

EISNERAMPER

**WEST SIDE FEDERATION FOR SENIOR
AND SUPPORTIVE HOUSING, INC.
AND AFFILIATES**

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020
(with supplementary information)



WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

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INDEPENDENT AUDITORS' REPORT

Board of Directors
West Side Federation for Senior and Supportive Housing, Inc. and Affiliates

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the West Side Federation for Senior and Supportive Housing, Inc. and Affiliates (collectively, the "Organization") which comprise the consolidated statement of financial position as of June 30, 2020, 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.

Management's Responsibility for the Consolidated Financial Statements

The Organization's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of West Side Federation for Senior and Supportive Housing, Inc. and Affiliates as of June 30, 2020, and the consolidated changes in their net assets and their cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.



Emphasis of a Matter

As further discussed in Note A[1] to the consolidated financial statements, the consolidated statement of changes in net assets, as of July 1, 2019, have been restated to correct a misstatement. Our conclusion is not modified with respect to this matter.

Other Matters - Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information on pages 29 through 38 is presented for purposes of additional analysis and is not a required part 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. The information has 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 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 consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
May 14, 2021



WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidated Statement of Financial Position June 30, 2020

ASSETS

Current assets:

Cash and cash equivalents	\$ 24,913,210
Restricted cash	1,144,400
Grants and government contracts receivable	7,450,080
Rents receivable, net	1,016,228
Advances receivable from residents, net	93,549
Other receivables	701,828
Prepaid expenses	<u>1,482,516</u>

Total current assets 36,801,811

Property and equipment 400,610,690

Other assets:

Social service and operating reserves	8,913,380
Other reserves	24,848,418
Tenant security deposits held	672,453
Other security deposits	177,491
Deferred development cost	449,076
Deferred leasing costs, net	<u>723,757</u>

Total other assets 35,784,575

Total assets \$ 473,197,076

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidated Statement of Financial Position (continued) June 30, 2020

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable and accrued expenses	\$ 4,550,120
Construction costs payable	11,121,342
Due to residents	1,144,400
Rents received in advance	332,456
Funds received in advance	111,088
Long-term debt - current portion	<u>44,517,679</u>

Total current liabilities 61,777,085

Long-term debt:

Accrued interest payable	9,913,733
Long-term debt payable	<u>299,492,042</u>

Total long-term debt 309,405,775

Other liabilities:

Developer fee payable	1,797,544
Tenants' security deposits held	<u>672,453</u>

Total other liabilities 2,469,997

Total liabilities 373,652,857

Commitments, contingencies and other uncertainty (see Note R)

Net assets:

Without donor restrictions	31,345,484
With donor restrictions	<u>1,143,470</u>

Net assets attributable to WSFSSH and controlling interests 32,488,954

Non-controlling interest 67,055,265

Total net assets 99,544,219

Total liabilities and net assets \$ 473,197,076

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

**Consolidated Statement of Activities
Year Ended June 30, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and revenue:			
Contributions and grants	\$ 576,771	\$ 1,961,825	\$ 2,538,596
In-kind contributions	621,556	-	621,556
Government contracts	15,043,004	-	15,043,004
Rental income - resident	34,057,188	-	34,057,188
Rental income - commercial	1,617,799	-	1,617,799
Rental income - parking	118,650	-	118,650
Interest and other income	<u>1,554,787</u>	<u>-</u>	<u>1,554,787</u>
Total public support and revenue before restrictions assets released from restrictions	<u>53,589,755</u>	<u>1,961,825</u>	<u>55,551,580</u>
Net assets released from restrictions	<u>4,589,714</u>	<u>(4,589,714)</u>	<u>-</u>
Total revenue	<u>58,179,469</u>	<u>(2,627,889)</u>	<u>55,551,580</u>
Expenses:			
Program services:			
Social and supportive services	9,694,934	-	9,694,934
Housing operations	<u>28,189,503</u>	<u>-</u>	<u>28,189,503</u>
Total program services	<u>37,884,437</u>	<u>-</u>	<u>37,884,437</u>
 Supporting services:			
Management and general	4,551,945	-	4,551,945
Fundraising	<u>86,497</u>	<u>-</u>	<u>86,497</u>
Total supporting services	<u>4,638,442</u>	<u>-</u>	<u>4,638,442</u>
 Interest:			
Interest and debt service fees	4,654,053	-	4,654,053
Interest accrued-expense	<u>2,681,810</u>	<u>-</u>	<u>2,681,810</u>
Total interest	<u>7,335,863</u>	<u>-</u>	<u>7,335,863</u>
Total expenses before depreciation and amortization	<u>49,858,742</u>	<u>-</u>	<u>49,858,742</u>
Change in net assets before depreciation and amortization	8,320,727	(2,627,889)	5,692,838
Depreciation and amortization expense	<u>(12,519,665)</u>	<u>-</u>	<u>(12,519,665)</u>
	<u>(4,198,938)</u>	<u>(2,627,889)</u>	<u>(6,826,827)</u>
Change in net assets attributable to non-controlling interests	<u>(5,564,416)</u>	<u>-</u>	<u>(5,564,416)</u>
Change in net assets attributable to WSFSSH interests and controlling interests	<u>1,365,478</u>	<u>(2,627,889)</u>	<u>(1,262,411)</u>
Change in net assets	<u>\$ (4,198,938)</u>	<u>\$ (2,627,889)</u>	<u>\$ (6,826,827)</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

**Consolidated Statement of Changes in Net Assets
Year Ended June 30, 2020**

	<u>Net Assets Without Donor Restrictions</u>			<u>Net Assets With Donor Restrictions</u>	<u>Consolidated Total</u>
	<u>Controlling</u>	<u>Non- Controlling Interests</u>	<u>Total</u>		
Beginning balance, July 1, 2019, as originally presented	\$ 55,902,585	\$ -	\$ 55,902,585	\$ 3,771,359	\$ 59,673,944
Restatement (Note A[1])	<u>(23,670,603)</u>	<u>28,587,480</u>	<u>4,916,877</u>	<u>-</u>	<u>4,916,877</u>
Beginning balance, July 1, 2019 - as restated	32,231,982	28,587,480	60,819,462	3,771,359	64,590,821
Contributions from investors	-	45,496,316	45,496,316	-	45,496,316
Distribution to investors	(2,251,976)	(1,464,115)	(3,716,091)	-	(3,716,091)
Change in net assets attributable to noncontrolling interests	-	(5,564,416)	(5,564,416)	-	(5,564,416)
Change in net assets attributable to WSFSSH and controlling interests	<u>1,365,478</u>	<u>-</u>	<u>1,365,478</u>	<u>(2,627,889)</u>	<u>(1,262,411)</u>
Ending balance, June 30, 2020	<u>\$ 31,345,484</u>	<u>\$ 67,055,265</u>	<u>\$ 98,400,749</u>	<u>\$ 1,143,470</u>	<u>\$ 99,544,219</u>

See notes to consolidated financial statements.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

**Consolidated Statement of Functional Expenses
Year Ended June 30, 2020**

	Program Services			Supporting Services			Total
	Social and Supportive Services	Housing Operations	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries and temporary employees	\$ 6,272,939	\$ 10,998,402	\$ 17,271,341	\$ 2,861,873	\$ 67,217	\$ 2,929,090	\$ 20,200,431
Payroll taxes and employee benefits	<u>1,590,700</u>	<u>3,431,063</u>	<u>5,021,763</u>	<u>732,286</u>	<u>17,907</u>	<u>750,193</u>	<u>5,771,956</u>
Total salaries and related expense	<u>7,863,639</u>	<u>14,429,465</u>	<u>22,293,104</u>	<u>3,594,159</u>	<u>85,124</u>	<u>3,679,283</u>	<u>25,972,387</u>
Professional fees	768,016	1,171,285	1,939,301	394,300	-	394,300	2,333,601
Telephone and internet	77,979	290,597	368,576	106,183	-	106,183	474,759
Office expenses	73,916	901,894	975,810	243,531	773	244,304	1,220,114
Management fees	-	137,556	137,556	-	-	-	137,556
Insurance	79,049	1,282,210	1,361,259	4,787	-	4,787	1,366,047
Lease expense	77,822	282,791	360,613	-	-	-	360,613
Real estate taxes	-	2,048,224	2,048,224	-	-	-	2,048,224
Food	131,457	839,867	971,324	-	-	-	971,323
Utilities	205,664	2,854,123	3,059,787	-	-	-	3,059,787
Supplies	161,169	553,291	587,676	158,919	600	159,519	873,979
Equipment, maintenance and repair	92,373	3,021,361	1,597,812	16,127	-	16,127	3,129,861
Social and recreation expense	163,850	77,875	216,807	-	-	-	241,725
Bad debt expense	-	<u>298,964</u>	<u>298,964</u>	<u>33,939</u>	-	<u>33,939</u>	<u>332,903</u>
Total expenses per statement of activities	<u>9,694,934</u>	<u>28,189,503</u>	<u>37,884,437</u>	<u>4,551,945</u>	<u>86,497</u>	<u>4,638,442</u>	<u>42,522,879</u>
Interest and finance charges	864	4,642,693	4,643,557	10,496	-	10,496	4,654,053
Interest accrued-expense	-	<u>2,681,810</u>	<u>2,681,810</u>	-	-	-	<u>2,681,810</u>
Depreciation and amortization	-	<u>12,494,273</u>	<u>12,494,273</u>	<u>25,392</u>	-	<u>25,392</u>	<u>12,519,665</u>
Total expenses	<u>\$ 9,695,798</u>	<u>\$ 48,008,279</u>	<u>\$ 57,704,77</u>	<u>\$ 4,587,833</u>	<u>\$ 86,497</u>	<u>\$ 4,674,330</u>	<u>\$ 62,378,407</u>

See notes to consolidated financial statements.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidated Statement of Cash Flows Year Ended June 30, 2020

Cash flows from operating activities:

Change in net assets	\$ (6,826,827)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
In-kind contributions - loan decrements	(621,566)
Depreciation and amortization	12,519,665
Amortization of loan issuance cost	637,850
Bad debts expense	332,903
Changes in:	
Grants and government contracts receivable	(3,252,297)
Rents receivable, net	(699,767)
Advances receivable from residents, net	(10,091)
Other receivables	(270,142)
Prepaid expenses	(150,833)
Other security deposits	(346)
Deferred development cost	(239,664)
Deferred leasing cost	(46,316)
Accounts payable and accrued expenses	3,822,735
Rents received in advance	127,562
Funds received in advance	(293,781)
Accrued interest payable	2,500,740
Due to residents	88,648
Tenant security deposit held	(25,144)
Developer fee payable	<u>1,797,544</u>
Net cash provided by operating activities	<u>9,390,873</u>

Cash flows from investing activities:

Purchases of property and equipment	(48,589,080)
Changes in reserves and escrow accounts	<u>(1,045,612)</u>
Net cash used in investing activities	<u>(49,634,692)</u>

Cash flows from financing activities:

Proceeds from long-term debt	39,880,469
Capital contributions received from investors	45,496,316
Distribution to investors	(3,716,091)
Principal payments on long-term debt	<u>(33,509,323)</u>
Net cash provided by financing activities	<u>48,151,371</u>

Increase in cash, cash equivalents and restricted cash

Cash, cash equivalents and restricted cash, beginning of year 7,907,552
27,735,891

Cash, cash equivalents and restricted cash, end of year \$ 35,643,443

Supplemental disclosures of cash flow information:

Cash paid for interest	<u>\$ 3,024,149</u>
Construction cost payable	<u>\$ 11,121,342</u>
In-kind contributions - loan decrements	<u>\$ 621,556</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Organization:

West Side Federation for Senior and Supportive Housing, Inc. ("WSFSSH") is a not-for-profit housing development corporation committed to developing and managing housing and providing supportive services for low-income, elderly, disabled, and homeless persons. WSFSSH, incorporated in 1977 in the State of New York, is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code") and from state and local taxes under comparable laws.

WSFSSH is affiliated with, and has transactions with, a number of entities which are wholly owned and controlled by WSFSSH (collectively referred to as "Not-For-Profit Entities and Its Wholly Owned Subsidiaries") and a number of limited partnerships where WSFSSH exercises significant influence through general partner (collectively referred to as "Housing Entities"). The financial position, changes in net assets, and cash flows of these controlled entities are required to be consolidated with those of WSFSSH in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Accordingly, the consolidated financial statements include the financial statements of WSFSSH and its affiliated entities (together, the "Organization").

