



**FIND AID FOR THE AGED, INC.
AND AFFILIATES**

**CONSOLIDATED FINANCIAL REPORTS
DECEMBER 31, 2020 AND 2019**

FIND AID FOR THE AGED, INC. AND AFFILIATES

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INDEPENDENT AUDITORS' REPORT

Board of Directors
FIND Aid for the Aged, Inc. and Affiliates
New York, New York

We have audited the accompanying consolidated financial statements of FIND Aid for the Aged, Inc. (a nonprofit organization) and Affiliates (collectively the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2020 and 2019, and the changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information listed in the attached table of contents on pages 25 to 30 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. The supplementary information and accompanying schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information and accompanying schedules have been subjected to the auditing procedures applied in the audit of the consolidated financial statements and 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 other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and accompanying schedules are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.



WISS & COMPANY, LLP

Florham Park, New Jersey
October 20, 2021

FIND AID FOR THE AGED, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| | December 31, | |
|---|----------------------|----------------------|
| | 2020 | 2019 |
| ASSETS | | |
| Cash and equivalents | \$ 2,878,171 | \$ 2,468,699 |
| Investments | 2,717,381 | 2,298,242 |
| Tenant accounts receivable (net of allowance of \$65,158 and \$35,158 for 2020 and 2019, respectively) | 212,422 | 80,678 |
| Government grants receivable | 676,433 | 799,507 |
| Other receivables | 211,171 | 260,087 |
| Due from affiliate | 16,090 | 188,630 |
| Prepaid expenses and other assets | 293,693 | 234,476 |
| Investment at cost | 146,541 | - |
| Restricted deposits and funded reserves | 6,477,587 | 3,061,942 |
| Deferred rents receivable | 1,237 | 189,302 |
| Intangible air rights | 12,933,735 | - |
| Property and equipment, net | 19,735,018 | 18,807,742 |
| | <u>\$ 46,299,479</u> | <u>\$ 28,389,305</u> |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES: | | |
| Accounts payable | \$ 457,110 | \$ 188,791 |
| Accrued expenses and other liabilities | 591,933 | 621,173 |
| Refundable advances | 919,918 | 765,442 |
| Due to affiliate - held in reserve | 3,229,778 | - |
| Deferred rent and utilities | 55,676 | 51,055 |
| Security deposits payable | 136,550 | 285,823 |
| Paycheck protection program ("PPP") loans | 1,005,259 | - |
| Debt (net of unamortized debt issuance costs of \$471,857 and \$472,802 for 2020 and 2019, respectively) | 18,146,752 | 17,069,978 |
| | <u>24,542,976</u> | <u>18,982,262</u> |
| COMMITMENTS | | |
| NET ASSETS: | | |
| Without Donor Restrictions | 8,544,600 | 9,274,626 |
| With Donor Restrictions | 13,211,903 | 132,417 |
| | <u>21,756,503</u> | <u>9,407,043</u> |
| Total liabilities and net assets | <u>\$ 46,299,479</u> | <u>\$ 28,389,305</u> |

See accompanying notes to consolidated financial statements.

FIND AID FOR THE AGED, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

| | Year Ended December 31, | | | | | |
|--|-------------------------------|----------------------------|----------------------|-------------------------------|----------------------------|---------------------|
| | 2020 | | | 2019 | | |
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| SUPPORT AND REVENUES: | | | | | | |
| Rental income, net | \$ 4,305,249 | \$ - | \$ 4,305,249 | \$ 5,707,877 | \$ - | \$ 5,707,877 |
| Government grants | 3,776,600 | - | 3,776,600 | 3,901,096 | - | 3,901,096 |
| Contributions | 440,809 | - | 440,809 | 184,512 | 132,417 | 316,929 |
| Program income | 25,583 | - | 25,583 | 117,594 | - | 117,594 |
| Special events | 5,000 | - | 5,000 | 175,624 | - | 175,624 |
| Contributed facilities | 127,320 | - | 127,320 | 127,320 | - | 127,320 |
| Property management fees | 114,130 | - | 114,130 | 99,968 | - | 99,968 |
| Developer fees | 100,000 | - | 100,000 | - | - | - |
| Inclusionary housing air rights, net | 412,500 | 13,142,940 | 13,555,440 | - | - | - |
| Investment return, net | 353,784 | - | 353,784 | 450,971 | - | 450,971 |
| Other income | 188,171 | - | 188,171 | 267,099 | - | 267,099 |
| | <u>9,849,146</u> | <u>13,142,940</u> | <u>22,992,086</u> | <u>11,032,061</u> | <u>132,417</u> | <u>11,164,478</u> |
| NET ASSETS RELEASED FROM RESTRICTIONS - | | | | | | |
| Satisfaction of program restrictions | 63,454 | (63,454) | - | - | - | - |
| Total Support and Revenues | <u>9,912,600</u> | <u>13,079,486</u> | <u>22,992,086</u> | <u>11,032,061</u> | <u>132,417</u> | <u>11,164,478</u> |
| EXPENSES: | | | | | | |
| Program Services: | | | | | | |
| Senior housing | 5,165,591 | - | 5,165,591 | 4,982,141 | - | 4,982,141 |
| Senior centers | 3,925,390 | - | 3,925,390 | 4,328,429 | - | 4,328,429 |
| | <u>9,090,981</u> | <u>-</u> | <u>9,090,981</u> | <u>9,310,570</u> | <u>-</u> | <u>9,310,570</u> |
| Management and General | 1,343,090 | - | 1,343,090 | 1,270,621 | - | 1,270,621 |
| Fundraising | 208,555 | - | 208,555 | 233,878 | - | 233,878 |
| | <u>10,642,626</u> | <u>-</u> | <u>10,642,626</u> | <u>10,815,069</u> | <u>-</u> | <u>10,815,069</u> |
| CHANGE IN NET ASSETS FROM CONTINUING OPERATIONS | (730,026) | 13,079,486 | 12,349,460 | 216,992 | 132,417 | 349,409 |
| NET INCOME FROM DISCONTINUED OPERATIONS (INCLUDING GAIN ON TRANSFER OF \$1,551,880) | - | - | - | 1,287,939 | - | 1,287,939 |
| CHANGE IN NET ASSETS | (730,026) | 13,079,486 | 12,349,460 | 1,504,931 | 132,417 | 1,637,348 |
| NET ASSETS, BEGINNING OF YEAR | <u>9,274,626</u> | <u>132,417</u> | <u>9,407,043</u> | <u>7,769,695</u> | <u>-</u> | <u>7,769,695</u> |
| NET ASSETS, END OF YEAR | <u>\$ 8,544,600</u> | <u>\$ 13,211,903</u> | <u>\$ 21,756,503</u> | <u>\$ 9,274,626</u> | <u>\$ 132,417</u> | <u>\$ 9,407,043</u> |

See accompanying notes to consolidated financial statements.

FIND AID FOR THE AGED, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

| Year Ended December 31, | | | | | | | | | | |
|--|---------------------|---------------------|------------------------------|-------------------|----------------------|---------------------|---------------------|------------------------------|-------------------|----------------------|
| 2020 | | | | | 2019 | | | | | |
| | Senior Housing | Senior Centers | Management and General | Fundraising | Total Expenses | Senior Housing | Senior Centers | Management and General | Fundraising | Total Expenses |
| Salaries | \$ 1,577,967 | \$ 2,403,142 | \$ 512,791 | \$ 123,072 | \$ 4,616,972 | \$ 1,499,510 | \$ 2,149,373 | \$ 510,247 | \$ 171,357 | \$ 4,330,487 |
| Payroll taxes and fringe benefits | 404,957 | 500,842 | 196,260 | 28,381 | 1,130,440 | 389,237 | 464,333 | 151,429 | 26,201 | 1,031,200 |
| Utilities | 851,747 | 16,107 | 4,890 | - | 872,744 | 953,478 | 22,595 | 4,754 | - | 980,827 |
| Professional fees and contract services | 474,257 | 179,046 | 580,711 | 29,925 | 1,263,939 | 351,321 | 216,482 | 243,878 | 4,118 | 815,799 |
| Repairs and maintenance | 440,974 | 120,787 | 1,958 | - | 563,719 | 460,014 | 163,950 | 2,000 | - | 625,964 |
| Food | - | 216,120 | 179 | 151 | 216,450 | - | 781,846 | 3,975 | - | 785,821 |
| Insurance | 382,545 | 87,895 | 49,566 | 524 | 520,530 | 339,776 | 71,588 | 67,758 | 1,314 | 480,436 |
| Interest expense | 69,224 | - | - | - | 69,224 | 78,271 | - | - | - | 78,271 |
| Office expenses | - | 28,486 | 125,508 | 22,732 | 176,726 | - | 29,467 | 138,510 | 18,449 | 186,426 |
| Rent | - | 179,839 | 63,945 | 3,026 | 246,810 | - | 179,839 | 63,945 | - | 243,784 |
| Minor equipment and furniture purchases | 30,561 | 11,405 | 6,516 | 196 | 48,678 | 54,839 | 5,871 | 2,468 | 155 | 63,333 |
| Real estate taxes | 109,767 | - | - | - | 109,767 | 108,295 | - | - | - | 108,295 |
| Supplies | - | 34,272 | 51 | - | 34,323 | - | 75,207 | - | - | 75,207 |
| Senior trips and activities | - | 7,106 | 978 | 39 | 8,123 | - | 30,626 | - | - | 30,626 |
| Telephone and postage | - | 36,690 | 16,562 | 433 | 53,685 | - | 38,827 | 21,057 | 8,924 | 68,808 |
| Equipment rental | - | 16,425 | 4,076 | - | 20,501 | - | 15,286 | 4,636 | - | 19,922 |
| Other expenses | 20 | 8,335 | 17,495 | 76 | 25,926 | - | 5,811 | 31,306 | 3,360 | 40,477 |
| Depreciation and amortization | 823,572 | 78,893 | 2,531 | - | 904,996 | 747,400 | 77,328 | 487 | - | 825,215 |
| Bad debt expense | - | - | 32,590 | - | 32,590 | - | - | 24,171 | - | 24,171 |
| | <u>5,165,591</u> | <u>3,925,390</u> | <u>1,616,607</u> | <u>208,555</u> | <u>10,916,143</u> | <u>4,982,141</u> | <u>4,328,429</u> | <u>1,270,621</u> | <u>233,878</u> | <u>10,815,069</u> |
| Less: expenses included with revenues on the | | | | | | | | | | |
| Statements of Activities and Changes in Net Assets - | | | | | | | | | | |
| Costs associated with the sale of air rights | - | - | (273,517) | - | (273,517) | - | - | - | - | - |
| | <u>\$ 5,165,591</u> | <u>\$ 3,925,390</u> | <u>\$ 1,343,090</u> | <u>\$ 208,555</u> | <u>\$ 10,642,626</u> | <u>\$ 4,982,141</u> | <u>\$ 4,328,429</u> | <u>\$ 1,270,621</u> | <u>\$ 233,878</u> | <u>\$ 10,815,069</u> |

See accompanying notes to consolidated financial statements.

