>				
Program services:				
Mental health licensed programs	5,722,742	-	5,722,742	5,557,487
Mental health supportive housing	4,166,314	-	4,166,314	3,607,131
ATC - care coordination	3,805,123	-	3,805,123	3,452,067
ATC - residential services	2,787,087	-	2,787,087	2,815,142
HUD Section 811 housing	2,230,693	-	2,230,693	2,042,866
Mainstream rent vouchers	1,073,012	-	1,073,012	1,073,554
Thrift shop	33,097	-	33,097	36,367
	<u>19,818,068</u>	<u>-</u>	<u>19,818,068</u>	<u>18,584,614</u>
Supporting services:				
Management and general	<u>2,329,606</u>	<u>-</u>	<u>2,329,606</u>	<u>2,261,125</u>
Total expenses	<u>22,147,674</u>	<u>-</u>	<u>22,147,674</u>	<u>20,845,739</u>
Change in net assets before capital advances and residual receipts due to HUD	(2,502,106)	23,463	(2,478,643)	(1,606,493)
Capital advances	89,508	-	89,508	526,508
Residual receipts due to HUD	(13,329)	-	(13,329)	(115,635)
Change in net assets	(2,425,927)	23,463	(2,402,464)	(1,195,620)
<b>Net Assets, Beginning of Year</b>	<u>47,349,848</u>	<u>17,608</u>	<u>47,367,456</u>	<u>48,563,076</u>
<b>Net Assets, End of Year</b>	<u>\$ 44,923,921</u>	<u>\$ 41,071</u>	<u>\$ 44,964,992</u>	<u>\$ 47,367,456</u>

See notes to combined financial statements

**Options for Community Living, Inc. and Affiliates**

## Combined Statement of Functional Expenses

Year Ended December 31, 2018 (with summarized comparative totals for 2017)

	Program Services							Supporting Services	2018 Total	2017 Total	
	Mental Health Licensed Programs	Mental Health Supportive Housing	ATC - Care Coordination	ATC - Residential Services	HUD Section 811 Housing	Mainstream Rent Vouchers	Thrift Shop	Management and General			
Salaries	\$ 3,060,582	\$ 1,607,763	\$ 2,546,119	\$ 546,755	\$ 333,664	\$ -	\$ -	\$ 8,094,883	\$ 1,489,843	\$ 9,584,726	\$ 8,942,012
Payroll taxes and employee benefits	832,859	528,482	881,599	170,498	102,405	-	-	2,515,843	533,442	3,049,285	2,740,761
Total salaries, payroll taxes and employee benefits	3,893,441	2,136,245	3,427,718	717,253	436,069	-	-	10,610,726	2,023,285	12,634,011	11,682,773
Expenses											
Money management, clients	149,813	-	-	-	-	-	-	149,813	-	149,813	149,820
Utilities	163,586	195,256	5,877	168,358	246,739	-	3,488	783,304	18,305	801,609	713,786
Rent and real estate taxes	199,483	1,117,413	62,655	15,502	-	-	-	1,395,053	523	1,395,576	1,070,822
Interest	165,996	17,850	-	-	-	-	-	183,846	-	183,846	185,693
Maintenance and repairs	142,440	97,253	9,347	206,918	312,976	-	150	769,084	17,998	787,082	739,400
Travel	65,253	42,825	77,749	13,541	-	-	-	199,368	5,755	205,123	202,088
Telephone	68,151	43,044	76,620	15,704	-	-	1,679	205,198	12,394	217,592	181,981
Office and computer expenses	86,630	40,800	45,612	13,548	-	-	1,204	187,794	55,919	243,713	245,584
Dues and subscriptions	4,715	12,132	133	1,621	-	-	-	18,601	3,287	21,888	19,049
Outreach and recruitment	5,983	2,820	6,169	542	-	-	103	15,617	27,270	42,887	37,923
Staff training and development	28,484	12,238	19,748	3,284	-	-	922	64,676	24,059	88,735	87,867
Insurance	64,889	33,112	13,366	49,137	44,597	-	1,033	206,134	17,451	223,585	245,976
Program supplies and expenses	18,156	27,171	15,555	1,366	52,109	-	1,346	115,703	-	115,703	120,666
Food	77,826	32	408	65	-	-	-	78,331	-	78,331	89,236
Household supplies	61,089	47,434	1,092	24,069	-	-	823	134,507	-	134,507	234,287
Contracted services and professional fees	187,508	144,542	37,838	169,255	319,170	7,305	5,355	870,973	46,991	917,964	896,811
Minor equipment	35,325	69,826	2,386	55,482	-	-	-	163,019	1,095	164,114	234,106
Rental assistance and related expenses	1,120	12,081	-	483,256	-	1,065,707	-	1,562,164	-	1,562,164	1,498,008
Bad debt	7,482	3,890	-	31,703	345	-	-	43,420	-	43,420	38,912
Depreciation	290,471	108,556	1,291	816,144	818,688	-	16,974	2,052,124	48,390	2,100,514	2,098,109
Miscellaneous expense	4,901	1,794	1,559	339	-	-	20	8,613	26,884	35,497	35,910
Transition and start-up	-	-	-	-	-	-	-	-	-	-	26,250
Special event	-	-	-	-	-	-	-	-	-	-	10,682
Total expenses	\$ 5,722,742	\$ 4,166,314	\$ 3,805,123	\$ 2,787,087	\$ 2,230,693	\$ 1,073,012	\$ 33,097	\$ 19,818,068	\$ 2,329,606	\$ 22,147,674	\$ 20,845,739