The Organization has restated its financial statements to recognize additional entities required to be consolidated during the year. WSFSSH's management performed an analysis on the relationship amongst all of its affiliated and related entities and the Organization determined that eleven additional affiliated entities are required to be consolidated into the financial statements of which nine of these entities are limited partnerships and the other two are not-for-profit housing companies. The Organization has restated the opening net asset balance as of July 1, 2019 to correct such error. The adjustment for restatement resulted in the changes noted below:

	Net Asset Without Donor Restrictions as of July 1, 2019	Net Asset With Donor Restrictions as of July 1, 2019	Total Net Asset as of July 1, 2019
As previously stated	\$ 55,902,585	\$ 3,771,359	\$ 59,673,944
Effect of restatement	<u>4,916,877</u>	<u>-</u>	<u>4,916,877</u>
As restated	<u>\$ 60,819,462</u>	<u>\$ 3,771,359</u>	<u>\$ 64,590,821</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[1] Organization: (continued)

The following table summarizes the assets and liability accounts of the additional consolidated entities as of July 1, 2019:

	July 1, 2019 – As Originally Presented	Adjustments	July 1, 2019 – As Restated
Cash and cash equivalents	\$ 13,813,250	\$ 6,373,815	\$ 20,187,065
Reserve and escrow accounts	19,063,710	11,590,325	30,654,035
Prepaid and other assets	6,171,426	2,309,270	8,480,696
Property and equipment	144,343,742	222,597,016	366,940,758
Accounts payable and accrued expenses	(7,898,488)	(13,787,842)	(21,686,330)
Due to/from affiliates	32,423,474	(32,423,474)	-
Long-term debt payable	(146,115,230)	(191,507,061)	(337,622,291)
Other liabilities	(2,127,940)	(235,172)	(2,363,112)
Net assets without donor restrictions:			
WSFSSH and controlling interests	55,902,585	(23,670,603)	32,231,982
Non-controlling interests	-	28,587,480	28,587,480
Net assets with donor restrictions	<u>3,771,359</u>	<u>-</u>	<u>3,771,359</u>
	<u>\$ 59,673,944</u>	<u>\$ 4,916,877</u>	<u>\$ 64,590,821</u>

The following not-for profit entities and wholly owned subsidiaries of WSFSSH are included in the consolidated financial statements:

- West Side Special Housing Development Fund Corporation, Inc.
- WSA Housing Development Fund, Inc.
- Euclid Hall Housing Development Fund Company, Inc.
- The Westbourne Housing Development Fund Company, Inc.
- East One Thirty Eighth Housing Development Fund Company, Inc.
- Three Arts Club Housing Development Fund Company Inc.
- West 108th Housing Development Fund Company, Inc.
- Valley Lodge Shelter Housing Development Fund Company, Inc.
- K&L Housing Development Fund Company, Inc.
- IH Associates LLC
- WSFSSH PA LLC
- Marseilles LLC
- One Forty Nine Housing Company
- Two Hundred Six Associates L.P.
- Federation Housing Support Service Inc.
- Ben Michalski Housing Development Fund Company, Inc.
- Other General Partners in the Housing Entities

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[1] Organization: (continued)

The following for-profit housing entities are consolidated as the housing entities of the Organization. WSFSSH holds a 1% general partner interest in Manhattan West Associates LP and 0.01% general partner interest in all other housing entities.

<u>Entities Name</u>	<u>Project Name</u>	<u>General Partner (GP)</u>
Borinquen Court Associates LP	Borinquen Court	Borinquen Court Housing Company, Inc.
Claremont Park Associates LP	Claremont Park	Claremont Park Housing Company, Inc.
One Hundred Forty Associates LP	Fania Gersham Residence	One Hundred Forty Housing Company, Inc.
PSS/WSF Housing Company LP	GrandParent Family Apartments	PSS/WSF Housing Development Fund Corporation
Mill Brook Terrace LP	Mill Brook Terrace	Mill Brook Housing Company, Inc.
Manhattan West Associates LP	Red Oak Apts	Federation Housing Support Service, Inc.
Tres Puentes LP	Tres Puentes	Tres Puentes Housing Company, Inc.
West 108 th Street LP	West 108 th Street	West 108 th Street Housing Company, Inc.
West Eighties Associates LP	West Eighties	West Eighties Housing Company, Inc.

The following entities have no financial activities and therefore there is no impact on the Organization's consolidated financial statements.

- Mill Brook Housing Development Fund Company, Inc.
- Frederic Fleming Housing Development Fund Corporation
- Independence House Corporation I
- Marseilles Housing Development Fund Corporation, Inc.

The following paragraphs summarize the entities consolidated in the Organization's consolidated financial statements:

West Side Special Housing Development Fund Corporation ("West Side Special") is a not-for-profit housing development corporation, exempt under Section 501(c)(2), whose board of directors consists of common members of WSFSSH's board of directors. In addition, WSFSSH has use-agreements with West Side Special for several real estate properties owned by West Side Special, including West 74th Street Residence, 129th Street Residence, Valley Lodge Transitional Shelter, Revella, One Twenties Cluster and 459 West 147th Street. WSFSSH uses these properties for its low income housing programs.

West Side Special has 99% limited-partnership interests in One Forty Nine Housing Company ("Kowal House LP") and in Two Hundred Six Associates L.P. ("Ben Michalski LP"). The 99% limited-partnership interest in Kowal House, previously owned by National Equity Fund 1987 Partnership ("NEF I"), was transferred to West Side Special at no cost under an agreement dated September 20, 2003. The general partner of Kowal House is Federation Housing Support Services, Inc. ("FHSS"), which is a not-for-profit corporation, wholly controlled by WSFSSH. Kowal House LP operates one building containing 73 residential units located at 149 Manhattan Avenue, New York, New York.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[1] Organization: (continued)

The 99% limited-partnership interest in Ben Michalski L.P., previously owned by National Equity Fund 1994 Limited Partnership (“NEF II”), was transferred to West Side Special at no cost under an agreement dated December 31, 2015. The general partner of Ben Michalski L.P. is Ben Michalski Housing Development Fund Company, Inc. (“Ben Michalski HDFC”), which is a not-for-profit housing company, and is wholly controlled by WSFSSH. Ben Michalski LP operates one building containing 18 residential units located at 206 West 84th Street, New York, New York.

WSA Housing Development Fund, Inc. (“WSA”) is a not-for-profit housing development corporation, exempt under Section 501(c)(3), whose board of directors is appointed by the board of directors of WSFSSH. WSA developed and operated a housing project for elderly and handicapped persons of low income, consisting of one building containing 29 residential units located at 140 West 105th Street, New York, New York, which opened in 1988. On June 29, 2006, WSA sold the property to One Hundred Forty Associates, LP, and (“Fania Gersham Residence”) which continues to operate the project for elderly and handicapped persons of low income.

Euclid Hall Housing Development Fund Company, Inc. (“Euclid Hall”) is a not-for-profit housing development corporation, exempt under Section 501(c)(3), whose board of directors is appointed by the board of directors of WSFSSH. Euclid Hall HDFC owns and operates property located at 2345 Broadway, New York, New York.

The Westbourne Housing Development Fund Company, Inc. (“Westbourne”) is a not-for-profit housing development corporation, exempt under Section 501(c)(3), whose board of directors is appointed by the board of directors of WSFSSH. Westbourne owns and operates property located at 930 West End Avenue, New York, New York, consisting of one building containing 128 residential units and three commercial units.

East One Thirty Eighth Housing Development Fund Company, Inc. (“East 138 HDFC”) is a not-for-profit housing development corporation, exempt under Section 501(c)(3), whose board of directors is appointed by the board of directors of WSFSSH. East 138 HDFC provides social and other supportive services to Borinquen Court Associates LP (“Borinquen Court”) that owns and operates a property for elderly and handicapped persons of low income located at 285 East 138th Street, Bronx, New York, consisting of one building containing 145 residential units.

Borinquen Court Housing Company, Inc. (“BC HSG”) is a for-profit housing development corporation formed in the State of New York on August 5, 2010. WSFSSH owns 100% of the BC HSG stock. BC HSG is a general partner with a 0.01% interest in the partnership of Borinquen Court.

Three Arts Club Housing Development Fund Company Inc. (“Three Arts Club”) is a not-for-profit housing development corporation, exempt under Section 501(c)(3), whose single member is WSFSSH. On May 9, 2017, Three Arts Club purchased the property located at 340 West 85th Street from an unrelated third party for approximately \$42 million. Three Arts Club plans to initially utilize the location for temporary use (two to three years) by WSFSSH’s Valley Lodge Transitional Shelter, while Valley Lodge’s existing facility is demolished and rebuilt new on West 108th Street as part of a larger mixed-used development. The relocation period commenced in April 2018 and is expected to end in August 2021. Three Arts Club plans to rehabilitate the location for use as permanent senior supportive housing with onsite social services after the relocation period has ended.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[1] Organization: (continued)

West 108th HDFC, Inc. ("W108 HDFC") is a not-for-profit housing development corporation, exempt under Section 501(c)(4), formed in the State of New York on January 19, 2017, whose board of directors is appointed by the board of directors of WSFSSH. W108 HDFC was formed to participate in the ownership of a new construction project known as "WSFSSH at West 108", comprised of both permanent residential housing (199 residential units) and a transitional shelter (110 beds), which started construction on January 2019 and have an expected construction completion date of July 2021 ("Project"). The Project will be a single building with two condominium units. W108 HDFC is expected to serve as the fee owner of the permanent housing condominium unit ("Permanent Condo"). The Valley Lodge Shelter HDFC ("VL HDFC") is expected to serve as the fee owner of the transitional housing condominium unit ("Transitional Condo"). On August 1, 2018, W108 HDFC acquired two garages located at 137 and 159 West 108th Street, New York (Block 1863, Lots 5 and 13) from an unrelated third party, NYC HPD for a total price of \$2. On the same date, W108 HDFC entered into an enforcement mortgage with NYC HPD in the amount of \$54,599,998, which is the difference between the assessment value of the two garages and the purchase price. The enforcement is to ensure that the "WSFSSH at West 108" Project is developed in accordance with the Regulatory Agreements between NYC HPD and W108 HDFC. The enforcement amount is not recognized in the consolidated statements because the Project is being developed according to the Regulatory Agreements.

On December 27, 2018, W108 HDFC acquired the existing Valley Lodge Building located at 149 West 108th Street, New York, (Block 1863, Lot 10) from West Side Special for \$1. On the same date, W108 HDFC entered into a nominee agreement with West 108th St, L.P. ("W108 LP"), a partnership that was formed on March 28, 2018 and amended and restated on December 27, 2018, giving all beneficial ownership of the Project to the W108 LP. The general partner of W108 LP is West 108th Street Housing Company, Inc., ("W108HSG") a for-profit housing company of which 100% of the stock is owned by WSFSSH, with a .01% ownership interest. The limited partner is NEF New York Regional Fund LP, with a 99.99% ownership interest. Concurrently, W108 LP entered into an Interim Lease with VL HDFC, giving VL HDFC the right and obligation to construct and fund the transitional shelter component of the Project.

VL HDFC is a not-for-profit housing development corporation, exempt under Section 501(c)(4), formed in the State of New York on March 30, 2018 and whose board of directors is appointed by the board of directors of WSFSSH. Within the WSFSSH at West 108 Project described above, VL HDFC will own the transitional condo ("Transitional Condo"), which will be operated by WSFSSH pursuant to a contract with New York City Department of Homeless Services ("DHS"). On May 8, 2018, WSFSSH entered into a contract with DHS to construct and operate the shelter facility in the Transitional Condo unit.

Mill Brook Housing Development Fund Company, Inc. ("MBHDFC") is a not-for-profit housing development corporation, exempt under Section 501(c)(3), whose single member is WSFSSH. On June 29, 2017, MBHDFC entered into a 99-year lease of land located at 570 East 137th Street, Bronx, New York 10454 with the New York City Housing Authority ("NYCHA"). MBHDFC is the nominee owner of the land lease and of the 159-unit rental building for seniors to be constructed upon it. Mill Brook Terrace, L.P., ("Mill Brook Terrace") is a partnership, which was formed on March 13, 2017, and which is the beneficial owner of the land lease and the building constructed upon it. Mill Brook Housing Company, Inc. ("MBHSG") is a for-profit housing company formed in the State of New York on March 13, 2017. WSFSSH owns 100% of the MBHSG stock. MBHSG is a general partner with a 0.01% interest in Mill Brook Terrace.

Marseilles LLC ("Marseilles") is organized as a limited liability company that owns the beneficial interest in, and operates, the property located at 230 West 103rd Street, New York, New York. Marseilles Housing Development Fund Corporation, Inc. ("Marseilles HDFC"), a not-for-profit housing development fund corporation, whose board of directors is appointed by the board of directors of WSFSSH, holds the fee simple title of the property. WSFSSH is the sole member of Marseilles LLC and Marseilles HDFC.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[1] Organization: (continued)

IH Associates LLC ("IH LLC") is organized as a limited liability company that owns the beneficial interest in, and operates, the property located at 176 West 94th Street, New York, New York. The building contains 121 apartments, two commercial units and one parking garage. Independence House Corporation I ("IH"), a not-for-profit housing corporation under Article II of the Private Housing Finance Law of the State of New York, holds the fee simple title of the property. WSFSSH is the sole member of both IH LLC and IH. On October 26, 2017, IH LLC purchased a building, which is a Mitchell Lama Program Building, from an unrelated third party at a price of approximately \$28,000,000 which was below the prevailing real estate market price and resulted in an in-kind contribution of \$7,700,000. IH LLC funded the purchase and is funding a renovation program with subsidized mortgages from HDC and HPD which totaled approximately \$40,533,000. On November 1, 2017, IH LLC was able to secure a 20-year Project-Based Voucher Housing Assistance Payment (HAP) Contract with NYC Department of Housing Preservation and Development. The contract provides the tenant-based rental assistance for up to 80 units at the building.

