Community Access, Inc. and Subsidiaries

Consolidated Financial Statements and Supplementary Information

Year Ended June 30, 2021

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Contents

Tel: 212-371-4446
Fax: 212-371-9374
www.bdo.com

622 Third Ave, Suite 3100
New York, NY 10017

Independent Auditor's Report

The Board of Directors
Community Access, Inc. and Subsidiaries
New York, New York

Opinion

We have audited the consolidated financial statements of Community Access, Inc. and its subsidiaries (collectively, the Organization), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities, changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note 14 to the consolidated financial statements, the Organization discontinued operations for 347 East 4th Street Housing Development Fund Company in 2019 and completed the sale of the property on February 9, 2021. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited Community Access, Inc. and Subsidiaries' consolidated financial statements and our report dated December 15, 2020 expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary consolidating schedule of financial position and consolidating schedule of activities are presented for purposes of additional analysis and are not required parts of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements, or to the consolidated financial statements themselves, and to 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 consolidated financial statements as a whole.

BDO USA, LLP

November 30, 2021

Community Access, Inc. and Subsidiaries

Consolidated Statement of Financial Position
(with comparative totals for 2020)

June 30,		**2021**		2020
Assets				
Current				
Cash and cash equivalents (Note 2)	$	**9,344,135**	$	5,581,635
Restricted cash and funded reserve (Notes 2 and 9)		**11,508,929**		10,960,135
Investments at fair value (Notes 2 and 4)		**19,898**		11,621
Due from government funding sources, net (Notes 2 and 5)		**6,885,947**		6,423,407
Rent receivables, net		**928,877**		821,645
Pledges receivable - current portion (Notes 2 and 8)		**1,202,672**		2,044,912
Due from related parties (Notes 1 and 6)		**44,887**		30,963
Prepaid expenses and other current assets		**2,275,729**		1,504,072
Total Current Assets		**32,211,074**		27,378,390
Property and Equipment, Net (Notes 2 and 7)		**278,956,066**		254,384,778
Pledges Receivable, net of current portion (Notes 2 and 8)		**800,000**		-
Security Deposits and Other Assets		**3,307,597**		1,176,879
Developer's Fee Receivable, Net		**179,475**		-
Assets Held-for-Sale (Note 14)		**-**		298,675
Total Assets	$	**315,454,212**	$	283,238,722
Liabilities and Net Assets and Non-Controlling Interest				
Current Liabilities				
Accounts payable, accrued expenses and taxes	$	**8,735,254**	$	9,942,788
Accrued compensated absences (Note 2)		**1,712,867**		1,409,435
Deferred revenue and due to government funding sources (Note 2)		**8,645,868**		4,877,396
Mortgages and notes payable, current portion (Note 10)		**983,701**		958,316
Loans payable, current portion (Note 11)		**845,461**		804,902
Total Current Liabilities		**20,923,151**		17,992,837
Security Deposits and Other Liabilities		**251,501**		223,626
Accrued Lease Obligation (Note 12)		**314,894**		297,152
Developer's Fee Payable		**2,080,519**		1,386,814
Mortgage and Loan Interest Payable		**7,138,255**		5,413,934
Mortgages and Notes Payable, net of current portion and unamortized mortgage costs (Note 10)		**61,413,823**		64,201,187
Loans Payable, net of current portion and unamortized loan issuance costs (Note 11)		**158,268,450**		152,254,367
Liabilities Held-for-Sale (Note 14)		**-**		13,247
Total Liabilities		**250,390,593**		241,783,164
Commitments and Contingencies (Notes 3, 10, 11, 12, and 13)				
Net Assets (Notes 2, 14, and 15)				
Without donor restrictions		**25,351,742**		21,723,275
With donor restrictions		**1,000,000**		-
Non-Controlling Interest in Affiliates		**38,711,877**		19,732,283
Total Net Assets and Non-Controlling Interest		**65,063,619**		41,455,558
Total Liabilities and Net Assets and Non-Controlling Interest	$	**315,454,212**	$	283,238,722

See accompanying notes to consolidated financial statements.

Community Access, Inc. and Subsidiaries

Consolidated Statement of Activities
(with comparative totals for 2020)

Year ended June 30,

	Without Donor Restrictions	With Donor Restrictions	2021	2020
Public Support and Revenue				
Operating revenues:				
Government and other grants	$ 26,176,220	$ -	**$ 26,176,220**	$ 24,969,509
Medicaid income	8,780,933	-	**8,780,933**	6,846,112
Clients' fees	1,299,067	-	**1,299,067**	1,449,539
Rental income	8,537,781	-	**8,537,781**	6,965,324
Contributions	1,356,370	1,000,000	**2,356,370**	2,177,562
Special events (net of direct benefit expenses of $32,425 and $4,805 in 2021 and 2020, respectively)	228,267	-	**228,267**	98,629
Total Operating Revenues	46,378,638	1,000,000	**47,378,638**	42,506,675
Other operating revenues:				
Property management fee	7,525	-	**7,525**	57,047
Developer's fee	24,297	-	**24,297**	17,578,221
Total Public Support and Revenue	46,410,460	1,000,000	**47,410,460**	60,141,943
Operating Expenses				
Program services:				
Housing programs	23,129,629	-	**23,129,629**	22,433,983
Education and training programs	816,692	-	**816,692**	801,822
Other programs	8,684,002	-	**8,684,002**	8,151,053
Total Program Services	32,630,323	-	**32,630,323**	31,386,858
Supporting services:				
Management and general	6,065,823	-	**6,065,823**	5,402,215
Fundraising	972,221	-	**972,221**	862,308
Total Supporting Services	7,038,044	-	**7,038,044**	6,264,523
Subsidiaries' Operating Expenses	20,325,059	-	**20,325,059**	13,550,374
Total Operating Expenses	59,993,426	-	**59,993,426**	51,201,755
Change in Net Assets from Operating Activities	(13,582,966)	1,000,000	**(12,582,966)**	8,940,188
Non-Operating Activities				
Interest and other income	1,336,428	-	**1,336,428**	985,884
Forgiveness of Paycheck Protection Program Loan	2,510,474	-	**2,510,474**	-
Change in Net Assets, before discontinued operations	(9,736,064)	1,000,000	**(8,736,064)**	9,926,072
Gain (Loss) on Discontinued Operations (Note 14)	1,879,301	-	**1,879,301**	(88,068)
Change in Net Assets	$ (7,856,763)	$ 1,000,000	**$ (6,856,763)**	$ 9,838,004

See accompanying notes to consolidated financial statements.

Community Access, Inc. and Subsidiaries

Consolidated Statement of Changes in Net Assets
(with comparative totals for 2020)

Year ended June 30, 2021

	Controlling Interest			
	CAI and Affiliates Net Assets (Without Donor Restrictions)	CAI and Affiliates Net Assets (With Donor Restrictions)	Non-Controlling Interest in Affiliates	Total
Net Assets, July 1, 2020	$ 21,723,275	$ -	$ 19,732,283	$ 41,455,558
Change in net assets	3,445,963	1,000,000	(11,302,726)	(6,856,763)
Capital contributions	182,504	-	30,282,320	30,464,824
Net Assets, June 30, 2021	$ 25,351,742	$ 1,000,000	$ 38,711,877	$ 65,063,619

See accompanying notes to consolidated financial statements.

Community Access, Inc. and Subsidiaries

Consolidated Statement of Functional Expenses
(with comparative totals for 2020)

Year ended June 30,

	Program Services						Supporting Services						Total	
	Housing						Management and General							
	CAI	HDFC Entities	Total Housing	Education and Training Programs - CAI	Other Programs - CAI	Total Program Services	CAI	HDFC Entities	Total Management and General	Fundraising - CAI	Total Supporting Services	Subsidiaries' Operating Expenses	**2021**	2020
Salaries and Related Expenses														
Salaries	$ 8,284,777	$ 138,851	$ 8,423,628	$ 421,459	$ 5,254,364	$ 14,099,451	$ 2,505,482	$ -	$ 2,505,482	$ 359,922	$ 2,865,404	$ 715,631	**$ 17,680,486**	$ 16,883,674
Fringe benefits	2,250,559	34,988	2,285,547	116,372	1,552,665	3,954,584	472,524	-	472,524	129,036	601,560	187,312	**4,743,456**	4,169,198
Total Salaries and Related Expenses	10,535,336	173,839	10,709,175	537,831	6,807,029	18,054,035	2,978,006	-	2,978,006	488,958	3,466,964	902,943	**22,423,942**	21,052,872
Other Expenses														
Contracted and professional fees	2,368,057	25,529	2,393,586	30,270	351,420	2,775,276	1,465,400	37,291	1,502,691	360,680	1,863,371	964,229	**5,602,876**	5,122,084
Supplies and equipment	299,366	6,388	305,754	25,417	107,791	438,962	305,101	-	305,101	68,171	373,272	104,855	**917,089**	1,172,996
Occupancy and insurance	1,394,792	1,007,853	2,402,645	204,249	482,953	3,089,847	928,071	-	928,071	-	928,071	4,726,480	**8,744,398**	7,236,490
Participant expense	3,901,866	17,101	3,918,967	16,179	478,735	4,413,881	9,169	-	9,169	-	9,169	19,365	**4,442,415**	4,839,907
Staff expense	93,933	-	93,933	435	169,447	263,815	42,918	-	42,918	7,272	50,190	-	**314,005**	305,624
Events and other fundraising costs	201	-	201	-	-	201	19,324	-	19,324	12,573	31,897	-	**32,098**	19,394
Vehicle expenses	7,745	-	7,745	-	8,040	15,785	17,498	-	17,498	-	17,498	600	**33,883**	20,531
Fees and other expenses	54,557	250,361	304,918	1,210	51,008	357,136	116,800	-	116,800	34,567	151,367	1,471,618	**1,980,121**	1,073,851
Interest expense	-	1,173,556	1,173,556	-	-	1,173,556	28,474	-	28,474	-	28,474	4,291,892	**5,493,922**	3,146,368
Provision for allowance	89,515	810,583	900,098	-	225,523	1,125,621	10,125	-	10,125	-	10,125	419,011	**1,554,757**	952,243
Depreciation and amortization	40,761	878,290	919,051	1,101	2,056	922,208	107,646	-	107,646	-	107,646	7,424,066	**8,453,920**	6,259,395
Total Expenses	$ 18,786,129	$ 4,343,500	$ 23,129,629	$ 816,692	$ 8,684,002	$ 32,630,323	$ 6,028,532	$ 37,291	$ 6,065,823	$ 972,221	$ 7,038,044	$ 20,325,059	**$ 59,993,426**	$ 51,201,755

See accompanying notes to consolidated financial statements.