FIND AID FOR THE AGED, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Year Ended December 31, | |
|--|-----------------------------------|-----------------------------------|
| | 2020 | 2019 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in net assets | \$ 12,349,460 | \$ 1,637,348 |
| Adjustments to reconcile change in net assets to net cash flows from operating activities: | | |
| Depreciation and amortization | 904,996 | 825,215 |
| Bad debts | 32,590 | 24,171 |
| Unrealized gain on investments | (277,293) | (283,004) |
| Realized gain on investments | (26,664) | (90,730) |
| Donated investment at cost | (146,541) | - |
| Donated intangible air rights | (17,058,735) | - |
| Gain on transfer of property due to discontinued operations | - | (1,551,880) |
| Interest expense relating to deferred financing costs | 1,945 | 1,945 |
| Operating activities from discontinued operations | - | 177,677 |
| Change in operating assets and liabilities: | | |
| Tenant accounts receivable | (164,334) | (41,753) |
| Government grants receivable | 123,074 | (67,227) |
| Other receivables | 48,916 | (81,676) |
| Due from affiliate | 172,540 | (188,630) |
| Prepaid expenses and other assets | (59,217) | (31,965) |
| Deferred rents receivable | 188,065 | 1,512 |
| Accounts payable | (41,828) | (34,518) |
| Accrued expenses and other liabilities | (29,240) | 135,941 |
| Refundable advances | 154,476 | 30,083 |
| Deferred rent and utilities | 4,621 | (39,942) |
| Security deposits payable | (149,273) | 10,956 |
| Net cash flows from operating activities | <u>(3,972,442)</u> | <u>433,523</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchase of investments | (329,287) | (329,288) |
| Proceeds from sale of investments | 214,106 | 531,386 |
| Proceeds from sale of air rights (intangible asset) | 4,125,000 | - |
| Purchases of property and equipment | (1,522,126) | (2,665,850) |
| Investing activities from discontinued operations | - | (88,600) |
| Net cash flows from investing activities | <u>2,487,693</u> | <u>(2,552,352)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Due to affiliate, held in reserve | 3,229,778 | - |
| Proceeds from paycheck protection program ("PPP") loans | 1,005,259 | - |
| Proceeds from debt agreements | 1,218,195 | 1,897,755 |
| Debt principal payments | (143,366) | (134,367) |
| Financing activities from discontinued operations | - | (70,842) |
| Net cash flows from financing activities | <u>5,309,866</u> | <u>1,692,546</u> |
| NET CHANGE IN CASH, EQUIVALENTS AND RESTRICTED CASH | 3,825,117 | (426,283) |
| CASH, EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR | <u>5,530,641</u> | <u>5,956,924</u> |
| CASH, EQUIVALENTS AND RESTRICTED CASH, END OF YEAR | <u><u>\$ 9,355,758</u></u> | <u><u>\$ 5,530,641</u></u> |
| Cash, equivalents and restricted cash is comprised of: | | |
| Cash | \$ 2,878,171 | \$ 2,468,699 |
| Restricted deposits and funded reserves | <u>6,477,587</u> | <u>3,061,942</u> |
| Total cash, equivalents and restricted cash shown on the Statements of Financial Position | <u><u>\$ 9,355,758</u></u> | <u><u>\$ 5,530,641</u></u> |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION: | | |
| Property and equipment additions financed by accounts payable | \$ 310,147 | \$ 9,425 |
| Hargrave property transfer | <u>\$ -</u> | <u>\$ (2,230,050)</u> |
| Hargrave loan payoffs | <u>\$ -</u> | <u>\$ 3,294,779</u> |
| Donated Investment at cost | <u>\$ 146,541</u> | <u>\$ -</u> |
| Donated air rights | <u><u>\$ 17,058,735</u></u> | <u><u>\$ -</u></u> |

See accompanying notes to consolidated financial statements.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organizations and Summary of Significant Accounting Policies:

Principles of Consolidation - The consolidated financial statements include the accounts of FIND Aid for the Aged, Inc. ("FIND Aid"), Woodstock Housing Development Fund Corporation for Senior Citizens ("Woodstock"), The Hamilton Housing Development Company, Inc. ("Hamilton") and Hargrave Housing Development Fund Corporation ("Hargrave") (collectively referred to as the "Organization"). The entities are consolidated based on control and economic interest. The financial position and results of operations presented in the accompanying consolidated financial statements do not represent those of a single legal entity. All intercompany transactions and accounts have been eliminated in consolidation.

Nature of the Organization - FIND Aid is a nonprofit organization that was incorporated in 1969. FIND Aid's primary purpose is to develop, conduct and administer programs to aid the aged on New York City's West Side. These programs provide meals, recreational and social activities, social services and housing for senior citizens. FIND Aid operates four senior centers and maintains its administrative office on the Upper West Side of Manhattan.

Woodstock was organized in 1975 as a nonprofit corporation. It manages and owns Woodstock Hotel, a residential facility for low-income senior citizens. The building has 286 units located in New York, New York and a senior citizen's center.

Hamilton was organized in 1972 as a nonprofit corporation for the purpose of operating a rental housing project under Section 236 of the National Housing Act with mortgage insurance provided by the Federal Housing Administration ("FHA") of the Department of Housing and Urban Development. The project consists of 176 units located in New York, New York.

Hargrave is a nonprofit organization formed in 2001 pursuant to Article XI of the Private Housing Finance Law and Section 402 of the Not-for-Profit Corporation Law of the State of New York. On April 29, 2019, Hargrave entered into a Declaration of Interest and Nominee Agreement with JOE PF Hargrave, LLC ("JOE PF"). JOE PF is solely owned by Joint Ownership Entity New York City Corporation ("JOE NYC," a non-profit organization), an unrelated organization that serves as its asset manager. JOE NYC is committed to providing and managing low-income housing in New York and was created to assemble ownership of affordable housing projects owned by other non-profit Community Development Corporations to secure their long-term viability and to make members more competitive in securing new affordable housing development opportunities. The Declaration of Interest and Nominee Agreement provides for, amongst other matters, the following:

- Hargrave is to retain legal title to the residential property, consisting of 112 apartment units and a community center.
- The equitable and beneficial interest of the residential property has been transferred to JOE PF for all purposes and shall have all rights related thereto including, but not limited to, the right to receive all proceeds from the development, including rents and other moneys from mortgages, pledges, sales, or other disposition of the development other than the Inclusionary Housing ("IH," which is assigned to FIND Aid) Program proceeds (see Note 11).
- JOE PF is to have ultimate management authority and responsibilities, while FIND Aid will continue to act as the administrator and assume day-to-day management of the premises for a monthly fee under a renewing, annual administrative contract.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organizations and Summary of Significant Accounting Policies (continued):

There were also other agreements made under this arrangement. Hargrave debts (see Note 9) were paid off and refinanced under a new loan where JOE PF is the borrower and FIND Aid is the sponsor and guarantor. As a member of JOE NYC and in return for joining and contributing property to JOE NYC, FIND Aid has a seat on the Board of Directors and has the right to net cash flow based upon a valuation and access to guarantees for new developments. Members of JOE NYC may not withdraw for ten years upon joining, except upon dissolution of the entity for legal or financial reasons.

Cash and Equivalents and Credit Risk - Cash and equivalents include money market funds and all other highly liquid short-term investments purchased with maturities of three months or less. The Organization maintains its cash balances with financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. The Organization also maintains funded escrows and reserves, which are held in trust accounts in the Organization's name (see Note 7). At times, these balances may exceed the FDIC limits; however, the Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risks with respect to these balances.

Investments and Credit Risk - The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position.

Net investment income/(loss) is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses and is classified without donor restrictions unless its use is restricted by explicit donor stipulation or by law. Purchases and sales of investments are recorded on a settlement date basis. The cost of securities sold is determined using the specific identification method. The Organization reviews its investments annually for impairment. Management has determined there are no other than temporary losses as of December 31, 2020 and 2019.

The investments are protected by the Securities Insurance Protection Corporation ("SIPC"), which provides limited insurance in certain circumstances for securities and cash held in brokerage accounts. The insurance is limited to \$500,000 for securities and \$250,000 for cash balances. The insurance does not protect against investment losses. At times, such balances may be in excess of SIPC insured limits.

Investment at Cost - In December 2020, 5% ownership of TRG Hamilton, LLC ("TRG") was donated to the Organization. This investment was initially valued at fair value on the date of donation. Since this equity securities does not have a readily determinable fair value, the Organization has elected the measurement alternative under which it measures this investment at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. Management reviews this investment annually for impairment.