WSFSSH PA LLC ("WSFSSH PA"), a limited liability company, is organized to conduct predevelopment activities of WSFSSH. WSFSSH is the sole member of WSFSSH PA. WSFSSH PA prepays the development cost for new projects at development stage and receives reimbursements once the new projects become operational or fully funded by permanent financing sources. As of June 30, 2020, the total deferred development costs are \$449,076.

K&L Housing Development Fund Company, Inc. ("K&L HDFC") is a not-for-profit housing development corporation, exempt under Section 501(c)(3), whose board of directors is appointed by the board of directors of WSFSSH. K&L HDFC owns and operates property located at 11 West 102nd Street, New York, New York, consisting of one building containing 55 residential units for low-income elderly persons.

Frederic Fleming Housing Development Fund Corporation ("Fleming HDFC") is a not-for-profit housing development corporation, exempt under Section 501(c)(3), whose board of directors is appointed by the board of directors of WSFSSH. WSFSSH has a use-agreement with Fleming HDFC to operate the property owned by Fleming HDFC. The property is located at 443-445 West 22nd Street, New York, New York, consisting of one building containing 47 residential units.

Tres Puentes LP ("Tres Puentes") is a limited partnership that was formed under the laws of the State of New York on October 4, 2013 to acquire, construct and/or rehabilitate low-income housing that is decent, safe, and sanitary. Tres Puentes owns and operates two buildings in Bronx, New York. One building includes 56 residential units and one community facility unit and is located at 295 East 138th Street. The second building has 119 residential units and one commercial unit, one community facility unit, and is located at 2550 Third Avenue. Tres Puentes Housing Company, Inc. ("TP HSG") is a for-profit housing company, formed in the State of New York on October 4, 2013. WSFSSH owns 100% of the TP HSG stock. TP HSG is a general partner with a 0.01% interest in the partnership of Tres Puentes.

Claremont Park Associates LP ("Claremont Park") is a limited partnership that was formed under the laws of the State of New York on May 12, 2006 to acquire, construct and/or rehabilitate low-income housing that is decent, safe, and sanitary. Claremont Park owns and operates one building containing 115 multi-family residential apartments intended for rental to low-income households located at 1421 College Avenue, Bronx, New York. Claremont Park Housing Company, Inc. ("CP HSG") is a for-profit housing company, formed in the State of New York on May 15th, 2006. WSFSSH owns 100% of the CP HSG stock. CP HSG is a general partner with a 0.01% interest in the partnership of Claremont Park.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[1] Organization: (continued)

PSS/WSF Housing Company ("PSS/WSF LP") is a limited partnership that was formed under the laws of the State of New York on July 18, 1993, to acquire, construct and/or rehabilitate low-income housing that is decent, safe, and sanitary. PSS/WSF LP owns and operates one building containing 51 residential units and one commercial unit located at 951 Prospect Avenue, Bronx, New York. PSS/WSF Housing Development Fund Company, Inc. ("PSS/WSF HDFC") is a non-profit housing company, formed in the State of New York on July 21, 2003. The 50% of PSS/WSF HDFC's board of directors is appointed by the board of directors of WSFSSH. PSS/WSF HDFC is a general partner with a 0.01% interest in the partnership of PSS/WSF.

Manhattan West Associates LP ("MWA LP") is a limited partnership that was formed under the laws of the State of New York on June 30, 1980 to acquire, construct and/or rehabilitate low-income housing that is decent, safe, and sanitary. MWA LP owns and operates one building containing 231 residential apartments located at 135 106th street, New York. FHSS which is a not-for-profit corporation, wholly controlled by WSFSSH, is a general partner with a 1% interest in the partnership of MWA LP.

West Eighties Associates, LP ("W80s LP") is a limited partnership that was formed under the laws of the State of New York on July 2, 2007 to acquire, construct and/or rehabilitate low-income housing that is decent, safe, and sanitary. W80s LP owns and operates two buildings in New York, New York - seven residential units and one commercial unit located at 44 West 87th Street, and 20 residential units located at 208 West 84th Street. West Eighties Housing Company, Inc. ("W80s HSG") is a for-profit housing company, formed in the State of New York on July 2nd, 2007. WSFSSH owns 100% of the W80s HSG stock. W80s HSG is a general partner with a 0.01% interest in the partnership of W80s LP.

All intercompany transactions and accounts between the entities have been eliminated in consolidation.

[2] Basis of accounting:

The consolidated financial statements of the Organization have been prepared using the accrual basis of accounting and conform to U.S. GAAP as applicable to not-for-profit organizations.

[3] Use of estimates:

The preparation of consolidated financial statements in conformity with U.S. GAAP requires the Organization's management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses, as well as disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

[4] Cash, cash equivalents and restricted cash:

For financial-reporting purposes, the Organization considers all highly liquid investments, purchased with the original maturity of three months or less to be cash equivalents. Cash also includes amounts, which are held by the Organization as custodian for its tenants, which is considered restricted cash. Restricted cash reported in the consolidated statement of financial position at June 30, 2020 was \$1,144,400 (see Note A[12]), with a corresponding liability reported in due to residents. The following table provides a reconciliation of cash and cash equivalents as reported on the June 30, 2020 statement of financial position to the corresponding amounts within the statement of cash flows:

Cash and cash equivalents	\$ 24,913,210
Restricted cash	1,144,400
Social service and operating reserves	8,913,380
Tenants' security deposit held	<u>672,453</u>
	<u>\$ 35,643,443</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Property and equipment:

Property and equipment are reported at their original costs or if contributed, at their value at the dates of contribution, net of accumulated depreciation. The Organization capitalizes fixed assets with costs greater than \$5,000, whereas minor costs of repairs and maintenance are expense as incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets, which range from 5 to 40 years. Building and leasehold improvements are capitalized and amortized using the straight-line method over the remaining lease term or the useful lives of the improvement, whichever is shorter. Land is not depreciated.

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2020, and in the opinion of management, there were no impairments. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

[6] Deferred leasing costs:

Costs incurred in connection with a commercial lease are capitalized and amortized using the straight-line method over the life of the lease. (See Note F).

Costs incurred in connection with debt financing are deferred and amortized over the term of the related debt using the straight-line method, which approximates the effective-interest method of amortization. These costs are reported in the consolidated statement of financial position as a direct reduction of the related debt. The amortization of deferred debt-issuance costs is reported as interest expense in the consolidated statement of activities. Interest expense relating to the amortization of deferred debt-issuance costs was approximately \$750,000 during fiscal-year 2020. (See Note M).

[7] Accrued vacation:

Based on their tenure and an annual carryover provision, the Organization's employees are entitled to be paid for unused vacation time if they leave the Organization's employ. Accordingly, at each year-end, the Organization must recognize a liability for the amount that would be incurred if employees with such unused vacation were to leave. At June 30, 2020, this accrued vacation was approximately \$329,000, and was reported as part of accounts payable and accrued expenses in the consolidated statement of financial position.

[8] Paycheck Protection Program loan payable:

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The Paycheck Protection Program ("PPP") established by the CARES Act, implemented by the U.S. Small Business Administration ("SBA"), provides businesses, including certain not-for-profit organizations, with funds to pay payroll and other costs during the coronavirus ("COVID-19") outbreak. During fiscal-year 2020, the Organization applied for and received \$3,250,832 in PPP funds.

There are two acceptable methods for accounting for the PPP funds received under the CARES Act. Entities can elect to treat the funds as a loan or as a conditional contribution. The Organization has elected to record the PPP funds as a loan under the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") 470, *Debt*. The Organization is in the process of applying for loan forgiveness, which will be recognized when the application is formally approved by the bank and the SBA; however, no assurance can be provided that the Organization will be eligible for forgiveness, in whole, or in part (see Note M).

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[9] Net assets:

The Organization's net assets and changes therein are classified and reported as follows:

(i) *Net Assets Without Donor Restrictions (controlling and noncontrolling interest):*

Net assets without donor restrictions represents those resources of the Organization that are not subject to donor restrictions as to their use and are available for current operation. Net assets without donor restrictions also represent the aggregate of the limited partnership interests in the housing entities that are in the consolidated financial statements.

(ii) *Net Assets With Donor Restrictions:*

Net assets with donor restrictions represent those resources that have been restricted by donors or grantors for specific purposes and/or the passage of time. When a donor restriction expires, that is, when a purpose restriction is accomplished, or when a stipulated time restriction ends, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions are subject to donor-imposed stipulations that will be met by the actions of the Organization or by the passage of time. Contributions and grants with donor restrictions, the requirements of which are met in the year of donation, are reported as without donor restrictions.

[10] Revenue recognition:

Fees and rental revenue are recognized based upon services rendered in accordance with contractual provisions. Rental income relating to the current year is recognized as revenue in the current year. The recognition of revenue related to rents received in advance is deferred until the following year. Management fees are recognized based upon services rendered, in accordance with relative contractual provisions.

Contributions and grants are recognized as income upon the receipt of (i) cash or other assets, or (ii) unconditional pledges. Revenue from government contracts is recognized when costs are incurred or other services are performed. Contracts received in advance are recorded as advances from governmental agencies, and revenue is deferred until the related expenses are incurred. Conditional contributions are recorded when the conditions have been met, and, if received in advance, are recognized in the statement of financial position as funds received in advance. Contributions are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or when the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as "net assets released from restrictions." Contributions to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved. Government contributions received and spend in the same year are classified as without donor restrictions.

[11] Due to residents:

Due to residents represent cash held by the Organization which is used to pay living expenses on their behalf.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Functional allocation of expenses:

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses present expenses by natural classification and function. Accordingly, direct costs have been functionalized within the program and supporting services, based on the nature of the expense. Indirect costs have been allocated on the basis of time.

[13] Income taxes:

The Organization is subject to the provisions of the FASB ASC Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. For the Organization, these provisions could be applicable to the incurrence of unrelated business income tax ("UBIT") attributable to income received from parking garages. Because of the Organization's general tax-exempt status, management believes ASC Topic 740 has not had, and is not expected to have, a material impact on the Organization's consolidated financial statements.

[14] Adoption of accounting pronouncement:

Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made:

In June 2018, the FASB issued Accounting Standards Update ("ASU") No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard provides a framework for evaluating whether grants should be accounted for as exchange transactions or as non-exchange transactions. For non-exchange transactions, the new guidance clarifies whether arrangements are conditional or unconditional.

The effective date for the standard was staggered as follows: (i) the standard is effective for resource recipients for years beginning after December 15, 2018; accordingly, the Organization is required to adopt, and did adopt, this portion of the ASU for its fiscal-year ended June 30, 2020; and (ii) the standard is effective for resource providers for years beginning after December 15, 2019. The Organization is currently assessing what impact, if any, the resource provider section of the standard will have on its fiscal-year 2021 financial statements. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognized revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis.

[15] Upcoming accounting pronouncements:

(i) *Revenue from Contracts with Customers:*

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. ASU No. 2014-09 requires an entity to recognize revenue depicting the transfer of 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 or services. The standard permits the use of either the retrospective or cumulative effect transition method. The adoption of ASU No. 2014-19 is not expected to have a material effect on the Organization's consolidated financial statements but will require enhanced disclosures. As a result of recent deferrals due to COVID-19, the new standard is effective for fiscal years beginning after December 15, 2019; accordingly, the Organization is currently evaluating the effect that this new guidance will have on the consolidated financial statements and related disclosures.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[15] Upcoming accounting pronouncements: (continued)

(ii) *Leases:*

In February 2016, the FASB issued its lease accounting guidance in ASU No. 2016-02, *Leases*. ASU No. 2016-02 will require lessees to recognize on the statements of financial position for all leases (with terms of more than 12 months) at the commencement date, the following: a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and b) 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 new lease guidance also simplified the accounting for sale and leaseback transactions primarily because lessees must recognize lease assets and lease liabilities. Lessees will no longer be provided with a source of off-balance sheet financing. This ASU is required to be adopted on a modified retrospective basis. As a result of recent deferrals due to COVID-19, ASU No. 2016-02 will be effective for private not-for-profit organizations for fiscal years beginning after December 15, 2021. The Organization is currently evaluating the effect that this guidance will have on the consolidated financial statements and related disclosures.