See notes to combined financial statements

## Options for Community Living, Inc. and Affiliates

### Combined Statements of Cash Flows

Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (2,402,464)	\$ (1,195,620)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Capital advances restricted for investment in properties	(37,088)	(51,199)
Noncash capital advance	(52,420)	(475,309)
Depreciation	2,100,514	2,098,109
Interest expense on debt issuance costs	8,083	8,086
Gain on disposal of equipment	(500)	(6,043)
Realized and unrealized loss (gain) on investments	210,202	(203,988)
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	(375,147)	895,468
Prepaid expenses and other current assets	(11,348)	(16,106)
Tenant deposits held in trust	(4,704)	(3,858)
Other assets limited as to use	(12,038)	(58,821)
Residual receipts reserve	1,677	(6,067)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	14,551	(79,445)
Accrued salaries and related costs	(261,508)	73,639
Due to governmental agencies	139,673	236,283
Deferred income	891,011	(526,944)
Other current liabilities	(9,157)	(286,135)
Tenant deposits held in trust	4,704	3,858
Other liabilities	(92,975)	267,457
Net cash provided by operating activities	<u>111,066</u>	<u>673,365</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from redemption of short-term investments	2,527,896	2,192,500
Purchases of short-term investments	(1,879,748)	(2,289,109)
Purchases of land, building and improvements and equipment	(3,381,083)	(175,094)
Proceeds from disposal of land, building and improvements and equipment	500	7,187
Deposits to reserve for replacements, net	(108,260)	(121,812)
Net cash used in investing activities	<u>(2,840,695)</u>	<u>(386,328)</u>
<b>Cash Flows from Financing Activities</b>		
Capital advances restricted for investment in properties	37,088	51,199
Proceeds from line of credit	2,373,000	-
Advance from New York State	-	33,254
Principal payments on long-term debt	(162,419)	(215,551)
Net cash provided by (used in) financing activities	<u>2,247,669</u>	<u>(131,098)</u>
(Decrease) increase in cash and cash equivalents	(481,960)	155,939
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>4,649,456</u>	<u>4,493,517</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 4,167,496</u>	<u>\$ 4,649,456</u>
<b>Supplemental Disclosures of Cash Flow Information</b>		
Cash paid during the year for interest	<u>\$ 167,306</u>	<u>\$ 177,607</u>

See Note 15 for noncash transactions.

See notes to combined financial statements



# Options for Community Living, Inc. and Affiliates

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Notes to Combined Financial Statements  
December 31, 2018 and 2017

## 1. Description of the Organization and Summary of Significant Accounting Policies

### Nature of Operations

Options for Community Living, Inc. ("Options") was incorporated under New York State law for the purpose of providing residential and support services to people with special needs. Options assures that families and individuals are offered the community resources essential to independent living and self-sufficiency. Options is a multifaceted agency, with programs serving adults with mental illness, individuals and families with HIV/AIDS and other chronic illness. Options' primary sources of funding are fees paid by contracts with the New York State Office of Mental Health ("OMH") and Medicaid, which are recorded as revenue when services are performed.

Options is affiliated through common board membership and control with OCL Properties, Inc., OCL Properties II, Inc., OCL Properties III East, Inc., OCL Properties III West, Inc., OCL Properties IV, Inc., OCL Properties V, Inc., OCL Properties VI, Inc., OCL Properties VII, Inc., OCL Properties VIII, Inc., OCL Properties IX, Inc., OCL Properties X, Inc., OCL Properties XI, Inc., OCL Properties XII, Inc., OCL Properties XIII, Inc., OCL Properties XIV, Inc., and OCL Properties XV, Inc. (the "Projects"). Their purpose is to establish, operate and provide housing for persons with chronic mental illness. The Projects' funding is derived primarily from capital advances and rental fees paid by the United States Department of Housing and Urban Development ("HUD") and tenants.

### Basis of Accounting

These combined financial statements have been prepared on the accrual basis of accounting.

### Principles of Combination

The combined financial statements include the accounts of Options for Community Living, Inc. and its Affiliates, which have been combined. All intercompany transactions have been eliminated. As used herein, "Options" includes Options for Community Living, Inc. and its Affiliates.

### Donor-Imposed Restrictions

Options reports gifts of cash or other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets. When net assets with donor restrictions expire, 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 combined statement of activities and change in net assets as net assets released from restrictions.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, Options reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

### Fixed Assets and Depreciation

Fixed assets are stated at cost. All fixed assets other than land are depreciated on a straight-line basis over the estimated useful lives of the related assets, which range from 3 to 25 years. Options capitalizes fixed asset purchases with a cost of \$5,000 or more.

### Investments

Investments consist primarily of mutual funds, treasury notes and bonds and are carried at fair value. Realized and unrealized gains and losses on investments are reported in the combined statement of activities and change in net assets as increases or decreases in net assets without donor restrictions.

## Options for Community Living, Inc. and Affiliates

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Notes to Combined Financial Statements  
December 31, 2018 and 2017

### Net Assets

Options' financial presentation distinguishes between net assets with or without donor restrictions and changes in net assets with or without donor restrictions, as follows:

#### Net Assets Without Donor Restrictions

Net assets which have not been donor restricted, and are, therefore, available for use in carrying out the operations of Options.