Tenant Accounts Receivable and Bad Debts - The Organization carries its tenant accounts receivable at net realizable value. The Organization establishes a reserve for receivables that may prove to be uncollectible based on periodic review by management of collections and current credit conditions of each tenant. Accounts are written off as uncollectible when management has determined that a sufficient period of time has elapsed without receiving payment and the tenants do not exhibit the ability to meet their obligations.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organizations and Summary of Significant Accounting Policies (continued):

Government Grants Receivable - Government grants receivable, all due within one year, represent amounts due from government agencies under various cost-reimbursement agreements. The Organization determines the need for an allowance based on history of write-offs, levels of past due accounts and its relationships with, and economic status, of its grantors. As of December 31, 2020 and 2019, no provision was made for uncollectible amounts, since management expects to collect the entire grants receivable balance.

Other Receivables - Other receivables are composed primarily of balances due to the Organization from various local government-housing agencies associated with subsidized tenants' rents. The Organization states other receivables at net realizable value and establishes a reserve for balances that may be uncollectible based on periodic review by management of the status of the balance.

Intangible Air Rights - As a result of entering the Inclusionary Housing Program, the Organization was able to generate 49,380 square feet of intangible air rights valued at \$17,058,735. Air rights are an in-kind donation made by the City of New York and is recorded at fair value once it completes the affordable housing preservation work and is granted air rights (see Note 15). As of December 31, 2020, the Organization has sold a portion of its air rights for \$4,125,000. Subsequent to year end, there were two more sales totaling approximately \$8.7 million. The Organization is actively seeking developers to sell the remaining square feet. The intangible assets have an indefinite life and will be reviewed annually for impairment. As of December 31, 2020 and 2019, management has determined that the intangible air rights are not impaired.

Property and Equipment - Property and equipment are recorded at cost and are depreciated using the straight-line method over their estimated life as follows:

| | |
|-------------------------|------------------|
| Buildings | 27.5 to 40 years |
| Building improvements | 20 years |
| Furniture and equipment | 3 to 7 years |

Leasehold improvements are amortized over the shorter of the life of the lease or over their estimated useful lives. Construction in progress is not depreciated until placed in service. Management generally capitalizes items in excess of \$5,000. Repairs and maintenance costs are expensed as incurred while major renewals and betterments are capitalized. When assets are disposed of, the assets and related allowances for depreciation are eliminated from the accounts and any resulting gain or loss is reflected in operations.

Long-Lived Assets - The Organization evaluates all long-lived assets for impairment. Long-lived assets are evaluated for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying amount is not fully recoverable, an impairment loss is recognized to reduce the carrying amount to fair value and is charged to expense in the period of impairment. As of December 31, 2020 and 2019, management has determined that these assets are not impaired.

Refundable Advances - The Organization records government grant support as a refundable advance until it is expended for the purpose of the grant or contract, at which time it becomes unconditional and is recognized as unrestricted support.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organizations and Summary of Significant Accounting Policies (continued):

Paycheck Protection Program Loans - In April 2020, the Organization applied for and received loans aggregating \$1,005,259 under the U.S. Small Business Administration ("SBA") Paycheck Protection Program ("PPP"), which is part of the Coronavirus Aid, Relief, and Economic Security Act ("CARES"), enacted on March 27, 2020. Under the terms of the PPP, up to 100% of the principal and accrued interest may be forgiven if certain criteria are met and the loan proceeds are used for qualifying expenses such as payroll costs, benefits, rent, and utilities as described in the CARES Act. Additionally, there is a deferral period from the date of the loan funding in which there are no payments of principal, interest or fees through the date that the SBA remits the borrower's loan forgiveness amount. The loan accrues interest at a rate of 1% and any portion of the principal and interest that is not forgiven is required to be paid by February 2026. The Organization's policy is to account for the PPP loan as debt. The Organization would continue to record the loan as debt until either (1) the loan is partially or entirely forgiven and the debtor has been legally released, at which point the amount forgiven would be recorded into income or (2) the Organization pays off the loan. In 2021, the Organization was officially forgiven for the PPP loans in the amount of \$1,005,259.

Debt Issuance Costs - Costs relating to refinancing the mortgage loan are netted against debt and amortized over the term of the related debt.

Net Assets - Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets available for use in general operations and not subject to donor-imposed restrictions.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Support and Revenue - The Organization recognizes revenue following applicable guidance, which is determined by the existence or absence of a reciprocal exchange transaction.

Revenue Accounted for in Accordance with Lease Accounting (Topic 840):

Rental Income - Apartment rents are recognized as income on the accrual basis as they are earned. Advance receipts of rental income are deferred and classified as liabilities until earned. All leases between the Organization and the tenants of the property are considered to be operating leases. These leases have a one-year term and are renewable on an annual basis.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organizations and Summary of Significant Accounting Policies (continued):

Commercial rents are recognized on a straight-line basis under which contractual rent increases are recognized equally over the lease term. Rental income recorded on the straight-line method in excess of the rents billed is recognized as deferred rents receivable and is included in tenant accounts receivable in the accompanying consolidated statements of financial position.

Revenue Accounted for in Accordance with Contribution Accounting (Topic 605):

Government Grants - The Organization receives cost-reimbursable government grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization incurs expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position.

Contributions - The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount, if applicable, is included in contribution revenue. The discount will be recognized as contribution revenue in future fiscal years as the discount is amortized over the duration of the contributions.

Special Events - Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a conditional contribution element for the difference. Both components are recognized when the event takes place. Any event revenue received in advance of the event is recorded as deferred revenue.

Contributed Facilities - During the years ended December 31, 2020 and 2019, the Organization received contributed facility office space with an estimated fair value of \$127,320. The amount reflected in the consolidated statements of activities and changes in net assets as contributed facilities income is offset by the same amount in rent expense. The value of this space is based on the square footage occupied by the Organization at the estimated rental value per square foot.

Inclusionary Housing Air Rights, net - During the year ended December 31, 2020, the Organization received contributed air rights, an intangible asset from New York City as part of its Inclusionary Housing Program (see Note 15). The value is based on the square footage generated by the Organization at the estimated fair value per square foot.

Revenue Accounted for as Contracts with Customers (Topic 606):

The amount of revenue recognized reflects the consideration the Organization expects to receive in exchange for satisfying distinct performance obligations. If a performance obligation does not meet the criteria to be considered distinct, the Organization combines it with other performance obligations until a distinct bundle of goods or services exists. Assumptions about the likelihood and amount of variable consideration and significant reversals, if any, are based on history and included

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organizations and Summary of Significant Accounting Policies (continued):

when applicable. The Organization's management expects that the period between when the Organization transfers goods and services and when they are paid for those goods and services will be one year or less. Therefore, the Organization has elected the practical expedient not to adjust the promised amount of consideration for the effects of a significant financing component. Any contract fees received in advance of satisfying the performance obligations are recorded as a contract liability until the service is performed. There were no contract liabilities as of December 31, 2020 and 2019.

Developer Fees - The Organization has occasionally participated in providing support to develop projects. Revenue is recognized at a point in time once the project has been completed.

Property Management Fees - The Organization provides property management support services, which are billed monthly when earned.

Other Income - Program income, investment income and other income are recognized at a point in time when earned.

Functional Allocation of Expenses - The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities and changes in net assets. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries and related expenses are allocated on the basis of estimated time and effort. Other expenses are allocated on the basis of direct costs.

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

Income Taxes - The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and, therefore, has made no provision for Federal or State income taxes in the accompanying consolidated financial statements. The Organization has also been determined by the Internal Revenue Service ("IRS") not to be a "private Organization" within the meaning of Section 509(a)(1) of the Internal Revenue Code and therefore has been determined to be a public charity under the Internal Revenue Code. Other significant tax positions include its determination of whether any amounts are subject to unrelated business income tax ("UBIT"). Management has determined that the Organization had no activities subject to UBIT in the years ended December 31, 2020 and 2019. All significant tax positions have been considered by management and it has been determined that all tax positions would be sustained upon examination by tax authorities. The Organization is required to file form 990 (Return of Organization Exempt from Income Tax) and annual reports in New York, which are subject to federal and state examinations, generally up to three years, from the extended due date of the tax return. The federal and state forms for 2017 through 2019 are open to federal and state examination as of December 31, 2020.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organizations and Summary of Significant Accounting Policies (continued):

Recently Issued Accounting Pronouncements - In February 2016, the Financial Accounting Standards Board (the “FASB”) issued Accounting Standards Update (“ASU”) No. 2016-02, “Leases (Topic 842),” which replaces the existing guidance in ASC 840 – Leases. This ASU requires a dual approach for lessee accounting under which a lessee would account for leases as finance leases or operating leases. Both finance leases and operating leases will result in the lessee recognizing a right-of-use asset and a corresponding lease liability. For finance leases, the lessee would recognize interest expense and amortization of the right-of-use asset and for operating leases, the lessee would recognize a straight-line total lease expense. This ASU is effective for fiscal years beginning after December 15, 2021. The requirements of this standard include a significant increase in required disclosures. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

In September 2020, the FASB issued ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958), which is effective for fiscal years beginning after June 15, 2021, with early adoption permitted, and is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

Subsequent Events - Management has reviewed and evaluated all events and transactions from December 31, 2020 through October 20, 2021, the date that the financial statements were available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at the statement of financial position date have been recognized in the accompanying financial statements. In 2021, the Organization was officially forgiven for the PPP loans in the amount of \$1,005,259. Also, during 2021 air rights totaling \$8.7 million were sold to outside developers at fair value. FIND Aid is currently in the process of finalizing a lease agreement with a commercial tenant.

Organization operations could be disrupted by large-scale regional events such as the recent outbreak of the novel coronavirus COVID-19. Such events could limit the Organization’s ability to manage the business, disrupt the Organization’s operations and could impact the timing of completion of performance obligations in the affected areas. Notwithstanding, the Organization is monitoring regional developments and proceeding with proactive strategies to minimize any impact to operations. Given the uncertainty related to COVID-19 management cannot reasonably estimate the overall impact on the Organization’s consolidated financial statements related to these matters.