(iii) *Accounting Updates to Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets:*

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, 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 statements of activities, apart from contributions of cash or other financial assets. For each category of contributed nonfinancial assets recognized, not-for-profit organization will need to disclose: (i) qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period. If utilized, a description of the programs or other activities in which those assets were used; (ii) the not-for-profit's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets; (iii) a description of any donor-imposed restrictions associated with the contributed nonfinancial assets; (iv) the valuation techniques and inputs used to arrive at a fair value measure, in accordance with the requirements in Topic 820, *Fair Value Measurement*, at initial recognition; and (v) the principal market (or most advantageous market) used to arrive at a fair value measure, if it is a market in which the recipient entity is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. The amendments in this ASU will be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. The Organization is currently evaluating the effect that this new guidance will have on the consolidated financial statements and related disclosures.

[16] Subsequent events:

The Organization evaluated subsequent events through May 14, 2021, the date on which the consolidated financial statements were available to be issued.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE B - GRANTS AND GOVERNMENT CONTRACTS RECEIVABLE

At fiscal year-end, amounts due within one year to the Organization from governmental agencies, net of advances, in support of client services and under the terms of agreements signed with various federal, state and city agencies, were as follows:

Federal	\$ 2,413,768
New York State	166,760
New York City	<u>4,869,552</u>
	<u>\$ 7,450,080</u>

Based on prior history, management considers these receivables to be fully collectible; accordingly, no allowance for doubtful amounts has been established.

NOTE C - RENTS RECEIVABLE

At June 30, 2020, gross rent receivable of approximately \$1,841,000, consisted of balances due to the Organization from tenants and government subsidies. All amounts are due within one year. Based on management's past experience, amounts of approximately \$825,000 have been reserved for an allowance for uncollectible accounts as of June 30, 2020.

NOTE D - ADVANCES RECEIVABLE FROM RESIDENTS

At June 30, 2020, advances receivable from residents of approximately \$155,000 consisted of balances due to the Organization from residents. All amounts are due within one year. Based on management's past experience, amounts of approximately \$61,000 have been reserved for an allowance for uncollectible accounts in fiscal-year 2020.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE E - RESERVES AND ESCROW ACCOUNTS

In accordance with the provisions of the Organization's regulatory agreements, reserves and escrow accounts are used for the replacement of property and equipment. With the exception of the owner reserves, \$116,548 for One Forty Nine Housing Company and \$2,623,293 for Manhattan West Associates LP, the use of the reserve funds requires prior approval from the applicable regulatory agency. At the fiscal year-end, reserves and escrow consisted of the following:

	Replacement Reserve	Social Service Reserve	Operating Reserve	Other Reserves	Loan and Equity Escrow	Other Escrow	Total
Not-for-profit entities and its wholly owned subsidiaries:							
WSFSSH Inc.:							
WSFSSH Development Fund Reserve	\$ -	\$ -	\$ -	\$ 1,071,655	\$ -	\$ -	\$ 1,071,655
459 West 147th Street	30,680	-	-	-	-	6,916	37,596
Revella	235,027	107,140	-	-	-	-	342,167
West Side Special Projects	1,026,322	-	-	-	-	-	1,026,322
Claremont Park	-	571,627	1,143,271	-	-	-	1,714,898
Other Projects	92,973	-	-	-	-	516,417	609,390
WSFSSH Inc. total	1,385,002	678,767	1,143,271	1,071,655	-	523,333	4,802,028
IH Associates LLC	107,916	-	120,000	2,030,021	3,173,946	350,018	5,781,901
Marseilles LLC	291,569	-	-	538,508	-	189,397	1,019,474
One Forty Nine Housing Company	101,659	-	-	116,548	-	-	218,207
Two Hundred Six Associates L.P.	147,408	-	-	-	-	-	147,408
K&L HDFC	171,721	-	-	1,397	-	-	173,118
The Westbourne HDFC	370,312	-	993,956	-	-	-	1,364,268
West Side Special HDFC	396,754	65,347	-	-	-	-	462,101
Three Arts Club HDFC	-	-	-	-	1,074,685	-	1,074,685
Euclid Hall HDFC	2,941,352	-	1,786,922	-	-	-	4,728,274
Subtotal	5,913,693	744,114	4,044,149	3,758,129	4,248,631	1,062,748	19,771,464
Housing Entities:							
Borinquen Court Associates LP	214,992	-	787,364	454,629	-	590,692	2,047,677
Claremont Park Associates LP	39,389	-	552,984	-	-	-	592,373
One Hundred Forty Associates LP	93,234	-	83,751	-	-	87,872	264,857
PSS/WSF Housing Company LP	157,007	-	51,782	-	-	75,876	284,665
Mill Brook Terrace LP	-	-	-	-	3,061,603	-	3,061,603
Manhattan West Associates LP	356,195	-	-	2,635,249	-	191,794	3,183,238
Tres Puentes LP	58,343	850,545	1,415,761	-	107,547	1,103,162	3,535,358
West 108th Street LP	-	-	-	-	400,144	-	400,144
West Eighties Associates LP	237,489	225,291	157,639	-	-	-	620,419
Subtotal	1,156,649	1,075,836	3,049,281	3,089,878	3,569,294	2,049,396	13,990,334
Total reserves and escrow	\$ 7,070,342	\$ 1,819,950	\$ 7,093,430	\$ 6,848,007	\$ 7,817,925	\$ 3,112,144	\$ 33,761,798

NOTE F - DEFERRED DEVELOPMENT COSTS

The Organization prepays the development cost for new projects at development stage and receives reimbursements once the new projects become operational or fully funded by permanent financing sources. As of June 30, 2020, the total deferred development costs are approximately \$449,000.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE G - PROPERTY AND EQUIPMENT

At June 30, 2020, property and equipment consisted of the following:

Land	\$ 70,279,796
Buildings and leasehold improvements	403,640,922
Equipment	5,185,146
Furniture	<u>2,221,305</u>
	481,327,169
Less: accumulated depreciation	<u>(80,716,479)</u>
	<u>\$ 400,610,690</u>

NOTE H - DEFERRED LEASING COSTS

At June 30, 2020, capitalized leasing costs related to Marseilles consisted of the following:

Deferred leasing costs	\$ 1,406,350
Less: accumulated amortization	<u>(682,593)</u>
	<u>\$ 723,757</u>

NOTE I - AFFILIATE PAYABLE

The Organization is affiliated with an entity which is not consolidated with the Organization. Included in accounts payable and accrued expenses at June 30, 2020, is \$10,100 due to the affiliate entity for management fee.

NOTE J - DEVELOPMENT FEE PAYABLE

In June 2018, WSFSSH entered into a development fee agreement with Mill Brook Terrace, L.P. with respect to the construction of a 159-unit residential building located at 570 East 137th Street, Bronx, New York 10454. Under the agreement, WSFSSH provided certain development services, including preparing a business plan for the development and operation of the project, procuring all required construction and rehabilitation financing, performing selection and supervision of the architect and engineer for the project, and assisting the project to be built in accordance with an approved construction schedule. The agreement called for a total development fee of \$9,902,029, of which \$5,416,693 is to be paid out from the Project's Equity and \$4,485,336 is subject to be paid out from the Project's cash flow. Subsequently WSFSSH entered into a subcontract with NYCHA HDFC at a subcontract price of \$2,097,544 for certain development services. The developer fee payable to WSFSSH is eliminated as an intercompany transaction, however, the subcontractor developer fee payable to NYCHA HDFC is recognized and reported as developer payable of the Organization. As of June 30, 2020, the outstanding balance to pay to NYCHA HDFC is \$1,797,544.

NOTE K - FUNDS RECEIVED IN ADVANCE

The Organization has received funding related to certain contracts and grants from the State of New York and The City of New York prior to the Organization satisfying the conditions stipulated in the agreements, which include performing the related services as required by the contracts. Revenue for these agreements is recognized as the related conditions are satisfied. At June 30, 2020, funds received in advance were approximately \$111,000.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE L - CONSTRUCTION COSTS PAYABLE

VL HDFC and W108 LP entered into construction contracts with Procida Construction Corp, an unrelated company, in the original amounts of \$9,940,384 (exclusive of change orders) for the construction of the condo unit. As of June 30, 2020, the work has been completed and \$4,946,276 remains as construction payable.

Millbrook entered into construction contracts with Procida Construction Corp, an unrelated company, in the original amounts of \$54,591,262 (exclusive of change orders) for the Millbrook construction unit. As of June 30, 2020, the work is completed and \$3,965,173 remains as construction payable.

Tres Puentes entered into construction contracts with Procida Construction Corp, an unrelated company, in the original amounts of \$26,347,068 Tres Puentes East and \$54,408,968 Tres Puentes West, respectively, (exclusive of change orders) for the Tres Puentes construction unit. As of June 30, 2020, the work has been completed and \$816,655 remains as construction payable.

IH Associates LLC entered into construction contracts with Procida Construction Corp, an unrelated company, in the original amounts of \$54,591,262 (exclusive of change orders) for the Millbrook construction unit. As of June 30, 2020, the work has been completed and \$1,295,399 remains as construction payable.

Other miscellaneous construction cost payable amounted to \$97,839 as of June 30, 2020.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE M - LONG-TERM DEBT

The various debt obligations outstanding as presented in the accompanying consolidated statement of financial position as of June 30, 2020 consisted of the following:

Entity	Lender	2020	Final Maturity Date	Interest Rate
West Side Federation For Senior and Supportive Housing, Inc.	Deutsche Bank Americas Foundation	\$ 120,000	6/30/2023	Non- interest bearing
West Side Federation For Senior and Supportive Housing, Inc. (a)	J.P. Morgan Chase N.A./SBA	3,250,832	4/7/2022	.98%
Marseilles LLC	NYC Department of Housing Development Corporation	17,203,471	3/1/2051	3.96%
IH Associate LLC	NYC Department of Housing Development Corporation	25,000,000	10/26/2137	1.00%
IH Associate LLC	NYC Department of Housing Development Corporation	7,078,263	10/26/2047	4.41%
IH Associate LLC	NYC Department of Housing Development Corporation	8,273,137	10/26/2047	2.50%
West Side Special HDFC	NYC Department of Community Preservation Corporation	146,738	3/1/2037	6.27%
West Side Special HDFC	NYC Department of Community Preservation Corporation	246,360	3/1/2037	1.00%
West Side Special HDFC	NYC Department of Community Preservation Corporation	302,500	3/1/2037	Non- interest bearing
West Side Special HDFC	NYC Department of Housing Development Corporation	1,712,585	6/3/2033	1.00%
West Side Special HDFC (b)	NYC Department of Housing Development Corporation	1,243,111	1/1/2022	1.00%
West Side Special HDFC	NYC Department of Housing Development Corporation	1,405,991	5/2/2032	1.00%
West Side Special HDFC	United States Department of Housing and Urban Development	6,186,955	9/29/2036	Non- interest bearing
One Forty Nine Housing Company	NYC Department of Community Preservation Corporation	2,441,330	4/30/2034	0.00%
Euclid Hall HDFC	NYC Department of Housing Preservation Development	22,102,652	12/1/2042	0.50%
Westbourne HDFC	NYC Department of Housing Development Corporation	4,665,028	11/10/2024	Non- interest bearing
Three Arts Club HDFC (c)	NYC Department of Housing Development Corporation	43,501,769	5/9/2021	2.75%
K&L HDFC, Inc.	U.S. Department of Housing and Urban Development	5,682,800	4/1/2039	Non- interest bearing
Valley Lodge Shelter HDFC	J.P. Morgan Chase N.A.	5,759,443	Conversation date	2.25%
Two Hundred Six Associate L.P.	NYS Office of Temporary and Disability Assistance Homeless Housing Program	1,150,000	8/8/2025	1.00%
Claremont Associate L.P.	NYC Department of Housing Development Corporation	16,100,000	12/4/2060	1.00%
Claremont Associate L.P.	NYS Office of Temporary and Disability Assistance Homeless Housing Program	4,296,293	11/4/2049	Non- interest bearing
West Eighties Associate L.P.	NYC Department of Housing Development Corporation	1,900,000	7/30/2040	1.25%
West Eighties Associate L.P.	NYS Office of Temporary and Disability Assistance Homeless Housing Program	1,007,400	7/29/2040	1.00%
Borinquen Associates L.P.	NYC Department of Housing Development Corporation	3,053,029	2/26/2045	2.54%
Borinquen Associates L.P.	NYC Department of Housing Development Corporation	5,404,782	2/26/2045	5.35%
	Subtotal	189,234,469		

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE M - LONG-TERM DEBT (CONTINUED)

The various debt obligations outstanding as presented in the accompanying consolidated statement of financial position as of June 30, 2020 consisted of the following:

