

Options for Community Living, Inc. and Affiliates

Combined Financial Statements
and Supplementary Information

December 31, 2023 and 2022

Options for Community Living, Inc. and Affiliates

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December 31, 2023 and 2022

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Independent Auditors' Report

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

Opinion

We have audited the combined financial statements of Options for Community Living, Inc. and Affiliates (Options), which comprise the combined statements of financial position as of December 31, 2023 and 2022, and the related combined statements of activities and change in net assets for the year ended December 31, 2023, and functional expenses and cash flows for the years ended December 31, 2023 and 2022, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of Options as of December 31, 2023 and 2022, and the combined change in their net assets for the year ended December 31, 2023 and their combined cash flows for the years ended December 31, 2023 and 2022 in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of Options 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.

Other Matter

Report on Summarized Comparative Information

We have previously audited Options' 2022 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated April 12, 2023. 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, 2022 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with GAAP, and for 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.

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 Options' ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS, 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 Options' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Options' 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.

Supplementary 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 22 to 23 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 it 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 combining 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 combining information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Baker Tilly US, LLP

Uniondale, New York
April 17, 2024

Options for Community Living, Inc. and Affiliates

Combined Statements of Financial Position

December 31, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|-----------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 3,666,570 | \$ 4,855,914 |
| Investments | 4,660,292 | 4,769,288 |
| Accounts receivable, net of allowance of approximately \$71,000 and \$85,000, respectively | 2,471,610 | 2,060,669 |
| Prepaid expenses and other current assets | <u>541,446</u> | <u>427,673</u> |
| Total current assets | <u>11,339,918</u> | <u>12,113,544</u> |
| Assets Limited as to Use | | |
| Reserve for replacements | 1,552,208 | 1,593,984 |
| Residual receipts reserve | 40,367 | 40,359 |
| Tenant deposits held in trust | 132,470 | 124,785 |
| Other assets limited as to use | <u>350,660</u> | <u>291,724</u> |
| Total assets limited as to use | <u>2,075,705</u> | <u>2,050,852</u> |
| Right-of-Use Assets, Operating Leases | <u>1,124,413</u> | <u>2,009,896</u> |
| Land, Buildings and Improvements and Equipment, Net | <u>37,940,826</u> | <u>39,001,737</u> |
| Total assets | <u><u>\$ 52,480,862</u></u> | <u><u>\$ 55,176,029</u></u> |
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Accounts payable and accrued expenses | \$ 805,372 | \$ 653,597 |
| Accrued salaries and related costs | 953,962 | 1,067,081 |
| Due to governmental agencies | 622,341 | 997,967 |
| Current portion of long-term debt | 281,593 | 289,895 |
| Deferred income | 1,355,531 | 1,080,082 |
| Current portion of operating lease liabilities | 864,512 | 1,054,897 |
| Other current liabilities | <u>5,199</u> | <u>3,883</u> |
| Total current liabilities | 4,888,510 | 5,147,402 |
| Long-Term Debt, Net | 5,627,592 | 5,895,692 |
| Tenant Deposits Held in Trust | 132,470 | 124,785 |
| Advance From New York State | 384,565 | 384,565 |
| Operating Lease Liabilities | 306,332 | 1,014,883 |
| Other Liabilities | <u>125,369</u> | <u>94,957</u> |
| Total liabilities | <u>11,464,838</u> | <u>12,662,284</u> |
| Net Assets | | |
| Net assets without donor restrictions | 40,971,381 | 42,467,378 |
| Net assets with donor restrictions | <u>44,643</u> | <u>46,367</u> |
| Total net assets | <u>41,016,024</u> | <u>42,513,745</u> |
| Total liabilities and net assets | <u><u>\$ 52,480,862</u></u> | <u><u>\$ 55,176,029</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, 2023 (With Summarized Comparative Totals for 2022)

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>2023 Total</u> | <u>2022 Total</u> |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------|-----------------------|-----------------------|
| Revenue | | | | |
| Program services: | | | | |
| Mental health licensed programs | \$ 8,377,049 | \$ - | \$ 8,377,049 | \$ 9,783,032 |
| Mental health supportive housing | 7,440,390 | - | 7,440,390 | 5,819,645 |
| ATC - care coordination | 3,975,273 | - | 3,975,273 | 4,104,767 |
| ATC - residential services | 2,709,049 | - | 2,709,049 | 2,879,004 |
| HUD Section 811 rental fees | 1,827,614 | - | 1,827,614 | 1,717,364 |
| Mainstream rent vouchers | 1,277,040 | - | 1,277,040 | 1,117,918 |
| Thrift shop | 39,319 | - | 39,319 | 34,828 |
| Total program services | <u>25,645,734</u> | <u>-</u> | <u>25,645,734</u> | <u>25,456,558</u> |
| Other revenue: | | | | |
| Investment income (loss) | 470,883 | - | 470,883 | (448,957) |
| Contributions and grants | 70,194 | 276,822 | 347,016 | 728,596 |
| Miscellaneous income | 121,218 | - | 121,218 | 169,920 |
| Total other revenue | <u>662,295</u> | <u>276,822</u> | <u>939,117</u> | <u>449,559</u> |
| Net assets released from restrictions | <u>278,546</u> | <u>(278,546)</u> | <u>-</u> | <u>-</u> |
| Total revenue | <u>26,586,575</u> | <u>(1,724)</u> | <u>26,584,851</u> | <u>25,906,117</u> |
| Expenses | | | | |
| Program services: | | | | |
| Mental health licensed programs | 7,222,014 | - | 7,222,014 | 7,872,203 |
| Mental health supportive housing | 6,715,137 | - | 6,715,137 | 5,430,996 |
| ATC - care coordination | 3,521,920 | - | 3,521,920 | 3,821,968 |
| ATC - residential services | 3,445,354 | - | 3,445,354 | 3,832,626 |
| HUD Section 811 housing | 2,327,386 | - | 2,327,386 | 2,628,313 |
| Mainstream rent vouchers | 1,285,506 | - | 1,285,506 | 1,125,372 |
| Thrift shop | 54,690 | - | 54,690 | 58,759 |
| Total program expenses | <u>24,572,007</u> | <u>-</u> | <u>24,572,007</u> | <u>24,770,237</u> |
| Supporting services: | | | | |
| Management and general | <u>3,213,550</u> | <u>-</u> | <u>3,213,550</u> | <u>2,935,683</u> |
| Total expenses | <u>27,785,557</u> | <u>-</u> | <u>27,785,557</u> | <u>27,705,920</u> |
| Change in net assets before capital advances, residual receipts due to HUD and loss on sale of land and building | | | | |
| | (1,198,982) | (1,724) | (1,200,706) | (1,799,803) |
| Capital advances | 94,945 | - | 94,945 | 352,373 |
| Residual receipts due to HUD | (1,965) | - | (1,965) | - |
| Refund of capital advance | (284,046) | - | (284,046) | - |
| Loss on sale of land and building | <u>(105,949)</u> | <u>-</u> | <u>(105,949)</u> | <u>-</u> |
| Change in net assets | (1,495,997) | (1,724) | (1,497,721) | (1,447,430) |
| Net Assets, Beginning | <u>42,467,378</u> | <u>46,367</u> | <u>42,513,745</u> | <u>43,961,175</u> |
| Net Assets, Ending | <u>\$ 40,971,381</u> | <u>\$ 44,643</u> | <u>\$ 41,016,024</u> | <u>\$ 42,513,745</u> |