Community Access, Inc. and Subsidiaries

Consolidated Statement of Cash Flows
(with comparative totals for 2020)

Year ended June 30,		2021		2020
Cash Flows from Operating Activities				
Change in net assets	$	**(6,856,763)**	$	9,838,004
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:				
Depreciation and amortization		**8,453,920**		6,259,395
Interest expense related to deferred financing cost		**135,340**		55,662
Forgiveness of debt		**(3,398,725)**		(1,193,969)
Provision for allowance		**1,554,757**		928,057
Unrealized gain on investments		**(8,277)**		-
(Decrease) increase in assets:				
Due from funding sources		**(787,713)**		(1,773,737)
Rent receivable		**(583,652)**		(672,392)
Pledges receivable		**42,240**		(619,699)
Due from related parties		**2,091,586**		(8,698)
Prepaid expenses		**(772,007)**		698,456
Security deposits and other assets		**(2,129,741)**		(304,656)
Developer's fee receivable		**(179,475)**		-
Increase (decrease) in liabilities:				
Accounts payable		**(4,754,777)**		(8,624,705)
Accrued compensated absences		**303,432**		397,970
Deferred revenue and due to government funding sources		**3,768,472**		(1,146,568)
Accrued lease obligation		**17,742**		64,764
Security deposits and other liabilities		**1,122**		25,175
Mortgages and loan interest		**1,724,321**		3,485,778
Developer's fee payable		**693,703**		-
Net Cash (Used in) Provided by Operating Activities - Continuing Operations		**(684,495)**		7,408,837
Net Cash (Used in) Provided by Operating Activities - Discontinued Operations		**(1,873,549)**		47,935
Net Cash (Used in) Provided by Operating Activities		**(2,558,044)**		7,456,772
Cash Flows from Investing Activities				
Purchase of property and equipment		**(29,132,309)**		(50,174,844)
Net Cash Used in Investing Activities - Continuing Operations		**(29,132,309)**		(50,174,844)
Net Cash Used in Investing Activities - Discontinued Operations		**-**		(5,300)
Net Cash Used in Investing Activities		**(29,132,309)**		(50,180,144)
Cash Flows from Financing Activities				
Capital contributions		**30,464,824**		300,000
Capital downward adjuster		**-**		(75,760)
Proceeds from loan payable		**29,506,128**		52,758,343
Proceeds from mortgages payable		**4,258,405**		1,490,879
Principal payments on loans payable		**(9,541,737)**		(13,765,039)
Principal payments on mortgages payable		**(18,739,441)**		(134,667)
Net Cash Provided by Financing Activities - Continuing Operations		**35,948,179**		40,573,756
Net Cash Provided by Financing Activities		**35,948,179**		40,573,756
Net Increase (Decrease) in Cash, Cash Equivalents, Restricted Cash and Funded Reserve		**4,257,826**		(2,149,616)
Cash, Cash Equivalents, Restricted Cash and Funded Reserve, beginning of year		**16,595,238**		18,744,854
Cash, Cash Equivalents, Restricted Cash and Funded Reserve, end of year		**20,853,064**		16,595,238
Less: Cash, Cash Equivalents, Restricted Cash and Funded Reserve of Discontinued Operations, end of year		**-**		(53,468)
Cash, Cash Equivalents, Restricted Cash and Funded Reserve of Continued Operations, end of year	$	**20,853,064**	$	16,541,770
Supplemental Disclosure of Cash Flow Information				
Cash paid for interest	$	**3,786,765**	$	3,017,883
Supplemental Disclosure for Non-Cash Transactions				
Capitalized interest	$	**2,060,428**	$	2,808,420
Capitalized construction cost		**3,706,255**		6,595,652

See accompanying notes to consolidated financial statements.

1. Organization

Organization

Community Access, Inc. (CAI) is a not-for-profit organization founded in 1974 for the purpose of developing housing and providing support and training to clients with mental health issues attempting to achieve a transition to community life in the New York City metropolitan area.

In furtherance of this mission, CAI has formed various corporations and partnerships to develop and to own and operate affordable supportive housing for formerly homeless adults with mental health issues and low-income families and individuals.

Principles of Consolidation

The consolidated financial statements include the accounts of CAI and its subsidiaries (collectively, the Organization). All material intercompany transactions and balances have been eliminated. The following entities are included in the consolidated financial statements:

- Access House, Inc. (Access House) owns and operates a 15-unit community residence for adults with mental health issues. The directors of Access House are required to be directors of CAI or to have been approved by the directors of CAI. As a result, CAI controls Access House.
- 347 East 4th Street Housing Development Fund Company, Inc. (Libby House) - (Discontinued Operations) owns and operates a 12-bed community residence for adults with mental health issues. CAI is the sole member of 347 East 4th Street Housing Development Fund Company, Inc. As a result, CAI controls Libby House. As further discussed in Note 14, Libby House completed its sale of property on February 9, 2021.
- 202 West 108th Street Housing Development Fund Company, Inc. (202 West 108th St) owns and operates a five-unit supportive housing project for adults with mental health issues. The directors of 202 West 108th St are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 202 West 108th St.
- Community Recovery Houses Housing Development Fund Company, Inc. (Community Recovery Houses) owns and operates three residential buildings. Two of the buildings serve as community residences for adults with mental health issues. The third building is used as a short-stay respite center for individuals experiencing an emotional or mental crisis. The directors of Community Recovery Houses are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls Community Recovery Houses.
- Community Access Housing Development Fund Company, Inc. (Community Access HDFC) owns a residential condominium unit used as housing for adults with mental health issues. CAI is the sole member of Community Access HDFC. As a result, CAI controls Community Access HDFC. In August 2019, Community Access HDFC purchased land at 1861 Carter Avenue, Bronx, NY on which it plans to build and operate rental housing for formerly homeless adults with psychiatric disabilities and low-income adults and families.

- 107-109 Avenue, Limited Partnership (107-109 Ave LP) owns and operates a 45-unit supportive housing facility located at 107-109 Avenue D, New York, NY for low-income adults and adults with mental health issues. A wholly owned subsidiary of CAI is the sole limited partner of 107-109 Ave LP. As a result, CAI controls 107-109 Ave LP.
- 258 East 4th Street Limited Partnership (258 East 4th Street LP) owns and operates a 51-unit housing facility located at 258 East 4th Street, New York, NY for low-income families and adults with mental health issues. A wholly owned subsidiary of CAI is the sole limited partner of 258 East 4th Street LP. As a result, CAI controls 258 East 4th Street LP.
- 1854 Cedar Avenue Housing Development Fund Company, Inc. (1854 Cedar Ave HDFC) owns land at 1854 Cedar Avenue to 1854 Cedar Avenue, LLC (1854 Cedar Ave LLC). A majority of the directors of 1854 Cedar Ave HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI control 1854 Cedar Ave HDFC.
- 1710 Vyse Avenue Housing Development Fund Company, Inc. (1710 Vyse Ave HDFC) has a nominee agreement with 1710 Vyse Avenue Limited Partnership (Vyse Ave LP) under which 1710 Vyse Ave HDFC retains legal title to the property. The directors of 1710 Vyse Ave HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 1710 Vyse Ave HDFC.
- Gouverneur Court Housing Development Fund Company, Inc. (Gouverneur Court HDFC) owns and operates a 124-unit housing facility located at 621 Water Street, New York, NY for low-income adults and adults with mental health issues. The directors of Gouverneur Court HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls Gouverneur Court HDFC.
- 111 East 172nd Street Housing Development Fund Company, Inc. (111 East 172nd Street HDFC) owns a site with a 126-unit housing facility for adults with psychiatric disabilities and low-income families. 111 East 172nd Street HDFC has a nominee agreement with 111 East 172nd Street Owners LLC (111 East 172nd Street LLC) under which 111 East 172nd Street HDFC retains legal title to the property. The directors of 111 East 172nd Street HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 111 East 172nd Street HDFC.
- 985 Bruckner Boulevard Housing Development Fund Company, Inc. (985 Bruckner Blvd HDFC) owns a site with a 215-unit housing facility for adults with psychiatric disabilities, families that have experienced chronic homelessness, and low-income adults and families. On December 28, 2017, 985 Bruckner Blvd HDFC transferred all beneficial and equitable interest in the property to 985 Bruckner Boulevard Owners, LLC (985 Bruckner Blvd LLC) under a nominee agreement pursuant to which 985 Bruckner Blvd HDFC retains legal title to the property. The directors of 985 Bruckner Blvd HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 985 Bruckner Blvd HDFC.
- 1159 River Avenue Housing Development Fund Company, Inc. (1159 River Ave HDFC) owns a site on which it is building and plans to operate rental housing for adults with psychiatric disabilities, families that have experienced chronic homelessness, and low-income adults and families. On December 18, 2019, 1159 River Ave HDFC entered into a nominee agreement with 1159 River Avenue Owners LLC (1159 River Ave LLC) under which 1159 River Ave HDFC retains legal title to the property. The directors of 1159 River Ave HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 1159 River Ave HDFC.

- 1461 Bryant Avenue Housing Development Fund Corporation (1461 Bryant Av HDFC) owns a site on which it plans to build and operate rental housing for formerly homeless adults with psychiatric disabilities and low-income adults and families. The directors of 1461 Bryant Ave HDFC are required to be directors of CAI or to have been appointed or elected directors by CAI. As a result, CAI controls 1461 Bryant Ave HDFC.

CAI has investments in stock ownership for the following entities, which, by themselves or through partnerships, develop, and manage rental apartment buildings that provide housing to low-income individuals, families and adults with mental health issues. The ownership interest in these entities is reported as controlling and non-controlling interest in the consolidated financial statements. These entities and a description of their operations are as follows:

- 910 DeKalb Avenue, Inc. is the general partner of 910 DeKalb Avenue Limited Partnership (910 Dekalb Ave LP), which owns and operates a 64-unit housing facility located at 910 DeKalb Avenue, Brooklyn, NY for low-income families and adults with mental health issues. 910 Dekalb Ave LP has completed its 15-year compliance period. Management is in the process of change in ownership.
- 1363 Franklin Avenue, Inc. is the general partner of 1363 Franklin Avenue Limited Partnership (1363 Franklin Ave LP), which owns and operates a 66-unit housing facility located at 1363 Franklin Avenue, Bronx, NY for low-income families and adults with mental health issues. 1363 Franklin Ave LP will complete its 15-year compliance period in 2020. Management has not commenced the process for change in ownership.
- CHICA, Inc. is the general partner of CHICA Limited Partnership (CHICA LP or 1022 Rev. James Polite Avenue), which owns and operates a 68-unit housing facility located at 1022 Reverend James A. Polite Avenue, Bronx, NY for low income-adults and adults with mental health issues. CHICA LP has completed its 15-year compliance period. Management is in the process of change in ownership and refinancing.
- 772 East 168th Street Corporation is the managing member of 772 East 168th Street LLC (Tinton Ave), which owns and operates a 60-unit housing facility located at 772 East 168th Street, Bronx, NY for low-income adults and adults with mental health issues.
- 29 East 2nd Street Corporation is the general partner of 29 East 2nd Street Limited Partnership (29 East 2nd Street LP), which owns and operates a 54-unit housing facility located at 29 East 2nd Street, New York, NY for low-income adults and adults with mental health issues.
- 1750 Davidson Avenue GP, Inc. is the general partner of 1750 Davidson Avenue Limited Partnership (1750 Davidson Ave LP), which owns a 74-unit housing facility located at 1750 Davidson Avenue, Bronx, NY for low-income adults and adults with mental health issues.
- 1854 Cedar Avenue Managers, LLC is the managing member of 1854 Cedar Avenue LLC (1854 Cedar Ave LLC), which operates a 106-unit housing facility located at 1854 Cedar Avenue, Brooklyn, NY for low-income families and adults with mental health issues.
- 1710 Vyse Avenue GP Corp. is the general partner of 1710 Vyse Avenue Limited Partnership (1710 Vyse Ave LP), which owns and operates a 65-unit housing facility located at 1710 Vyse Avenue, Bronx, NY for adults with mental health issues.
- CA 172nd Street, Inc. is the managing member of East 172nd Street MM LLC, which is the managing member of 111 East 172nd Street LL, which owns and operates a 126-unit housing facility for adults with mental health issues and low-income families.