Entity	Lender	2020	Final Maturity Date	Interest Rate
Balance brought forward		\$ 189,234,469		
West 108th Street L.P.	NYC Department of Housing Development Corporation	16,654,165	2/28/2057	5.35%
West 108th Street L.P.	NYC Department of Housing Development Corporation	7,507,974	2/28/2057	3.26%
West 108th Street L.P.	NYC Department of Housing Development Corporation	1,573,122	2/28/2077	3.26%
West 108th Street L.P.	NYS Office of Temporary and Disability Assistance Homeless Housing Program	6,447,313	Conversation date	Non- interest bearing
One Hundred Forty Associate L.P.	NYC Department of Housing Development Corporation	1,526,885	7/1/2037	5.35%
PSS/WSF Housing Company, L.P.	New York State Housing Authority	1,540,114	7/21/2045	2.00%
PSS/WSF Housing Company, L.P.	NYC Department of Community Preservation Corporation	603,129	9/1/2035	7.07%
PSS/WSF Housing Company, L.P.	State of New York Housing Trust Fund Corporation	1,950,000	7/21/2035	1.00%
PSS/WSF Housing Company, L.P.	Presbyterian Senior Service	648,052	7/1/2035	Non- interest bearing
PSS/WSF Housing Company, L.P.	Presbyterian Senior Service	160,000	8/28/2043	4.63%
Tres Puentes L.P.	NYC Department of Housing Development Corporation	16,400,000	10/8/2049	2.20%
Tres Puentes L.P.	New York State Housing Finance Agency	24,981,425	10/8/2049	4.25%
Tres Puentes L.P.	New York State Housing Finance Agency	7,780,342	7/1/2049	1.00%
Mill Brook Terrace, L.P.	NYC Department of Housing Development Corporation	8,546,667	9/30/2060	2.65%
Mill Brook Terrace, L.P.	NYC Department of Housing Development Corporation	11,925,000	9/30/2060	2.65%
Mill Brook Terrace, L.P.	NYC Department of Housing Development Corporation	200,000	9/30/2060	2.65%
Mill Brook Terrace, L.P.	NYS Office of Temporary and Disability Assistance Homeless Housing Program	2,736,003	9/30/2060	Non- interest bearing
Mill Brook Terrace, L.P.	NYC Department of Housing Development Corporation	42,651,291	9/30/2060	5.73%
Manhattan West Associate L.P.	Berkadia Commercial Mortgage L.L.C.	<u>5,355,482</u>	5/1/2034	2.78%
Total mortgages and notes payable		348,421,433		
Less: current portion		<u>(44,517,680)</u>		
		303,903,753		
Unamortized deferred debt-issuance cost		<u>(4,411,711)</u>		
		<u>\$ 299,492,042</u>		

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE M - LONG-TERM DEBT (CONTINUED)

- (a) On April 7, 2020, the Organization received \$3,250,832 in funds from the PPP and is reported as a PPP loan payable in long-term debt on the statement of financial position as of June 30, 2020. Neither principal nor interest is due no earlier than ten months after the deferral period through September 2021. This loan may be forgiven subject to bank approval in accordance with SBA guidelines. Any outstanding principal of the loan that is not forgiven under the PPP loan program at the end of the ten-month deferral period will convert to a term loan with an interest rate of .98% payable in equal installments of principal and interest over the next twenty four months, beginning in October 2021. The Organization is in the process of applying for forgiveness.
- (b) Interest on these HPD loans will accrue at the maturity of these loans, and the principal, together with interest, will be due on maturity. However, if the properties are still owned by a not-for-profit organization on the 25th anniversary of the loans, the unpaid principal balance, together with the accrued interest thereon, will be reduced and deemed paid in five annual decrements of 20% of the respective balances.
- (c) The Organization has applied to extend the due date of the loan and is currently awaiting the approval.

The required principal payments by the Organization on the above obligations, in each of the five fiscal years subsequent to June 30, 2020, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 44,517,680
2022	1,060,083
2023	1,106,305
2024	1,114,675
2025	1,165,294
Thereafter	<u>299,457,396</u>
	<u>\$ 348,421,433</u>

NOTE N - BANK - LINE-OF-CREDIT

In May 2019, the Organization obtained a bank line-of-credit with a bank in the amount of \$5,000,000 bearing an interest rate of 5.343% plus LIBOR, which then expired in May 2020. The line-of-credit was renewed with the same terms on May 11, 2020 and expires on May 11, 2021. There were no amounts drawn from the line-of-credit during the year.

NOTE O - NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2020, net assets of \$1,143,470 with donor restrictions for housing and construction, includes contributions from the Local Initiative Support Corporation ("LISC") and the Affordable Housing Program ("AHP"). The LISC contribution was restricted for construction cost related to the community facility and commercial space located in Bronx, New York. The AHP contribution was restricted for construction cost related to the community facility space located in the Bronx, New York. During fiscal-year 2020, net assets in the amounts of \$4,589,714 were released in satisfaction of these restrictions.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE P - CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in both interest-bearing and non-interest-bearing accounts which, at times, may exceed federally insured limits. Management believes that the Organization is not exposed to any significant risk of loss due to the possible failure of the financial institutions.

NOTE Q - EMPLOYEE BENEFIT PLAN

The Organization maintains a defined-contribution pension plan (the "Plan"), operating under Section 403(b) of the Code for the benefit of all eligible employees. Plan expenses for fiscal-year 2020 was approximately \$422,000.

NOTE R - COMMITMENTS, CONTINGENCIES AND OTHER UNCERTAINTY

[1] Governmental audits:

Government-funded activities are subject to audit by the applicable granting agencies. At June 30, 2020, there were no material obligations outstanding as a result of such audits, and management believes that no material obligations will result from any future audits of such activities.

[2] Contracts:

The Organization has entered into various contacts and agreements in the normal course of business operations.

[3] Guarantees:

In conjunction with developing and managing housing facilities for the low-income, elderly, disabled and homeless persons, WSFSSH has entered into various agreements with affiliated entities guaranteeing operating deficits and tax-credit compliance. WSFSSH has not been called upon to make payments under these guarantees through the date of the consolidated financial statements, and the conditions requiring guarantee payments are considered unlikely by WSFSSH. Such guarantee payments are not anticipated in the future, and as of June 30, 2020, WSFSSH has not recognized a liability under the guarantees.

[4] Other uncertainty:

The extent of the impact of the Coronavirus ("COVID-19") outbreak on the operational and financial performance of the Organization will depend on the continued future developments, including the duration and spread of the outbreak and related travel advisories and restrictions and the impact of COVID-19 on overall demand for the Organization's services, all of which are highly uncertain and cannot be predicted. If demand for the Organization's services are impacted for an extended period, results of operations may be materially adversely affected.

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2020

NOTE S - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of June 30, 2020 because of contractual or donor-imposed restrictions:

Cash and cash equivalents (excluding restricted cash)	\$ 24,913,210
Grants and government contracts receivable, net	7,450,080
Other receivables	701,828
Advance receivable from residents	93,549
Rents receivable, net	<u>1,016,228</u>
Total financial assets available within one year	<u>34,174,895</u>
Less:	
Amounts unavailable for general expenditures within one year, due to:	
Restrictions by donors for programs	<u>(1,143,470)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 33,031,425</u>

Liquidity policy:

The Organization's policy is to structure its financial assets to maintain a sufficient level of operating cash to be available as its general expenditures, liabilities, and other obligations come due.

SUPPLEMENTARY INFORMATION

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Financial Position
June 30, 2020

	Not-for-Profit Entities & its wholly owned subsidiaries	Eliminations	Not-for-Profit Entities & its wholly owned subsidiaries	Housing Entities (LPs)	Eliminations	Housing Entities (LPs)	Consolidated Total
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 18,666,728	\$ -	\$ 18,666,728	\$ 6,246,482	\$ -	\$ 6,246,482	\$ 24,913,210
Restricted cash	1,144,400	-	1,144,400	-	-	-	1,144,400
Grants and government contracts receivable	7,030,354	-	7,030,354	419,726	-	419,726	7,450,080
Receivable from affiliates - current portion	5,943,667	(5,943,667)	-	-	-	-	-
Rents receivable, net	827,241	-	827,241	188,987	-	188,987	1,016,228
Advances receivable from residents, net	93,434	-	93,434	115	-	115	93,549
Other receivables	596,952	-	596,952	104,876	-	104,876	701,828
Prepaid expenses	802,450	-	802,450	680,066	-	680,066	1,482,516
Total current assets	35,105,226	(5,943,667)	29,161,559	7,640,252	-	7,640,252	36,801,811
Property and equipment	150,918,619	-	150,918,619	276,913,239	(27,221,168)	249,692,071	400,610,690
Other assets:							
Reserves and escrow	19,771,466	-	19,771,466	13,990,332	-	13,990,332	33,761,798
Notes and loan receivable from affiliates	13,653,953	(13,653,953)	-	-	-	-	-
Receivable from affiliates - developer fee receivable	12,297,156	(12,297,156)	-	-	-	-	-
Tenant security deposits held	484,943	-	484,943	187,510	-	187,510	672,453
Other security deposits	44,120	-	44,120	133,371	-	133,371	177,491
Investment in partnerships	7,477,868	(7,477,868)	-	-	-	-	-
Prepaid deferred development cost	449,076	-	449,076	-	-	-	449,076
Deferred fees, net of accumulated amortization	47,922	-	47,922	675,835	-	675,835	723,757
Total other assets	54,226,504	(33,428,977)	20,797,527	14,987,048	-	14,987,048	35,784,575
Total assets	<u>\$ 240,250,349</u>	<u>\$ (39,372,644)</u>	<u>\$ 200,877,705</u>	<u>\$ 299,540,539</u>	<u>\$ (27,221,168)</u>	<u>\$ 272,319,371</u>	<u>\$ 473,197,076</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Financial Position (continued)

June 30, 2020

	Not-for-Profit Entities & its wholly owned subsidiaries	Eliminations	Not-for-Profit Entities & its wholly owned subsidiaries	Housing Entities (LPs)	Eliminations	Housing Entities (LPs)	Consolidated Total
LIABILITIES AND NET ASSETS							
Current liabilities:							
Accounts payable and accrued expenses	\$ 3,482,570	\$ -	\$ 3,482,570	\$ 1,067,550	\$ -	\$ 1,067,550	\$ 4,550,120
Construction costs payable	2,085,847	-	2,085,847	9,035,495	-	9,035,495	11,121,342
Due to residents	1,144,400	-	1,144,400	-	-	-	1,144,400
Payable to affiliate- current portion	24,328	(24,328)	-	5,919,341	(5,919,341)	-	-
Rents received in advance	142,775	-	142,775	189,681	-	189,681	332,456
Funds received in advance	111,088	-	111,088	-	-	-	111,088
Long-term debt - current portion	<u>43,923,378</u>	<u>-</u>	<u>43,923,378</u>	<u>594,301</u>	<u>-</u>	<u>594,301</u>	<u>44,517,679</u>
Total current liabilities	<u>50,914,386</u>	<u>(24,328)</u>	<u>50,890,058</u>	<u>16,806,368</u>	<u>(5,919,341)</u>	<u>10,887,027</u>	<u>61,777,085</u>
Long-term debts:							
Accrued interest expense	6,108,083	-	6,108,083	3,805,650	-	3,805,650	9,913,733
Long-term debt payable	<u>113,121,232</u>	<u>-</u>	<u>113,121,232</u>	<u>186,370,810</u>	<u>-</u>	<u>186,370,810</u>	<u>299,492,042</u>
Total long-term debts	119,229,315	-	119,229,315	190,176,460	-	190,176,460	309,405,775
Other liabilities:							
Tenants' security deposits held	484,943	-	484,943	187,510	-	187,510	672,453
Notes and loan payable to affiliates	259,159	(259,159)	-	13,394,794	(13,394,794)	-	-
Developer fee payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,094,704</u>	<u>(12,297,160)</u>	<u>1,797,544</u>	<u>1,797,544</u>
Total other liabilities	744,102	(259,159)	484,943	27,677,008	(25,691,954)	1,985,054	2,469,997
Total liabilities	<u>170,887,803</u>	<u>(283,487)</u>	<u>170,604,316</u>	<u>234,659,836</u>	<u>(31,611,295)</u>	<u>203,048,541</u>	<u>373,652,857</u>
Net assets:							
Without donor restrictions	68,219,076	(39,089,157)	29,129,919	2,215,126	439	2,215,565	31,345,484
With donor restrictions	<u>1,143,470</u>	<u>-</u>	<u>1,143,470</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,143,470</u>
	69,362,546	(39,089,157)	30,273,389	2,215,126	439	2,215,565	32,488,954
Noncontrolling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,665,577</u>	<u>4,389,688</u>	<u>67,055,265</u>	<u>67,055,265</u>
Total net assets	<u>69,362,546</u>	<u>(39,089,157)</u>	<u>30,273,389</u>	<u>64,880,703</u>	<u>4,390,127</u>	<u>69,270,830</u>	<u>99,544,219</u>
Total liabilities and net assets	<u>\$ 240,250,349</u>	<u>\$ (39,372,644)</u>	<u>\$ 200,877,705</u>	<u>\$ 299,540,539</u>	<u>\$ (27,221,168)</u>	<u>\$ 272,319,371</u>	<u>\$ 473,197,076</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Activities
Year Ended June 30, 2020