See notes to combined financial statements

Options for Community Living, Inc. and Affiliates

Combined Statement of Functional Expenses
 Year Ended December 31, 2023 (With Comparative Totals for 2022)

| | Program Services | | | | | | | Supporting Services | | 2023 Total | 2022 Total |
|-----------------------------------------------------|---------------------------------|----------------------------------|-------------------------|----------------------------|-------------------------|--------------------------|-------------|---------------------|------------------------|---------------|---------------|
| | Mental Health Licensed Programs | Mental Health Supportive Housing | ATC - Care Coordination | ATC - Residential Services | HUD Section 811 Housing | Mainstream Rent Vouchers | Thrift Shop | Total | Management and General | | |
| Salaries | \$ 3,780,849 | \$ 2,681,173 | \$ 2,348,139 | \$ 752,946 | \$ 409,357 | \$ - | \$ 15,804 | \$ 9,988,268 | \$ 1,857,173 | \$ 11,845,441 | \$ 11,794,821 |
| Payroll taxes and employee benefits | 1,088,312 | 883,808 | 769,141 | 251,317 | 127,492 | - | 5,252 | 3,125,322 | 601,039 | 3,726,361 | 3,697,557 |
| Total salaries, payroll taxes and employee benefits | 4,869,161 | 3,564,981 | 3,117,280 | 1,004,263 | 536,849 | - | 21,056 | 13,113,590 | 2,458,212 | 15,571,802 | 15,492,378 |
| Expenses: | | | | | | | | | | | |
| Money management, clients | 194,315 | - | - | - | - | - | - | 194,315 | - | 194,315 | 165,892 |
| Utilities | 192,803 | 340,342 | 10,653 | 202,036 | 276,386 | - | 3,643 | 1,025,863 | 23,302 | 1,049,165 | 1,058,445 |
| Lease expense and real estate taxes | 239,174 | 1,524,130 | 67,239 | 18,672 | - | - | - | 1,849,215 | - | 1,849,215 | 1,780,481 |
| Interest | 231,176 | 18,319 | 5,682 | 2,403 | - | - | - | 257,580 | 15,350 | 272,930 | 284,893 |
| Maintenance and repairs | 245,600 | 270,443 | 21,883 | 363,038 | 293,104 | - | 353 | 1,194,421 | 36,244 | 1,230,665 | 1,318,160 |
| Travel | 47,727 | 67,133 | 60,432 | 18,036 | - | - | 32 | 193,360 | 7,308 | 200,668 | 164,484 |
| Telephone | 90,601 | 57,277 | 61,114 | 19,412 | - | - | 2,734 | 231,138 | 22,862 | 254,000 | 231,093 |
| Office and computer expenses | 90,918 | 102,743 | 39,150 | 25,690 | - | - | 707 | 259,208 | 52,164 | 311,372 | 304,171 |
| Dues and subscriptions | 4,474 | 10,721 | 7,829 | 2,018 | - | - | - | 25,042 | 9,603 | 34,645 | 29,120 |
| Outreach and recruitment | 3,853 | 16,142 | 5,312 | 2,773 | - | - | - | 28,080 | 25,910 | 53,990 | 53,398 |
| Staff training and development | 25,879 | 22,008 | 15,810 | 5,500 | - | - | 692 | 69,889 | 61,523 | 131,412 | 104,730 |
| Insurance | 98,759 | 74,102 | 24,892 | 82,465 | 72,883 | - | 1,473 | 354,574 | 26,555 | 381,129 | 333,286 |
| Program supplies and expenses | 30,179 | 115,367 | 25,860 | 24,673 | 52,383 | - | - | 248,462 | - | 248,462 | 179,625 |
| Food | 94,172 | 716 | 408 | 626 | - | - | - | 95,922 | - | 95,922 | 82,035 |
| Household supplies | 70,864 | 84,827 | 168 | 24,714 | - | - | - | 180,573 | - | 180,573 | 199,723 |
| Contracted services and professional fees | 308,228 | 191,086 | 38,504 | 204,465 | 353,701 | 8,466 | 7,465 | 1,111,915 | 398,152 | 1,510,067 | 1,627,457 |
| Minor equipment | 55,260 | 94,899 | 590 | 44,939 | - | - | - | 195,688 | - | 195,688 | 158,719 |
| Rental assistance and related expenses | - | 11,397 | - | 592,529 | - | 1,277,040 | - | 1,880,966 | - | 1,880,966 | 1,930,702 |
| Bad debt | 14,443 | 7,976 | - | 32,876 | 23,735 | - | - | 79,030 | - | 79,030 | 63,223 |
| Special event expenses | - | - | - | - | - | - | - | - | 1,133 | 1,133 | 4,338 |
| Transition and start up expenses | - | - | - | - | - | - | - | - | - | - | 3,652 |
| Depreciation | 311,450 | 139,098 | 18,216 | 773,597 | 718,345 | - | 16,535 | 1,977,241 | 48,460 | 2,025,701 | 2,103,689 |
| Miscellaneous expense | 2,978 | 1,430 | 898 | 629 | - | - | - | 5,935 | 26,772 | 32,707 | 32,226 |
| Total expenses | \$ 7,222,014 | \$ 6,715,137 | \$ 3,521,920 | \$ 3,445,354 | \$ 2,327,386 | \$ 1,285,506 | \$ 54,690 | \$ 24,572,007 | \$ 3,213,550 | \$ 27,785,557 | \$ 27,705,920 |