Note 2 - Discontinued Operations:

During the year ended December 31, 2019, Hargrave entered into a Declaration of Interest and Nominee Agreement with JOE PF and transferred equitable and beneficial interest of the residential property (see Note 1). As a result, the Organization has disposed of its Hargrave rental property and activities. This transfer has met the strategic shift criteria to be classified as discontinued operations under FASB 360-10 and 205-20.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 2 - Discontinued Operations (continued):

| | December 31, |
|---|--------------|
| | 2019 |
| Major classes of line items constituting profit of discontinued operations | |
| Rental income | \$ 591,067 |
| Other income | 2,289 |
| Total revenue | 593,356 |
| Program services - Senior housing | (484,659) |
| Management and general | (372,638) |
| Total expenses | (857,297) |
| Net income before gain on transfer of property | \$ (263,941) |
| Gain on transfer of property | 1,551,880 |
| Net income from discontinued operations | \$ 1,287,939 |

Note 3 - Liquidity and Availability:

Management regularly monitors the availability of resources required to meet its operating needs. As part of management's liquidity plan, it has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations come due. For purposes of analyzing resources available to meet general expenses over a 12-month period, management considers all expenses related to its ongoing activities. Financial assets available for general expense, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following:

| | December 31, | |
|---|--------------|--------------|
| | 2020 | 2019 |
| Available financial assets at year-end: | | |
| Cash and equivalents | \$ 2,878,171 | \$ 2,468,699 |
| Investments | 2,717,381 | 2,298,242 |
| Tenant accounts receivable | 212,422 | 80,678 |
| Grants receivable | 676,433 | 799,507 |
| Other receivables | 211,171 | 260,087 |
| Due from affiliate | 16,090 | 188,630 |
| Total financial assets at year-end | 6,711,668 | 6,095,843 |
| Less: Donor restricted net assets (see Note 12) | (68,963) | (132,417) |
| Total available financial assets at year-end | \$ 6,642,705 | \$ 5,963,426 |

In addition to financial assets available to meet general expenses over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenses. Refer to the consolidated statements of cash flows, which identify the sources, uses of the Organization's cash, and shows positive cash generated by operations. If the need arises, the Organization has access to a \$490,000 line of credit (see Note 11) and has reserves that may be used to fund project maintenance, capital replacements and improvements (see Note 7).

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 4 - Fair Value Measurements – Recurring / Non-Recurring:

Fair Value Measurements and Disclosures FASB ASC 820, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- *Level 1* - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- *Level 2* - Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- *Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

- Mutual Funds and Exchange Traded Equity Funds (recurring): Valued at the closing price reported in the active market in which the fund is traded.
- Intangible Air Rights (non-recurring): Valued at the fair value at the estimated sales price based on the Organization's recent sales price.

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

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2020 and 2019:

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 4 - Fair Value Measurements - Recurring (continued):

| <i>Assets at Fair Value as of December 31, 2020</i> | | | | |
|---|---------------------|----------------------|----------------|----------------------|
| | <i>Level 1</i> | <i>Level 2</i> | <i>Level 3</i> | <i>Total</i> |
| Investments | | | | |
| Mutual Funds | \$ 875,620 | \$ - | \$ - | \$ 875,620 |
| Exchange Traded Equity Funds | 1,841,761 | - | - | 1,841,761 |
| Total | <u>\$ 2,717,381</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,717,381</u> |
| Intangible Air Rights | <u>\$ -</u> | <u>\$ 12,933,735</u> | <u>\$ -</u> | <u>\$ 12,933,735</u> |
| <i>Assets at Fair Value as of December 31, 2019</i> | | | | |
| | <i>Level 1</i> | <i>Level 2</i> | <i>Level 3</i> | <i>Total</i> |
| Mutual Funds | \$ 631,029 | \$ - | \$ - | \$ 631,029 |
| Exchange Traded Equity Funds | 1,667,213 | - | - | 1,667,213 |
| Total | <u>\$ 2,298,242</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,298,242</u> |

Change in Fair Value Levels - The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. For the years December 31, 2020 and 2019, there were no significant transfers in or out of levels 1, 2, or 3.

Note 5 – Government Grants Receivable:

The Organization had government grant receivable balances from the following funding sources:

| | December 31, | |
|--|-------------------|-------------------|
| | 2020 | 2019 |
| New York City Department for the Aging | \$ 368,275 | \$ 556,335 |
| New York State Office of Temporary and Disability Assistance | 81,350 | 54,442 |
| New York City Department of Homeless Services | 72,133 | 83,767 |
| U.S. Department of Housing and Urban Development | 154,675 | 104,963 |
| | <u>\$ 676,433</u> | <u>\$ 799,507</u> |

Approximately 54% and 70% of grants receivable were from the New York City Department of the Aging as of December 31, 2020 and 2019, respectively. Approximately 23% and 13% of grants receivable were from the U.S. Department of Housing and Urban Development as of December 31, 2020 and 2019, respectively. Approximately 12% and 7% of grants receivable were from the New York State Office of Temporary and Disability Assistance as of December 31, 2020 and 2019, respectively. Approximately 11% and 10% of grants receivable were from the New York City Department of Homeless Services as of December 31, 2020 and 2019, respectively.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 6 - Related Party Transactions:

Due from/(to) Affiliate - Hargrave holds legal title to the property transferred to JOE PF (see Note 1). The Organization leases employees to JOE PF and allocates the related costs. Additionally, FIND Aid provides property management services, which is based on allowable limits set by the New York City HPD. The Organization charged the following transactions to JOE PF:

| | December 31, | |
|--|--------------|------------|
| | 2020 | 2019 |
| Contracted services and employee benefit costs | \$ 263,868 | \$ 177,604 |
| Property management fee - FIND Aid | \$ 114,130 | \$ 60,908 |
| | December 31, | |
| | 2020 | 2019 |
| Due from affiliate non-interest bearing - JOE PF | \$ 16,090 | \$ 188,630 |
| Due to affiliate and held in reserves, at .4% interest (see Note 7): | | |
| Operating Reserve | \$ 591,950 | \$ - |
| Replacement Reserve | 2,637,828 | - |
| JOE PF | \$ 3,229,778 | \$ - |

Contributed Space - FIND Aid receives space to operate one of their senior citizens center free of charge from JOE PF. The value of this space is based on the square footage occupied by the FIND Aid at the estimated rental value per square foot and totaled \$127,320 and \$74,270 for the year ended December 31, 2020 and 2019, respectively.

Note 7 - Restricted Deposits and Funded Reserves:

Restricted deposits and funded reserves consisted of the following:

| | December 31, | | | |
|---|--------------|------------|--------------|--------------|
| | 2020 | | | |
| | Woodstock | Hamilton | Hargrave* | Total |
| Restricted Deposits - Tenant Security Deposits | \$ - | \$ 136,550 | \$ - | \$ 136,550 |
| Funded Reserves: | | | | |
| (a) Escrow Deposits | - | 115,524 | - | 115,524 |
| (b) Operating Reserve | 1,184,628 | - | 591,950 | 1,776,578 |
| (c) Replacement Reserve | 1,162,596 | 439,306 | 2,637,828 | 4,239,730 |
| (d) Off-Site Preservation Costs | - | - | 209,205 | 209,205 |
| | \$ 2,347,224 | \$ 691,380 | \$ 3,438,983 | \$ 6,477,587 |

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 7 - Restricted Deposits and Funded Reserves (continued):

* Although the Operating, Replacement and Off-Site Preservation Costs Reserves are in Hargrave's name, the Operating and Replacement Reserves are tied to the property transferred to JOE PF in 2019 and the Off-Site Preservation Costs are due to FIND Aid (see Note 15).

| | December 31, | | | |
|--------------------------|---------------------|-------------------|-------------------|---------------------|
| | 2019 | | | |
| | Woodstock | Hamilton | FIND Aid | Total |
| Restricted Deposits - | | | | |
| Tenant Security Deposits | \$ 21,356 | \$ 136,987 | \$ 127,480 | \$ 285,823 |
| Funded Reserves: | | | | |
| (a) Escrow Deposits | - | 114,600 | - | 114,600 |
| (b) Operating Reserve | 1,173,698 | - | - | 1,173,698 |
| (c) Replacement Reserve | 1,067,246 | 420,575 | - | 1,487,821 |
| | <u>\$ 2,262,300</u> | <u>\$ 672,162</u> | <u>\$ 127,480</u> | <u>\$ 3,061,942</u> |

Restricted Deposits - Tenant security deposits related to commercial leases are held in a separate bank account.