- CA Bruckner Boulevard, Inc. is the managing member of Bruckner Boulevard MM LLC, which is the managing member of 985 Bruckner Blvd LLC, which owns and operates a 215-unit housing facility for adults with mental health issues, families that have experienced chronic homelessness, and low-income adults and families.
- CAI is the managing member of 1159 River Ave. JV LLC, which is the managing member of 1159 River Ave LLC, which is building a mixed-use project that will include 245 residential units for adults with mental health issues, families that have experience chronic homelessness, and low-income adults and families, together with ground floor commercial space.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America, as applicable to not-for-profit organizations. In the consolidated statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Non-Controlling Interests

In accordance with Accounting Standards Codification (ASC) 810, *Consolidation*, the Organization reports non-controlling interests, sometimes referred to as minority interests, as part of total net assets in the consolidated statement of financial position. Furthermore, the Organization reports the changes in net assets of both the controlling and non-controlling interests, for the period presented, in the consolidated statement of changes in net assets.

Consolidated Financial Statement Presentation

The classification of a not-for-profit organization’s net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets—with donor restrictions and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Net Assets Without Donor Restrictions – This class consists of net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the Board of Directors.

Net Assets with Donor Restrictions – Net assets with donor restrictions consists of assets whose use is limited by donor-imposed, time, and/or purpose restrictions. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

At June 30, 2021, there were no net assets with donor restrictions that are perpetual in nature.

Measure of Operations

The Organization includes in its measure of operations:

- All revenues and expenses that are an integral part of its programs and supporting activities.
- Net assets released from restrictions to support operating expenditures.

The Organization excludes from its measure of operations:

- Interest income, net of expenses.
- Other income resulting from non-operating activities.
- Discontinued operations.
- Forgiveness of Paycheck Protection Program Loan

Revenue Recognition

Government and Other Grants

The Organization mainly receives government funding from the New York State Office of Mental Health (OMH), New York City Department of Mental Health (DMH), New York City Department of Homeless Services (DHS), HIV/AIDS Services Administration (HASA), U.S. Department of Housing and Urban Development (HUD), and New York State Office of Vocational and Educational Services for Individuals with Disabilities (VESID). Government and other grants revenues are nonexchange transactions in which no commensurate value is exchanged. Accordingly, contribution accounting is applied under ASC Topic 958 Not-for-Profit Entities. Government and other grants contracts are evaluated for contributions that are conditional. Factors indicating the existence of a conditional contribution include the presence of a barrier that must be overcome and either a right of return of assets transferred or a right of release of a funder's obligation to transfer the assets. Government and other grant revenues are recognized when the conditions are satisfied, which is generally when the expenditures for each contract are incurred.

Reimbursements are subject to audit and retroactive adjustment by respective third-party fiscal intermediaries. Revenue from retroactive adjustments is recognized in the year the adjustments are made.

Deferred revenue and due to funding sources represent advances received from governmental agencies, where these agencies have not notified the Organization that the claims were approved, and advances will be recouped against those claims

Medicaid Income

Medicaid income is generated from providing services to individuals with developmental disabilities and mental health services, as well as other services. Medicaid income is recorded at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services. These amounts are due from the patients and/or third-party payors (including government programs and health insurers), and others, and includes an estimate for variable consideration for retroactive revenue adjustments due to rate changes, settlement of audits and disallowances, reviews, and investigations. Generally, the Organization submits Medicaid claims to OMH or third-party payors electronically through a state-wide system several days after the services are performed.

Revenue is recognized as performance obligations are satisfied over time based on actual charges incurred in relation to total expected (or actual) charges. The Organization measures revenue from the commencement of services, through the continuation of services, and until services are no longer required. The Organization believes that this method provides a reasonable representation of the transfer of services over the term of the performance obligation based on the services needed to satisfy the obligation. Revenue for performance obligations satisfied at a point in time is recognized when services are provided, and the Organization does not believe it is required to provide additional services.

As substantially all of its performance obligations relate to the established rate agreements covering a duration of less than one year, the Organization has elected, as part of its adoption of the new revenue recognition standard, to apply the optional exemption provided in Accounting Standards Update (ASU) 2014-09 and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Throughout the year, rates may vary, as determined by New York State, and the Organization will record additional revenue resulting from a rate increase and record a reduction of revenue with a rate decrease. These rate adjustments represent variable consideration in the form of explicit or implicit price concessions and the Organization considers these amounts in determination of the transaction price. The Organization determines its estimates of contractual adjustments based on contractual agreements, its policies, and historical experience. The Organization determines its estimates of explicit or implicit price concessions based on its historical collection experience.

Laws and regulations governing Medicaid programs are subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Additionally, noncompliance with such laws and regulations could result in fines, penalties, and exclusion from Medicaid programs. The Organization is not aware of any allegations of noncompliance that could have a material adverse effect on the accompanying consolidated financial statements and believes that it is in compliance with all applicable laws and regulations.

The following table shows the Organization's revenue disaggregated by payor:

Year ended June 30, 2021		
Medicaid	$	6,043,888
Medicaid Managed Care		1,047,758
Other		1,689,287
Total	$	8,780,933

Clients' Fees

Clients' fees include Supplemental Security Income (SSI) and Social Security Income (SSA) payments which cover the housing allowance for certain participants of the OMH programs. Participant fees also include food stamps revenue, clothing allowance and incidental expenses. Participant fees are accounted for as either Leases (Topic 840) or Contributions (Topic 958).

Rental Income

Rental income includes tenant payments and tenant assistance payments rental vacancies and is recognized as rental income becomes due. Rentals are generally under annual lease arrangements. Tenant leases are for periods not exceeding one year and are accounted for as operating leases. Payments by OMH for loans payable are recognized as income when made.

Contributions

Contributions and promises to give are recorded as revenue at the time they are made or pledged unconditionally and supported by a written commitment. Contributions of property and equipment are recorded at the fair market value of the property and equipment at the time of contribution.

Contributions are classified as either with or without donor restrictions. Contributions are nonexchange transactions in which no commensurate value is exchanged. Therefore, contributions fall under the purview of ASC Topic 958 Not-for-Profit Entities.

Developer Fee

CAI acts as a developer for several Low-Income Housing Tax Credit (LIHTC) projects in New York City and oversees the construction and development of these projects. In return for the services provided, CAI is entitled to developer's fees. Developer fees earned in accordance with terms detailed for each specific developer agreement are performance obligations that are satisfied over time.

Promises to Give

Unconditional promises-to-give (pledges) that are expected to be collected within one year are recorded at estimated net realizable value, while those that are expected to be collected beyond one year are recorded at the present value of estimated future cash flows. Discount rates are applied using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. As of June 30, 2021, the discounted pledges were $39,457.

Conditional promises to give are recognized when the conditions on which they depend upon are substantially met. Until that point, any amounts received are recorded as refundable advances.

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash and cash equivalents.

For purposes of the consolidated statement of cash flows, the Organization considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents. Cash, cash equivalents, restricted cash and funded reserve consist of the following:

June 30, 2021		
Cash and cash equivalents	$	9,344,135
Restricted cash and funded reserves		11,508,929
Total	$	20,853,064

Restricted Cash and Funded Reserve

Restricted cash and funded reserves include tenant security deposits and operating and replacement reserves, which are deposited in separate bank accounts. These funds are carried at cost plus interest, which approximates fair value. Withdrawals of operating and replacement reserves can only be made with the prior approval from the custodian.

Fair Value Measurements

Generally accepted accounting principles in the United States of America (U.S. GAAP) establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are those that market participants operating within the same marketplace as the Organization would use in pricing the Organization's asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the Organization are traded. The Organization estimates the price of any asset or liability for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets or liabilities would use as determined by the money managers for each investment based on best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 – Valuations are based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 – Valuations are based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Valuations are based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

Net investment income (including realized and unrealized gains on trading investments, interest and dividends) is included in the consolidated statement of activities.

Use of Estimates

In preparing the consolidated financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and revenue and expenses during the reported period. Actual results could differ from those estimates.

Deferred Financing Costs

Deferred financing costs represent the costs incurred in connection with obtaining financing. Deferred financing costs are amortized over the life of the mortgage and loan and netted with the mortgage and loan liability.

Property and Equipment

Property and equipment are stated at cost. Donations of property and equipment are stated at the estimated fair value at the date of the donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of the Organization's fixed assets are as follows:

Building and building improvements	27.5-40 years
Furniture and equipment	3-10 years
Leasehold improvements	Lesser of 5-15 years or the life of the lease

Provision for Bad Debts

Accounts receivable consists primarily of amounts due from government funding sources.

The Organization maintains an allowance for doubtful accounts for the contracts, rent and pledge receivables that are specifically identified by management as to their uncertainty in regard to collectability. The allowance for doubtful accounts for the contracts, rent, and pledge receivables was $1,662,307 at June 30, 2021.

Accrued Compensated Absences

The Organization's policy is to accrue all vested vacation benefits as earned by employees.

Income Taxes

CAI and certain affiliated entities were incorporated in the state of New York and are exempt from federal, state and local income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), and therefore have made no provision for income taxes in the accompanying consolidated financial statements. CAI and those affiliated entities have been determined by the Internal Revenue Service (IRS) not to be "private foundations" within the meaning of Section 509(a) of the Code. Community Recovery Houses HDFC filed an application for tax-exempt status under 501(c)(3) of the Code and was denied. 1710 Vyse Avenue HDFC, 111 East 172nd Street HDFC, and 985 Bruckner Blvd HDFC have not filed for tax-exempt status under 501(c)(3) of the Code. As a result, Community Recovery Houses HDFC, 1710 Vyse Avenue HDFC, 111 East 172nd Street HDFC, 985

Bruckner Blvd HDFC, and 1159 River Ave HDFC could be for-profit entities and subject to U.S. federal, state and local income tax provisions.

Certain CAI-affiliated entities are for-profit entities and are subject to federal, state and local taxes. The income tax regulations associated with these entities provide that all taxes on income of the limited partnership or limited liability company are payable by the partners or members.

Except for the matters noted above for Community Recovery Houses HDFC, 1710 Vyse Avenue HDFC, 111 East 172nd Street HDFC, 985 Bruckner Blvd HDFC, and 1159 River Ave HDFC, the Organization has not taken an uncertain tax position that would require provision of a liability under ASC 740, *Income Taxes*. Under ASC 740, an organization must recognize the financial statement effects of a tax position taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination. The Organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize the financial statement effects for unrecognized tax positions. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed IRS Form 990 tax returns, as required, and all other applicable returns in jurisdictions when it is required.

Impairment of Long-Lived Assets to Be Disposed Of

Professional standards provide a single accounting model for long-lived assets to be disposed of. The standard also changes the criteria for classifying an asset as held-for-sale and broadens the scope of businesses to be disposed of that qualify for reporting as discontinued operations and changes the timing of recognizing losses on such operations. In accordance with the standard, long-lived assets, such as property, building and equipment, and purchased intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the consolidated statement of financial position and reported at the lower of the carrying amount or fair value less costs to sell and are no longer depreciated. The assets and liabilities of a disposed group classified as held-for-sale would be presented separately in the appropriate asset and liability sections of the consolidated statement of financial position. For the year ended June 30, 2021, there were no impairments recorded in the consolidated financial statements.