See notes to combined financial statements

Options for Community Living, Inc. and Affiliates

Combined Statement of Functional Expenses
Year Ended December 31, 2022

| | Program Services | | | | | | | Supporting Services | | |
|-----------------------------------------------------|---------------------------------|----------------------------------|-------------------------|----------------------------|-------------------------|--------------------------|-------------|---------------------|------------------------|---------------|
| | Mental Health Licensed Programs | Mental Health Supportive Housing | ATC - Care Coordination | ATC - Residential Services | HUD Section 811 Housing | Mainstream Rent Vouchers | Thrift Shop | Total | Management and General | Total |
| Salaries | \$ 4,340,752 | \$ 2,021,732 | \$ 2,572,450 | \$ 753,202 | \$ 416,551 | \$ - | \$ 15,001 | \$ 10,119,688 | \$ 1,675,133 | \$ 11,794,821 |
| Payroll taxes and employee benefits | 1,184,884 | 662,689 | 839,589 | 288,849 | 121,027 | - | 6,966 | 3,104,004 | 593,553 | 3,697,557 |
| Total salaries, payroll taxes and employee benefits | 5,525,636 | 2,684,421 | 3,412,039 | 1,042,051 | 537,578 | - | 21,967 | 13,223,692 | 2,268,686 | 15,492,378 |
| Expenses: | | | | | | | | | | |
| Money management, clients | 165,892 | - | - | - | - | - | - | 165,892 | - | 165,892 |
| Utilities | 206,675 | 291,515 | 11,253 | 207,902 | 312,225 | - | 4,263 | 1,033,833 | 24,612 | 1,058,445 |
| Lease expense and real estate taxes | 242,597 | 1,450,533 | 66,937 | 20,414 | - | - | - | 1,780,481 | - | 1,780,481 |
| Interest | 240,114 | 20,459 | 5,931 | 2,509 | - | - | - | 269,013 | 15,880 | 284,893 |
| Maintenance and repairs | 225,734 | 195,553 | 17,552 | 407,981 | 440,458 | - | 2,251 | 1,289,529 | 28,631 | 1,318,160 |
| Travel | 51,434 | 39,249 | 54,389 | 14,460 | - | - | - | 159,532 | 4,952 | 164,484 |
| Telephone | 88,062 | 43,514 | 59,435 | 17,763 | - | - | 2,305 | 211,079 | 20,014 | 231,093 |
| Office and computer expenses | 119,255 | 65,786 | 32,273 | 22,951 | - | - | 682 | 240,947 | 63,224 | 304,171 |
| Dues and subscriptions | 3,549 | 10,079 | 7,731 | 1,665 | - | - | 1 | 23,025 | 6,095 | 29,120 |
| Outreach and recruitment | 10,516 | 5,201 | 6,800 | 3,900 | - | - | - | 26,417 | 26,981 | 53,398 |
| Staff training and development | 33,391 | 17,196 | 14,775 | 3,621 | - | - | 772 | 69,755 | 34,975 | 104,730 |
| Insurance | 96,013 | 54,498 | 22,925 | 72,380 | 64,039 | - | 1,183 | 311,038 | 22,248 | 333,286 |
| Program supplies and expenses | 24,444 | 46,025 | 45,901 | 7,564 | 55,691 | - | - | 179,625 | - | 179,625 |
| Food | 81,627 | 408 | - | - | - | - | - | 82,035 | - | 82,035 |
| Household supplies | 66,376 | 95,980 | 3,799 | 33,568 | - | - | - | 199,723 | - | 199,723 |
| Contracted services and professional fees | 322,736 | 218,625 | 39,568 | 284,283 | 414,032 | 7,454 | 7,880 | 1,294,578 | 332,879 | 1,627,457 |
| Minor equipment | 44,835 | 52,810 | 1,229 | 56,924 | - | - | 150 | 155,948 | 2,771 | 158,719 |
| Rental assistance and related expenses | - | 7,584 | - | 804,430 | - | 1,117,918 | 770 | 1,930,702 | - | 1,930,702 |
| Bad debt | 3,674 | 14,088 | - | 35,538 | 9,923 | - | - | 63,223 | - | 63,223 |
| Special event expenses | - | - | - | - | - | - | - | - | 4,338 | 4,338 |
| Transition and start up expenses | - | - | - | - | - | - | - | - | 3,652 | 3,652 |
| Depreciation | 316,456 | 117,312 | 18,346 | 792,486 | 794,367 | - | 16,535 | 2,055,502 | 48,187 | 2,103,689 |
| Miscellaneous expense | 3,187 | 160 | 1,085 | 236 | - | - | - | 4,668 | 27,558 | 32,226 |
| Total expenses | \$ 7,872,203 | \$ 5,430,996 | \$ 3,821,968 | \$ 3,832,626 | \$ 2,628,313 | \$ 1,125,372 | \$ 58,759 | \$ 24,770,237 | \$ 2,935,683 | \$ 27,705,920 |

See notes to combined financial statements

Options for Community Living, Inc. and Affiliates

Combined Statements of Cash Flows
Years Ended December 31, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Cash Flows From Operating Activities | | |
| Change in net assets | \$ (1,497,721) | \$ (1,447,430) |
| Adjustments to reconcile change in net assets to net cash flows from operating activities: | | |
| Noncash capital advance | (94,945) | (352,373) |
| Depreciation | 2,025,701 | 2,103,689 |
| Interest expense on debt issuance costs | 14,073 | 14,073 |
| Noncash principal payments | (71,385) | - |
| Decrease in allowance for receivables | (14,339) | (25,000) |
| Realized and unrealized (gain) loss on investments | (254,880) | 566,730 |
| Donated investments | (2,890) | (502,449) |
| Noncash refund of capital advance | 284,046 | - |
| Loss on sale of land and building | 105,949 | - |
| Gain on insurance proceeds from disposal of land, building and improvements and equipment | - | (164,509) |
| Net accretion of operating leases | (13,453) | 26,773 |
| Changes in operating assets and liabilities: | | |
| (Increase) decrease in assets: | | |
| Accounts receivable | (396,602) | 672,030 |
| Prepaid expenses and other current assets | (113,773) | (90,393) |
| Increase (decrease) in liabilities: | | |
| Accounts payable and accrued expenses | 76,890 | (38,136) |
| Accrued salaries and related costs | (113,119) | 145,458 |
| Due to governmental agencies | (375,626) | (683,938) |
| Deferred income | 275,449 | 1,038,439 |
| Other current liabilities | 1,316 | (3,144) |
| Tenant deposits held in trust | 7,685 | 51 |
| Other liabilities | 30,412 | 20,857 |
| Net cash flows from operating activities | <u>(127,212)</u> | <u>1,280,728</u> |
| Cash Flows From Investing Activities | | |
| Proceeds from redemption of short-term investments | 2,330,202 | 2,278,963 |
| Purchases of short-term investments | (1,963,436) | (2,368,274) |
| Purchases of land, building and improvements and equipment | (1,216,378) | (221,461) |
| Proceeds from sale of land and building | 31,423 | - |
| Proceeds from insurance on disposal of land, building and improvements and equipment | - | 270,155 |
| Net cash flows from investing activities | <u>(818,189)</u> | <u>(40,617)</u> |
| Cash Flows From Financing Activities | | |
| Principal payments on long-term debt | (219,090) | (212,600) |
| Payments of debt issuance costs | - | (752) |
| Net cash flows from financing activities | <u>(219,090)</u> | <u>(213,352)</u> |
| (Decrease) increase in cash and cash equivalents and restricted cash | (1,164,491) | 1,026,759 |
| Cash and Cash Equivalents and Restricted Cash, Beginning | <u>6,906,766</u> | <u>5,880,007</u> |
| Cash and Cash Equivalents and Restricted Cash, Ending | <u>\$ 5,742,275</u> | <u>\$ 6,906,766</u> |
| Reconciliation of Cash and Cash Equivalents and Restricted Cash to the Combined Statements of Financial Position | | |
| Cash and cash equivalents | \$ 3,666,570 | \$ 4,855,914 |
| Tenant deposits held in trust | 132,470 | 124,785 |
| Reserve for replacements | 1,552,208 | 1,593,984 |
| Residual receipts reserve | 40,367 | 40,359 |
| Other assets limited as to use | 350,660 | 291,724 |
| Total cash and cash equivalents and restricted cash | <u>\$ 5,742,275</u> | <u>\$ 6,906,766</u> |
| Noncash Investing Activities | | |
| Purchase of fixed assets recorded in accounts payable and accrued expenses | <u>\$ 81,872</u> | <u>\$ 6,987</u> |
| During the year ended December 31, 2022, Options recorded a write-off of fixed assets of \$105,646, a receivable from insurance of \$270,155 and other revenue of \$164,509. | | |
| Supplemental Disclosures of Cash Flow Information | | |
| Cash paid during the year for interest | <u>\$ 258,857</u> | <u>\$ 270,818</u> |

See notes to combined financial statements

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

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.

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 under lease agreements with the tenants. The housing is provided in Suffolk County, New York.

In 2022, Options formed a new entity, 206 Smith Options LLC, a 1% member in 206 Smith Manager LLC, which will manage a 10 bed facility in Freeport, NY. 206 Smith Options LLC had no activity during 2022 and 2023.

Basis of Accounting

These combined financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (GAAP).

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.

Restricted Deposits

Restricted deposits, which consist of cash, include assets restricted under regulatory agreements executed with HUD and residents' deposits. The use of interest earned on these cash balances is also limited.

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.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

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.