Funded Reserves - According to the terms of the mortgage and other regulatory agreements (see Note 9), the Organization is required to maintain escrow deposits and reserves comprised of the following:

- (a) The Escrow Deposits are required by the mortgagors to provide for the orderly invoicing and payment of real estate taxes, water and sewer, and insurance premiums.
- (b) The Operating Reserves may be used to fund project maintenance, capital replacements and capital improvements, but only in the event that the Replacement Reserve Account is insufficient to cover such costs and no other funds are available.
- (c) The Replacement Reserves shall be used solely to fund project maintenance, capital replacements and capital improvements.
- (d) The Off-Site Preservation Costs shall be used to fund the creation, rehabilitation, or preservation of additional affordable housing.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 7 - Restricted Deposits and Funded Reserves (continued):

Per mortgage agreements, the following annual deposits are required to be made:

| Year End December 31, | Woodstock | Hamilton | Total |
|-----------------------|---------------------|---------------------|---------------------|
| 2021 | \$ 88,991 | \$ 73,894 | \$ 162,885 |
| 2022 | 91,660 | 73,894 | 165,554 |
| 2023 | 94,410 | 73,894 | 168,304 |
| 2024 | 97,242 | 73,894 | 171,136 |
| 2025 | 100,160 | 73,894 | 174,054 |
| Thereafter | <u>2,591,170</u> | <u>726,624</u> | <u>3,317,794</u> |
| Total | <u>\$ 3,063,633</u> | <u>\$ 1,096,094</u> | <u>\$ 4,159,727</u> |

Note 8 - Property and Equipment:

The following is a summary of property and equipment:

| | December 31, | |
|--|----------------------|----------------------|
| | 2020 | 2019 |
| Land | \$ 1,683,810 | \$ 1,683,810 |
| Buildings | 10,007,170 | 10,007,170 |
| Building improvements | 26,273,892 | 20,449,286 |
| Leasehold improvements | 1,518,913 | 1,518,913 |
| Furniture and equipment | 289,142 | 514,243 |
| Construction in progress | <u>-</u> | <u>4,014,603</u> |
| | 39,772,927 | 38,188,025 |
| Less: accumulated depreciation and amortization | <u>(20,037,909)</u> | <u>(19,380,283)</u> |
| | <u>\$ 19,735,018</u> | <u>\$ 18,807,742</u> |

Depreciation and amortization was \$904,996 and \$825,215 for the years ended December 31, 2020 and 2019, respectively.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 9 - Debt:

The following is a summary of debt:

| | December 31, | | | | | |
|---------------------------------|----------------------|-------------------|----------------------|----------------------|-------------------|----------------------|
| | 2020 | | | 2019 | | |
| | Loan | Unamortized | | Loan | Unamortized | |
| | Balance | Debt | | Balance | Debt | |
| | | Issuance | Net Debt | | Issuance | Net Debt |
| | | Cost | | | Cost | |
| Woodstock | | | | | | |
| (a) Mortgage payable | \$ 9,778,103 | \$ - | \$ 9,778,103 | \$ 9,778,103 | \$ - | \$ 9,778,103 |
| (b) Building loan | 849,734 | - | 849,734 | 849,734 | - | 849,734 |
| (c) Construction loan | 3,909,463 | 466,456 | 3,443,007 | 2,937,991 | 465,456 | 2,472,535 |
| (c) Construction loan | 513,000 | - | 513,000 | 265,277 | - | 265,277 |
| | <u>15,050,300</u> | <u>466,456</u> | <u>14,583,844</u> | <u>13,831,105</u> | <u>465,456</u> | <u>13,365,649</u> |
| Hamilton | | | | | | |
| (a) First mortgage, Note 1 | 353,730 | 5,401 | 348,329 | 473,212 | 7,346 | 465,866 |
| (a) First mortgage, Note 2 | 614,779 | - | 614,779 | 638,663 | - | 638,663 |
| (b) Second mortgage, rehab loan | 2,599,800 | - | 2,599,800 | 2,599,800 | - | 2,599,800 |
| | <u>3,568,309</u> | <u>5,401</u> | <u>3,562,908</u> | <u>3,711,675</u> | <u>7,346</u> | <u>3,704,329</u> |
| | <u>\$ 18,618,609</u> | <u>\$ 471,857</u> | <u>\$ 18,146,752</u> | <u>\$ 17,542,780</u> | <u>\$ 472,802</u> | <u>\$ 17,069,978</u> |

Woodstock

- a) **Mortgage Payable** - Woodstock has a mortgage payable from the City of New York, acting through the Department of Housing Preservation and Development ("HPD"). The non-interest bearing mortgage consists of funding pursuant to Article IX of the New York Private Housing Finance Law and is collateralized by the Woodstock Hotel payable in a balloon payment on January 1, 2044. In accordance with the Restated Funding and Disbursement Agreement, Woodstock is required to have an Operating Reserve and a Replacement Reserve (see Note 7).
- b) **Building Loan** - The building loan with HPD consists of funding pursuant to Article XI of the New York Private Housing Finance Law. The building loan is approved for up to \$1,016,509 to fund rehabilitation and renovation work for the Woodstock Hotel. The non-interest bearing loan has a balloon payment due January 1, 2044.
- c) **Construction Loan** - In June 2018 the Organization was approved for two new construction loans (secured by the Woodstock Hotel) up to \$4,462,673 to be drawn down for the purpose of preservation work, ten new penthouse residential units and a roof garden. These loans consist of borrowing up to \$3,949,673 and \$513,000 from the Community Preservation Corporation ("CPC"), acting through HPD. This renovation project was completed in July 2020. The extended due date of the construction loan is January 2022 however it may be converted to a permanent loan once conditions are met. The permanent loan consists of CPC for \$250,000 and the City of New York for \$513,000, totaling \$763,000. Interest charged is 4.5% above LIBOR (4.75% and 6.26% at December 31, 2020 and 2019, respectively) and the City of New York is .25% fixed. Interest charged on these loans and capitalized during the year ending December 31, 2020 and 2019 totaled \$198,303 and \$131,835, respectively.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 9 - Debt (continued):

Hamilton

- a) **First Mortgage** - The first mortgage is from the City of New York, acting through the HPD and bears interest at the rate of 6.5% per annum and is split between two notes. First mortgage note 1 in the original amount of \$2,699,170 requires monthly payments of principal and interest in the amount of \$24,187 through maturity on September 1, 2023, prior to the reduction of the interest subsidy paid by HUD under Section 236 of the National Housing Act. First mortgage note 2 in the original amount of \$852,915 requires monthly installments of principal and interest of \$5,391 through maturity on October 1, 2035. Both notes are secured by the rental property. In addition, monthly deposits must be made to an escrow account for timely payment of real estate taxes, insurance premiums, and other local charges and monthly deposits must be made into a replacement reserve (see Note 7). Total interest expense incurred for First mortgage notes 1 and 2 combined during 2020 and 2019 was \$67,279 and \$76,326, respectively. For the years ended December 31, 2020 and 2019, Hamilton received \$146,729 of Section 236 subsidy, respectively, which is included in Other Income on the consolidated statements of activities and changes in net assets.
- b) **Second Mortgage - Rehab Loan** - The second mortgage with HPD is noninterest bearing, with the full amount of unpaid principal due on maturity at January 31, 2036. The loan is secured by a second mortgage on the rental property. Under agreements with the mortgage lender and credit enhancer, Hamilton is required to make monthly escrow deposits for taxes, insurance and replacement of project assets, and is subject to restrictions as to operating policies, rental charges, operating expenditures and distributions.

All entities

Aggregate annual maturities of the Organization's mortgages payable over each of the next five years and thereafter are as follows:

| <u>Year Ending December 31,</u> | <u>Woodstock</u> | <u>Hamilton</u> | <u>Total</u> |
|---------------------------------|----------------------|---------------------|----------------------|
| 2021 | \$ - | \$ 152,967 | \$ 152,967 |
| 2022 | 4,422,463 | 163,211 | 4,585,674 |
| 2023 | - | 119,231 | 119,231 |
| 2024 | - | 30,952 | 30,952 |
| 2025 | - | 33,025 | 33,025 |
| Thereafter | 10,627,837 | 3,068,923 | 13,696,760 |
| | 15,050,300 | 3,568,309 | 18,618,609 |
| Less: Debt issuance costs | (466,456) | (5,401) | (471,857) |
| | <u>\$ 14,583,844</u> | <u>\$ 3,562,908</u> | <u>\$ 18,146,752</u> |

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 10 - Summary of Grants/Contracts Funding:

The following summarizes the Organization's government grant funding:

| Grantor/Program | Year Ended December 31, | |
|---|-------------------------|---------------------|
| | 2020 | 2019 |
| New York City Department for the Aging - FIND Aid | \$ 2,817,271 | \$ 3,040,862 |
| New York State Office of Temporary and Disability Assistance - FIND Aid | 224,460 | 133,741 |
| New York City Department of Homeless Services - Woodstock | 569,082 | 577,538 |
| U.S. Department of Housing and Urban Development - Hamilton | 165,787 | 148,955 |
| | <u>\$ 3,776,600</u> | <u>\$ 3,901,096</u> |

Approximately 75% and 78% of grant support was provided by New York City Department of the Aging for each of the years ended December 31, 2020 and 2019, respectively. Approximately 15% of grant support was provided by New York City Department of Homeless Services for each of the years ended December 31, 2020 and 2019.

Note 11 - Commitments:

Leases - FIND Aid is committed under two operating, non-cancelable lease agreements for the rental of space.

The first lease is for the administrative office, which commenced on July 1, 2009 and was extended through June 30, 2024 with annual minimum lease payments \$66,990.

The second lease is for the Coffeehouse senior center, which commenced on January 1, 2012. The lease is for a 10-year period and requires an annual rental of \$50,000 for the first 5 years and \$52,500 for the sixth through the tenth year.

The following is a schedule by year of future minimum rental payments required under the lease agreements:

| FIND Aid | |
|--------------------------|-------------------|
| Year Ending December 31, | |
| 2021 | \$ 97,615 |
| 2022 | 66,990 |
| 2023 | 66,990 |
| 2024 | 33,495 |
| | <u>\$ 265,090</u> |

Rent expense amounted to \$246,810 and \$243,784 for 2020 and 2019, respectively.

Line-of-Credit - FIND Aid has a line of credit with a bank for \$490,000 available through June 2021. Effective July 2021, the line of credit increased to \$500,000. Borrowings under the line bear interest at 3% above the Prime Rate (3.25% at December 31, 2020). As of December 31, 2020 and 2019, FIND Aid has not drawn down any amount from its line of credit.

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 11 - Commitments (continued):

Contingencies - The Organization receives government grants for its programs. These grants may be subject to financial and compliance audits by the funding agencies. The amount of expenditures, if any, that may be disallowed by the funding agencies cannot be determined at this time. Hence, no provision for such disallowance has been reflected in the financial statements.