Concentration of Credit Risk

The Organization maintains its cash balances in several financial institutions. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per bank. Money market fund balances, classified as cash and cash equivalents or restricted cash on the consolidated statement of financial position, are protected up to $500,000 by the Security Investor Protection Corporation (SIPC). As of June 30, 2021, the balances in these accounts exceed the FDIC and SIPC insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government provided insurance, and management evaluates its cash position quarterly to mitigate significant loss exposure. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal and that no significant concentration of credit risk exists with respect to these cash balances at June 30, 2021.

Functional Classification of Expenses

The cost of providing the Organization's programs and other activities has been summarized on a functional basis and by natural classification in the consolidated statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited based upon the rates listed in the chart below. Management and general expenses include those costs that are not directly identifiable with any specific program, but that provide for the overall support and direction of the Organization. A portion of the management and general costs has been allocated to housing and education programs in the consolidated statement of functional expenses. The amount of administrative expense allocated from management and general to the programs represents the portion of administration costs funded by the Organization's contracts. Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with its other activities.

Most expenses are charged to individual programs as actually incurred. Salaries and fringe of certain personnel who work on multiple programs are allocated, as are certain expenses recorded as part of agency-wide purchasing programs. Such allocations are determined by management on an equitable basis and are disclosed to and audited by program funders. Costs that are allocated include the following:

Expense	Allocation Methodology
Salaries and fringe	Based on the number of beds in the program as a percentage of the total number of beds in the program for which the employee is responsible, adjusted for the percentage of time that the employee dedicates to other functions. Allocation for certain contracts is reduced based on available funding.
Rent	Based on square footage occupied by program as percent of total rental space.
Insurance	Based on premium information provided by insurer and insurance broker, which are based on size of program and historical claims and loss experience.
Subscriptions/dues	Based on number of staffs at program and available funding.

Reclassifications

Certain amounts included in the fiscal year 2020 consolidated financial statements have been reclassified to conform to the fiscal year 2021 presentation.

Comparative Financial Information

The consolidated financial statements include certain prior-year summarized comparative information. The consolidated statement of activities is presented in total rather than by net asset class. With respect to the consolidated statement of functional expenses, the prior-year expenses are presented by expense classification in total rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2020.

Assets and Liabilities Held-for-Sale

The assets and liabilities for Libby House that meet accounting requirements to be classified as held-for-sale are presented as single asset and liability amounts in the consolidated statement of financial position.

The determination of fair value for assets and liabilities involved judgments and assumptions.

Development of estimates of fair values in this circumstance is dependent upon, among other factors, the nature of the potential sale transaction, composition of assets and liabilities, the comparability to market transactions, negotiations with purchaser, etc. Such factors bear directly on the range of potential fair values and the selection of the best estimates.

The Organization reviews all assets held-for-sale each reporting period to determine whether the existing carrying amounts are fully recoverable in comparison to estimated fair values.
The activities for Libby House are presented as a single line item in the consolidated statement of activities and consolidated statement of cash flows that meet accounting requirements to be classified as held-for-sale.

Accrued Lease Obligation

The difference between rent expenses incurred by the Organization on an accrual basis and the rent amounts paid in cash is reported as accrued lease obligation.

Recently Adopted Accounting Pronouncements

Revenue from Contracts with Customers (Topic 606)

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The FASB issued ASU 2020-05, which deferred the effective date for the Organization until annual periods beginning after December 15, 2019. The amendments in this update are required to be applied retrospectively to each prior reporting period presented or with the cumulative effect being recognized at the date of initial application. The Organization adopted ASU 2014-09 effective July 1, 2020, using the modified retrospective method applied to contracts that were not completed as of July 1, 2020. The adoption of the ASU did not have a material impact on the consolidated financial statements.

Accounting Pronouncements Issued but Not Yet Adopted

Leases (Topic 842)

On February 25, 2016, the FASB issued ASU 2016-02, *Leases*, which will require lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The FASB also issued ASU 2020-05, which deferred the effective date for the Organization until annual periods beginning after December 15, 2021, and the Organization is currently evaluating the impact of the pending adoption of ASU 2016-02.

Gifts-in-Kind (Topic 958)

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU is intended to increase transparency on how contributed nonfinancial assets (also referred to as gifts-in-kind) received by nonprofits are to be used and how they are valued. The ASU should be applied on a retrospective basis and is effective for the Organization's consolidated financial statements for fiscal years beginning after June 15, 2021. Management is currently evaluating the impact of this ASU on their consolidated financial statements.

3. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the consolidated statement of financial position for general expenditure are as follows:

Year ended June 30, 2021		
Cash and cash equivalents	$	9,344,135
Investments at fair value		19,898
Due from government funding sources, net of allowance for uncollectable accounts		6,885,947
Rent receivables, net of allowance for uncollectable accounts		928,877
Pledges receivable - current portion		1,202,672
Due from related parties		44,887
Total Financial Assets Available to Meet General Expenditure Within One Year	$	18,426,416

Liquidity Management

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization also has a committed line of credit in the amount of $3,000,000, which was undrawn at June 30, 2021. The Organization has restricted cash and funded reserve, which is available for use with approval from the custodian. The Organization primarily funds its housing development with construction loans and investor limited partner capital contributions. The Organization's goal is to maintain Liquid Unrestricted Net Assets (LUNA) of CAI to meet 90 days of that entity's expenses. LUNA includes unrestricted cash and amounts undrawn and available under the line of credit.

4. Investments and Fair Value Measurement

Cost and fair value of investments are as follows:

June 30, 2021	Cost	Fair Value
Mutual funds	$ 8,594	$ 19,898

The Organization's assets recorded at fair value have been categorized based upon a fair value hierarchy, in accordance with ASC 820. See Note 2 for a discussion of the Organization's policies regarding this hierarchy. A description of the valuation techniques applied to the Organization's major categories of assets and liabilities measured at fair value is as follows:

Mutual Funds - For the Organization's investments in mutual funds, the Organization has ownership interest in the mutual fund but not in the individual securities held by the fund. The assets of each mutual fund consist primarily of shares of the underlying holdings. These mutual funds are invested primarily in equity securities. Mutual funds are valued at the net asset value (NAV) of each share (which is actively traded on national securities exchanges) and are classified as Level 1.

There were no transfers between levels during the year ended June 30, 2021.

5. Amounts Due from Government Funding Sources

The Organization had amounts reimbursable under the terms of agreements signed with various governmental agencies, totaling $6,885,947, comprising the following:

June 30, 2021	
New York City Department of Homeless Services	$ 921,412
New York City Department of Health and Mental Hygiene	4,376,620
New York City Department of Human Resources Administration	465,864
New York State Department of Health - Medicaid Reimbursement	970,247
New York State Office of Mental Health	748,871
U.S. Department of Housing and Urban Development	127,299
Other	106,927
	7,717,240
Less: allowance for uncollectable accounts	(831,293)
Due from Government Funding Sources, net of allowance	$ 6,885,947

6. Related Party Transactions

Reimbursements

The Organization made certain payments on behalf of the affiliated entities. The amounts due from the unconsolidated affiliated entity were as follows:

Year ended June 30, 2021	
29 East 2nd Street LLC	$ 44,887

Loans

On June 15, 2019, Community Access HDFC entered into a loan agreement with an employee of CAI to borrow $600,000 (see Note 11) to finance a portion of the down payment in connection with the purchase for 1861 Carter Avenue. The loan bears an interest rate at 1.75% and matures on August 31, 2021 unless the maturity has been extended. The entire loan principal balance remained outstanding at June 30, 2021.

Contributions

The Organization receives contributions from its employees and members of the Board of Directors from time to time.

7. Property and Equipment, Net

Major classes of property and equipment, net, consist of the following:

June 30, 2021	
Land	$ 26,441,581
Building and building improvements	254,137,953
Leasehold improvements	2,142,586
Office furniture and equipment	1,200,551
Apartment furniture and equipment	636,469
Construction-in-progress*	60,595,772
	345,154,912
Less: accumulated depreciation	(66,198,846)
Net Property and Equipment	$ 278,956,066

* At June 30, 2021, the estimated cost to complete construction-in-progress, which related primarily to construction of 1159 River Avenue Owners LLC, was $125.9 million.

Depreciation and amortization expense for the year ended June 30, 2021 was $8,453,920.

8. Pledges Receivable

Pledges receivable are unconditional promises to give.

At June 30, 2021, the pledge receivable balance collectible within one year was $1,202,672. The pledge receivable balance collectible more than one year was $800,000.

9. Restricted Cash and Funded Reserve

Replacement and Operating Reserves

Under regulatory and operating agreements, the Organization is required to establish, and fund amounts for the replacement of property and other project expenditures, such as major repairs, approved by HUD, NYC Department of Housing Preservation and Development (HPD), the Housing Trust Fund Corporation (HTFC), and The Community Preservation Corporation (CPC). The replacement reserves totaled $5,092,155 at June 30, 2021. In addition to the replacement reserves, the Organization is required to maintain operating reserves to fund operating deficits in the respective projects financed by HPD and HTFC. The operating reserves totaled $5,276,915 at June 30, 2021. Replacement reserves and operating reserves are held in separate accounts and are not available for operating purposes without prior regulatory approval.

985 Bruckner Boulevard Owners, LLC held deposits in an equity escrow account made in connection with the construction of 985 Bruckner Boulevard. The balance in the escrow account was $1,494 at June 30, 2021.

Community Access HDFC held deposits in an interest reserve account made in connection with the interest expense incurred on the building and land acquisition loan for the 1861 Carter Avenue housing project. The balance in the interest reserve account was $434,850 at June 30, 2021.

Community Access, Inc. held deposits in an escrow account in connection with the proceeds received from the sale of the Libby House property. The balance in the escrow account was $465,111 at June 30, 2021.

Tenant Security Deposits

Under rental agreements with tenants, the Organization collects security deposits at the inception of the rental agreement, which will be subsequently repaid to the tenants when the rental term ends. The security deposits are held in separate accounts and are not available for operating purposes. The tenant security deposits totaled $238,404 at June 30, 2021.

10. Mortgages and Notes Payable

Access House, Inc.

In August 2013, Access House executed a mortgage note agreement with CPC to borrow $973,190 to refinance an outstanding mortgage. The mortgage note is secured by a related property. The new mortgage is payable in monthly installments of $7,130 and bears interest at 3.86% per annum. At June 30, 2021, the outstanding principal was $540,358. Mortgage interest expense for the year ended June 30, 2021 was $22,190.

Community Recovery Houses

In November 2010, CAI acquired three sites from an unrelated not-for-profit organization. As part of the purchase and sale agreement, CAI assumed the unpaid principal of the mortgages payable to OMH and the Dormitory Authority of the State of New York (DASNY). Subsequent to the acquisition, title to the properties was transferred and the mortgages were assumed by Community Recovery Houses HDFC. These mortgages, which bear interest rates ranging from 4.83% to 7.40% per annum, are payable in semi-annual installments ranging from $7,801 to $70,924 and have maturity dates ranging from February 2016 to June 2035. As of June 30, 2021, the outstanding principal was $568,811. Mortgage interest expense for the year ended June 30, 2021 was $32,649. The mortgages are secured by the related buildings and land.