Net Assets

Options' financial presentation distinguishes between net assets with and without donor restrictions and change 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.

Contribution Income

Government Support

Revenues from government grants are recognized when earned, generally by incurring qualifying expenses. Expense-based grants are recognized as allowable expenses are incurred. Performance-based grants are recognized as performance obligations are met. Advances on government grants are recorded as deferred income until earned.

Contributions and Grants

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. Conditional contributions, including conditional promises to give, are not recognized until they become unconditional, that is, when the conditions, which include a barrier and right of return or release, are substantially met.

Revenue From Contracts

Revenue from contracts includes tenant fees, third-party reimbursements, including Medicaid, OMH and HUD and portions of some government contracts. Such revenues are recognized at the point in time services are rendered or, if related to housing, during the month when housing is provided at contractual rates or, in the case of third-party reimbursements, at the net realizable value. Subsequent adjustments to transaction price are recorded as reductions to revenue when made. Advances on contracts are recorded as deferred income until earned.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

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 purposes.

Allocation of Expenses on a Functional Basis

The cost of providing the various programs and other activities have been reported on a functional basis in the combined statements of activities and change in net assets and functional expenses. 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 and the Projects qualify as tax-exempt not-for-profit organizations 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.

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.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

Allowance for Credit Losses

Options recognizes an allowance for credit losses for its receivables arising from reciprocal transactions to present the net amount expected to be collected as of the combined statements of financial position dates. Such allowance is based on the credit losses expected to arise over the life of the asset which includes consideration of past events and historical loss experience, current events and also future events. Options pools these receivables based on similar risk characteristics in estimating expected credit losses. In situations where a receivable does not share the same risk characteristics with other receivables, Options measures those receivables individually. Receivables are written off when Options determines that such receivables are deemed uncollectible.

Options utilizes the loss rate method in determining its lifetime expected credit losses on accounts receivable. In determining its loss rates, Options evaluates information related to its historical losses, adjusted for current conditions and further adjusted for the period of time that can be reasonably forecasted. Qualitative and quantitative adjustments related to current conditions and the reasonable and supportable forecast period consider all the following: past due receivables, payor type, customer creditworthiness, and the effect of other external forces, such as economic conditions and legal and regulatory requirements, on the level of estimated credit losses in the existing receivables. The allowance for credit losses was approximately \$71,000 as of December 31, 2023. As of December 31, 2022, an allowance of approximately \$85,000 was recorded.

Allowance for Doubtful Accounts

Options also recognizes an allowance for doubtful accounts for receivables arising from nonreciprocal revenue. Management specifically analyzes historical bad debts, current funding trends and changes in payment terms and rates when evaluating the adequacy of the allowance for doubtful accounts. There was no allowance for doubtful accounts as of December 31, 2023 and 2022.

Subsequent Events

Management has evaluated subsequent events through April 17, 2024, the date the combined financial statements are available for issuance, for inclusion or disclosure in the combined financial statements.

Adopted Accounting Pronouncement

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-13, *Measurement of Financial Instruments—Credit Losses (Topic 326)*. The ASU introduces a new credit loss methodology, Current Expected Credit Losses (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk. Since its original issuance in 2016, the FASB has issued several updates to the original ASU. The CECL methodology utilizes a lifetime "expected credit loss" measurement objective for the recognition of credit losses at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The methodology replaces the multiple existing impairment methods in current accounting principles generally accepted in the United States of America, which generally require that a loss be incurred before it is recognized. On January 1, 2023, Options adopted the ASU No. using the modified retrospective approach. The adoption of ASU No. 2016-13 had no impact on the combined financial statements for the year ended December 31, 2023.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements

December 31, 2023 and 2022

2. Program Service Revenue

Options disaggregates program service revenue, including revenue from contracts and government and other grants, by type of service and payor source as this depicts the nature, amount and timing of revenue. Performance obligations are satisfied as services are rendered. Payments are due upon receipt of related billing.

The following table represents program service revenue for the year ended December 31, 2023:

| | Mental Health Licensed Programs | Mental Health Supportive Housing | ATC - Care Coordination | ATC - Residential Services | HUD Section 811 Rental Fees | Mainstream Rent Vouchers | Thrift Shop | Total |
|-----------------------------------|---------------------------------|----------------------------------|-------------------------|----------------------------|-----------------------------|--------------------------|-------------|---------------|
| Revenue from contracts: | | | | | | | | |
| Medicaid | \$ 6,707,160 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,707,160 |
| NYS OMH | - | 4,841,344 | - | - | - | - | - | 4,841,344 |
| Medicaid Managed Care | - | 188,951 | 3,231,017 | - | - | - | - | 3,419,968 |
| Tenant fees | 1,668,176 | 693,877 | - | 840,095 | 822,277 | - | - | 4,024,425 |
| HUD | - | - | - | - | 969,730 | - | - | 969,730 |
| Other | - | - | 62,697 | - | 35,607 | - | 39,319 | 137,623 |
| Total revenue from contracts | 8,375,336 | 5,724,172 | 3,293,714 | 840,095 | 1,827,614 | - | 39,319 | 20,100,250 |
| Government and other grants: | | | | | | | | |
| NYS OMH | 1,713 | 267,505 | - | - | - | - | - | 269,218 |
| HUD | - | 256,850 | - | 508,799 | - | 1,277,040 | - | 2,042,689 |
| NYS OTDA | - | 863,870 | - | 386,842 | - | - | - | 1,250,712 |
| NYS DOH | - | - | - | 908,314 | - | - | - | 908,314 |
| Health Research, Inc. | - | - | 383,433 | - | - | - | - | 383,433 |
| Other | - | 327,993 | 298,126 | 64,999 | - | - | - | 691,118 |
| Total government and other grants | 1,713 | 1,716,218 | 681,559 | 1,868,954 | - | 1,277,040 | - | 5,545,484 |
| Total program service revenue | \$ 8,377,049 | \$ 7,440,390 | \$ 3,975,273 | \$ 2,709,049 | \$ 1,827,614 | \$ 1,277,040 | \$ 39,319 | \$ 25,645,734 |

The following table represents program service revenue for the year ended December 31, 2022:

| | Mental Health Licensed Programs | Mental Health Supportive Housing | ATC - Care Coordination | ATC - Residential Services | HUD Section 811 Rental Fees | Mainstream Rent Vouchers | Thrift Shop | Total |
|-----------------------------------|---------------------------------|----------------------------------|-------------------------|----------------------------|-----------------------------|--------------------------|-------------|---------------|
| Revenue from contracts: | | | | | | | | |
| Medicaid | \$ 7,382,517 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,382,517 |
| NYS OMH | - | 4,086,910 | - | - | - | - | - | 4,086,910 |
| Medicaid Managed Care | 252,292 | - | 3,272,732 | - | - | - | - | 3,525,024 |
| Tenant fees | 1,600,198 | 623,726 | - | 750,553 | 743,939 | - | - | 3,718,416 |
| HUD | - | - | - | - | 973,425 | - | - | 973,425 |
| Other | - | - | 65,389 | 995 | - | - | 34,828 | 101,212 |
| Total revenue from contracts | 9,235,007 | 4,710,636 | 3,338,121 | 751,548 | 1,717,364 | - | 34,828 | 19,787,504 |
| Government and other grants: | | | | | | | | |
| NYS OMH | 326,516 | 160 | - | - | - | - | - | 326,676 |
| HUD | - | 241,748 | - | 733,476 | - | 1,117,918 | - | 2,093,142 |
| NYS OTDA | - | 867,101 | - | 313,219 | - | - | - | 1,180,320 |
| NYS DOH | - | - | - | 836,057 | - | - | - | 836,057 |
| Health Research, Inc. | - | - | 450,772 | - | - | - | - | 450,772 |
| Other | 221,509 | - | 315,874 | 244,704 | - | - | - | 782,087 |
| Total government and other grants | 548,025 | 1,109,009 | 766,646 | 2,127,456 | - | 1,117,918 | - | 5,669,054 |
| Total program service revenue | \$ 9,783,032 | \$ 5,819,645 | \$ 4,104,767 | \$ 2,879,004 | \$ 1,717,364 | \$ 1,117,918 | \$ 34,828 | \$ 25,456,558 |

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

Accounts receivable, net, as of December 31, 2023 and 2022, consisted of \$1,433,403 and \$1,351,131, respectively, related to revenue from contracts and \$1,038,207 and \$709,538, respectively, related to government and other grants. As of December 31, 2023, Options has been awarded cost reimbursements and other conditional grants that have not been recognized as income in the amount of approximately \$8,290,000.