Retirement Plan - The Organization adopted a tax-deferred annuity plan effective July 1, 1995. All employees who work at least 20 hours per week are eligible to contribute from the date of employment. Employees with at least two years of service and who make a minimum contribution of 2% of salary receive a contribution from the Organization based on 5% of their salary. Contributions were \$164,556 and \$144,719 for the years ended December 31, 2020 and 2019, respectively, and are included under payroll taxes and fringe benefits in the consolidated statements of functional expenses.

Guarantee of Third-Party Indebtedness—No Liability Is Recorded - As of April 2019, FIND Aid is contingently liable as one of the guarantors with respect to \$6,019,219 and \$6,130,418 for the years ended December 31, 2020 and 2019, respectively, of indebtedness of JOE PF, a related party (see Note 1). The term of the guarantee is through May 2049. At any time through that date, should JOE PF be delinquent on its debt payments, FIND Aid and JOE NYC will be obligated to perform under the guarantee by primarily making the required payments.

Note 12 - Net Assets with Donor Restrictions:

Net assets with donor restrictions represent contributions received related to the following:

| | December 31, | |
|-----------------------------|----------------------|-------------------|
| | 2020 | 2019 |
| Restricted by Purpose: | | |
| HIR + Program | \$ 68,963 | \$ 132,417 |
| Off-site preservation costs | 13,142,940 | - |
| | <u>\$ 13,211,903</u> | <u>\$ 132,417</u> |

Note 13 - Net Assets Released from Donor Restrictions:

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. Net assets released from restrictions are summarized as follows:

| | December 31, | |
|--|------------------|-------------|
| | 2020 | 2019 |
| Satisfaction of Purpose Restrictions - | | |
| HIR + Program | <u>\$ 63,454</u> | <u>\$ -</u> |

FIND AID FOR THE AGED, INC. AND AFFILIATES

NOTES TO FINANCIAL STATEMENTS

Note 14 - Commercial Rental Income:

Woodstock holds various telecommunication companies maturing at varying dates with renewal options through 2024. Woodstock's minimum annual rental receipts over the next five years and thereafter under existing non-cancelable, operating leases is as follows:

| Year | Rooftop Rentals |
|------|-------------------|
| 2021 | \$ 68,121 |
| 2022 | 52,464 |
| 2023 | 30,604 |
| | <u>\$ 151,189</u> |

Note 15 - Inclusionary Housing Air Rights:

New York City's voluntary Inclusionary Housing program allows developers and owners to create or preserve affordable housing as defined in Section 23-911. Through this program, a building containing affordable housing units can generate Floor Area Compensation, further referred to as Inclusionary Housing Air Rights, pursuant to Section 23-154(a) (R-10). The proceeds from the sale of Inclusionary Housing Air Rights can be used to pay for renovation work and ensure the long-term preservation of the affordable housing units. In a Declaration of Interest and Nominee Agreement with FIND Aid dated April 29, 2019, Hargrave assigned and transferred to FIND Aid all equitable and beneficial interest in the Inclusionary Housing Program Floor Area Compensation to be generated.

Hargrave has submitted a Preservation Affordable Housing Plan to New York City Department of Housing Preservation and Development ("HPD") and has been approved. On April 29, 2019, Hargrave entered into a Regulatory Agreement with the City of New York, acting through HPD. As a result of the Regulatory Agreement, a portion of any proceeds from the sale of the Inclusionary Air Rights are to fund an Operating Reserve Account and a Replacement Reserve Account that will be tied to the property. These reserves will be held with New York City Housing Development Corp. ("NYCHDC") and disbursements will be made solely at the discretion of HPD. Any disbursements from these reserves shall be replenished on an agreed upon schedule. The \$591,950 Operating Reserve will be for unanticipated increases in the cost of operating and maintaining the Preservation Affordable Housing Units. The \$2,637,828 Replacement Reserve will be for capital repairs or improvements. Any remaining proceeds can be used for Off-Site Preservation Costs to fund the creation, rehabilitation or preservation of additional affordable housing. FIND Aid is the administering agent and has agreed to ensure that the preservation affordable housing units are rented in accordance with the regulatory agreement and has ongoing monitoring responsibilities.

During 2020, Hargrave completed its preservation project and also completed a sale of a portion of its Inclusionary Housing Air Rights with a developer. Pursuant to the Regulatory Agreement noted above, the proceeds from the sale agreement were received and deposited into reserve accounts held by NYCHDC in Hargrave's name. Since the Operating Reserve and Replacement Reserve are to remain with the property, a portion of the sale was recorded on Joe PF's books and the reserves are recorded as amounts due from Hargrave (see Note 7).

FIND AID FOR THE AGED, INC. AND AFFILIATES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2020

| | Consolidated | Consolidating Eliminations | Woodstock HDFC | Hamilton HDC | Hargrave HDFC | FIND Aid for the Aged, Inc. |
|--|----------------------|-------------------------------|----------------------|---------------------|---------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and equivalents | \$ 2,878,171 | \$ - | \$ 457,107 | \$ 858,210 | \$ 201,968 | \$ 1,360,886 |
| Investments | 2,717,381 | - | - | - | - | 2,717,381 |
| Tenant accounts receivable (net of allowance of \$65,158) | 212,422 | - | 136,317 | 76,105 | - | - |
| Government grants receivable | 676,433 | - | 72,133 | 154,675 | - | 449,625 |
| Other receivables | 211,171 | - | - | 64,316 | - | 146,855 |
| Due from affiliates | 16,090 | (1,859,413) | 988 | - | 16,654 | 1,857,861 |
| Prepaid expenses and other assets | 293,693 | - | 186,676 | 83,743 | - | 23,274 |
| Investment at cost | 146,541 | - | - | - | - | 146,541 |
| Restricted deposits and funded reserves | 6,477,587 | - | 2,347,224 | 691,380 | 3,438,983 | - |
| Deferred rents receivable | 1,237 | (187,407) | - | 187,407 | - | 1,237 |
| Intangible air rights | 12,933,735 | - | - | - | - | 12,933,735 |
| Property and equipment, net | 19,735,018 | - | 13,275,462 | 5,251,966 | - | 1,207,590 |
| | <u>\$ 46,299,479</u> | <u>\$ (2,046,820)</u> | <u>\$ 16,475,907</u> | <u>\$ 7,367,802</u> | <u>\$ 3,657,605</u> | <u>\$ 20,844,985</u> |
| LIABILITIES AND NET ASSETS (DEFICIT) | | | | | | |
| LIABILITIES: | | | | | | |
| Accounts payable | \$ 457,110 | \$ - | \$ 384,402 | \$ 21,689 | \$ - | \$ 51,019 |
| Accrued expenses and other liabilities | 591,933 | - | 309,671 | 76,845 | 4,353 | 201,064 |
| Refundable advances | 919,918 | - | 96,002 | - | - | 823,916 |
| Due to affiliates | - | (359,413) | 134,868 | 7,419 | 209,276 | 7,850 |
| Due to affiliate - held in reserve | 3,229,778 | - | - | - | 3,229,778 | - |
| Deferred rent and utilities | 55,676 | (187,407) | 55,676 | - | - | 187,407 |
| Security deposits payable | 136,550 | - | - | 136,550 | - | - |
| Paycheck protection program ("PPP") loan | 1,005,259 | - | 281,312 | - | - | 723,947 |
| Debts payable (net of unamortized debt issuance costs of \$471,857) | 18,146,752 | (1,500,000) | 16,083,844 | 3,562,908 | - | - |
| | <u>24,542,976</u> | <u>(2,046,820)</u> | <u>17,345,775</u> | <u>3,805,411</u> | <u>3,443,407</u> | <u>1,995,203</u> |
| NET ASSETS (DEFICIT) | <u>21,756,503</u> | <u>-</u> | <u>(869,868)</u> | <u>3,562,391</u> | <u>214,198</u> | <u>18,849,782</u> |
| Total liabilities and net assets | <u>\$ 46,299,479</u> | <u>\$ (2,046,820)</u> | <u>\$ 16,475,907</u> | <u>\$ 7,367,802</u> | <u>\$ 3,657,605</u> | <u>\$ 20,844,985</u> |

See independent auditors' report.

FIND AID FOR THE AGED, INC. AND AFFILIATES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2019

| | Consolidated | Consolidating Eliminations | Woodstock HDFC | Hamilton HDC | Hargrave HDFC | FIND Aid for the Aged, Inc. |
|--|----------------------|-------------------------------|----------------------|---------------------|-------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and equivalents | \$ 2,468,699 | \$ - | \$ 530,269 | \$ 1,259,442 | \$ 125,901 | \$ 553,087 |
| Investments | 2,298,242 | - | - | - | - | 2,298,242 |
| Tenant accounts receivable (net of allowance of \$35,158) | 80,678 | - | 55,268 | 25,410 | - | - |
| Government grants receivable | 799,507 | - | 83,767 | 104,963 | - | 610,777 |
| Other receivables | 260,087 | - | 26,501 | 46,580 | - | 187,006 |
| Due from affiliates | 188,630 | (1,901,281) | 37,552 | - | 115,369 | 1,936,990 |
| Prepaid expenses and other assets | 234,476 | - | 116,492 | 81,323 | - | 36,661 |
| Restricted deposits and funded reserves | 3,061,942 | - | 2,262,300 | 672,162 | - | 127,480 |
| Deferred rents receivable | 189,302 | (144,875) | - | 144,875 | - | 189,302 |
| Property and equipment, net | 18,807,742 | - | 12,360,268 | 5,174,542 | - | 1,272,932 |
| | <u>\$ 28,389,305</u> | <u>\$ (2,046,156)</u> | <u>\$ 15,472,417</u> | <u>\$ 7,509,297</u> | <u>\$ 241,270</u> | <u>\$ 7,212,477</u> |
| LIABILITIES AND NET ASSETS | | | | | | |
| LIABILITIES: | | | | | | |
| Accounts payable | \$ 188,791 | \$ - | \$ 47,099 | \$ 95,290 | \$ - | \$ 46,402 |
| Accrued expenses and other liabilities | 621,173 | - | 292,737 | 31,504 | - | 296,932 |
| Contract advances | 765,442 | - | - | - | - | 765,442 |
| Due to affiliates | - | (401,281) | 136,613 | 245,988 | 65 | 18,615 |
| Deferred rent and utilities | 51,055 | (144,875) | 54,731 | - | - | 141,199 |
| Security deposits payable | 285,823 | - | 21,356 | 136,987 | - | 127,480 |
| Debts payable (net of unamortized debt issuance costs of \$472,802) | 17,069,978 | (1,500,000) | 14,865,649 | 3,704,329 | - | - |
| | <u>18,982,262</u> | <u>(2,046,156)</u> | <u>15,418,185</u> | <u>4,214,098</u> | <u>65</u> | <u>1,396,070</u> |
| NET ASSETS | <u>9,407,043</u> | <u>-</u> | <u>54,232</u> | <u>3,295,199</u> | <u>241,205</u> | <u>5,816,407</u> |
| Total liabilities and net assets | <u>\$ 28,389,305</u> | <u>\$ (2,046,156)</u> | <u>\$ 15,472,417</u> | <u>\$ 7,509,297</u> | <u>\$ 241,270</u> | <u>\$ 7,212,477</u> |

See independent auditors' report.