Gouverneur Court HDFC

In October 1992, Gouverneur Court HDFC acquired a building from 107-109 HDFC (a related party at the time of acquisition) through the assumption of the building loan contract under financing provided by HPD. The entire principal balance of $8,253,369 is due and payable in March 2022. Interest was payable monthly at the rate of 1% per year. In addition, an annual service fee of 0.25% was required. In July 2006, HPD reduced the outstanding mortgage balance by $234,343, which represents the unspent construction funds. As a result, the monthly interest payment has been reduced from $8,597 to $8,353. All other terms of the mortgage loan remain the same. During 2006, HPD agreed to amend the terms of the HPD loan to defer payment of interest, service and replacement reserve deposits for a period of two years. In July 2012, Gouverneur Court HDFC and HPD modified the terms of the agreement. The mortgage, as restated, bears no interest and requires no service fees. The new principal balance of $8,180,548 is due on May 1, 2039. As part of the modified financing agreement, HPD transferred the balance of the sinking fund under the old agreement in the amount of $1,327,076 to Gouverneur Court HDFC's replacement and operating reserves. There is no liability to repay the funds to HPD at maturity of the mortgage. The outstanding balance on the mortgage as of June 30, 2021 was $8,180,548. The mortgage is secured by the related land and building.

107-109 Ave LP

In June 1992, 107-109 Ave LP acquired a building through assumption of the mortgage with HPD representing all costs incurred during construction. The entire principal balance of $2,833,520 is due and payable in July 2022. In January 2006, HPD agreed to amend the terms of the loan to defer payment of interest and replacement reserve deposits until January 1, 2008. The deferred interest payments were to be paid on the maturity date of the mortgage. Effective June 15, 2009, HPD and 107-109 Ave LP agreed to modify the terms of the mortgage. The deferred interest in the amount of $70,838 was added to the principal balance to form a new principal amount of $2,903,768. The new principal amount bears no interest. The new principal amount is due and payable on July 15, 2037. On June 15, 2009, as part of the new financing, HPD transferred $403,775 to 107-109 Ave LP's operating reserve account with the understanding that the funds will be repaid to HPD at maturity of the mortgage. The amount, which is included in amounts due to HPD, is noninterest-bearing. At June 30, 2021, the outstanding principal under the mortgage was $3,307,543.

1710 Vyse Ave LP

In December 2010, 1710 Vyse Ave LP entered into a note payable agreement with 1710 Vyse Ave HDFC and signed a promissory note in the amount of $10,576,577. The note bears interest at 0% per annum, and the entire balance is due in December 2050. The note is secured by the low-income housing project (Project) and is subject to a regulatory agreement, which was entered into by HDFC and OMH. The intent of HDFC is to forgive the loan to 1710 Vyse Ave LP once the 15-year compliance period for low-income housing tax credit is over, which is expected to be in December 2025, and the related OMH loan payable is repaid.

29 East 2nd Street LP

On June 12, 2002, 29 East 2nd Street LP entered into an agreement with HPD and signed a promissory note in the amount of $5,897,934 to cover costs during construction. The entire principal balance is due and payable in June 2032. On March 11, 2011, the loan principal amount had reduced to $5,889,933. The loan is non-interest-bearing and is secured by the Project. As of June 30, 2021, $5,889,933 has been advanced to 29 East 2nd Street LP.

In August 2002, 29 East 2nd Street LP received a 30-year loan from the sponsors, affiliates of the general partner, in the amount of $379,762. The note bears interest at 1% per annum. The entire principal balance plus accrued interest are due and payable on January 31, 2021. The Organization believes that the loan qualifies for forgiveness under its terms and is currently in the process of applying for loan forgiveness from the lender.

29 East 2nd Street Housing Development Fund Company, Inc. (a related party with the general partner through common Board of Directors) acquired the land for the Project from the city of New York (the City) and issued a $1,000,000 promissory note to the City. The land, along with the promissory note obligation, was assigned to 29 East 2nd Street LP. 29 East 2nd Street Housing Development Fund Company, Inc. will continue to hold legal title to the land and 29 East 2nd Street LP will have all the beneficial and equitable interest in the land. The note is non-interest-bearing and is due and payable in June 2032.

1363 Franklin Ave LP

In June 2005, 1363 Franklin Ave LP entered into a permanent financing agreement with HTFC and signed a promissory note in the amount of $2,000,000. The note bears interest at 1% per annum and matures in June 2035. The note is secured by the Project and a regulatory agreement. Interest is accrued annually and paid on April 30 of the following year out of excess income prior to distribution of any return of equity, as defined. As of June 30, 2021, interest totaling $110,000 has been accrued and is included in interest payable on the consolidated statement of financial position. Loan costs, included in deferred costs, totaling $20,015 at June 30, 2021 are being amortized over the term of the related loan using the straight-line method over the life of the loan. Amortization for the year ended June 30, 2021 was $667, which is included in interest expense on the consolidated statement of activities. At June 30, 2021, accumulated amortization was $10,896.

1750 Davidson Ave LP

In February 2008, 1750 Davidson Ave LP entered into a permanent financing agreement with HTFC and signed a promissory note in the amount of $1,940,000, of which the entire amount was drawn down as of December 31, 2009. The note bears interest at 1% per annum and matures in February 2038. The note is secured by the Project and a regulatory agreement. Interest is accrued annually and paid in April 30 of the following year out of excess income prior to distribution of any return of equity, as defined. As of June 30, 2021, interest totaling $67,900 has been accrued and is included in interest payable on the consolidated statement of financial position. Loan costs, included in deferred costs, totaling $12,693 at June 30, 2021 are being amortized over the term of the related loan using the straight-line method over the life of the loan. Amortization for the year ended June 30, 2021 was $530, which is included in interest expense on the consolidated statement of activities. At June 30, 2021, accumulated amortization was $12,693.

772 East 168th Street LLC (Tinton Ave)

In October 2004, 772 East 168th Street LLC entered into an agreement with HPD and signed a promissory note in the amount of $6,000,000. The entire principal balance is due and payable in October 2034. Interest is accrued at a rate of 0.25% per annum and is payable on the maturity date of the loan. In addition, an annual service fee of $3,000 increasing by 3% each year is required. The loan is secured by the property. As of December 31, 2013, $6,000,000 has been advanced to 772 East 168th Street LLC. As of June 30, 2021, interest totaling $213,288 has been accrued and is included in interest payable on the consolidated statement of financial position. Deferred financing costs totaling $60,000 at June 30, 2021 are being amortized over the term of the related loan using the straight-line method. Amortization for the year ended June 30, 2021 was $2,000. At June 30, 2021, the accumulated amortization was $29,000.

CHICA LP (1022 Rev. James Polite Avenue)

On May 27, 2003, CHICA LP acquired a building on 1022 Rev James Polite Avenue through the assumption of a building loan agreement with the New York City Housing Development Corporation (HDC). Through December 31, 2009, $7,323,632 has been advanced to CHICA LP. During 2014, the loan was transferred to HPD. Interest accrues monthly at a rate of 0.25% per year. The entire mortgage balance and accrued interest is due and payable in May 2033. As of June 30, 2021, interest totaling $298,142 has been accrued and is included in interest payable on the consolidated statement of financial position. Deferred financing costs totaling $73,236 at June 30, 2021 are being amortized over the term of the related loan using the straight-line method. Amortization for the year ended June 30, 2021 was $2,441. At June 30, 2021, the accumulated amortization was $39,058.

910 Dekalb Ave LP

In June 2004, 910 Dekalb Ave LP entered into a permanent financing agreement with HTFC and signed a promissory note in the amount of $2,000,000. The note bears interest at 1% per annum and matures in June 2034. The note is secured by the Project and a regulatory agreement. Interest is accrued annually and paid on April 30 of the following year out of excess income prior to distribution of any return of equity, as defined. As of June 30, 2021, interest expense totaling $89,020 for each year has been accrued and is included in interest payable on the consolidated statement of financial position.

111 East 172nd Street LLC

On September 22, 2016, 111 East 172nd Street LLC entered into a mortgage agreement with the New York State Housing Finance Agency (HFA) in the amount of $25,400,000 to finance the costs of acquiring and constructing a 126-unit housing project. The mortgage includes both the short-term principal amount of $5,050,000 and the long-term principal amount of $20,350,000. The mortgage bears an interest rate at 2.5% for the short term portion of the mortgage. The long-term portion of the mortgage bears interest at a rate 5.35% from the date until the conversion from construction to permanent financing, and 4.1% per annum on the outstanding principal amount until payment in full. The long-term principal amount of $20,350,000 had a maturity date in July 2049. Prior to the loan conversion date, in addition to payments of principal and interest, the Company is obligated for monthly equal installment of the HFA serving fee equal to 0.75% per annum on the maximum principal amount of the short-term mortgage and 0.25% per annum on the original principal amount of the long-term mortgage. Upon the loan conversion date, the Company is also obligated for the State of New York Mortgage Agency (SONYMA) premium in the amount of 0.5% per annum of the outstanding principal amount of the mortgage. The short-term mortgage of $5,050,000 was repaid with investor member's capital contributions and additional HFA mortgage drawn down at the permanent financing conversion on August 12, 2020. The outstanding amount of principal at June 30, 2021 was $5,211,299.

As stated within the mortgage agreement, upon completion of construction of the Project, OMH will enter into an agreement with the Company for OMH to pay the principal, interest, SONYMA premium and HFA loan service fee on behalf of the Company on a portion of the long-term mortgage in the amount of $15,000,000. In connection with this agreement, the Company made 60 supportive housing units located in the Project available to tenants with a diagnosis of serious mental illness. The Company recognized the OMH payments as capital advances from funding since the permanent financing conversion on August 12, 2020. The outstanding amount of principal at June 31, 2021 was $14,471,058. As of June 30, 2021, the principal, interest, SONYMA premium and HFA loan service fee paid by OMH totaling $1,966,806 were included in capital advances from funding sources.

On September 22, 2016, the Company entered into a subordinate mortgage agreement with HFA in the amount of $1,225,000 to finance the costs of constructing the housing project. The mortgage bears an interest rate of 6% per annum accruing only to the extent that funds have been disbursed to the Company. The interest rate of the mortgage shall be at the rate of 1% upon issuance of the SONYMA issued mortgage insurance policy in connection with the first mortgage loan. The mortgage has a maturity date at July 1, 2049. As of June 30, 2021, the outstanding balance was $1,224,800.

Principal maturities on the related obligations are as follows:

Year ending June 30,		
2022	$	983,701
2023		564,195
2024		516,248
2025		541,167
2026		562,598
Thereafter		60,283,567
Total		63,451,476
Less:		
Current portion		(983,701)
Unamortized mortgage costs		(1,053,952)
Total Mortgage Payable, net of current portion and deferred financing costs	$	61,413,823

11. Loans Payable

CAI

On April 22, 2020, CAI received a loan under the Paycheck Protection Program (PPP) in the amount of $2,482,000 from BankUnited, N.A. The loan bears a fixed interest at 1.00% per annum and matures on April 22, 2022. See Note 15 for further discussion. In June 2021, the PPP loan was fully forgiven by the Small Business Administration (SBA). The Organization recognized $2,510,474 as income in 2021 for the principal plus any accrued interest as of the date of forgiveness following the guidance of ASC 405-20, Extinguishment of Liabilities. This is presented as nonoperating revenues forgiveness of Paycheck Protection Program loan in the accompanying consolidated statement of activities.

On September 14, 2016, CAI entered into a Sponsor Loan Agreement with OMH pursuant to which OMH agreed to lend up to $15,000,000 to CAI, and CAI agreed to advance those funds to 111 East 172nd Street Owners LLC, to finance costs of constructing the housing project. The loan bears interest at 5.10% and matures on the construction loan conversion date. The entire loan principal balance totaling $13,517,881 was repaid when the 111 East 172nd Street Owners LLC completed its permanent financing on August 12, 2020.