3. Liquidity and Availability of Resources

The following table reflects Options' financial assets available for general expenditure within one year as of December 31, 2023 and 2022. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. Unavailable financial assets consist of assets limited as to use and tenant deposits.

| | <u>2023</u> | <u>2022</u> |
|-------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Cash and cash equivalents | \$ 3,666,570 | \$ 4,855,914 |
| Investments | 4,660,292 | 4,769,288 |
| Accounts receivable | <u>2,471,610</u> | <u>2,060,669</u> |
| | 10,798,472 | 11,685,871 |
| Less amounts unavailable for general expenditures within one year, due to: | | |
| Purpose restrictions | <u>44,643</u> | <u>46,367</u> |
| Total financial assets available to meet cash needs for general expenditures within one year | <u>\$ 10,753,829</u> | <u>\$ 11,639,504</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 reserve for replacements accounts. Options had balances of \$1,552,208 and \$1,593,984 as of December 31, 2023 and 2022, respectively, in its reserve for replacements accounts available for such limited purposes.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

4. Investments

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

| Fair Value Measurements as of December 31, 2023 | | | | |
|--------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------|---------------------|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Total Fair Value | Cost |
| Mutual funds | \$ 1,405,504 | \$ - | \$ 1,405,504 | \$ 1,070,655 |
| Corporate bonds | - | 1,075,685 | 1,075,685 | 1,113,106 |
| Treasury notes and bonds | 1,525,455 | - | 1,525,455 | 1,557,258 |
| Total | <u>\$ 2,930,959</u> | <u>\$ 1,075,685</u> | 4,006,644 | <u>\$ 3,741,019</u> |
| Cash and cash equivalents | | | <u>653,648</u> | |
| Total investments | | | <u>\$ 4,660,292</u> | |

| Fair Value Measurements as of December 31, 2022 | | | | |
|--------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------|---------------------|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Total Fair Value | Cost |
| Mutual funds | \$ 1,288,556 | \$ - | \$ 1,288,556 | \$ 1,046,624 |
| Corporate bonds | - | 1,368,062 | 1,368,062 | 1,505,934 |
| Treasury notes and bonds | 1,176,287 | - | 1,176,287 | 1,269,024 |
| Total | <u>\$ 2,464,843</u> | <u>\$ 1,368,062</u> | 3,832,905 | <u>\$ 3,821,582</u> |
| Cash and cash equivalents | | | <u>936,383</u> | |
| Total investments | | | <u>\$ 4,769,288</u> | |

Mutual funds, treasury notes and bonds are valued based on quoted market prices. Corporate bonds are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. There have been no changes in the methodologies used as of December 31, 2023 and 2022.

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

| | 2023 | 2022 |
|------------------------|-------------------|---------------------|
| Interest and dividends | \$ 216,003 | \$ 117,773 |
| Unrealized gain (loss) | 254,302 | (482,225) |
| Realized gain (loss) | 578 | (84,505) |
| Total | <u>\$ 470,883</u> | <u>\$ (448,957)</u> |

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

5. Assets Limited as to Use

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

6. Land, Buildings and Improvements and Equipment, Net

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

| | <u>2023</u> | <u>2022</u> |
|-----------------------------------|----------------------|----------------------|
| Land | \$ 16,330,383 | \$ 16,362,562 |
| Buildings and improvements | 54,295,658 | 53,537,208 |
| Furniture, equipment and vehicles | <u>2,409,213</u> | <u>2,355,931</u> |
| | 73,035,254 | 72,255,701 |
| Accumulated depreciation | <u>(35,094,428)</u> | <u>(33,253,964)</u> |
| Total | <u>\$ 37,940,826</u> | <u>\$ 39,001,737</u> |

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. As of December 31, 2023 and 2022, approximately \$39,542,000 and \$39,447,000, 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. During 2023, Options refunded capital advances in the amount of \$284,046 related to the sale of a HUD funded housing site. Options does not intend to sell any additional sites in the immediate future. The capital advances were recognized as revenue prior to the adoption of ASU No. 2018-08 and are recorded in net assets.

Capital advances of \$94,945 and \$352,373 were recognized as income during the years ended December 31, 2023 and 2022, respectively.

7. Due to Governmental Agencies

Due to governmental agencies represents amounts due for excess contract payments and excess residual receipts due back to HUD.

8. Advance From New York State

During 2011, Options entered into an agreement with OMH to purchase and renovate a multiple apartment dwelling for the Mental Health Residential Service program and had received total advances of \$2,705,776 as of December 31, 2019 for acquisition and rehabilitation of the site. On April 30, 2020, Options entered into a loan agreement with the Dormitory Authority of the State of New York (DASNY) at which time \$2,321,211 was converted into a mortgage (see Note 9). The remaining advances were \$384,565 as of December 31, 2023 and 2022. As of both December 31, 2023 and 2022, Options had the ability and intent to refinance the advances on a long-term basis and therefore, has included them in long-term liabilities on the combined statements of financial position as of December 31, 2023 and 2022.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

9. Long-Term Debt, Net

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

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Huntington mortgage, payable in monthly installments of \$1,376 through August 2023, including interest at 5.75% per annum, collateralized by the respective property. | \$ - | \$ 10,776 |
| Selden mortgage, payable in monthly installments of \$1,329 through July 2024, including interest at 6.375% per annum, collateralized by the respective property. | 8,667 | 23,541 |
| Town of Islip Community Development mortgage, payable in monthly installments of \$556 through March 2042, noninterest bearing, collateralized by the respective property in Bay Shore. | 119,999 | 126,666 |
| Town of Islip Community Development mortgage, payable in monthly installments of \$556 through March 2042, noninterest bearing, collateralized by the respective property in Central Islip. | 119,999 | 126,666 |
| Town of Islip Community Development mortgage, payable in monthly installments of \$556 through September 2043, noninterest bearing, collateralized by the respective property in Bay Shore. | 131,666 | 138,333 |
| Town of Islip Community Development mortgage, payable in monthly installments of \$556 through September 2043, noninterest bearing, collateralized by the respective property in Bay Shore. | 131,666 | 138,333 |
| Patchogue mortgage, payable in monthly installments of \$2,104 through May 2028 including interest at 5.25% per annum, collateralized by the respective property. | 186,651 | 201,535 |
| 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. | 2,450,805 | 2,559,880 |
| Ronkonkoma mortgage, payable in monthly installments of \$6,409 through December 2029, including interest at 3.50% per annum, and a balloon payment of \$646,440, due December 2029, collateralized by the respective property. | 937,366 | 980,181 |
| DASNY mortgage, payable in semi-annual installments through February 2041, including interest at 5.00% per annum. Payments are made by OMH on behalf of Options. The mortgage is collateralized by the respective property. | 2,015,796 | 2,087,179 |
| Subtotal | 6,102,615 | 6,393,090 |
| Less current maturities | (281,593) | (289,895) |
| Less unamortized deferred financing costs | (193,430) | (207,503) |
| Total long-term debt | <u>\$ 5,627,592</u> | <u>\$ 5,895,692</u> |