#### Net Assets With Donor Restrictions

Net assets which have been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by the actions of Options pursuant to those stipulations and net assets subject to donor-imposed restrictions that stipulate resources be maintained in perpetuity. Options has no net assets required to be maintained in perpetuity.

### Fair Value

In accordance with Accounting Standards Codification ("ASC") 820, Options must determine whether its assets and liabilities recorded at fair value are valued based on Level 1 (valued based on quoted prices in an active market for identical assets), Level 2 (valued based on significant other observable inputs) or Level 3 (valued based on significant unobservable inputs) measurements.

### Combined Statements of Cash Flows

For purposes of the combined statements of cash flows, Options considers all highly liquid debt instruments with an original maturity of three months or less at the date of purchase to be cash equivalents. Cash held by investment managers is included in investments, as Options considers these balances to be invested for long-term purpose.

### Allocation of Expenses on a Functional Basis

The cost of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and change in net assets. Some expenses are directly identified to their related programs and supporting function and are reported accordingly. Salaries and wages and fringe benefits are mainly allocated based on actual time and effort reported by staff. Occupancy costs, repairs and maintenance and depreciation related to the administrative office are allocated based on square footage.

### Income Taxes

Options qualifies as a tax-exempt not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and as not-for-profit corporations under the laws of New York State. Accordingly, no provision for federal or state income taxes is required.

### Uncertain Tax Positions

Management has evaluated Options' tax positions and concluded that Options has not taken any uncertain tax positions that require adjustment to the combined financial statements to comply with the provisions of ASC 740.

## Options for Community Living, Inc. and Affiliates

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Notes to Combined Financial Statements  
December 31, 2018 and 2017

### Estimates

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

### Allowance for Doubtful Accounts

Management must make estimates of the uncollectibility of accounts receivable. Management specifically analyzes accounts receivable, historical bad debts, current funding trends and changes in payment terms and rates when evaluating the adequacy of the allowance for doubtful accounts.

### Subsequent Events

Management has evaluated subsequent events through April 29, 2019, the date the combined financial statements are available for issuance, for inclusion or disclosure in the combined financial statements.

### Reclassifications

Certain 2017 amounts have been reclassified to conform with the 2018 presentation.

### Recent Accounting Pronouncements

During August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Options was required to adopt ASU 2016-14 in 2018, and has applied the changes retrospectively to all periods presented, except for the disclosures relating to the analysis of expense by nature and function, which was not required by ASU 2016-14. The following summarizes the applicable financial reporting items reflected in Options' combined financial statements as required by ASU 2016-14:

- (a) The unrestricted net asset class has been renamed Net Assets Without Donor Restrictions;
- (b) The temporarily restricted net asset classes has been renamed Net Assets With Donor Restrictions;
- (c) The combined financial statements include a disclosure about liquidity and availability of resources (Note 2);
- (d) The expenses are reported by both nature and function and disclosure of specific methodologies used to allocate costs among program and support functions is included (Note 1).

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The core principle of ASU 2014-09 requires recognition of revenue to depict the transfer of goods or services to customers at an amount that reflects the consideration for what an organization expects it will receive in association with this exchange. ASU 2014-09 is effective for Options for fiscal years beginning after December 15, 2018. Management has concluded that the adoption of ASU 2014-09 will not impact Options' combined financial statements.

## Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements  
December 31, 2018 and 2017

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The core principles of ASU 2016-02 change the way organizations will account for their leases by recognizing lease assets and lease liabilities on the combined statements of financial position and disclosing key information about leasing arrangements. ASU 2016-02 is effective for Options for fiscal years beginning after December 15, 2019, with early adoption permitted. Management is currently evaluating the impact of ASU 2016-02 on Options' combined financial statements.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. The amendments in this update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. Amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period amounts shown on the statements of cash flows. ASU 2016-18 is effective for Options for fiscal years beginning after December 15, 2018. ASU 2016-18 is to be applied retroactively with transition provisions. Management is currently evaluating the impact of ASU 2016-18 on Options' combined financial statements.

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new guidance is intended to clarify and improve accounting guidance for contributions received and contributions made. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) subject to other guidance and (2) determining whether a contribution is conditional. ASU 2018-08 is effective for Options for fiscal years beginning after December 15, 2018. Management is currently evaluating the impact of ASU 2018-08 on Options' combined financial statements.

## 2. Liquidity and Availability of Resources

The following table reflects Options' financial assets available for general expenditure within one year at December 31, 2018 and 2017. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. Unavailable financial assets consist of assets whose use is limited and tenant deposits.

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 4,167,496	\$ 4,649,456
Investments	3,738,056	4,596,406
Accounts receivable	<u>1,629,232</u>	<u>1,254,085</u>
	9,534,784	10,499,947
Less amounts unavailable for general expenditures within one year, due to, Purpose restrictions	<u>41,071</u>	<u>17,608</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 9,493,713</u>	<u>\$ 10,482,339</u>

As part of Options' liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Options' main source of liquidity is program service revenue. Although investments are available for expenditure, it is not Options' intention to use investments for operating purposes.

Options is required to maintain a reserve for replacements account. Options had balances of \$1,568,884 and \$1,460,624 at December 31, 2018 and 2017, respectively, in its reserve for replacements account available for such limited purposes.

## Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements  
December 31, 2018 and 2017

### 3. Investments

Investments are valued based on Level 1 and Level 2 inputs and consist of the following at December 31:

	Fair Value Measurements at December 31, 2018			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total Fair Value	Cost
Mutual funds	\$ 1,741,569	\$ -	\$ 1,741,569	\$ 1,749,249
Corporate bonds	-	743,711	743,711	757,967
Treasury notes and bonds	1,074,335	-	1,074,335	1,078,889
Total	<u>\$ 2,815,904</u>	<u>\$ 743,711</u>	3,559,615	<u>\$ 3,586,105</u>
Cash and cash equivalents			178,441	
Total investments			<u>\$ 3,738,056</u>	

	Fair Value Measurements at December 31, 2017			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total Fair Value	Cost
Mutual funds	\$ 2,347,769	\$ -	\$ 2,347,769	\$ 2,116,904
Corporate bonds	-	679,713	679,713	682,769
Treasury notes and bonds	1,207,139	-	1,207,139	1,221,405
Total	<u>\$ 3,554,908</u>	<u>\$ 679,713</u>	4,234,621	<u>\$ 4,021,078</u>
Cash and cash equivalents			361,785	
Total investments			<u>\$ 4,596,406</u>	

Investment income (loss) consists of the following for the years ended December 31:

	2018	2017
Interest and dividends	\$ 127,990	\$ 117,842
Unrealized (loss) gain	(240,033)	193,902
Realized gain	29,831	10,086
Total	<u>\$ (82,212)</u>	<u>\$ 321,830</u>

### 4. Assets Limited as to Use

Assets limited as to use represent cash segregated in accordance with contractual requirements and for tenant security deposits.

## Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements  
December 31, 2018 and 2017

### 5. Land, Buildings and Improvements, and Equipment, Net

Land, buildings and improvements, and equipment, net, consist of the following at December 31:

	<u>2018</u>	<u>2017</u>
Land	\$ 16,336,197	\$ 15,303,787
Buildings and improvements	53,383,134	50,866,823
Furniture, equipment and vehicles	<u>2,237,494</u>	<u>2,108,122</u>
	71,956,825	68,278,732
Accumulated depreciation	<u>(25,885,876)</u>	<u>(23,800,772)</u>
Total	<u>\$ 46,070,949</u>	<u>\$ 44,477,960</u>

Included in buildings and improvements at December 31, 2017 are amounts that represent construction in process, which are not in service, of \$56,624.

Options has received capital advances, secured by various mortgage notes, under certain HUD programs for purchase and renovation of buildings to provide housing to individuals meeting the eligibility requirements of those programs. At December 31, 2018 and 2017, approximately \$42,788,000 and \$43,146,000, respectively, were subject to repayment. The capital advances are not required to be repaid, as long as the housing continues to be used for the specified purposes for periods ranging from 5 to 40 years.

Capital advances of \$89,508 and \$526,508 were recognized as income during the years ended December 31, 2018 and 2017, respectively.

### 6. Due to Governmental Agencies

Due to governmental agencies represents amounts due for excess Medicaid and OMH Contract payments, and excess residual receipts due back to HUD.

### 7. Line of Credit

On December 17, 2018, Options entered into a line of credit agreement with JPMorgan Chase Bank, N.A. in the amount of \$2,700,000. The line is secured and collateralized by Options' property. Interest on the unpaid principal balance is computed at the yearly London Interbank Offered Rate plus 3% per annum (4.06% at December 31, 2018). At December 31, 2018, there was \$2,373,000 outstanding on the line. The balance is due and payable in full on September 17, 2019, at which time, it is expected to be renewed.

### 8. Advance from New York State

During 2011, Options entered into an agreement with the New York State Office of Mental Health to purchase and renovate a multiple apartment dwelling for the Mental Health Residential Service program. At December 31, 2018 and 2017, advances of \$2,705,776, respectively, have been received relating to the acquisition of the site. Sometime after the site has been certified for occupancy, New York State will be eligible to finance the transaction through a Dormitory Authority of the State of New York ("DASNY") bond offering. No repayment is required until the bond is issued. At December 31, 2018, the advances have been included in the DASNY bond offering and are, therefore, included in long-term liabilities on the combined statements of financial position at December 31, 2018 and 2017.

## Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements

December 31, 2018 and 2017

### 9. Long-Term Debt

Long-term debt consists of the following at December 31:

	<u>2018</u>	<u>2017</u>
Medford mortgage, payable in monthly installments of \$1,329 through January 2018, including interest at 5.75% per annum, collateralized by the respective property.	\$ -	\$ 1,061
Selden mortgage, payable in monthly installments of \$1,729 through January 2018, including interest at 6.375% per annum, collateralized by the respective property.	-	1,351
Huntington mortgage, payable in monthly installments of \$1,376 through August 2023, including interest at 5.75% per annum, collateralized by the respective property.	67,447	79,697
Selden mortgage, payable in monthly installments of \$1,329 through July 2024, including interest at 6.375% per annum, collateralized by the respective property.	74,389	85,213
Port Jefferson Station mortgage, payable in monthly installments of \$1,818 through September 2019, including interest at 6.25% per annum, collateralized by the respective property.	16,414	36,506
Town of Islip Community Development mortgage, payable in monthly installments of \$556 through March 2042, non-interest bearing, collateralized by the respective property in Bay Shore.	153,332	159,999
Town of Islip Community Development mortgage, payable in monthly installments of \$556 through March 2042, non-interest bearing, collateralized by the respective property in Central Islip.	153,332	159,999
Town of Islip Community Development mortgage, payable in monthly installments of \$556 through September 2043, non-interest bearing, collateralized by the respective property in Bay Shore.	164,999	171,666
Town of Islip Community Development mortgage, payable in monthly installments of \$556 through September 2043, non-interest bearing, collateralized by the respective property in Bay Shore.	164,999	171,666
Patchogue mortgage, payable in monthly installments of \$2,104 through May 2028 including interest at 5.25% per annum, collateralized by the respective property.	253,725	-
Community Preservation Corporation mortgage, payable in monthly installments of \$20,072 through July 2038, including interest at 5.25% per annum, collateralized by the nine respective properties.	<u>2,943,454</u>	<u>3,027,352</u>
Subtotal	3,992,091	3,894,510
Less current maturities	(168,100)	(156,326)
Less unamortized deferred financing costs	<u>(158,333)</u>	<u>(166,416)</u>
Total long-term debt	<u>\$ 3,665,658</u>	<u>\$ 3,571,768</u>

## Options for Community Living, Inc. and Affiliates

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Notes to Combined Financial Statements  
December 31, 2018 and 2017

Long-term debt matures approximately as follows:

Years ending December 31:	
2019	\$ 168,100
2020	158,600
2021	166,000
2022	173,700
2023	176,300
Thereafter	<u>3,149,400</u>
Total	<u>\$ 3,992,100</u>

Total interest expense on long-term debt for the years ended December 31, 2018 and 2017 approximated \$184,000 and \$186,000, respectively.

### 10. Net Assets With Donor Restrictions

Net assets with donor restrictions designated for specific programs aggregated \$41,071 and \$17,608 at December 31, 2018 and 2017, respectively. During the years ended December 31, 2018 and 2017, \$61,127 and \$67,767, respectively, of net assets with donor restrictions were released from restrictions because they were used for the donor-specified purpose.

### 11. Fundraising Expenses

For the years ended December 31, 2018 and 2017, fundraising expenses were approximately \$56,000 and \$66,600, respectively, and are included in management and general expenses.

### 12. Retirement Plans

Options maintains a defined contribution retirement plan covering all eligible employees, as defined. Retirement expense is determined based on a formula dependent on each eligible employee's deferral and salary amount. Expense for this Plan for the years ended December 31, 2018 and 2017 approximated \$313,000 and \$283,000, respectively. Options also sponsors a 457(b) plan for certain of its employees. Assets and liabilities under this plan, which is funded through employee salary deferrals, are included in other assets limited as to use and other liabilities on the accompanying combined statements of financial position.

### 13. Commitments and Contingencies

#### Operating Leases

Options is obligated under various noncancellable operating leases for certain of its facilities and equipment, expiring through 2022. Options is also obligated to pay for maintenance and real estate taxes on certain leased properties.



## Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements  
December 31, 2018 and 2017

Future minimum lease payments under these operating leases are as follows:

Years ending December 31:	
2019	\$ 931,600
2020	477,700
2021	190,900
2022	<u>12,500</u>
Total	<u>\$ 1,612,700</u>

Rent expense for the years ended December 31, 2018 and 2017 approximated \$1,370,000 and \$1,045,000, respectively.

### Government Funding and Possible Rate Adjustments

Substantial funding of programs is provided to Options by federal, state, city, and county (Suffolk and Nassau) governments. Continuation of such funding is dependent on budgetary allocations from such agencies. In addition, reimbursements under contracts or rates are subject to audit by various agencies on a regular basis. The potential exposure from the outcome of such audits, if any, cannot be determined.

### Litigation and Claims

Options is subject to lawsuits and claims with respect to matters arising in the normal course of business. Options defends its position on all actions. In the opinion of management, the ultimate liabilities, if any, from these lawsuits or claims will not materially affect the financial position or results of operations of Options. Nevertheless, due to the uncertainty of the settlement process, management's view of the outcome may be modified in the future.

### 14. Concentrations of Credit Risk

Financial instruments which potentially subject Options to concentrations of credit risk consist principally of cash, investments and accounts receivable from government agencies. Options places its temporary cash investments with financial institutions. At times throughout the year, Options' cash balances with any one financial institution exceeded the federal depository insurance coverage limit. Accounts receivable are predominantly from federal, state and local government agencies, including Medicaid, other third parties and private payors.

### 15. Noncash Transactions

During the years ended December 31, 2018 and 2017, Options purchased and/or rehabilitated buildings using proceeds of capital advances and mortgages primarily from HUD paid directly to the sellers or contractors, totaling \$52,420 and \$475,309, respectively. The initial acquisition and rehabilitation for these sites was previously funded by HUD. In addition, during the year ended December 31, 2018, Options purchased a building using proceeds of a mortgage in the amount of \$260,000.