FIND AID FOR THE AGED, INC. AND AFFILIATES

**SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

YEAR ENDED DECEMBER 31, 2020

| | Consolidated | Consolidating Eliminations | Woodstock HDFC | Hamilton HDC | Hargrave HDFC | FIND Aid for the Aged, Inc. |
|---|----------------------|-------------------------------|---------------------|---------------------|-------------------|--------------------------------|
| SUPPORT AND REVENUES: | | | | | | |
| Gross potential rent | \$ 4,805,015 | \$ (1,198,422) | \$ 3,592,788 | \$ 2,586,617 | \$ - | \$ (175,968) |
| Less: Vacancies and concessions | (499,766) | - | (291,828) | (207,938) | - | - |
| Less: Contributed space to affiliate | - | 1,177,095 | (913,125) | (263,970) | - | - |
| Rental Income | 4,305,249 | (21,327) | 2,387,835 | 2,114,709 | - | (175,968) |
| Government grants | 3,776,600 | - | 569,082 | 165,787 | - | 3,041,731 |
| Contributions | 440,809 | - | - | - | - | 440,809 |
| Program income | 25,583 | - | - | - | - | 25,583 |
| Special events | 5,000 | - | - | - | - | 5,000 |
| Contributed facilities | 127,320 | (1,177,095) | - | - | - | 1,304,415 |
| Property management fees | 114,130 | (527,321) | - | - | - | 641,451 |
| Developer fees | 100,000 | - | - | - | - | 100,000 |
| Inclusionary housing air rights | 13,828,957 | - | - | - | - | 13,828,957 |
| Investment return, net | 353,784 | - | 26,941 | 7,558 | 1 | 319,284 |
| Gain on transfer of property | - | - | - | - | - | - |
| Other income | 188,171 | - | 19,768 | 157,199 | - | 11,204 |
| | <u>23,265,603</u> | <u>(1,725,743)</u> | <u>3,003,626</u> | <u>2,445,253</u> | <u>1</u> | <u>19,542,466</u> |
| EXPENSES: | | | | | | |
| Program Services: | | | | | | |
| Senior housing | 5,165,591 | - | 3,422,046 | 1,741,955 | 1,590 | - |
| Senior centers | 3,925,390 | (1,177,095) | - | - | - | 5,102,485 |
| Management and General | 1,616,607 | (548,648) | 505,680 | 436,106 | 25,418 | 1,198,051 |
| Fundraising | 208,555 | - | - | - | - | 208,555 |
| | <u>10,916,143</u> | <u>(1,725,743)</u> | <u>3,927,726</u> | <u>2,178,061</u> | <u>27,008</u> | <u>6,509,091</u> |
| CHANGE IN NET ASSETS | 12,349,460 | - | (924,100) | 267,192 | (27,007) | 13,033,375 |
| NET ASSETS - BEGINNING OF YEAR | <u>9,407,043</u> | <u>-</u> | <u>54,232</u> | <u>3,295,199</u> | <u>241,205</u> | <u>5,816,407</u> |
| NET ASSETS (DEFICIT) - END OF YEAR | <u>\$ 21,756,503</u> | <u>\$ -</u> | <u>\$ (869,868)</u> | <u>\$ 3,562,391</u> | <u>\$ 214,198</u> | <u>\$ 18,849,782</u> |

See independent auditors' report.

FIND AID FOR THE AGED, INC. AND AFFILIATES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2019

| | Consolidated | Consolidating Eliminations | Discontinued Operations | Woodstock HDFC | Hamilton HDC | Hargrave HDFC | FIND Aid for the Aged, Inc. |
|--|---------------------|-------------------------------|----------------------------|-------------------|---------------------|-------------------|--------------------------------|
| SUPPORT AND REVENUES: | | | | | | | |
| Gross potential rent | \$ 6,106,619 | \$ (1,202,558) | \$ (669,220) | \$ 3,846,880 | \$ 2,555,741 | \$ 669,220 | \$ 906,556 |
| Less: Vacancies and concessions | (398,742) | - | 25,103 | (280,808) | (117,934) | (25,103) | - |
| Less: Contributed space to affiliate | - | 1,177,095 | 53,050 | (913,125) | (263,970) | (53,050) | - |
| Rental Income | 5,707,877 | (25,463) | (591,067) | 2,652,947 | 2,173,837 | 591,067 | 906,556 |
| Government grants | 3,901,096 | - | - | 577,538 | 148,955 | - | 3,174,603 |
| Contributions | 316,929 | - | - | - | - | - | 316,929 |
| Program income | 117,594 | - | - | - | - | - | 117,594 |
| Special events | 175,624 | - | - | - | - | - | 175,624 |
| Contributed facilities | 127,320 | (1,177,095) | - | - | - | - | 1,304,415 |
| Property management fees | 99,968 | (518,941) | - | - | - | - | 618,909 |
| Developer fees | - | (600,000) | - | - | - | - | 600,000 |
| Investment return, net | 450,971 | - | - | 35,771 | 15,356 | 1,721 | 398,123 |
| Gain on transfer of property | - | - | (1,551,880) | - | - | 1,551,880 | - |
| Other income | 267,099 | - | (2,289) | 96,471 | 161,407 | 2,289 | 9,221 |
| | <u>11,164,478</u> | <u>(2,321,499)</u> | <u>(2,145,236)</u> | <u>3,362,727</u> | <u>2,499,555</u> | <u>2,146,957</u> | <u>7,621,974</u> |
| EXPENSES: | | | | | | | |
| Program Services: | | | | | | | |
| Senior housing | 4,982,141 | - | (484,659) | 3,380,706 | 1,601,435 | 484,659 | - |
| Senior centers | 4,328,429 | (1,177,095) | - | - | - | - | 5,505,524 |
| Management and General | 1,270,621 | (1,144,404) | (372,638) | 487,210 | 443,220 | 972,638 | 884,595 |
| Fundraising | 233,878 | - | - | - | - | - | 233,878 |
| | <u>10,815,069</u> | <u>(2,321,499)</u> | <u>(857,297)</u> | <u>3,867,916</u> | <u>2,044,655</u> | <u>1,457,297</u> | <u>6,623,997</u> |
| CHANGE IN NET ASSETS, BEFORE DISCONTINUED OPERATIONS | 349,409 | - | (1,287,939) | (505,189) | 454,900 | 689,660 | 997,977 |
| NET INCOME FROM DISCONTINUED OPERATIONS | <u>1,287,939</u> | <u>-</u> | <u>1,287,939</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| CHANGE IN NET ASSETS | 1,637,348 | - | - | (505,189) | 454,900 | 689,660 | 997,977 |
| NET ASSETS/(DEFICIT) - BEGINNING OF YEAR | <u>7,769,695</u> | <u>-</u> | <u>-</u> | <u>559,421</u> | <u>2,840,299</u> | <u>(448,455)</u> | <u>4,818,430</u> |
| NET ASSETS - END OF YEAR | <u>\$ 9,407,043</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 54,232</u> | <u>\$ 3,295,199</u> | <u>\$ 241,205</u> | <u>\$ 5,816,407</u> |

See independent auditors' report.