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

Long-term debt matures approximately as follows:

| | | |
|---------------------------|----|------------------|
| Years ending December 31: | | |
| 2024 | \$ | 282,000 |
| 2025 | | 283,000 |
| 2026 | | 297,000 |
| 2027 | | 311,000 |
| 2028 | | 426,000 |
| Thereafter | | <u>4,504,000</u> |
| Total | \$ | <u>6,103,000</u> |

Total interest expense on long-term debt for the years ended December 31, 2023 and 2022 approximated \$259,000 and \$271,000, respectively.

10. Net Assets With Donor Restrictions

Net assets with donor restrictions designated for specific programs aggregated \$44,643 and \$46,367 as of December 31, 2023 and 2022, respectively. During the years ended December 31, 2023 and 2022, \$278,546 and \$209,453, 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, 2023 and 2022, fundraising expenses were approximately \$148,000 and \$130,000, 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. Options also sponsors a 457(b) plan for certain of its employees, which is funded through employee salary deferrals, which are included in other assets limited as to use and other liabilities of approximately \$61,000 and \$38,000 on the accompanying combined statements of financial position as of December 31, 2023 and 2022, respectively. Expenses for these plans for the years ended December 31, 2023 and 2022 approximated \$420,000 and \$437,000, respectively.

13. Commitments and Contingencies

Operating Leases

Options is obligated under various noncancellable operating leases for certain of its facilities, expiring through 2028. Options is also obligated to pay for maintenance and real estate taxes on certain leased properties.

Right-of-use assets represent Options' right to use an underlying asset for the lease term, while lease liabilities represent Options' obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement date of a lease based on the net present value of lease payments over the lease term.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

Certain of Options' leases include options to renew the lease. The exercise of lease renewal options is at Options' sole discretion. Options regularly evaluates the renewal options and when they are reasonably certain of exercise, Options includes such options in the lease term.

In determining the discount rate used to measure the right-of-use assets and lease liabilities, Options uses a risk-free rate based on U.S. Treasury note or bond rates for a similar term as there are no rates implicit in their leases.

Right-of-use assets are assessed for impairment in accordance with Options' long-lived asset policy. Options reassesses lease classification and remeasures right-of-use assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with Topic 842.

Options made significant assumptions and judgments in applying the requirements of Topic 842. In particular, Options:

- Evaluated whether a contract contains a lease, by considering factors such as whether Options obtained substantially all rights to control an identifiable underlying asset and whether the lessor has substantive substitution rights;
- Determined whether contracts contain embedded leases;
- Allocated consideration in the contract between lease and nonlease components.

Options does not have any material leasing transactions with related parties.

Below is a summary of expenses incurred pertaining to leases during the years ended December 31:

| | <u>2023</u> | <u>2022</u> |
|--------------------------|---------------------|---------------------|
| Operating lease expense | \$ 1,162,496 | \$ 944,859 |
| Short-term lease expense | 665,035 | 799,963 |
| Total lease expense | <u>\$ 1,827,531</u> | <u>\$ 1,744,822</u> |

The right-of-use assets and lease liabilities were calculated using a weighted average discount rate of 0.53% and 1.25% as of December 31, 2023 and 2022, respectively. As of December 31, 2023 and 2022, the weighted average remaining lease term was 1.46 years and 2.15 years, respectively.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

The table below summarizes Options' scheduled future minimum lease payments for years ending after December 31, 2023:

| | | |
|-----------------------------|----|----------------|
| Years ending December 31: | | |
| 2024 | \$ | 864,512 |
| 2025 | | 259,719 |
| 2026 | | 26,534 |
| 2027 | | 22,201 |
| 2028 | | 9,364 |
| | | <hr/> |
| Total lease payments | | 1,182,330 |
| | | <hr/> |
| Less present value discount | | 11,486 |
| | | <hr/> |
| Total lease liabilities | | 1,170,844 |
| | | <hr/> |
| Less current portion | | 864,512 |
| | | <hr/> |
| Long-term lease liabilities | \$ | <u>306,332</u> |

The following table includes supplemental cash flow and noncash information related to the leases for the years ended December 31:

| | <u>2023</u> | <u>2022</u> |
|--------------------------------------------------------------------------------|--------------|-------------|
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from operating leases | \$ 1,175,949 | \$ 918,086 |
| Operating lease right-of-use assets obtained in exchange for lease liabilities | 275,476 | 876,845 |

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.

Options for Community Living, Inc. and Affiliates

Notes to Combined Financial Statements
December 31, 2023 and 2022

14. Concentrations of Credit Risk

Financial instruments which potentially subject Options to concentrations of credit risk consist principally of cash, investments and accounts receivable. Options places its temporary cash investments and 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, 2023 and 2022, Options rehabilitated buildings using contributions and capital advances primarily from HUD paid directly to the contractors, totaling \$94,945 and \$352,373, respectively. The initial acquisition and rehabilitation for these sites was previously funded by HUD. For the year ended December 31, 2023, \$71,385 of a mortgage was repaid by OMH on behalf of Options.

Options for Community Living, Inc. and Affiliates
 Combining Statement of Financial Position
 December 31, 2023 (With Summarized Comparative Totals for 2022)