**Options for Community Living, Inc. and Affiliates**

Combining Statement of Financial Position

Year Ended December 31, 2018 (with summarized comparative totals for 2017)

	Options for Community Living, Inc.	OCL Properties, Inc.	OCL Properties II, Inc.	OCL Properties III East, Inc.	OCL Properties III West, Inc.	OCL Properties IV, Inc.	OCL Properties V, Inc.	OCL Properties VI, Inc.	OCL Properties VII, Inc.	OCL Properties VIII, Inc.	OCL Properties IX, Inc.	OCL Properties X, Inc.	OCL Properties XI, Inc.	OCL Properties XII, Inc.	OCL Properties XIII, Inc.	OCL Properties XIV, Inc.	OCL Properties XV, Inc.	Eliminations	2018 Combined Totals	2017 Combined Totals
<b>Assets</b>																				
<b>Current Assets</b>																				
Cash and cash equivalents	\$ 4,009,622	\$ 5,430	\$ 1,843	\$ 11,744	\$ 1,310	\$ 2,507	\$ 4,214	\$ 2,707	\$ 7,434	\$ 2,329	\$ 3,133	\$ 3,219	\$ 14,808	\$ 20,466	\$ 15,302	\$ 19,756	\$ 41,672	\$ -	\$ 4,167,496	\$ 4,649,456
Investments	3,738,056	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,738,056	4,596,406
Accounts receivable, net	1,606,738	216	439	821	1,667	2,001	1,811	558	3,797	2,940	2,179	1,388	866	245	2,800	303	463	-	1,629,232	1,254,085
Due from affiliates	131,166	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(131,166)	-	-
Prepaid expenses and other current assets	213,521	-	1,119	-	1,119	-	746	-	-	757	-	-	-	-	746	-	-	-	-	218,008
Total current assets	9,699,103	5,646	3,401	12,565	4,096	4,508	6,771	3,265	11,231	6,026	5,312	4,607	15,674	20,711	18,848	20,059	42,135	(131,166)	9,752,792	10,706,607
<b>Assets Limited as to Use</b>																				
Reserve for replacements	485,498	48,682	27,000	9,967	64,494	60,832	40,797	80,805	52,340	27,953	71,045	61,016	160,274	159,855	118,726	75,226	24,374	-	1,568,884	1,460,624
Residual receipts reserve	-	3,752	3,751	-	-	2,251	3,001	2,250	2,250	-	3,002	4,456	3,001	3,000	3,000	3,001	3,752	-	40,467	42,144
Tenant deposits held in trust	76,250	2,977	3,793	1,139	2,199	2,012	2,628	1,577	2,058	4,590	2,281	1,778	2,835	3,149	3,134	3,145	4,120	-	119,665	114,961
Other assets limited as to use	233,860	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	233,860	221,822
	795,608	55,411	34,544	11,106	66,693	65,095	46,426	84,632	56,648	32,543	76,328	67,250	166,110	166,004	124,860	81,372	32,246	-	1,962,876	1,839,551
<b>Land, Buildings and Improvements and Equipment, Net</b>																				
	30,038,483	437,216	518,876	222,888	348,458	343,461	503,140	442,479	547,692	1,348,558	1,167,010	1,253,713	1,324,887	1,447,257	1,847,713	1,695,976	2,583,142	-	46,070,949	44,477,960
Total assets	\$ 40,533,194	\$ 498,273	\$ 556,821	\$ 246,559	\$ 419,247	\$ 413,064	\$ 556,337	\$ 530,376	\$ 615,571	\$ 1,387,127	\$ 1,248,650	\$ 1,325,570	\$ 1,506,671	\$ 1,633,972	\$ 1,991,421	\$ 1,797,407	\$ 2,657,523	\$ (131,166)	\$ 57,786,617	\$ 57,024,118
<b>Liabilities and Net Assets</b>																				
<b>Current Liabilities</b>																				
Accounts payable and accrued expenses	\$ 381,471	\$ 15,290	\$ 13,399	\$ 9,765	\$ 13,695	\$ 11,838	\$ 12,738	\$ 12,499	\$ 12,630	\$ 14,003	\$ 13,426	\$ 12,663	\$ 13,568	\$ 17,017	\$ 12,021	\$ 14,583	\$ 13,335	\$ -	\$ 593,941	\$ 579,390
Accrued salaries and related costs	563,529	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	563,529	825,037
Due to affiliate	-	5,034	24,207	1,720	17,821	6,852	4,038	2,730	2,939	25,593	10,768	8,235	3,782	3,520	3,628	4,119	6,180	(131,166)	-	-
Due to governmental agencies	1,461,693	-	-	-	-	-	-	-	-	-	-	2,206	-	-	139	1,117	12,073	-	1,477,228	1,337,555
Line of credit	2,373,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,373,000	-
Current portion of long-term debt	168,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	168,100	156,326
Deferred income	928,489	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	928,489	37,478
Other current liabilities	7,857	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,857	17,014
Total current liabilities	5,884,139	20,324	37,606	11,485	31,516	18,690	16,776	15,229	15,569	39,596	24,194	23,104	17,350	20,537	15,788	19,819	31,588	(131,166)	6,112,144	2,952,800
<b>Long-Term Debt, Net</b>																				
	3,665,658	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,665,658	3,571,768
<b>Tenant Deposits Held in Trust</b>																				
	76,250	2,977	3,793	1,139	2,199	2,012	2,628	1,577	2,058	4,590	2,281	1,778	2,835	3,149	3,134	3,145	4,120	-	119,665	114,961
<b>Advance from New York State</b>																				
	2,705,776	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,705,776	2,705,776
<b>Other Liabilities</b>																				
	218,382	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	218,382	311,357
Total liabilities	12,550,205	23,301	41,399	12,624	33,715	20,702	19,404	16,806	17,627	44,186	26,475	24,882	20,185	23,686	18,922	22,964	35,708	(131,166)	12,821,625	9,656,662
<b>Net Assets</b>																				
Net assets without donor restrictions	27,941,918	474,972	515,422	233,935	385,532	392,362	536,933	513,570	597,944	1,342,941	1,222,175	1,300,688	1,486,486	1,610,286	1,972,499	1,774,443	2,621,815	-	44,923,921	47,349,848
Net assets with donor restrictions	41,071	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,071	17,608
Total net assets	27,982,989	474,972	515,422	233,935	385,532	392,362	536,933	513,570	597,944	1,342,941	1,222,175	1,300,688	1,486,486	1,610,286	1,972,499	1,774,443	2,621,815	-	44,964,992	47,367,456
Total liabilities and net assets	\$ 40,533,194	\$ 498,273	\$ 556,821	\$ 246,559	\$ 419,247	\$ 413,064	\$ 556,337	\$ 530,376	\$ 615,571	\$ 1,387,127	\$ 1,248,650	\$ 1,325,570	\$ 1,506,671	\$ 1,633,972	\$ 1,991,421	\$ 1,797,407	\$ 2,657,523	\$ (131,166)	\$ 57,786,617	\$ 57,024,118