	Not-for-Profit Entities & Its Wholly Owned Subsidiaries				Housing Entities (LPs)			Consolidated Total
	Without Donor Restrictions	With Donor Restrictions	Eliminations	Total	Housing Entities (LPs)	Eliminations	Total	
Public support and revenue:								
Contributions and grants	\$ 576,771	\$ 1,961,825	\$ -	\$ 2,538,596	\$ -	\$ -	\$ -	\$ 2,538,596
In-kind contributions	621,556	-	-	621,556	-	-	-	621,556
Contribution from affiliates	558,000	-	(558,000)	-	-	-	-	-
Government contracts	14,559,865	-	-	14,559,865	483,139	-	483,139	15,043,004
Rental income - resident	17,174,171	-	-	17,174,171	16,883,017	-	16,883,017	34,057,188
Rental income - commercial	1,254,312	-	-	1,254,312	363,487	-	363,487	1,617,799
Rental income - parking	118,650	-	-	118,650	-	-	-	118,650
Management and other fees	2,007,337	-	(2,007,337)	-	-	-	-	-
Overhead income	106,160	-	(106,160)	-	-	-	-	-
Development fee income	7,504,485	-	(7,504,485)	-	-	-	-	-
Income from partnership	2,235,716	-	(2,235,716)	-	-	-	-	-
Interest and other income	1,721,989	-	(735,331)	986,658	568,129	-	568,129	1,554,787
Total public support and revenue before net assets released from restrictions	<u>48,439,012</u>	<u>1,961,825</u>	<u>(13,147,029)</u>	<u>37,253,808</u>	<u>18,297,772</u>	<u>-</u>	<u>18,297,772</u>	<u>55,551,580</u>
Net assets released from restrictions	<u>4,589,714</u>	<u>(4,589,714)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>53,028,726</u>	<u>(2,627,889)</u>	<u>(13,147,029)</u>	<u>37,253,808</u>	<u>18,297,772</u>	<u>-</u>	<u>18,297,772</u>	<u>55,551,580</u>
Expenses:								
Social services and residential care	9,694,934	-	-	9,694,934	-	-	-	9,694,934
Housing program	20,765,540	-	(2,071,725)	18,693,815	10,521,210	(1,025,522)	9,495,688	28,189,503
Total program services	<u>30,460,474</u>	<u>-</u>	<u>(2,071,725)</u>	<u>28,388,749</u>	<u>10,521,210</u>	<u>(1,025,522)</u>	<u>9,495,688</u>	<u>37,884,437</u>
Management and general	4,551,945	-	-	4,551,945	-	-	-	4,551,945
Fundraising	86,497	-	-	86,497	-	-	-	86,497
Total supporting services	<u>4,638,442</u>	<u>-</u>	<u>-</u>	<u>4,638,442</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,638,442</u>
Interest and debt service fees	1,069,686	-	-	1,069,686	3,584,367	-	3,584,367	4,654,053
Interest accrued expense	1,792,974	-	(2,592)	1,790,382	1,198,416	(306,988)	891,428	2,681,810
Total expenses before depreciation and amortization	<u>37,961,576</u>	<u>-</u>	<u>(2,074,317)</u>	<u>35,887,259</u>	<u>15,303,993</u>	<u>(1,332,510)</u>	<u>13,971,483</u>	<u>49,858,742</u>
Change in net assets before amortization and depreciation	15,067,150	(2,627,889)	(11,072,712)	1,366,549	2,993,779	1,332,510	4,326,289	5,692,838
Depreciation and amortization expense	<u>(4,600,239)</u>	<u>-</u>	<u>-</u>	<u>(4,600,239)</u>	<u>(8,791,477)</u>	<u>872,051</u>	<u>(7,919,426)</u>	<u>(12,519,665)</u>
Change in net assets before non-controlling interest	<u>10,466,911</u>	<u>(2,627,889)</u>	<u>(11,072,712)</u>	<u>(3,233,690)</u>	<u>(5,797,698)</u>	<u>2,204,561</u>	<u>(3,593,137)</u>	<u>(6,826,827)</u>
Change in net assets attributable to non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,632,144)</u>	<u>2,067,728</u>	<u>(5,564,416)</u>	<u>(5,564,416)</u>
Change in net assets attributable to WSFSSH and its wholly owned entities	<u>\$ 10,466,911</u>	<u>\$ (2,627,889)</u>	<u>\$ (11,072,712)</u>	<u>\$ (3,233,690)</u>	<u>\$ 1,834,446</u>	<u>\$ 136,833</u>	<u>\$ 1,971,279</u>	<u>\$ (1,262,411)</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Functional Expenses
Year Ended June 30, 2020

	Program Services			Supporting Services			Total Entities with 100% Controlling Assets	Housing Entities With Less Than 100% Controlling Assets			Total Consolidated	
	Social and Supportive Services	Housing Operations	Eliminations	Total Program Services	Management and General	Fundraising		Total Supporting Services	Housing Programs	Eliminations		Total Housing
Salaries and temporary employees	\$ 6,272,939	\$ 8,627,553	\$ -	\$ 14,900,492	\$ 2,861,873	\$ 67,217	\$ 2,929,090	\$ 17,829,582	\$ 2,370,849	\$ -	\$ 2,370,849	\$ 20,200,431
P/R taxes and employee benefits	1,590,700	2,612,339	-	4,203,039	732,286	17,907	750,193	4,953,232	818,724	-	818,724	5,771,956
Total salaries and related expense	<u>7,863,639</u>	<u>11,239,892</u>	<u>-</u>	<u>19,103,531</u>	<u>3,594,159</u>	<u>85,124</u>	<u>3,679,283</u>	<u>22,782,814</u>	<u>3,189,573</u>	<u>-</u>	<u>3,189,573</u>	<u>25,972,387</u>
Professional fees	768,016	647,361	-	1,415,377	394,300	-	394,300	1,809,677	523,924	-	523,924	2,333,601
Telephone and internet	77,979	211,692	-	289,671	106,183	-	106,183	395,854	78,905	-	78,905	474,759
Administrative expenses	73,916	711,758	-	785,674	243,531	773	244,304	1,029,978	190,136	-	190,136	1,220,114
Management fees	-	996,363	(996,363)	-	-	-	-	-	1,148,529	(1,010,973)	137,556	137,556
Overhead fees	-	91,612	(91,612)	-	-	-	-	-	14,549	(14,549)	-	-
Insurance	79,049	646,923	-	725,973	4,787	-	4,787	730,760	635,287	-	635,287	1,366,047
Lease expense	77,822	282,791	-	360,613	-	-	-	360,613	-	-	-	360,613
Real estate taxes	-	366,437	-	366,437	-	-	-	366,437	1,681,787	-	1,681,787	2,048,224
Food	131,457	699,039	-	830,495	-	-	-	830,495	140,828	-	140,828	971,323
Utilities	205,664	1,619,253	-	1,824,917	-	-	-	1,824,917	1,234,870	-	1,234,870	3,059,787
Supplies	161,169	426,507	-	587,676	158,919	600	159,519	747,195	126,784	-	126,784	873,979
Equipment, maintenance and repair	92,373	1,505,439	-	1,597,812	16,127	-	16,127	1,613,939	1,515,922	-	1,515,922	3,129,861
Social and recreation expense	163,850	52,957	-	216,807	-	-	-	216,807	24,918	-	24,918	241,725
Donation to affiliates	-	558,000	(558,000)	-	-	-	-	-	-	-	-	-
Housing project support to affiliates	-	425,750	(425,750)	-	-	-	-	-	-	-	-	-
Bad debt expense	-	283,766	-	283,766	33,939	-	33,939	317,705	15,198	-	15,198	332,903
Total expenses per statement of activities	<u>9,694,934</u>	<u>20,765,540</u>	<u>(2,071,725)</u>	<u>28,388,749</u>	<u>4,551,945</u>	<u>86,497</u>	<u>4,638,442</u>	<u>33,027,191</u>	<u>10,521,210</u>	<u>(1,025,522)</u>	<u>9,495,688</u>	<u>42,522,879</u>
Interest and finance charges	864	1,058,327	-	1,059,191	10,495	-	10,495	1,069,686	3,584,367	-	3,584,367	4,654,053
Interest accrued expense	-	1,792,974	(2,592)	1,790,382	-	-	-	1,790,382	1,198,416	(306,988)	891,428	2,681,810
Total expenses before depreciation and amortization	<u>9,695,798</u>	<u>23,616,841</u>	<u>(2,074,317)</u>	<u>31,238,322</u>	<u>4,562,440</u>	<u>86,497</u>	<u>4,648,937</u>	<u>35,887,259</u>	<u>15,303,993</u>	<u>(1,332,510)</u>	<u>13,971,483</u>	<u>49,858,742</u>
Depreciation and amortization	-	4,574,846	-	4,574,846	25,393	-	25,393	4,600,239	8,791,477	(872,051)	7,919,246	12,519,665
Total expenses	<u>\$ 9,695,798</u>	<u>\$ 28,191,687</u>	<u>\$ (2,074,317)</u>	<u>\$ 35,813,168</u>	<u>\$ 4,587,833</u>	<u>\$ 86,497</u>	<u>\$ 4,674,330</u>	<u>\$ 40,487,498</u>	<u>\$ 24,095,470</u>	<u>\$ (2,204,561)</u>	<u>\$ 21,890,909</u>	<u>\$ 62,378,407</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Financial Position – Housing Entities
Year Ended June 30, 2020

	<u>Borinquen Court Associates LP</u>	<u>Claremont Park Associates LP</u>	<u>One Hundred Forty Associates LP</u>	<u>PSS/WSF Housing Company LP</u>	<u>Mill Brook Terrace LP</u>	<u>Manhattan West Associates LP</u>	<u>Tres Puentes LP</u>	<u>West 108th Street LP</u>	<u>West Eighties Associates LP</u>	<u>Elimination</u>	<u>Total</u>
ASSETS											
Current assets:											
Cash and cash equivalents	\$ 67,190	\$ 122,678	\$ 161,840	\$ 44,859	\$ 1,267,369	\$ 2,259,821	\$ 2,086,340	\$ 37,637	\$ 198,748	\$ -	\$ 6,246,482
Grants and government contracts receivable	-	-	-	419,726	-	-	-	-	-	-	419,726
Rents receivable, net	354	17,832	897	10,633	57,585	26,475	54,831	-	20,380	-	188,987
Advances receivable from residents, net	(38)	-	(16)	-	-	-	169	-	-	-	115
Other receivables	1,798	45,856	1,155	8,644	13,725	-	33,343	-	355	-	104,876
Prepaid expenses	<u>(32,143)</u>	<u>15,849</u>	<u>(5,714)</u>	<u>14,021</u>	<u>25,931</u>	<u>733,081</u>	<u>(80,172)</u>	<u>-</u>	<u>9,213</u>	<u>-</u>	<u>680,066</u>
Total current assets	37,161	202,215	158,162	497,883	1,364,610	3,019,377	2,094,511	37,637	228,696	-	7,640,252
Property and equipment	18,925,548	20,888,028	3,205,190	5,191,908	80,431,348	2,102,826	106,183,421	34,604,491	5,380,480	(27,221,169)	249,692,071
Other assets:											
Reserves and escrow	2,047,676	592,373	264,857	284,665	3,061,603	3,183,238	3,535,358	400,144	620,418	-	13,990,332
Tenant security deposits held	36,038	16,753	5,121	13,965	12,245	56,476	37,510	-	9,402	-	187,510
Other security deposits	430	240	-	240	68,745	390	62,408	-	918	-	133,371
Deferred fees, net of accumulated amortization	<u>58,007</u>	<u>33,218</u>	<u>14,719</u>	<u>-</u>	<u>46,030</u>	<u>-</u>	<u>-</u>	<u>523,861</u>	<u>-</u>	<u>-</u>	<u>675,835</u>
Total other assets	2,142,151	642,584	284,697	298,870	3,188,623	3,240,104	3,635,276	924,005	630,738	-	14,987,048
Total assets	<u>\$ 21,104,860</u>	<u>\$ 21,732,827</u>	<u>\$ 3,648,049</u>	<u>\$ 5,988,661</u>	<u>\$ 84,984,581</u>	<u>\$ 8,362,307</u>	<u>\$ 111,913,208</u>	<u>\$35,566,133</u>	<u>\$ 6,239,914</u>	<u>\$(27,221,169)</u>	<u>\$ 272,319,371</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Financial Position – Housing Entities (continued)
Year Ended June 30, 2020