| | 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 | 2023 Combined Totals | 2022 Combined Totals |
|-----------------------------------------------------------------------------------------------|------------------------------------------|----------------------------|-------------------------------|-------------------------------------|-------------------------------------|-------------------------------|------------------------------|-------------------------------|--------------------------------|---------------------------------|-------------------------------|------------------------------|-------------------------------|--------------------------------|---------------------------------|--------------------------------|-------------------------------|--------------|----------------------------|----------------------------|
| Assets | | | | | | | | | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 3,526,119 | \$ 6,209 | \$ 22,677 | \$ 8,984 | \$ 5,920 | \$ 2,612 | \$ 12,085 | \$ 13,970 | \$ 17,632 | \$ 3,294 | \$ 4,463 | \$ 3,097 | \$ 2,840 | \$ 15,551 | \$ 2,776 | \$ 14,704 | \$ 3,637 | \$ - | \$ 3,666,570 | \$ 4,855,914 |
| Investments | 4,660,292 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 4,660,292 | 4,769,288 |
| Accounts receivable, net of allowance of approximately \$71,000 and \$85,000, respectively | 2,425,333 | 1,601 | 371 | 373 | 90 | 5,675 | 935 | 630 | 2,035 | 19,355 | 4,190 | 2,023 | 1,566 | 464 | 2,754 | 3,709 | 506 | - | 2,471,610 | 2,060,669 |
| Due from affiliates | 232,896 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (232,686) | - | - |
| Prepaid expenses and other current assets | 467,527 | - | 1,244 | - | 1,244 | - | 830 | - | - | 910 | - | 68,218 | 147 | - | 830 | 496 | - | - | 541,446 | 427,673 |
| Total current assets | 11,311,957 | 7,810 | 24,292 | 9,357 | 7,254 | 8,287 | 13,850 | 14,600 | 19,667 | 23,559 | 8,653 | 73,338 | 4,553 | 16,015 | 6,360 | 18,909 | 4,143 | (232,686) | 11,339,918 | 12,113,544 |
| Assets Limited as to Use | | | | | | | | | | | | | | | | | | | | |
| Reserve for replacements | 641,858 | 15,869 | 18,979 | 18,045 | 50,177 | 26,534 | 25,111 | 59,714 | 42,467 | 31,761 | 13,729 | 20,293 | 122,639 | 172,593 | 148,658 | 90,844 | 52,937 | - | 1,552,208 | 1,593,984 |
| Residual receipts reserve | - | 3,755 | 592 | 1,501 | - | 2,254 | 3,001 | 2,250 | 3,751 | 3,005 | 2,252 | 3,001 | 3,001 | 3,001 | 3,001 | 3,001 | 3,752 | - | 40,367 | 40,359 |
| Tenant deposits held in trust | 87,330 | 2,979 | 4,069 | 1,278 | 1,720 | 1,599 | 2,459 | 2,887 | 2,015 | 5,034 | 2,833 | 875 | 3,772 | 2,939 | 3,543 | 3,366 | 3,772 | - | 132,470 | 124,785 |
| Other assets limited as to use | 350,660 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 350,660 | 291,724 |
| Total assets limited as to use | 1,079,848 | 22,603 | 23,640 | 20,824 | 51,897 | 30,387 | 30,571 | 64,851 | 46,732 | 40,546 | 19,567 | 23,420 | 129,412 | 178,533 | 155,202 | 97,211 | 60,461 | - | 2,075,705 | 2,050,852 |
| Right-of-Use Assets, Operating Leases | 1,124,413 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,124,413 | 2,009,896 |
| Land, Buildings and Improvements and Equipment, Net | 25,360,371 | 269,790 | 271,691 | 97,612 | 171,105 | 184,609 | 299,904 | 288,155 | 375,790 | 972,051 | 925,525 | 1,266,078 | 1,157,738 | 1,216,267 | 1,555,742 | 1,428,298 | 2,100,100 | - | 37,940,826 | 39,001,737 |
| Total assets | \$ 38,876,589 | \$ 300,203 | \$ 319,623 | \$ 127,793 | \$ 230,256 | \$ 223,283 | \$ 344,325 | \$ 367,606 | \$ 442,189 | \$ 1,036,156 | \$ 953,745 | \$ 1,362,836 | \$ 1,291,703 | \$ 1,410,815 | \$ 1,717,304 | \$ 1,544,418 | \$ 2,164,704 | \$ (232,686) | \$ 52,480,862 | \$ 55,176,029 |
| Liabilities and Net Assets | | | | | | | | | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | | | | | | | | | |
| Accounts payable and accrued expenses | \$ 524,062 | \$ 17,571 | \$ 15,847 | \$ 9,955 | \$ 12,283 | \$ 13,283 | \$ 12,550 | \$ 21,701 | \$ 12,779 | \$ 17,460 | \$ 16,029 | \$ 58,717 | \$ 15,110 | \$ 15,161 | \$ 13,635 | \$ 12,980 | \$ 16,249 | \$ - | \$ 805,372 | \$ 653,597 |
| Accrued salaries and related costs | 953,962 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 953,962 | 1,067,081 |
| Due to affiliate | - | 6,469 | 6,439 | 2,545 | 3,740 | 11,114 | 5,400 | 4,357 | 4,743 | 12,170 | 26,931 | 70,302 | 45,736 | 5,306 | 4,947 | 4,995 | 17,492 | (232,686) | - | - |
| Due to governmental agencies | 620,376 | - | - | - | - | - | - | - | 1,965 | - | - | - | - | - | - | - | - | - | 622,341 | 997,967 |
| Current portion of long-term debt | 281,593 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 281,593 | 289,895 |
| Deferred income | 1,355,531 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,355,531 | 1,080,082 |
| Current portion of operating lease liabilities | 864,512 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 864,512 | 1,054,897 |
| Other current liabilities | 5,199 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 5,199 | 3,883 |
| Total current liabilities | 4,605,235 | 24,040 | 22,286 | 12,500 | 16,023 | 24,397 | 17,950 | 26,058 | 19,487 | 29,630 | 42,960 | 129,019 | 60,846 | 20,467 | 18,582 | 17,975 | 33,741 | (232,686) | 4,888,510 | 5,147,402 |
| Long-Term Debt, Net | 5,627,592 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 5,627,592 | 5,895,692 |
| Tenant Deposits Held in Trust | 87,330 | 2,979 | 4,069 | 1,278 | 1,720 | 1,599 | 2,459 | 2,887 | 2,015 | 5,034 | 2,833 | 875 | 3,772 | 2,939 | 3,543 | 3,366 | 3,772 | - | 132,470 | 124,785 |
| Advance From New York State | 384,565 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 384,565 | 384,565 |
| Operating Lease Liabilities | 306,332 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 306,332 | 1,014,883 |
| Other Liabilities | 125,369 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 125,369 | 94,957 |
| Total liabilities | 11,136,423 | 27,019 | 26,355 | 13,778 | 17,743 | 25,996 | 20,409 | 28,945 | 21,502 | 34,664 | 45,793 | 129,894 | 64,618 | 23,406 | 22,125 | 21,341 | 37,513 | (232,686) | 11,464,838 | 12,662,284 |
| Net Assets | | | | | | | | | | | | | | | | | | | | |
| Net assets without donor restrictions | 27,695,523 | 273,184 | 293,268 | 114,015 | 212,513 | 197,287 | 323,916 | 338,661 | 420,687 | 1,001,492 | 907,952 | 1,232,942 | 1,227,085 | 1,387,409 | 1,695,179 | 1,523,077 | 2,127,191 | - | 40,971,381 | 42,467,378 |
| Net assets with donor restrictions | 44,643 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 44,643 | 46,367 |
| Total net assets | 27,740,166 | 273,184 | 293,268 | 114,015 | 212,513 | 197,287 | 323,916 | 338,661 | 420,687 | 1,001,492 | 907,952 | 1,232,942 | 1,227,085 | 1,387,409 | 1,695,179 | 1,523,077 | 2,127,191 | - | 41,016,024 | 42,513,745 |
| Total liabilities and net assets | \$ 38,876,589 | \$ 300,203 | \$ 319,623 | \$ 127,793 | \$ 230,256 | \$ 223,283 | \$ 344,325 | \$ 367,606 | \$ 442,189 | \$ 1,036,156 | \$ 953,745 | \$ 1,362,836 | \$ 1,291,703 | \$ 1,410,815 | \$ 1,717,304 | \$ 1,544,418 | \$ 2,164,704 | \$ (232,686) | \$ 52,480,862 | \$ 55,176,029 |