FIND AID FOR THE AGED, INC. AND AFFILIATES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020

| | Woodstock HDFC | | | Hamilton HDC | | | FIND Aid for the Aged, Inc. | | | | Totals without Discontinued Operations | Hargrave HDFC | | | |
|---|--------------------|------------------------------|--------------------|--------------------|------------------------------|--------------------|-----------------------------|------------------------------|-------------------|--------------------|--|-------------------|------------------------------|-----------------|---------------------|
| | Senior Housing | Management and General | Total | Senior Housing | Management and General | Total | Senior Centers | Management and General | Fundraising | Total | | Senior Housing | Management and General | Total | Totals |
| Salaries | \$1,161,306 | \$ 41,544 | \$1,202,850 | \$ 416,661 | \$ 23,979 | \$ 440,640 | \$2,403,142 | \$ 447,268 | \$ 123,072 | \$2,973,482 | \$ 4,616,972 | \$ - | \$ - | \$ - | \$ 4,616,972 |
| Payroll taxes and fringe benefits | 252,730 | 46,019 | 298,749 | 152,227 | 1,992 | 154,219 | 500,842 | 148,249 | 28,381 | 677,472 | 1,130,440 | - | - | - | 1,130,440 |
| Utilities | 543,381 | - | 543,381 | 308,366 | - | 308,366 | 16,107 | 4,890 | - | 20,997 | 872,744 | - | - | - | 872,744 |
| Professional fees and contract services | 373,461 | 84,264 | 457,725 | 99,332 | 80,688 | 180,020 | 179,046 | 390,965 | 29,925 | 599,936 | 1,237,681 | 1,464 | 24,794 | 26,258 | 1,263,939 |
| Repairs and maintenance | 256,461 | - | 256,461 | 184,513 | - | 184,513 | 120,787 | 1,958 | - | 122,745 | 563,719 | - | - | - | 563,719 |
| Food | - | - | - | - | - | - | 216,120 | 179 | 151 | 216,450 | 216,450 | - | - | - | 216,450 |
| Property management fees | - | 250,511 | 250,511 | - | 276,810 | 276,810 | - | - | - | - | 527,321 | - | - | - | 527,321 |
| Insurance | 212,058 | - | 212,058 | 170,381 | - | 170,381 | 87,895 | 49,566 | 524 | 137,985 | 520,424 | 106 | - | 106 | 520,530 |
| Interest expense | - | - | - | 69,224 | - | 69,224 | - | - | - | - | 69,224 | - | - | - | 69,224 |
| Office expenses | - | 63,656 | 63,656 | - | 25,756 | 25,756 | 28,486 | 36,096 | 22,732 | 87,314 | 176,726 | - | - | - | 176,726 |
| Rent | - | - | - | - | - | - | 1,356,934 | 85,272 | 3,026 | 1,445,232 | 1,445,232 | - | - | - | 1,445,232 |
| Minor equipment and furniture purchases | - | - | - | 30,561 | - | 30,561 | 11,405 | 6,516 | 196 | 18,117 | 48,678 | - | - | - | 48,678 |
| Real estate taxes | 109,767 | - | 109,767 | - | - | - | - | - | - | - | 109,767 | - | - | - | 109,767 |
| Supplies | - | - | - | - | - | - | 34,272 | 51 | - | 34,323 | 34,323 | - | - | - | 34,323 |
| Senior trips and activities | - | - | - | - | - | - | 7,106 | 978 | 39 | 8,123 | 8,123 | - | - | - | 8,123 |
| Telephone and postage | - | - | - | - | - | - | 36,690 | 16,382 | 433 | 53,505 | 53,505 | - | 180 | 180 | 53,685 |
| Equipment rental | - | - | - | - | - | - | 16,425 | 4,076 | - | 20,501 | 20,501 | - | - | - | 20,501 |
| Other expenses | - | 11,545 | 11,545 | - | 2,432 | 2,432 | 8,335 | 3,074 | 76 | 11,485 | 25,462 | 20 | 444 | 464 | 25,926 |
| Depreciation and amortization | 512,882 | - | 512,882 | 310,690 | - | 310,690 | 78,893 | 2,531 | - | 81,424 | 904,996 | - | - | - | 904,996 |
| Bad debt expense | - | 8,141 | 8,141 | - | 24,449 | 24,449 | - | - | - | - | 32,590 | - | - | - | 32,590 |
| Total Expenses | 3,422,046 | 505,680 | 3,927,726 | 1,741,955 | 436,106 | 2,178,061 | 5,102,485 | 1,198,051 | 208,555 | 6,509,091 | 12,614,878 | 1,590 | 25,418 | 27,008 | 12,641,886 |
| Eliminations | - | (250,511) | (250,511) | - | (276,810) | (276,810) | (1,177,095) | (21,327) | - | (1,198,422) | (1,725,743) | - | - | - | (1,725,743) |
| Consolidated Total Expenses | <u>\$3,422,046</u> | <u>\$ 255,169</u> | <u>\$3,677,215</u> | <u>\$1,741,955</u> | <u>\$ 159,296</u> | <u>\$1,901,251</u> | <u>\$3,925,390</u> | <u>\$ 1,176,724</u> | <u>\$ 208,555</u> | <u>\$5,310,669</u> | <u>\$ 10,889,135</u> | <u>\$ 1,590</u> | <u>\$ 25,418</u> | <u>\$27,008</u> | <u>\$10,916,143</u> |

See independent auditors' report.

FIND AID FOR THE AGED, INC. AND AFFILIATES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

| | Woodstock HDFC | | | Hamilton HDC | | | FIND Aid for the Aged, Inc. | | | | | Totals without Discontinued Operations | Discontinued Operations Hargrave HDFC | | | Totals with Discontinued Operations |
|---|------------------------------|------------|--------------|------------------------------|------------|--------------|------------------------------|------------|-------------|--------------|------------------------------|--|--|------------|---------------|---|
| | Management and General | | Total | Management and General | | Total | Management and General | | Fundraising | Total | Management and General | | Total | | | |
| | Senior Housing | General | | Senior Housing | General | | Senior Centers | General | | | Senior Housing | | | General | | |
| Salaries | \$ 1,120,090 | \$ 48,247 | \$ 1,168,337 | \$ 379,420 | \$ 37,164 | \$ 416,584 | \$ 2,149,373 | \$ 424,836 | \$ 171,357 | \$ 2,745,566 | \$ 4,330,487 | \$ 56,307 | \$ 19,297 | \$ 75,604 | \$ 4,406,091 | |
| Payroll taxes and fringe benefits | 261,396 | 11,259 | 272,655 | 127,841 | 21,585 | 149,426 | 464,333 | 118,585 | 26,201 | 609,119 | 1,031,200 | 22,373 | 7,668 | 30,041 | 1,061,241 | |
| Utilities | 635,586 | - | 635,586 | 317,892 | - | 317,892 | 22,595 | 4,754 | - | 27,349 | 980,827 | 80,891 | - | 80,891 | 1,061,718 | |
| Professional fees and contract services | 339,200 | 98,874 | 438,074 | 12,121 | 53,651 | 65,772 | 216,482 | 91,353 | 4,118 | 311,953 | 815,799 | 4,167 | 67,449 | 71,616 | 887,415 | |
| Repairs and maintenance | 285,821 | - | 285,821 | 174,193 | - | 174,193 | 163,950 | 2,000 | - | 165,950 | 625,964 | 76,263 | - | 76,263 | 702,227 | |
| Food | - | - | - | - | - | - | 781,846 | 3,975 | - | 785,821 | 785,821 | - | - | - | 785,821 | |
| Developer fee | - | - | - | - | - | - | - | - | - | - | - | - | 600,000 | 600,000 | 600,000 | |
| Property management fees | - | 247,559 | 247,559 | - | 271,382 | 271,382 | - | - | - | - | 518,941 | - | 42,773 | 42,773 | 561,714 | |
| Insurance | 185,767 | - | 185,767 | 154,009 | - | 154,009 | 71,588 | 67,758 | 1,314 | 140,660 | 480,436 | 36,398 | - | 36,398 | 516,834 | |
| Interest expense | - | - | - | 78,271 | - | 78,271 | - | - | - | - | 78,271 | - | 208,712 | 208,712 | 286,983 | |
| Office expenses | - | 64,182 | 64,182 | - | 38,193 | 38,193 | 29,467 | 36,135 | 18,449 | 84,051 | 186,426 | - | 5,794 | 5,794 | 192,220 | |
| Rent | - | - | - | - | - | - | 1,356,934 | 89,408 | - | 1,446,342 | 1,446,342 | - | - | - | 1,446,342 | |
| Minor equipment and furniture purchases | - | - | - | 54,839 | - | 54,839 | 5,871 | 2,468 | 155 | 8,494 | 63,333 | 17,443 | - | 17,443 | 80,776 | |
| Real estate taxes | 108,295 | - | 108,295 | - | - | - | - | - | - | - | 108,295 | - | - | - | 108,295 | |
| Supplies | - | - | - | - | - | - | 75,207 | - | - | 75,207 | 75,207 | - | - | - | 75,207.00 | |
| Senior trips and activities | - | - | - | - | - | - | 30,626 | - | - | 30,626 | 30,626 | - | - | - | 30,626 | |
| Telephone and postage | - | - | - | - | - | - | 38,827 | 21,057 | 8,924 | 68,808 | 68,808 | - | 2,740 | 2,740 | 71,548 | |
| Equipment rental | - | - | - | - | - | - | 15,286 | 4,636 | - | 19,922 | 19,922 | - | 947 | 947 | 20,869 | |
| Other expenses | - | 8,792 | 8,792 | - | 5,371 | 5,371 | 5,811 | 17,143 | 3,360 | 26,314 | 40,477 | 128,701 | 8,468 | 137,169 | 177,646 | |
| Depreciation and amortization | 444,551 | - | 444,551 | 302,849 | - | 302,849 | 77,328 | 487 | - | 77,815 | 825,215 | 62,116 | - | 62,116 | 887,331 | |
| Bad debt expense | - | 8,297 | 8,297 | - | 15,874 | 15,874 | - | - | - | - | 24,171 | - | 8,790 | 8,790 | 32,961 | |
| Total Expenses | 3,380,706 | 487,210 | 3,867,916 | 1,601,435 | 443,220 | 2,044,655 | 5,505,524 | 884,595 | 233,878 | 6,623,997 | 12,536,568 | 484,659 | 972,638 | 1,457,297 | 13,993,865 | |
| Eliminations | - | (247,559) | (247,559) | - | (271,382) | (271,382) | (1,177,095) | (25,463) | - | (1,202,558) | (1,721,499) | - | (600,000) | (600,000) | (2,321,499) | |
| Consolidated Total Expenses | \$ 3,380,706 | \$ 239,651 | \$ 3,620,357 | \$ 1,601,435 | \$ 171,838 | \$ 1,773,273 | \$ 4,328,429 | \$ 859,132 | \$ 233,878 | \$ 5,421,439 | \$ 10,815,069 | \$ 484,659 | \$ 372,638 | \$ 857,297 | \$ 11,672,366 | |

See independent auditors' report.