Access House

On October 7, 2016, Access House executed a loan agreement with the CPC in the amount of $1,119,121. The loan was made in response to Superstorm Sandy. The City, acting by and through its HPD, awarded funds (the CDBG-DR Funds) under the CDBG Disaster Recovery Program for Sandy. The mortgage bears no interest rate and shall be deemed satisfied on March 7, 2028, subject to Access House's compliance with all terms, covenants, and conditions contained in the loan documents. The advanced disbursement as of June 30, 2021 was $1,084,223.

Community Access HDFC

On June 15, 2019, Community Access HDFC entered into a loan agreement with an employee of CAI to borrow $600,000 (see Note 6) to finance a portion of the down payment in connection with a purchase of 1861 Carter Avenue. The loan bears an interest rate at 1.75% and matures on August 31, 2022. The entire loan principal balance remains outstanding at June 30, 2021.

On August 27, 2019, Community Access HDFC entered into a loan agreement with Mercy Loan Fund in the amount of $6,650,000 to finance costs in connection with a purchase for 1861 Carter Avenue. The loan bears interest at 5.50% per annum and matures on August 27, 2021. The outstanding amount of principal balance at June 30, 2021 was $6,650,000. In August 2021, Community Access HDFC executed its option to extend the loan for six months through February 27, 2022.

Gouverneur Court HDFC

On October 7, 2016, Gouverneur Court HDFC executed a mortgage agreement with CPC in the amount of $1,426,557. The loan was made in response to Superstorm Sandy. The City, acting by and through HPD, awarded the CDBG-DR Funds under the CDBG Disaster Recovery Program for Sandy. The mortgage bears no interest rate and shall be deemed satisfied on December 7, 2027, subject to Gouverneur Court HDFC's compliance with all terms, covenants and conditions contained in the loan documents. The advanced disbursement as of June 30, 2021 was $998,342.

258 East 4th Street LP

In May 1993, 258 East 4th Street LP entered into a permanent financing agreement with HTFC and signed a promissory note in the amount of $5,923,192. In 1995 and 1997, pursuant to the agreement, 258 East 4th Street LP made mortgage principal payments of $520,363 and $221,876, respectively, as a result of 258 East 4th Street LP's sale of limited partnership interests. The balance of the note in the amount of $5,180,953 bore interest at 1.4% per annum and matured in April 2008. In 1995, 258 East 4th Street LP elected to prepay the entire interest on the mortgage, which amounted to $997,719, as provided in the mortgage agreement. Interest expense was recognized over the initial 15-year term of the mortgage. During 2010, 258 East 4th Street LP made a payment of $4,623 towards the mortgage payable. On March 13, 2012, based on the terms of the original agreement, HTFC has exercised the option to extend the principal balance of the loan to December 6, 2092. The note bears interest at the annual uncompounded rate of 1% of the outstanding principal of the loan. The interest obligation is limited by the extent of excess income calculated annually. If at any time excess income is insufficient to pay all or a portion of any payment of interest due, that amount of interest that exceeds excess income will be forgiven. The outstanding principal under the mortgage was $5,176,330 for June 30, 2021. The interest accrued as of June 30, 2021 was $240,268.

1461 Bryant Ave HDFC

On December 7, 2020, 1461 Bryant Ave HDFC entered into a loan agreement with Leviticus Fund in the amount of $3,467,000 to finance costs in connection with a purchase of property located at 1461 Bryant Ave, Bronx, New York. The loan bears interest at 5.75% per annum and matures on the fourth-year anniversary of the first day of the first month following the property closing date. The outstanding amount of principal balance at June 30, 2021 was $3,100,000.

1854 Cedar Ave LLC

In May 2009, 1845 Cedar Ave LLC obtained financing of $10,100,000 (the Senior Leasehold Loan) for the construction of the Project from HFA. The loan required monthly payments of interest at a fixed rate of 5.75% on a loan principal amount of $2,400,000 and 4.50% on a loan principal amount of $7,700,000. The loan requires an annual HFA Servicing Fee of 0.25%, as well as an annual premium on a SONYMA policy. The loan matures in July 2041. The loan is secured by the Project and has an outstanding balance of $1,994,884 for the year ended June 30, 2021. Interest expense for the year ended June 30, 2021 is $116,331.

In May 2009, 1845 Cedar LLC also obtained a “Subsidy Loan” from the HFA. The principal amount of $2,951,000 was made available during the construction period. The amount borrowed required interest at 6% per annum through February 15, 2012. Deferred interest in the amount of $317,308 during this period was not payable but added to the outstanding principal amount of the Subsidy Loan. The new loan payable amounted to $3,268,308. Effective February 16, 2012, the loan bears interest at 1% per annum. Monthly payments of $5,030 are to commence on January 1, 2027. The payments are to be applied first to the current interest due and then to the outstanding principal. The balance of the Subsidy Loan and any unpaid interest is payable on the earlier of July 1, 2041, the prepayment in full of the portion of the Senior Leasehold Loan, any default under the credit terms of the portion of the Senior Leasehold Loan, or at the option of the holder in event of default. Interest expense for the year ended June 30, 2021 was $32,683. As of June 30, 2021, interest totaling $307,227 has been accrued and is included in mortgage and loan interest payable on the consolidated statement of financial position. The outstanding loan balance was $3,268,308 for the year ended June 30, 2021.

Also, in May 2009, 1845 Cedar LLC obtained additional financing from HTFC. The principal amount of $2,951,000 was made available during the construction period. The amount borrowed required interest at 6% per annum through February 15, 2012. Deferred interest in the amount of $83,572 during this period was not payable but added to the outstanding principal amount of the HTFC loan. The new loan amount is $3,034,572. Effective February 16, 2012, the loan bears interest at 1% per annum. The deferred interest is not currently payable. Beginning on February 15, 2028, annual payments of $60,356 are due. The payments are to be applied first to the deferred interest due, then to the current interest due and finally to the outstanding principal. The balance of the loan and any unpaid interest is due and payable on February 15, 2042. Interest expense for the year ended June 30, 2021 was $30,346. As of June 30, 2021, interest totaling $284,893 has been accrued and is included in mortgage and loan interest payable on the consolidated statement of financial position. The outstanding balance was $3,034,572 for the year ended June 30, 2021.

985 Bruckner Blvd LLC

In December 2017, 985 Bruckner Boulevard Owners LLC entered into loan agreements with HDC in the amount of $71,400,000 to finance the construction of a 215-unit housing project. Prior to the conversion to permanent financing, the loan bears interests at 2.4% and 5% on 61.27% and 38.73% of the outstanding principal amount, respectively. After conversion, the loan bears an interest rate of 5.7% per annum and matures in September 2051. As of June 30, 2021, the principal amount of the loan was not fully drawn. The outstanding principal amount for the year ended June 30, 2021 was $58,967,082. Pursuant to the terms of the loan, a financial institution issued a letter of credit to HDC for the account of 985 Bruckner Boulevard Owners LLC in the amount of $42,854,167 for the construction of the projects. This loan was refinanced on August 6, 2021 (see Note 16).

111 East 172nd Street LLC

On September 22, 2016, 111 East 172nd Street LLC entered into a loan agreement with HPD in the amount of $3,300,000 to finance the costs of constructing the housing project. The loan bears an interest rate at 0.25% and matures on August 12, 2050. As of June 30, 2021, the outstanding balance was $3,300,000.

On September 22, 2016, 111 East 172nd Street LLC entered into a Subordinate Loan Agreement with Citibank, N.A. in the amount of $2,000,000 to finance costs of constructing the housing project. The loan bears interest at 1% per annum and matures on September 22, 2071. The outstanding amount of principal balance at June 30, 2021 was $2,000,000.

1159 River Ave LLC

On December 18, 2019, 1159 River Ave LLC entered into a loan agreement with HFA in the amount of $65,265,000 to finance the costs of acquiring and constructing a three-unit condominium housing project. During the construction period, the short-term loans bear interest rates at 2.00% and 3.25%, respectively, and the long-term portion of the loan bears an interest rate of 4.00%. Upon completion of construction, the entire outstanding loan balance will be converted into permanent financing and bear an interest rate of 4.00% per annum until payment in full. 1159 River Ave LLC is also obligated for the HFA Serving Fee in the amount of 0.25% per annum of the outstanding principal amount of the loan. The loan has a maturity date at July 1, 2053. As of June 30, 2021, 1159 River Ave LLC has not drawn the entire amount of the loan. The outstanding amount of principal at June 30, 2021 was $26,528,818.

On December 18, 2019, 1159 River Ave LLC entered into a Subsidy Loan agreement with HFA in the amount of $15,925,000 to finance the construction of the project. The loan bears interest rates of 1.92% and 0.50% per annum accrued on a monthly basis, beginning the first month after the first advance of Subsidy Loan proceeds, and continuing through the conversion date. As of June 30, 2021, 1159 River Ave LLC has not drawn the entire amount of the loan. The outstanding amount of principal at June 30, 2021 was $1,172,510.

On December 18, 2019, 1159 River Ave LLC entered into a loan agreement with HPD in the amount of $25,950,000 to finance the costs of constructing the project. The loan bears an interest rate at 0.25% and matures on February 18, 2024. As of June 30, 2021, the outstanding balance was $17,411,236.

BankUnited N.A. Line of Credit

In February 2016, CAI entered into a loan agreement with BankUnited, N.A. to provide a $2,000,000 line of credit. Borrowings under the line of credit bear interest at the one-month LIBOR rate plus 2.5%. The line of credit was subsequently increased to $3,000,000. At June 30, 2021, there were no outstanding borrowings under the line of credit.

Principal maturities on the loans payable are as follows:

Year ending June 30,		
2022	$	845,461
2023		1,488,129
2024		7,583,016
2025		980,244
2026		1,029,935
Thereafter		149,291,749
Total		161,218,534
Less:		
Current portion		(845,461)
Unamortized loan issuance costs		(2,104,623)
Total Loan Payable, net of current portion and deferred financing costs	$	158,268,450

12. Commitments and Contingencies

Operating Leases

The Organization leases office space under various leases expiring at various dates through May 2033.

Future minimum payments under noncancelable operating leases with initial or remaining terms of one year or more at June 30, 2021 are as follows:

Year ending June 30,		
2022	$	899,984
2023		1,007,358
2024		1,012,762
2025		843,225
2026		860,760
Thereafter		6,142,179
Total	$	10,766,268

For consolidated financial statement purposes, base rent is expensed on the straight-line basis over the term of the lease. Rent expense was approximately $1,076,000 for the year ended June 30, 2021.

In addition to rents paid to related parties (see Note 6), the Organization rents apartments for clients and office space under arrangements accounted for as operating leases.

The rental commitment presented above does not include operating leases with terms of one year or less. Rent expense under all operating leases for the year ended June 30, 2021, which includes leases with month-to-month terms and related-party transactions, amounted to approximately $3,300,000.

Federal, State, and City Funding

The Organization participates in various state and city programs for the benefit of clients with mental health issues. These programs have strict requirements for participation and, accordingly, the Organization is subject to government program reviews covering compliance with laws and regulations.

The expenses of programs that have been reimbursed pursuant to state and city government contracts and grants are subject to audit by the respective granting agencies.