Options for Community Living, Inc. and Affiliates

Combining Statement of Activities and Change in Net Assets
 Year Ended December 31, 2023 (With Summarized Comparative Totals for 2022)

| | 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 | 2023 Combined Totals | 2022 Combined Totals | |
|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------|-------------------------------|-------------------------------------|-------------------------------------|-------------------------------|------------------------------|-------------------------------|--------------------------------|---------------------------------|-------------------------------|------------------------------|-------------------------------|--------------------------------|---------------------------------|--------------------------------|-------------------------------|--------------|----------------------------|----------------------------|--------------|
| Net Assets Without Donor Restrictions | | | | | | | | | | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | | | | | | | | | | |
| Program services: | | | | | | | | | | | | | | | | | | | | | |
| Mental health licensed programs | \$ 8,377,049 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,377,049 | \$ 9,783,032 |
| Mental health supportive housing | 7,440,390 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 7,440,390 | 5,819,645 |
| ATC - care coordination | 3,975,273 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,975,273 | 4,104,767 |
| ATC - residential services | 2,709,049 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,709,049 | 2,879,004 |
| HUD Section 811 rental fees | - | 153,127 | 142,871 | 64,187 | 90,496 | 97,497 | 118,588 | 95,946 | 99,448 | 151,154 | 117,679 | 96,951 | 104,023 | 118,600 | 119,833 | 119,435 | 137,779 | - | 1,827,614 | 1,717,364 | |
| Mainstream rent vouchers | 1,277,040 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,277,040 | 1,117,918 |
| Thrift shop | 39,319 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 39,319 | 34,828 |
| Total program services | 23,818,120 | 153,127 | 142,871 | 64,187 | 90,496 | 97,497 | 118,588 | 95,946 | 99,448 | 151,154 | 117,679 | 96,951 | 104,023 | 118,600 | 119,833 | 119,435 | 137,779 | - | 25,645,734 | 25,456,558 | |
| Other revenue: | | | | | | | | | | | | | | | | | | | | | |
| Investment income (loss) | 470,780 | 2 | 3 | 3 | 5 | 5 | 3 | 6 | 4 | 5 | 3 | 2 | 12 | 18 | 16 | 10 | 6 | - | 470,883 | (448,957) | |
| Management fees | 159,272 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (159,272) | - | - | - |
| Contributions and grants | 70,194 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 70,194 | 625,999 |
| Miscellaneous income | 774 | 6,075 | 6,000 | 2,400 | 3,600 | 4,835 | 4,800 | 3,600 | - | - | 4,800 | 59,134 | 4,800 | 4,800 | 4,800 | 4,800 | 6,000 | - | 121,218 | 169,920 | |
| Total other revenue | 701,020 | 6,077 | 6,003 | 2,403 | 3,605 | 4,840 | 4,803 | 3,606 | 4 | 5 | 4,803 | 59,136 | 4,812 | 4,818 | 4,816 | 4,810 | 6,006 | (159,272) | 662,295 | 346,962 | |
| Net assets released from restrictions | 278,546 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 278,546 | 209,453 |
| Total revenue | 24,797,686 | 159,204 | 148,874 | 66,590 | 94,101 | 102,337 | 123,391 | 99,552 | 99,452 | 151,159 | 122,482 | 156,087 | 108,835 | 123,418 | 124,649 | 124,245 | 143,785 | (159,272) | 26,586,575 | 26,012,973 | |
| Expenses | | | | | | | | | | | | | | | | | | | | | |
| Program services: | | | | | | | | | | | | | | | | | | | | | |
| Mental health licensed programs | 7,222,014 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 7,222,014 | 7,872,203 |
| Mental health supportive programs | 6,715,137 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6,715,137 | 5,430,996 |
| ATC - care coordination | 3,521,920 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,521,920 | 3,821,968 |
| ATC - residential services | 3,445,354 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,445,354 | 3,832,626 |
| HUD Section 811 housing | - | 129,208 | 121,075 | 82,831 | 101,850 | 133,735 | 143,190 | 114,971 | 116,675 | 200,906 | 171,770 | 120,743 | 154,249 | 151,532 | 167,719 | 164,889 | 252,043 | - | 2,327,386 | 2,628,313 | |
| Mainstream rent vouchers | 1,285,506 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,285,506 | 1,125,372 |
| Thrift shop | 54,690 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 54,690 | 58,759 |
| Total program expenses | 22,244,621 | 129,208 | 121,075 | 82,831 | 101,850 | 133,735 | 143,190 | 114,971 | 116,675 | 200,906 | 171,770 | 120,743 | 154,249 | 151,532 | 167,719 | 164,889 | 252,043 | - | 24,572,007 | 24,770,237 | |
| Supporting services: | | | | | | | | | | | | | | | | | | | | | |
| Management and general | 3,188,083 | 17,811 | 16,456 | 5,550 | 10,858 | 9,094 | 13,249 | 10,299 | 9,583 | 14,736 | 13,054 | 6,626 | 10,166 | 10,884 | 10,975 | 11,294 | 14,104 | (159,272) | 3,213,550 | 2,935,683 | |
| Total expenses | 25,432,704 | 147,019 | 137,531 | 88,381 | 112,708 | 142,829 | 156,439 | 125,270 | 126,258 | 215,642 | 184,824 | 127,369 | 164,415 | 162,416 | 178,694 | 176,183 | 266,147 | (159,272) | 27,785,557 | 27,705,920 | |
| Change in net assets without donor restrictions before capital advances, residual receipts due to HUD and loss on sale of land and building | (635,018) | 12,185 | 11,343 | (21,791) | (18,607) | (40,492) | (33,048) | (25,718) | (28,806) | (64,483) | (62,342) | 28,718 | (55,580) | (38,998) | (54,045) | (51,938) | (122,362) | - | (1,196,982) | (1,692,947) | |
| Capital advances | 94,945 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 94,945 | 352,373 |
| Residual receipts due to HUD | - | - | - | - | - | - | - | - | (1,965) | - | - | - | - | - | - | - | - | - | - | (1,965) | - |
| Refund of capital advance | (284,046) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (284,046) | - |
| Loss on sale of land and building | (105,949) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (105,949) | - |
| Change in net assets without donor restrictions | (930,068) | 12,185 | 11,343 | (21,791) | (18,607) | (40,492) | (33,048) | (25,718) | (28,771) | (64,483) | (62,342) | 28,718 | (55,580) | (38,998) | (54,045) | (51,938) | (122,362) | - | (1,495,997) | (1,340,574) | |
| Change in Net Assets With Donor Restrictions | | | | | | | | | | | | | | | | | | | | | |
| Contributions and grants | 276,822 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 276,822 | 102,597 |
| Net assets released from restrictions | (278,546) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (278,546) | (209,453) |
| Change in net assets with donor restrictions | (1,724) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (1,724) | (106,856) |
| Change in net assets | (931,792) | 12,185 | 11,343 | (21,791) | (18,607) | (40,492) | (33,048) | (25,718) | (28,771) | (64,483) | (62,342) | 28,718 | (55,580) | (38,998) | (54,045) | (51,938) | (122,362) | - | (1,497,721) | (1,447,430) | |
| Net Assets, Beginning | 28,671,958 | 260,999 | 281,925 | 135,806 | 231,120 | 237,779 | 356,964 | 364,379 | 449,458 | 1,065,975 | 970,294 | 1,204,224 | 1,282,665 | 1,426,407 | 1,749,224 | 1,575,015 | 2,249,553 | - | 42,513,745 | 43,961,175 | |
| Net Assets, Ending | \$ 27,740,166 | \$ 273,184 | \$ 293,268 | \$ 114,015 | \$ 212,513 | \$ 197,287 | \$ 323,916 | \$ 338,661 | \$ 420,687 | \$ 1,001,492 | \$ 907,952 | \$ 1,232,942 | \$ 1,227,085 | \$ 1,387,409 | \$ 1,695,179 | \$ 1,523,077 | \$ 2,127,191 | \$ - | \$ 41,016,024 | \$ 42,513,745 | |