	<u>Borinquen Court Associates LP</u>	<u>Claremont Park Associates LP</u>	<u>One Hundred Forty Associates LP</u>	<u>PSS/WSF Housing Company LP</u>	<u>Mill Brook Terrace LP</u>	<u>Manhattan West Associates LP</u>	<u>Tres Puentes LP</u>	<u>West 108th Street LP</u>	<u>West Eighties Associates LP</u>	<u>Elimination</u>	<u>Total</u>
LIABILITIES AND NET ASSETS											
Current liabilities:											
Accounts payable and accrued expenses	\$ 163,358	\$ 82,605	\$ 47,335	\$ 71,569	\$ 124,273	\$ 439,692	\$ 111,303	\$ 4,012	\$ 23,403	\$ -	\$ 1,067,550
Construction payable	-	-	-	-	3,965,173	-	837,183	4,233,139	-	-	9,035,495
Payable to affiliate-current portion	937,880	908,173	921,715	1,409,218	889,503	105,960	510,372	199,119	37,401	(5,919,341)	
Deferred rent received	1,912	13,619	3,878	4,076	5,371	150,642	6,531	-	3,652	-	189,681
Long-term debt - current portion	<u>108,504</u>	<u>-</u>	<u>57,067</u>	<u>23,235</u>	<u>-</u>	<u>-</u>	<u>405,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>594,301</u>
Total current liabilities	<u>1,211,654</u>	<u>1,004,397</u>	<u>1,029,995</u>	<u>1,508,098</u>	<u>4,984,320</u>	<u>696,294</u>	<u>1,870,884</u>	<u>4,436,270</u>	<u>64,456</u>	<u>(5,919,341)</u>	<u>10,887,027</u>
Long-term debt:											
Accrued interest expense	-	1,566,429	-	995,173	-	12,407	879,545	-	352,096	-	3,805,650
Long-term debt payable	<u>8,036,483</u>	<u>20,388,398</u>	<u>1,443,625</u>	<u>4,878,060</u>	<u>66,058,961</u>	<u>5,299,669</u>	<u>47,390,420</u>	<u>29,980,170</u>	<u>2,895,024</u>	<u>-</u>	<u>186,370,810</u>
Total long-term debt	<u>8,036,483</u>	<u>21,954,827</u>	<u>1,443,625</u>	<u>5,873,233</u>	<u>66,058,961</u>	<u>5,312,076</u>	<u>48,269,965</u>	<u>29,980,170</u>	<u>3,247,120</u>	<u>-</u>	<u>190,176,460</u>
Other liabilities:											
Tenants' security deposits held	36,038	16,753	5,121	13,965	12,245	56,476	37,510	-	9,402	-	187,510
Notes and loan payable to affiliates	4,442,105	-	1,222,000	1,297,962	1,639,095	-	4,793,632	-	-	(13,394,794)	-
Developer fee payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,302,029</u>	<u>-</u>	<u>4,792,676</u>	<u>-</u>	<u>-</u>	<u>(12,297,161)</u>	<u>1,797,544</u>
Total other liabilities	<u>4,478,143</u>	<u>16,753</u>	<u>1,227,121</u>	<u>1,311,927</u>	<u>10,953,369</u>	<u>56,476</u>	<u>9,623,818</u>	<u>-</u>	<u>9,402</u>	<u>(25,691,955)</u>	<u>1,985,054</u>
Total liabilities	<u>13,726,280</u>	<u>22,975,977</u>	<u>3,700,741</u>	<u>8,693,258</u>	<u>81,996,650</u>	<u>6,064,846</u>	<u>59,764,667</u>	<u>34,416,440</u>	<u>3,320,978</u>	<u>(31,611,296)</u>	<u>203,048,541</u>
Net assets:											
Without donor restrictions:											
Controlling interest	1,551,644	(946)	(43)	(831)	(110)	665,464	108	-	(160)	439	2,215,565
Non-controlling interest	<u>5,826,936</u>	<u>(1,242,204)</u>	<u>(52,649)</u>	<u>(2,703,766)</u>	<u>2,988,041</u>	<u>1,631,997</u>	<u>52,148,433</u>	<u>1,149,693</u>	<u>2,919,096</u>	<u>4,389,688</u>	<u>67,055,265</u>
Total net assets	<u>7,378,580</u>	<u>(1,243,150)</u>	<u>(52,692)</u>	<u>(2,704,597)</u>	<u>2,987,931</u>	<u>2,297,461</u>	<u>52,148,541</u>	<u>1,149,693</u>	<u>2,918,936</u>	<u>4,390,127</u>	<u>69,270,830</u>
Total liabilities and net assets	<u>\$ 21,104,860</u>	<u>\$ 21,732,827</u>	<u>\$ 3,648,049</u>	<u>\$ 5,988,661</u>	<u>\$ 84,984,581</u>	<u>\$ 8,362,307</u>	<u>\$ 111,913,208</u>	<u>\$ 35,566,133</u>	<u>\$ 6,239,914</u>	<u>\$ (27,221,169)</u>	<u>\$ 272,319,371</u>

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Activities - Housing Entities
Year Ended June 30, 2020

	Borinquen Court Associates LP	Claremont Park Associates LP	One Hundred Forty Associates LP	PSS/WSF Housing Company LP	Mill Brook Terrace LP	Manhattan West Associates LP	Tres Puentes LP	West 108th Street LP	West Eighties Associates LP	Elimination	Total
Income:											
Government contracts	\$ -	\$ -	\$ -	\$ 483,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 483,139
Gross potential rental income - resident	2,473,975	1,441,126	711,713	220,658	495,470	8,159,278	3,449,765	-	335,355	-	17,287,340
Less: vacancy loss	(41,535)	(9,935)	(2,344)	(34,588)	(10,858)	(282,800)	(15,989)	-	(6,274)	-	(404,323)
Net rental income - resident	2,432,440	1,431,191	709,369	186,070	484,612	7,876,478	3,433,776	-	329,081	-	16,883,017
Gross potential income - commercial	-	-	-	93,277	-	73,022	225,225	-	84,313	-	475,837
Less: vacancy loss	-	-	-	-	-	-	(112,350)	-	-	-	(112,350)
Net rental income - commercial	-	-	-	93,277	-	73,022	112,875	-	84,313	-	363,487
Total rental income	2,432,440	1,431,191	709,369	279,347	484,612	7,949,500	3,546,651	-	413,394	-	17,246,504
Interest and other income	62,930	5,481	2,534	5,908	1,063	111,560	372,374	-	6,279	-	568,129
Total income	2,495,370	1,436,672	711,903	768,394	485,675	8,061,060	3,919,025	-	419,673	-	18,297,772
Expenses:											
Salaries and temporary employees	493,785	431,769	124,620	253,527	129,486	537,056	338,975	-	61,631	-	2,370,849
Payroll taxes and employee benefits	185,965	118,451	51,822	78,088	40,499	194,502	133,306	-	16,091	-	818,724
Professional fees	30,368	47,466	14,707	19,645	53,712	74,905	265,290	-	17,831	-	523,924
Telephone and internet	17,526	9,310	8,525	9,742	9,074	2,087	15,736	-	6,905	-	78,905
Administrative expenses	27,632	28,826	7,555	16,364	17,106	58,730	27,115	-	6,808	-	190,136
Management and other fees	123,026	155,714	44,464	55,093	25,382	433,076	219,678	-	92,097	(1,010,974)	137,556
Overhead expenses	-	14,549	-	-	-	-	-	-	-	(14,549)	-
Insurance	100,797	23,934	16,258	42,971	77,840	145,007	207,375	-	21,105	-	635,287
Lease expenses	-	-	-	-	-	-	-	-	-	-	-
Real estate taxes	213,291	-	112,424	-	-	1,349,857	6,215	-	-	-	1,681,787
Food	15,847	103,476	724	-	30	-	19,074	-	1,677	-	140,828
Utilities	239,715	55,166	39,676	140,153	102,410	320,124	272,602	-	65,024	-	1,234,870
Supplies	32,024	27,073	4,866	9,078	19,487	11,946	20,256	-	2,054	-	126,784
Equipment, maintenance and repair	286,246	191,369	44,821	237,184	29,760	577,114	109,743	-	39,685	-	1,515,922
Social and recreation expense	14,470	-	-	-	1,128	666	8,654	-	-	-	24,918
Donation to affiliates	-	-	-	-	-	-	-	-	-	-	-
Housing project expenses	-	-	-	-	-	-	-	-	-	-	-
Bad debt expenses	-	5,708	83	7,108	-	-	1,376	-	923	-	15,198
Total expenses before finance and depreciation	1,780,692	1,212,811	470,545	868,953	505,914	3,705,070	1,645,395	-	331,831	(1,025,523)	9,495,688
Change in net assets before finance and depreciation expenses	714,678	223,861	241,358	(100,559)	(20,239)	4,355,990	2,273,630	-	87,842	1,025,523	8,802,083
Finance and depreciation expenses:											
Interest and finance charges	345,429	4,900	114,381	44,746	182,572	183,349	2,704,915	792	3,283	-	3,584,367
Interest accruals	151,822	261,938	111,999	148,307	-	-	480,739	-	43,611	(306,988)	891,428
Depreciation and amortization	1,096,118	1,078,383	151,991	660,806	1,018,119	203,477	4,213,533	-	369,050	(872,051)	7,919,426
Total finance and depreciation expenses	1,593,369	1,345,221	378,371	853,859	1,200,691	386,826	7,399,187	792	415,944	(1,179,039)	12,395,221
Change in net assets	(878,691)	(1,121,360)	(137,013)	(954,418)	(1,220,930)	3,969,164	(5,125,557)	(792)	(328,102)	2,204,562	(3,593,137)
Change in net assets attributable to non-controlling interests-others	(878,601)	(1,121,249)	(136,999)	(954,323)	(1,220,808)	2,133,746	(5,125,047)	(792)	(328,071)	2,067,728	(5,564,416)
Change in net assets attributable to WSFSSH and its wholly owned entities	\$ (90)	\$ (111)	\$ (14)	\$ (95)	\$ (122)	\$ 1,835,418	\$ (510)	\$ (0)	\$ (31)	\$ 136,834	\$ 1,971,279

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Financial Position - Not-for-Profit Entities and Its Wholly Owned Subsidiaries
Year Ended June 30, 2020

	WSFSSH Inc.	Housing Companies (GP)	Housing Companies (FHSS)	Independence House LLC	WSFSSH PA LLC	Marseilles, LLC	Kowal House LP	Michalski (206 Assoc) LP	K&L HDFC	Valley Lodge Shelter HDFC	West 108 Street HDFC	Westbourne HDFC	WSA HDFC	WSS HDFC	Three Arts HDFC	East 138th HDFC	Euclid Hall HDFC	Elimination	Total
ASSETS																			
Current assets:																			
Cash and cash equivalents	\$ 11,631,964	\$ -	\$ 36,657	\$ 844,535	\$ 81,165	\$ 3,307,104	\$ 31,806	\$ 35,066	\$ 30,399	\$ 77,470	\$ 37,930	\$ 96,306	\$ 81,022	\$ 3,316	\$ 80,297	\$ 169,290	\$ 2,122,401	\$ -	\$ 18,666,728
Restricted cash	1,144,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,144,400
Grants and government contracts receivable	6,438,669	-	-	-	-	535,885	-	-	-	-	-	-	-	-	-	55,800	-	-	7,030,354
Receivable from affiliates – current portion	(2,618,351)	(20,971)	(32)	(1,665,279)	(506,560)	12,668,805	(306,061)	(1,053,723)	(300,701)	(115,070)	15,524	(23,939)	1,017,900	(603,259)	(355,612)	(41,743)	(147,261)	(5,943,667)	-
Rents receivable, net	425,937	-	-	111,754	-	12,660	21,122	6,481	59,697	-	-	72,945	-	-	17,440	9,570	89,635	-	827,241
Advances receivable from residents, net	93,434	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93,434
Other receivables	347,027	-	-	178,404	-	5,385	502	2,185	1,538	-	-	8,398	-	-	2,560	21,981	28,972	-	596,952
Prepaid expenses	550,158	135	135	56,924	(255)	66,349	4,346	2,578	70,216	-	-	17,817	-	135	6,426	135	27,351	-	802,450
Total current assets	18,013,238	(20,836)	36,760	(473,662)	(425,650)	16,596,188	(248,285)	(1,007,413)	(138,851)	(37,600)	53,454	171,527	1,098,922	(599,808)	(248,889)	215,033	2,121,098	(5,943,667)	29,161,559
Property and equipment	2,269,032	-	-	42,244,953	-	17,246,683	788,685	2,168,872	3,505,632	6,441,536	15,893	6,044,263	-	5,251,224	40,919,470	588,228	23,434,148	-	150,918,619
Other assets:																			
Reserves and escrow	4,802,029	-	-	5,781,900	-	1,019,475	218,207	147,408	173,119	-	-	1,364,268	-	462,101	1,074,685	-	4,728,274	-	19,771,466
Notes and loan receivable from affiliates	12,431,953	-	-	-	-	-	-	-	-	-	-	-	1,222,000	-	-	-	-	(13,653,953)	-
Receivable from affiliates – developer fee receivable	12,297,156	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(12,297,156)	-
Tenant security deposits held	133,625	-	-	60,388	-	176,088	8,616	40	11,649	-	-	12,162	-	-	7,343	53,400	21,632	-	484,943
Other security deposits	4,330	-	-	32,625	-	-	-	-	-	-	-	-	-	-	7,165	-	-	-	44,120
Investment in Partnerships	5,801,313	1,549,577	(509,505)	-	-	-	-	-	-	-	-	-	-	636,483	-	-	-	(7,477,868)	-
Prepaid deferred development cost	-	-	-	-	449,076	-	-	-	-	-	-	-	-	-	-	-	-	-	449,076
Deferred fees, net of accumulated amortization	-	-	-	-	-	47,922	-	-	-	-	-	-	-	-	-	-	-	-	47,922
Total other assets	35,470,406	1,549,577	(509,505)	5,874,913	449,076	1,243,485	226,823	147,448	184,768	-	-	1,376,430	1,222,000	1,098,584	1,089,193	53,400	4,749,906	(33,428,977)	20,797,526
Total assets	\$ 55,752,676	\$ 1,528,741	\$ (472,745)	\$ 47,646,204	\$ 23,426	\$ 35,086,356	\$ 767,223	\$ 1,308,907	\$ 3,551,549	\$ 6,403,936	\$ 69,347	\$ 7,592,220	\$ 2,320,922	\$ 5,750,000	\$ 41,759,774	\$ 856,661	\$ 30,305,151	\$ (39,372,644)	\$ 200,877,705