Developer Guarantees

CAI acted as developer or co-developer of the housing projects owned or controlled by CAI and its subsidiaries. As the developer, CAI acts as guarantor of various obligations of the development entities, principally the timely completion of building construction (Completion Guarantees) and the ability of a building to achieve break-even operations within a certain period after completion (Operating Deficit Guarantees). These guarantees are generally limited to the amount of the cash developer's fee CAI expects to receive in connection with the project. At June 30, 2021, CAI had outstanding Completion Guarantees and Operating Deficit Guarantees in connection with the construction-in-progress at 1159 River Ave LLC. CAI also acts as guarantor of certain continuing obligations of the development entities with respect to potential tax credit adjustments. (See *Low-Income Housing Tax Credits* below.)

Low-Income Housing Tax Credits

The Projects' low-income housing tax credits are contingent on their ability to maintain compliance with applicable provisions of Section 42, which primarily relate to occupant eligibility and unit gross rent. Failure to maintain compliance or to correct non-compliance within a specified time period could result in a reduction in tax credits for which the Project is eligible, and recapture of tax credits previously taken plus accrued interest, which could also require an adjustment to the capital contributed by the investing members. If such non-compliance is due to events within the control of the managing members, then the managing members shall compensate the investing members for any resulting tax credit reduction and/or recapture. If such non-compliance is not due to events within the control of the managing members, then the limited partnerships or limited liability companies may be required to compensate the investing members for any resulting tax credit reduction and/or recapture out of operating cash flow or from the proceeds of a refinancing or sale of the Project.

13. Employee Benefit Plan

In January 2004, the Organization established a 403(b) retirement plan (the Plan) covering all eligible employees. Employees are eligible to participate if they have completed one year of service. Participating employees may contribute a percentage of their pay to the Plan up to the maximum amount allowed by the IRS. The Plan provides for a discretionary basic contribution that can vary year to year. For the year ended June 30, 2021, contributions to the Plan totaled $346,505.

14. Net Assets with Donor Restrictions

Net assets with donor restrictions were as follows:

June 30, 2021		
Specific purpose:		
Housing program services	$	1,000,000
Total	$	1,000,000

15. Discontinued Operations

On February 9, 2021, Libby House closed its sale of property in the amount of $2,385,000.

As a result of the sale, in accordance with U.S. GAAP, the Organization has prepared its consolidated financial statements with Libby House reported as discontinued operations for the year presented.

June 30, 2021		
Net Gain on Discontinued Operations		
Expenses		
Housing programs	$	287,494
Management and general		1,471
Total Expenses		288,965
Other income - gain on sales of property		2,168,266
Net Gain on Discontinued Operations	$	1,879,301

16. Risks and Uncertainties

COVID-19

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus (the COVID-19 outbreak) and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude of the impact that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) was enacted. The CARES Act contains measures designed to bring some economic and fiscal relief to companies, small businesses, and individuals facing financial difficulties due to the COVID-19 crisis. The Organization's management is currently evaluating the effect of the CARES Act on its consolidated financial statements.

The CARES Act appropriated funds for the SBA PPP loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to small businesses harmed by the COVID-19 outbreak. The Organization has received an SBA PPP loan in the amount of $2,482,000. The Organization has applied for and received loan forgiveness with the SBA during the year ended June 30, 2021. Funding received from the PPP is still subject to potential audit. See Note 11 for details.

Management continues to examine the impact that the COVID-19 outbreak and CARES Act may have on its business. Management is currently unable to determine any additional impact on its financial condition, results of operation or liquidity.

On December 27, 2020, President Trump signed the Consolidated Appropriations Act, 2021 (the Act), which includes $900 billion in stimulus relief as a result of the COVID-19 pandemic. The Organization is currently evaluating the impact of the Act.

17. Subsequent Events

In August 2021, 985 Bruckner Boulevard Owners, LLC converted its construction loans to permanent mortgage financing conversion.

The Organization has evaluated subsequent events through November 30, 2021, which is the date these consolidated financial statements were available to be issued. Other than as noted in the preceding paragraph above, there were no other subsequent events requiring adjustments or disclosures to the consolidated financial statements.

Supplementary Information

Community Access, Inc. and Subsidiaries

Consolidating Schedule of Financial Position
(with comparative totals for 2020)

June 30,2021

	CAI	Access House	202 West 108th St	1710 Vyse Ave HDFC	1854 Cedar Ave HDFC	Community Access HDFC	Community Recovery Houses HDFC	Gouverneur Court HDFC	258 East 4th Street LP
Assets									
Current									
Cash and cash equivalents (Note 2)	$ 4,780,136	$ 20,477	$ 2,443	$ -	$ -	$ 121,685	$ 952	$ 76,906	$ 94,108
Restricted cash and funded reserve (Notes 2 and 9)	650,892	405,604	148,870	-	-	434,850	-	1,672,761	445,919
Investments at fair value (Notes 2 and 4)	19,898	-	-	-	-	-	-	-	-
Due from government funding sources, net (Notes 2 and 5)	6,885,947	-	-	-	-	-	-	-	-
Rent receivables, net	-	7,500	(189)	-	-	1,100	-	46,601	43,638
Pledges receivable - current portion (Notes 2 and 8)	1,202,672	-	-	-	-	-	-	-	-
Loan receivable - current portion	-	-	-	-	-	-	-	-	-
Due from related parties (Notes 1 and 6)	6,995,943	-	-	-	-	-	-	322,718	-
Prepaid expenses and other current assets	1,820,938	29,284	-	-	60,833	5,450	-	4,523	2,203
Total Current Assets	22,356,426	462,865	151,124	-	60,833	563,085	952	2,123,509	585,868
Property and Equipment, Net (Notes 2 and 7)	1,256,429	1,592,751	1,057,980	-	4,000,000	8,045,042	2,278,331	5,166,620	707,500
Pledges Receivable, net of current portion (Notes 2 and 8)	800,000	-	-	-	-	-	-	-	-
Security Deposits and Other Assets	3,098,251	670	265	-	-	-	-	13,285	6,255
Developer's Fee Receivable, Net	8,785,247	-	-	-	-	-	-	-	-
Loans Receivable, Net	1,651,200	-	-	7,162,847	9,964,185	-	-	-	-
Assets Held-for-Sale (Note 14)	-	-	-	-	-	-	-	-	-
Total Assets	$ 37,947,553	$ 2,056,286	$ 1,209,369	$ 7,162,847	$ 14,025,018	$ 8,608,127	$ 2,279,283	$ 7,303,414	$ 1,299,623
Liabilities and Net Assets (Deficit) and Non-Controlling Interest									
Current Liabilities									
Accounts payable, accrued expenses and taxes	$ 1,827,356	$ 53,816	$ 9,175	$ -	$ -	$ 231,046	$ -	$ 42,055	$ 73,704
Accrued compensated absences (Note 2)	1,712,867	-	-	-	-	-	-	-	-
Due to related parties (Notes 1 and 6)	1,992,779	-	233,203	-	-	1,109,896	-	373,064	411,321
Deferred revenue and due to government funding sources (Note 2)	8,645,868	-	-	-	-	-	-	-	-
Mortgages and notes payable, current portion (Note 10)	-	65,865	-	-	-	-	141,820	-	-
Loans payable, current portion (Note 11)	-	-	-	407,123	383,546	-	-	-	-
Total Current Liabilities	14,178,870	119,681	242,378	407,123	383,546	1,340,942	141,820	415,119	485,025
Security Deposits and Other Liabilities	-	-	908	-	-	-	-	18,484	15,318
Accrued Lease Obligation (Note 12)	314,894	-	-	-	-	-	-	-	-
Developer's Fee Payable	-	-	-	-	-	-	-	-	-
Mortgage and Loan Interest Payable	-	-	-	-	-	-	-	5,998	240,268
Mortgages and Notes Payable, net of current portion and unamortized mortgage costs (Note 10)	-	433,650	-	-	-	-	426,991	8,180,548	-
Loans Payable, net of current portion and unamortized loan issuance costs (Note 11)	-	1,084,223	-	6,755,724	13,580,639	7,250,000	-	998,342	5,176,330
Liabilities Held-for-Sale (Note 14)	-	-	-	-	-	-	-	-	-
Total Liabilities	14,493,764	1,637,554	243,286	7,162,847	13,964,185	8,590,942	568,811	9,618,491	5,916,941
Commitments and Contingencies (Notes 3, 10, 11, 12 and 13)									
Net Assets (Deficit) (Notes 2, 14, and 15)									
Without donor restrictions	22,453,789	418,732	966,083	-	60,833	17,185	1,710,472	(2,315,077)	(4,617,318)
With donor restrictions	1,000,000	-	-	-	-	-	-	-	-
Non-Controlling Interest in Affiliates	-	-	-	-	-	-	-	-	-
Total Net Assets (Deficit) and Non-Controlling Interest	23,453,789	418,732	966,083	-	60,833	17,185	1,710,472	(2,315,077)	(4,617,318)
Total Liabilities and Net Assets (Deficit) and Non-Controlling Interest	$ 37,947,553	$ 2,056,286	$ 1,209,369	$ 7,162,847	$ 14,025,018	$ 8,608,127	$ 2,279,283	$ 7,303,414	$ 1,299,623

Community Access, Inc. and Subsidiaries

Consolidating Schedule of Financial Position
(with comparative totals for 2020)