**Options for Community Living, Inc. and Affiliates**

Combining Statement of Activities and Change in Net Assets

Year Ended December 31, 2018 (with summarized comparative totals for 2017)

	Options for Community Living, Inc.	OCL Properties, Inc.	OCL Properties II, Inc.	OCL Properties III East, Inc.	OCL Properties III West, Inc.	OCL Properties IV, Inc.	OCL Properties V, Inc.	OCL Properties VI, Inc.	OCL Properties VII, Inc.	OCL Properties VIII, Inc.	OCL Properties IX, Inc.	OCL Properties X, Inc.	OCL Properties XI, Inc.	OCL Properties XII, Inc.	OCL Properties XIII, Inc.	OCL Properties XIV, Inc.	OCL Properties XV, Inc.	Eliminations	2018 Combined Totals	2017 Combined Totals	
<b>Net Assets Without Donor Restrictions</b>																					
Revenue:																					
Program services:																					
Mental health licensed programs	\$ 6,396,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,396,821	\$ 6,288,889
Mental health supportive housing	4,565,355	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,565,355	4,067,535
ATC - care coordination	3,868,651	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,868,651	3,817,660
ATC - residential services	2,042,190	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,042,190	1,939,347
HUD Section 811 rental fees	-	117,076	121,208	60,799	73,135	79,456	93,030	73,623	81,434	127,963	98,102	70,679	108,377	108,620	110,702	113,026	125,971	-	1,563,201	1,554,121	
Mainstream rent vouchers	1,065,429	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,065,429	1,064,980
Thrift shop	23,508	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,508	23,016
<b>Total program services</b>	<b>17,961,954</b>	<b>117,076</b>	<b>121,208</b>	<b>60,799</b>	<b>73,135</b>	<b>79,456</b>	<b>93,030</b>	<b>73,623</b>	<b>81,434</b>	<b>127,963</b>	<b>98,102</b>	<b>70,679</b>	<b>108,377</b>	<b>108,620</b>	<b>110,702</b>	<b>113,026</b>	<b>125,971</b>	<b>-</b>	<b>19,525,155</b>	<b>18,755,548</b>	
Other revenue:																					
Investment (loss) income	(82,333)	6	4	1	7	8	5	8	5	3	8	7	16	16	12	10	5	-	(82,212)	321,830	
Management fees	140,496	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(140,496)	-	-	
Contributions and grants	68,606	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68,606	41,281	
Special event, net of direct benefits to donors of \$18,338 in 2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51,102	
Miscellaneous income	71,331	-	556	-	177	-	-	301	-	111	84	105	-	-	-	227	-	-	72,892	7,285	
<b>Total other revenue</b>	<b>198,100</b>	<b>6</b>	<b>560</b>	<b>1</b>	<b>184</b>	<b>8</b>	<b>5</b>	<b>309</b>	<b>5</b>	<b>114</b>	<b>92</b>	<b>112</b>	<b>16</b>	<b>16</b>	<b>12</b>	<b>237</b>	<b>5</b>	<b>(140,496)</b>	<b>59,286</b>	<b>421,498</b>	
Net assets released from restrictions	61,127	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61,127	67,767
<b>Total revenue</b>	<b>18,221,181</b>	<b>117,082</b>	<b>121,768</b>	<b>60,800</b>	<b>73,319</b>	<b>79,464</b>	<b>93,035</b>	<b>73,932</b>	<b>81,439</b>	<b>128,077</b>	<b>98,194</b>	<b>70,791</b>	<b>108,393</b>	<b>108,636</b>	<b>110,714</b>	<b>113,263</b>	<b>125,976</b>	<b>(140,496)</b>	<b>19,645,568</b>	<b>19,244,813</b>	
<b>Expenses</b>																					
Program services:																					
Mental health licensed programs	5,722,742	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,722,742	5,557,487
Mental health supportive programs	4,166,314	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,166,314	3,607,131
ATC - care coordination	3,805,123	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,805,123	3,452,067
ATC - residential services	2,787,087	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,787,087	2,815,142