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Financial Position - Not-for-Profit Entities and Its Wholly Owned Subsidiaries (continued)
Year Ended June 30, 2020

	WSFSSH Inc.	Housing Companies (GP)	Housing Companies (FHSS)	Independence House LLC	WSFSSH PA LLC	Marseilles, LLC	Kowal House LP	Michalski (206 Assoc) LP	K&L HDFC	Valley Lodge Shelter HDFC	West 108 Street HDFC	Westbourne HDFC	WSA HDFC	WSS HDFC	Three Arts HDFC	East 138th HDFC	Euclid Hall HDFC	Elimination	Total
LIABILITIES AND NET ASSETS																			
Current liabilities:																			
Accounts payable and accrued expenses	\$ 2,497,270	\$ -	\$ 4,120	\$ 203,646	\$ 34,674	\$ 120,156	\$ 92,657	\$ 22,645	\$ 62,671	\$ 308	\$ 69,732	\$ 70,411	\$ -	\$ -	\$ 99,924	\$ -	\$ 204,356	\$ -	\$ 3,482,570
Construction payable	-	-	-	1,295,399	-	-	-	-	-	790,448	-	-	-	-	-	-	-	-	2,085,847
Due to residents	1,142,805	-	-	19	-	980	-	-	-	-	-	-	-	-	-	-	596	-	1,144,400
Rents received in advance	29,872	-	-	13,843	-	35,641	3,405	793	342	-	-	8,927	-	-	27	-	49,925	-	142,775
Deferred contract revenue	111,088	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	111,088
Long-term debt - current portion	40,000	-	-	76,081	-	292,401	-	-	-	-	-	-	-	13,127	43,501,769	-	-	-	43,923,378
Total current liabilities	3,821,035	-	4,120	1,588,988	34,674	449,178	96,062	23,438	87,340	790,756	69,732	79,338	-	13,127	43,601,720	-	254,877	(24,327)	50,890,060
Long-term debts:																			
Accrued interest expense	-	-	-	1,252,905	-	-	-	318,942	-	-	-	-	-	-	3,744,932	-	791,304	-	6,108,080
Long-term debt payable	3,330,831	-	-	40,165,991	-	16,738,257	2,441,330	1,150,000	5,682,800	5,613,230	-	4,665,028	-	11,231,113	-	-	22,102,652	-	113,121,232
Total long-term debts	3,330,831	-	-	41,418,896	-	16,738,257	2,441,330	1,468,942	5,682,800	5,613,230	-	4,665,028	-	11,231,113	3,744,932	-	22,893,952	-	119,229,315
Other liabilities:																			
Tenants' security deposits held	133,623	-	-	60,388	-	176,088	8,617	40	35,977	-	-	12,162	-	-	7,343	53,400	21,632	(24,327)	484,943
Notes and loan payable to affiliates	-	-	-	-	-	-	-	-	259,159	-	-	-	-	-	-	-	-	(259,159)	-
Total other liabilities	133,624	-	-	60,388	-	176,088	8,617	40	270,808	-	-	12,162	-	-	7,343	53,400	21,632	(259,159)	484,943
Total liabilities	7,285,489	-	4,120	43,068,272	34,674	17,363,523	2,546,009	1,492,420	6,040,949	6,403,986	69,732	4,756,528	-	11,244,240	47,353,995	53,400	23,170,465	(283,486)	170,604,316
Net assets:																			
Controlling interest:																			
Without donor restrictions	47,323,717	1,528,741	(476,865)	4,577,932	(11,248)	17,722,833	(1,778,786)	(183,513)	(2,489,400)	(50)	(385)	2,835,692	2,320,922	(5,494,240)	(5,594,221)	803,261	7,134,686	(39,089,157)	29,129,919
With donor restrictions	1,143,470	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,143,470
Total net assets	48,467,187	1,528,741	(476,865)	4,577,932	(11,248)	17,722,833	(1,778,786)	(183,513)	(2,489,400)	(50)	(385)	2,835,692	2,320,922	(5,494,240)	(5,594,221)	803,261	7,134,690	(39,089,157)	30,273,389
Total liabilities and net assets	\$ 55,752,676	\$ 1,528,741	\$ (472,745)	\$ 47,646,204	\$ 23,426	\$ 35,086,356	\$ 767,223	\$ 1,308,907	\$ 3,551,549	\$ 6,403,936	\$ 69,347	\$ 7,592,220	\$ 2,320,922	\$ 5,750,000	\$ 41,759,774	\$ 856,661	\$ 30,305,151	\$ (39,372,644)	\$ 200,877,705

WEST SIDE FEDERATION FOR SENIOR AND SUPPORTIVE HOUSING, INC. AND AFFILIATES

Consolidating Statement of Activities - Not-for-Profit Entities and Its Wholly Owned Subsidiaries
Year Ended June 30, 2020

	WSFSSH Inc.	Housing Companies (GP)	Housing Companies (FHSS)	Independence House LLC	WSFSSH PA LLC	Marseilles, LLC	Kowal House LP	Michalski (206 Assoc) LP	K&L HDFC	Westbourne HDFC	WSA HDFC	WSS HDFC	Three Arts HDFC	East 138th HDFC	Euclid Hall HDFC	Elimination	Total
Income:																	
Contributions and grants	\$ 2,538,014	\$ -	\$ -	\$ -	\$ -	\$ 582	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,538,596
In-kind contributions	-	-	-	-	-	-	-	-	-	-	-	621,556	-	-	-	-	621,556
Contribution from affiliates	550,000	-	-	-	-	-	-	-	-	-	-	-	-	8,000	-	(558,000)	-
Government contracts	14,275,434	-	-	-	-	185,594	-	-	-	-	-	-	-	98,837	-	-	14,559,865
Gross potential rental income - resident	4,993,460	-	-	1,788,682	-	4,629,133	832,127	263,970	791,301	1,202,236	-	-	97,637	-	3,377,175	-	17,975,721
Less: vacancy loss	(389,574)	-	-	(70,422)	-	(8,513)	(75,196)	(19,001)	(2,501)	(16,443)	-	-	-	-	(219,900)	-	(801,550)
Net rental income -resident net	4,603,886	-	-	1,718,259	-	4,620,620	756,931	244,969	788,800	1,185,793	-	-	97,637	-	3,157,275	-	17,174,171
Gross potential income - commercial	184,305	-	-	184,077	-	786,789	-	-	-	151,363	-	-	-	290,124	69,324	-	1,665,982
Less: vacancy loss	-	-	-	(5,556)	-	(363,772)	-	-	-	(36,742)	-	-	-	-	(5,600)	-	(411,670)
Net rental income - commercial	184,305	-	-	178,521	-	423,017	-	-	-	114,621	-	-	-	290,124	63,724	-	1,254,312
Rental income - parking	-	-	-	118,650	-	-	-	-	-	-	-	-	-	-	-	-	118,650
Total rental income	4,788,191	-	-	2,015,431	-	5,043,637	756,931	244,969	788,800	1,300,414	-	-	97,637	290,124	3,220,999	-	18,547,132
Management and other fees	2,002,337	-	5,000	-	-	-	-	-	-	-	-	-	-	-	-	(2,007,337)	-
Overhead income	106,160	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(106,160)
Development fee income	7,504,485	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,504,485)
Partnership fee income	1,295,261	-	940,454	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,235,715)
Interest and other income - federal covid sick	134,845	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	134,845
Interest and other income	536,072	-	-	127,633	-	96,012	5,266	151	1,516	22,508	111,999	175	1,110	594,901	89,800	(735,330)	851,813
Total income	33,730,799	-	945,454	2,143,064	-	5,325,825	762,197	245,120	790,316	1,322,922	111,999	621,731	98,747	991,862	3,310,799	(13,147,027)	37,253,808
Expenses:																	
Salaries and temporary employees	14,749,082	-	-	445,907	-	605,029	240,429	75,806	262,450	399,262	-	-	19,756	76,581	955,280	-	17,829,582
Payroll taxes and employee benefits	3,817,569	-	-	172,829	-	183,542	95,721	19,976	85,460	120,142	-	-	5,263	20,401	432,329	-	4,953,232
Professional fees	1,433,895	745	620	61,644	656	57,913	19,431	17,096	21,545	58,612	2,060	1,030	25,553	46,724	62,153	-	1,809,677
Telephone and internet	304,094	-	-	13,001	-	15,150	13,592	8,823	10,635	14,380	-	-	119	675	15,385	-	395,854
Administrative expenses	505,096	385	357,311	17,694	50	19,220	15,539	5,741	9,221	21,709	250	25	21,571	1,261	54,905	-	1,029,978
Management and other fees	-	-	90,000	111,455	-	251,618	64,519	34,988	90,936	97,458	-	-	-	-	255,389	(996,363)	-
Overhead expenses	-	-	-	-	-	-	12,757	-	-	23,706	-	-	-	-	55,149	(91,612)	-
Insurance	270,783	677	677	86,467	368	94,647	32,756	10,240	35,620	60,524	309	677	121	677	136,217	-	730,760
Lease expenses	208,774	-	-	-	-	-	-	-	-	-	-	-	-	112,875	38,964	-	360,613
Real estate taxes	-	-	-	165,313	-	70,690	-	-	127,982	2,452	-	-	-	-	-	-	366,437
Food	723,055	-	-	480	-	6,592	32,611	-	1,412	22,467	-	-	55	-	43,823	-	830,495
Utilities	656,771	-	-	263,033	-	220,751	88,426	46,728	88,404	122,969	-	-	-	-	337,835	-	1,824,917
Supplies	634,468	-	-	17,674	-	19,132	7,403	2,535	12,802	14,063	-	-	630	873	37,615	-	747,195
Equipment, maintenance and repair	708,715	-	-	74,722	-	189,443	115,506	43,627	61,310	94,695	-	-	1,568	-	324,353	-	1,613,939
Social and recreation expense	205,342	-	-	1,010	-	4,014	77	444	2,755	-	-	-	-	-	3,165	-	216,807
Donation to affiliates	-	-	558,000	-	-	-	-	-	-	-	-	-	-	-	-	(558,000)	-
Housing project expenses	425,750	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(425,750)	-
Bad debt expenses	112,836	-	-	55,396	-	16,862	6,765	5,458	6,501	55,427	-	-	11,127	-	47,333	-	317,705
Total expenses before finance and depreciation	24,756,230	1,807	1,006,608	1,486,625	1,074	1,754,603	745,532	271,462	817,033	1,107,866	2,619	1,732	85,763	260,067	2,799,895	(2,071,725)	33,027,191
Change in net assets before finance and depreciation expenses	8,974,569	(1,807)	(61,154)	656,439	(1,074)	3,571,222	16,665	(26,342)	(26,717)	215,056	109,380	619,999	12,984	731,795	510,904	(11,075,302)	4,226,617
Finance and depreciation expenses:																	
Interest and finance charges	36,503	-	-	319,087	140	695,293	932	750	995	5,509	-	-	1,208	3,771	5,498	-	1,069,686
Interest accruals	-	-	-	473,609	-	-	-	14,544	2,592	-	-	-	1,191,716	-	110,513	(2,592)	1,790,382
Depreciation and amortization	425,779	-	-	921,416	-	769,009	59,149	80,396	340,365	161,722	-	473,264	887,764	11,956	469,419	-	4,600,239
Total finance and depreciation expenses	462,282	-	-	1,714,112	140	1,464,302	60,081	95,690	343,952	167,231	-	473,264	2,080,688	15,727	585,430	(2,592)	7,460,307
Change in net assets	\$ 8,512,287	\$ (1,807)	\$ (61,154)	\$ (1,057,673)	\$ (1,214)	\$ 2,106,920	\$ (43,416)	\$ (122,032)	\$ (370,669)	\$ 47,825	\$ 109,380	\$ 146,735	\$ (2,067,704)	\$ 716,068	\$ (74,526)	\$ (11,072,710)	\$ (3,233,690)