June 30,2021

	107-109 Ave LP	111 East 172nd Street HDFC	985 Bruckner Blvd HDFC	1159 River Ave HDFC	1461 Bryant Ave HDFC	Subsidiaries in Syndication	Libby House (Discontinued Operations)	Eliminations	Total 2021	Total 2020
Assets										
Current										
Cash and cash equivalents (Note 2)	$ 20,404	$ 1	$ 978	$ 7,272	$ 841,360	$ 3,377,413	$ -	$ -	$ 9,344,135	$ 5,581,635
Restricted cash and funded reserve (Notes 2 and 9)	779,920	-	-	-	-	6,914,066	56,047	-	11,508,929	10,960,135
Investments at fair value (Notes 2 and 4)	-	-	-	-	-	-	-	-	19,898	11,621
Due from government funding sources, net (Notes 2 and 5)	-	-	-	-	-	-	-	-	6,885,947	6,423,407
Rent receivables, net	12,560	-	-	-	-	817,667	-	-	928,877	821,645
Pledges receivable - current portion (Notes 2 and 8)	-	-	-	-	-	-	-	-	1,202,672	2,044,912
Loan receivable - current portion	-	-	-	-	-	-	-	-	-	-
Due from related parties (Notes 1 and 6)	-	201	-	-	-	44,885	1,669,863	(8,988,723)	44,887	30,963
Prepaid expenses and other current assets	3,756	-	-	-	-	348,742	-	-	2,275,729	1,504,072
Total Current Assets	816,640	202	978	7,272	841,360	11,502,773	1,725,910	(8,988,723)	32,211,074	27,378,390
Property and Equipment, Net (Notes 2 and 7)	955,575	-	-	-	3,410,395	254,291,740	-	(3,806,297)	278,956,066	254,384,778
Pledges Receivable, net of current portion (Notes 2 and 8)	-	-	-	-	-	-	-	-	800,000	-
Security Deposits and Other Assets	140	367	-	-	-	188,364	-	-	3,307,597	1,176,879
Developer's Fee Receivable, Net	-	-	-	-	-	-	-	(8,605,772)	179,475	-
Loans Receivable, Net	-	-	651,000	-	-	-	-	(19,429,232)	-	-
Assets Held-for-Sale (Note 14)	-	-	-	-	-	-	-	-	-	298,675
Total Assets	$ 1,772,355	$ 569	$ 651,978	$ 7,272	$ 4,251,755	$ 265,982,877	$ 1,725,910	$ (40,830,024)	$ 315,454,212	$ 283,238,722
Liabilities and Net Assets (Deficit) and Non-Controlling Interest										
Current Liabilities										
Accounts payable, accrued expenses and taxes	$ 14,605	$ -	$ -	$ -	$ 44,059	$ 6,439,438	$ -	$ -	$ 8,735,254	$ 9,942,788
Accrued compensated absences (Note 2)	-	-	-	-	-	-	-	-	1,712,867	1,409,435
Due to related parties (Notes 1 and 6)	60,890	-	978	7,292	894,750	3,904,550	-	(8,988,723)	-	-
Deferred revenue and due to government funding sources (Note 2)	-	-	-	-	-	-	-	-	8,645,868	4,877,396
Mortgages and notes payable, current portion (Note 10)	-	-	-	-	-	776,016	-	-	983,701	958,316
Loans payable, current portion (Note 11)	-	-	-	-	-	54,792	-	-	845,461	804,902
Total Current Liabilities	75,495	-	978	7,292	938,809	11,174,796	-	(8,988,723)	20,923,151	17,992,837
Security Deposits and Other Liabilities	8,992	-	-	-	-	207,799	-	-	251,501	223,626
Accrued Lease Obligation (Note 12)	-	-	-	-	-	-	-	-	314,894	297,152
Developer's Fee Payable	-	-	-	-	-	20,294,325	-	(18,213,806)	2,080,519	1,386,814
Mortgage and Loan Interest Payable	87,113	-	-	-	32,184	6,772,692	-	-	7,138,255	5,413,934
Mortgages and Notes Payable, net of current portion and unamortized mortgage costs (Note 10)	3,307,543	-	-	-	-	56,477,938	-	(7,412,847)	61,413,823	64,201,187
Loans Payable, net of current portion and unamortized loan issuance costs (Note 11)	-	-	-	-	3,100,000	132,339,577	-	(12,016,385)	158,268,450	152,254,367
Liabilities Held-for-Sale (Note 14)	-	-	-	-	-	-	-	-	-	13,247
Total Liabilities	3,479,143	-	978	7,292	4,070,993	227,267,127	-	(46,631,761)	250,390,593	241,783,164
Commitments and Contingencies (Notes 3, 10, 11, 12 and 13)										
Net Assets (Deficit) (Notes 2, 14, and 15)										
Without donor restrictions	(1,706,788)	569	651,000	(20)	180,762	3,873	1,725,910	5,801,737	26,351,742	21,723,275
With donor restrictions	-	-	-	-	-	-	-	-	-	-
Non-Controlling Interest in Affiliates	-	-	-	-	-	38,711,877	-	-	38,711,877	19,732,283
Total Net Assets (Deficit) and Non-Controlling Interest	(1,706,788)	569	651,000	(20)	180,762	38,715,750	1,725,910	5,801,737	65,063,619	41,455,558
Total Liabilities and Net Assets (Deficit) and Non-Controlling Interest	$ 1,772,355	$ 569	$ 651,978	$ 7,272	$ 4,251,755	$ 265,982,877	$ 1,725,910	$ (40,830,024)	$ 315,454,212	$ 283,238,722

Community Access, Inc. and Subsidiaries

Consolidating Schedule of Activities
(with comparative totals for 2020)

June 30, 2021

	CAI										
	Without Donor Restrictions	With Donor Restrictions	Total	Access House (Without Donor Restrictions)	202 West 108th St (Without Donor Restrictions)	1710 Vyse Ave HDFC (Without Donor Restrictions)	1854 Cedar Ave HDFC (Without Donor Restrictions	Community Access HDFC (Without Donor Restrictions)	Community Recovery Houses (Without Donor Restrictions)	Gouverneur Court HDFC (Without Donor Restrictions)	258 East 4th Street LP (Without Donor Restrictions)
Public Support and Revenue											
Operating revenues:											
Government and other grants	$ 24,609,251	$ -	$ 24,609,251	$ -	$ -	$ 695,398	$ 1,282,100	$ -	$ 167,736	$ -	$ -
Medicaid income	8,780,933	-	8,780,933	-	-	-	-	-	-	-	-
Clients' fees	1,299,067	-	1,299,067	-	-	-	-	-	-	-	-
Rental income	-	-	-	444,972	83,492	-	-	13,200	-	1,249,259	561,660
Contributions	1,356,370	1,000,000	2,356,370	-	-	-	-	-	-	-	-
Special events (net of direct benefit expenses of $32,425 and $4,805 in 2021 and 2020, respectively)	228,267	-	228,267	-	-	-	-	-	-	-	-
Total Operating Revenues	36,273,888	1,000,000	37,273,888	444,972	83,492	695,398	1,282,100	13,200	167,736	1,249,259	561,660
Other operating revenues:											
Property management fee	1,164,491	-	1,164,491	-	-	-	-	-	-	-	-
Developer's fee	792,373	-	792,373	-	-	-	-	-	-	-	-
Total Public Support and Revenue	38,230,752	1,000,000	39,230,752	444,972	83,492	695,398	1,282,100	13,200	167,736	1,249,259	561,660
Operating Expenses											
Program services:											
Housing programs	22,202,974	-	22,202,974	556,571	173,697	695,398	1,282,100	9,496	109,881	1,516,357	-
Education and training programs	816,692	-	816,692	-	-	-	-	-	-	-	-
Other programs	8,684,002	-	8,684,002	-	-	-	-	-	-	-	-
Total Program Services	31,703,668	-	31,703,668	556,571	173,697	695,398	1,282,100	9,496	109,881	1,516,357	-
Supporting services:											
Management and general	6,028,532	-	6,028,532	39,150	16,646	-	-	3,571	-	179,082	-
Fundraising	972,221	-	972,221	-	-	-	-	-	-	-	-
Total Supporting Services	7,000,753	-	7,000,753	39,150	16,646	-	-	3,571	-	179,082	-
Subsidiaries' Operating Expenses	-	-	-	-	-	-	-	-	-	-	803,700
Total Operating Expenses	38,704,421	-	38,704,421	595,721	190,343	695,398	1,282,100	13,067	109,881	1,695,439	803,700
Change in Net Assets from Operating Activities	(473,669)	1,000,000	526,331	(150,749)	(106,851)	-	-	133	57,855	(446,180)	(242,040)
Non-Operating Activities											
Interest and other income	4,67,863	-	4,67,863	611	79	-	5,238	1,950	-	83,514	320
Forgiveness of Paycheck Protection Program Loan	2,510,474	-	2,510,474	-	-	-	-	-	-	-	-
Change in Net Assets, before discontinued operations	2,504,668	1,000,000	3,504,668	(150,138)	(106,772)	-	5,238	2,083	57,855	(362,666)	(241,720)
Gain (Loss) on Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
Change in Net Assets	$ 2,504,668	$ 1,000,000	$ 3,504,668	$ (150,138)	$ (106,772)	$ -	$ 5,238	$ 2,083	$ 57,855	$ (362,666)	$ (241,720)

Community Access, Inc. and Subsidiaries

Consolidating Schedule of Activities
(with comparative totals for 2020)

Year ended June 30, 2021

	107-109 Ave LP (Without Donor Restrictions)	985 Bruckner Blvd HDFC (Without Donor Restrictions)	1461 Bryant Ave HDFC (Without Donor Restrictions)	Subsidiaries in Syndication (Without Donor Restrictions)	Subtotal - Continued Operations (Without Donor Restrictions)	Libby House - Discontinued Operations (Without Donor Restrictions)	Eliminations	Total: Without Donor Restrictions	Total: With Donor Restrictions	Total: **2021**	Total: 2020
Public Support and Revenue											
Operating revenues:											
Government and other grants	$ -	$ -	$ -	$ (578,265)	$ 26,176,220	$ -	$ -	$ 26,176,220	$ -	**$ 26,176,220**	$ 24,969,509
Medicaid income	-	-	-	-	8,780,933	-	-	8,780,933	-	**8,780,933**	6,846,112
Clients' fees	-	-	-	-	1,299,067	-	-	1,299,067	-	**1,299,067**	1,449,539
Rental income	470,128	-	-	9,131,915	11,954,626	-	(3,416,845)	8,537,781	-	**8,537,781**	6,965,324
Contributions	-	-	-	-	1,356,370	-	-	1,356,370	1,000,000	**2,356,370**	2,177,562
Special events (net of direct benefit expenses of $32,425 and $4,805 in 2021 and 2020, respectively)	-	-	-	-	228,267	-	-	228,267	-	**228,267**	98,629
Total Operating Revenues	470,128	-	-	8,553,650	49,795,483	-	(3,416,845)	46,378,638	1,000,000	**47,378,638**	42,506,675
Other operating revenues:											
Property management fee	-	-	-	-	1,164,491	-	(1,156,966)	7,525	-	**7,525**	57,047
Developer's fee	-	-	-	-	792,373	-	(768,076)	24,297	-	**24,297**	17,578,221
Total Public Support and Revenue	470,128	-	-	8,553,650	51,752,347	-	(5,341,887)	46,410,460	1,000,000	**47,410,460**	60,141,943
Operating Expenses											
Program services:											
Housing programs	-	-	-	-	26,546,474	-	(3,416,845)	23,129,629	-	**23,129,629**	22,433,983
Education and training programs	-	-	-	-	816,692	-	-	816,692	-	**816,692**	801,822
Other programs	-	-	-	-	8,684,002	-	-	8,684,002	-	**8,684,002**	8,151,053
Total Program Services	-	-	-	-	36,047,168	-	(3,416,845)	32,630,323	-	**32,630,323**	31,386,858
Supporting services:											
Management and general	-	-	-	-	6,266,981	-	(201,158)	6,065,823	-	**6,065,823**	5,402,215
Fundraising	-	-	-	-	972,221	-	-	972,221	-	**972,221**	862,308
Total Supporting Services	-	-	-	-	7,239,202	-	(201,158)	7,038,044	-	**7,038,044**	6,264,523
Subsidiaries' Operating Expenses	500,204	-	-	19,973,790	21,277,694	-	(952,635)	20,325,059	-	**20,325,059**	13,550,374
Total Operating Expenses	500,204	-	-	19,973,790	64,564,064	-	(4,570,638)	59,993,426	-	**59,993,426**	51,201,755
Change in Net Assets from Operating Activities	(30,076)	-	-	(11,420,140)	(12,811,717)	-	(771,249)	(13,582,966)	1,000,000	**(12,582,966)**	8,940,188
Non-Operating Activities											
Interest and other income	8,281	651,000	1,287	116,285	1,336,428	-	-	1,336,428	-	**1,336,428**	985,884
Forgiveness of Paycheck Protection Program Loan	-	-	-	-	2,510,474	-	-	2,510,474	-	**2,510,474**	-
Change in Net Assets, before discontinued operations	(21,795)	651,000	1,287	(11,303,855)	(8,964,815)	-	(771,249)	(9,736,064)	1,000,000	**(8,736,064)**	9,926,072
Gain (Loss) on Discontinued Operations	-	-	-	-	-	1,876,128	3,173	1,879,301	-	**1,879,301**	(88,068)
Change in Net Assets	$ (21,795)	$ 651,000	$ 1,287	$ (11,303,855)	$ (8,964,815)	$ 1,876,128	$ (768,076)	$ (7,856,763)	$ 1,000,000	**$ (6,856,763)**	$ 9,838,004