HUD Section 811 housing	-	155,648	188,649	74,743	96,546	115,283	131,127	109,758	108,111	214,466	145,838	121,418	131,700	136,630	150,311	150,783	199,682	-	2,230,693	2,042,866	
Mainstream rent vouchers	1,073,012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,073,012	1,073,554
Thrift shop	33,097	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,097	36,367
<b>Total program expenses</b>	<b>17,587,375</b>	<b>155,648</b>	<b>188,649</b>	<b>74,743</b>	<b>96,546</b>	<b>115,283</b>	<b>131,127</b>	<b>109,758</b>	<b>108,111</b>	<b>214,466</b>	<b>145,838</b>	<b>121,418</b>	<b>131,700</b>	<b>136,630</b>	<b>150,311</b>	<b>150,783</b>	<b>199,682</b>	<b>-</b>	<b>19,818,068</b>	<b>18,584,614</b>	
Supporting services:																					
Management and general	2,303,905	14,489	14,306	5,300	8,663	8,152	10,422	8,310	7,780	14,119	11,421	7,923	10,566	10,572	10,429	10,539	13,206	(140,496)	2,329,606	2,261,125	
<b>Total expenses</b>	<b>19,891,280</b>	<b>170,137</b>	<b>202,955</b>	<b>80,043</b>	<b>105,209</b>	<b>123,435</b>	<b>141,549</b>	<b>118,068</b>	<b>115,891</b>	<b>228,585</b>	<b>157,259</b>	<b>129,341</b>	<b>142,266</b>	<b>147,202</b>	<b>160,740</b>	<b>161,322</b>	<b>212,888</b>	<b>(140,496)</b>	<b>22,147,674</b>	<b>20,845,739</b>	
Change in net assets without donor restrictions before capital advances and residual receipts due to HUD	(1,670,099)	(53,055)	(81,187)	(19,243)	(31,890)	(43,971)	(48,514)	(44,136)	(34,452)	(100,508)	(59,065)	(58,550)	(33,873)	(38,566)	(50,026)	(48,059)	(86,912)	-	(2,502,106)	(1,600,926)	
Capital advances	89,508	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89,508	526,508
Residual receipts due to HUD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(139)	(1,117)	(12,073)	-	(13,329)	(115,635)	
<b>Change in net assets without donor restrictions</b>	<b>(1,580,591)</b>	<b>(53,055)</b>	<b>(81,187)</b>	<b>(19,243)</b>	<b>(31,890)</b>	<b>(43,971)</b>	<b>(48,514)</b>	<b>(44,136)</b>	<b>(34,452)</b>	<b>(100,508)</b>	<b>(59,065)</b>	<b>(58,550)</b>	<b>(33,873)</b>	<b>(38,566)</b>	<b>(50,165)</b>	<b>(49,176)</b>	<b>(98,985)</b>	<b>-</b>	<b>(2,425,927)</b>	<b>(1,190,053)</b>	
Change in net assets with donor restrictions:																					
Contributions and grants	84,590	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	84,590	62,200
Net assets released from restrictions	(61,127)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(61,127)	(67,767)
<b>Change in net assets with donor restrictions</b>	<b>23,463</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,463</b>	<b>(5,567)</b>
<b>Change in net assets</b>	<b>(1,557,128)</b>	<b>(53,055)</b>	<b>(81,187)</b>	<b>(19,243)</b>	<b>(31,890)</b>	<b>(43,971)</b>	<b>(48,514)</b>	<b>(44,136)</b>	<b>(34,452)</b>	<b>(100,508)</b>	<b>(59,065)</b>	<b>(58,550)</b>	<b>(33,873)</b>	<b>(38,566)</b>	<b>(50,165)</b>	<b>(49,176)</b>	<b>(98,985)</b>	<b>-</b>	<b>(2,402,464)</b>	<b>(1,195,620)</b>	
<b>Net Assets, Beginning of Year</b>	<b>29,540,117</b>	<b>528,027</b>	<b>596,609</b>	<b>253,178</b>	<b>417,422</b>	<b>436,333</b>	<b>585,447</b>	<b>557,706</b>	<b>632,396</b>	<b>1,443,449</b>	<b>1,281,240</b>	<b>1,359,238</b>	<b>1,520,359</b>	<b>1,648,852</b>	<b>2,022,664</b>	<b>1,823,619</b>	<b>2,720,800</b>	<b>-</b>	<b>47,367,456</b>	<b>48,563,076</b>	
<b>Net Assets, End of Year</b>	<b>\$ 27,982,989</b>	<b>\$ 474,972</b>	<b>\$ 515,422</b>	<b>233,935</b>	<b>\$ 385,532</b>	<b>\$ 392,362</b>	<b>\$ 536,933</b>	<b>\$ 513,570</b>	<b>\$ 597,944</b>	<b>\$ 1,342,941</b>	<b>\$ 1,222,175</b>	<b>\$ 1,300,688</b>	<b>\$ 1,486,486</b>	<b>\$ 1,610,286</b>	<b>\$ 1,972,499</b>	<b>\$ 1,774,443</b>	<b>\$ 2,621,815</b>	<b>\$ -</b>	<b>\$ 44,964,992</b>	<b>\$ 47,367,456</b>	