

**NYSARC, INC. STATE OFFICE, CHAPTERS  
AND THEIR AFFILIATES**

**Combined Financial Statements as of  
December 31, 2019  
Together with  
Accountant's Compilation Report**

**Bonadio & Co., LLP**  
Certified Public Accountants

**ACCOUNTANT'S COMPILATION REPORT**

December 11, 2020

To the Board of Governors of  
NYSARC, Inc.:

Management is responsible for the accompanying combined financial statements of NYSARC, Inc. State Office, Chapters and their Affiliates, which comprise the combined statement of financial position as of December 31, 2019, and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements in accordance with accounting principles generally accepted in the United States of America.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the combined financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The accompanying supplementary information contained in Exhibits I, II, and III is presented for purposes of additional analysis and is not a required part of the basic combined financial statements. This information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

*Bonadio & Co., LLP*

6 Wembley Court  
Albany, New York 12205  
p (518) 464-4080  
f (518) 464-4087

[www.bonadio.com](http://www.bonadio.com)

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINED STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2019**

(See Accountant's Compilation Report)

**ASSETS**

<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 144,750,757	
Investments	288,849,076	
Current portion restricted deposits and funded reserves	252,273	
Government receivables, net	239,796,496	
Other receivables, net	4,171,739	
Inventories	11,229,415	
Due from chapters	7,263,964	
Prepaid expenses and other assets	16,457,685	
Deposits	<u>2,338,572</u>	
Total current assets	<u>715,109,977</u>	

**PROPERTY, PLANT AND EQUIPMENT:**

Land	119,039,048	
Buildings and leasehold improvements	809,181,921	
Furniture, fixtures, and equipment	183,264,252	
Vehicles	121,131,209	
Construction-in-progress	<u>17,154,319</u>	
	1,249,770,749	

Less: Accumulated depreciation

Total property, plant and equipment

	<u>(844,701,344)</u>	
	<u>405,069,405</u>	

**OTHER ASSETS:**

Restricted deposits and funded reserves, net of current portion	20,436,068	
Deferred charges	2,377,410	
Right-of-use assets	71,988,949	
Participant funds and other noncurrent assets	33,348,048	
Net investments in affiliates	<u>33,532,452</u>	
Total other assets	<u>161,682,927</u>	

	<u>\$ 1,281,862,309</u>	
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**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES:</b>		\$
Current installments of long-term debt		27,569,749
Current portion of lease liability		15,332,858
Notes payable		32,095,755
Accounts payable		57,955,000
Accrued expenses and taxes		123,170,517
Current portion of amounts due to governmental agencies		14,427,957
Current portion of deferred revenue and refundable advances		3,636,775
Other current liabilities		<u>13,404,178</u>
Total current liabilities		<u>287,592,789</u>

**LONG-TERM DEBT, net, net of current portion**

	<u>138,967,825</u>
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**LEASE LIABILITY, net of current portion**

	<u>49,558,826</u>
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**OTHER NONCURRENT LIABILITIES:**

Due to governmental agencies, net of current portion	709,127
Deferred revenue and refundable advances, net of current portion	21,310,885
Participant funds and other noncurrent liabilities	<u>38,764,869</u>
Total other noncurrent liabilities	<u>60,784,881</u>

Total liabilities

	<u>536,904,321</u>
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**NET ASSETS:**

With donor restrictions	26,787,747
Without donor restrictions	<u>718,170,241</u>
Total net assets	<u>744,957,988</u>

	<u>\$ 1,281,862,309</u>
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See accompanying notes and accountant's compilation report.

# NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES

## COMBINED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2019

(See Accountant's Compilation Report)

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### NET ASSETS WITHOUT DONOR RESTRICTIONS:

Revenue and support -	
Program revenue	\$ 1,776,066,758
Non-program revenue	25,204,618
Fundraising	4,041,591
Other support	16,274,568
Capital additions revenue	16,602
Realized and unrealized gain on investments, net	34,827,787
Net assets released from restrictions	<u>2,418,773</u>

Total revenue and support 1,858,850,697

### Expenses -

Program services	1,636,409,226
Management and general	174,761,408
Fundraising	5,691,543
Other operating expenses	<u>332,351</u>

Total expenses 1,817,194,528

Increase in net assets without donor restrictions 41,656,169

### NET ASSETS WITH DONOR RESTRICTIONS:

Contributions, grants, etc.	3,328,609
Other	1,768,424
Net assets released from restrictions	<u>(2,418,773)</u>

Decrease in net assets with donor restrictions 2,678,260

OTHER CHANGE IN NET ASSETS (1,165,309)

CHANGE IN NET ASSETS 43,169,120

NET ASSETS - beginning of year 701,788,868

NET ASSETS - end of year \$ 744,957,988

See accompanying notes and accountant's compilation report.

# NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES

## COMBINED STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2019

(See Accountant's Compilation Report)

	<u>Program Services</u>	<u>Supporting Services *</u>	<u>Total</u>
Salaries and Wages	\$ 928,191,764	\$ 90,421,076	\$ 1,018,612,840
Payroll Taxes and fringe benefits	275,134,155	27,582,623	302,716,778
Depreciation	58,057,121	7,648,218	65,705,339
Occupancy	51,241,160	8,651,529	59,892,689
Transportation related - participant	54,214,134	655,111	54,869,245
Program Supplies	27,558,303	2,864,980	30,423,283
Other	18,499,785	3,043,104	21,542,889
Professional, consultant, and temporary services	13,968,875	11,207,681	25,176,556
Raw materials	25,081,783	11,156	25,092,939
Repairs and maintenance	21,811,197	3,093,676	24,904,873
Food	19,544,586	76,141	19,620,727
Utilities	15,210,146	1,469,271	16,679,417
Insurance	13,816,408	2,682,137	16,498,545
Office supplies, postage, printing	12,600,048	3,505,451	16,105,499
Production expense	13,919,196	139,510	14,058,706
Participant wages and benefits	11,687,124	37,448	11,724,572
Interest	7,414,066	2,715,863	10,129,929
Participant related expenses	9,454,562	115,955	9,570,517
Contracted direct care and clinical	9,104,724	82,554	9,187,278
Staff travel, conferences, meetings	6,046,429	776,077	6,822,506
Telephone, internet, cable	5,384,668	1,041,642	6,426,310
Furniture and equipment	4,623,663	1,546,036	6,169,699
Contracted personnel (non-direct care)	4,699,010	1,024,888	5,723,898
General program expenses	2,126,916	3,475,456	5,602,372
Staff Development	2,930,708	2,136,432	5,067,140
Vehicle expenses	4,921,556	134,716	5,056,272
Lease expense - vehicles and equipment	4,414,535	336,109	4,750,644
Contracted outside services	1,958,973	981,345	2,940,318
Dues, subscriptions, management fee	822,075	1,632,342	2,454,417
Bad debt	1,230,205	443,437	1,673,642
Computer services	783,793	875,336	1,659,129
Tax assessments (incl. Real Estate)	1,639,711	11,491	1,651,202
Advertising, marketing, public relations	525,705	829,995	1,355,700
Audit and legal	336,963	960,495	1,297,458
Fundraising, Grants, Donations	484,519	662,255	1,146,774
Recreational Activities	1,072,387	21,523	1,093,910
Recruitment and temporary help	789,330	183,703	973,033
Trainee stipends	786,981	-	786,981
Gas and oil	665,380	12,181	677,561
Transportation contracted	300,267	250	300,517
Board functions	2,931	291,764	294,695
Client activity	197,287	29	197,316
Bank and Bond Fees	64,280	131,945	196,225
Special Events	191	177,436	177,627
Tuition	85,420	-	85,420
Contributions	22,486	38,781	61,267
Scholarship expense	38,124	1,750	39,874
Allocated shared costs	2,945,596	(2,945,596)	-
	<u>\$ 1,636,409,226</u>	<u>\$ 180,785,302</u>	<u>\$ 1,817,194,528</u>

\* This column contains Management and general, Fundraising and Other operating expenses as reported separately on the combined statement of activities and change in net assets.

See accompanying notes and accountant's compilation report.

# NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES

## COMBINED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2019

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CASH FLOW FROM OPERATING ACTIVITIES:	
Change in net assets	\$ 43,169,120
Adjustments to reconcile change in net assets to net cash flow from operating activities:	
Depreciation and amortization	62,848,995
Realized and unrealized gain on investments, net	(34,827,787)
Gain on sales or dispositions of assets, net	(1,877,452)
Asset impairment	702,877
Bad debt expense	2,179,839
Operating leases	521,378
Contribution in kind	(485,827)
Other	(3,248,313)
Changes in:	
Receivables	(25,848,314)
Inventories	(1,115,693)
Prepaid expenses and other assets	166,095
Deposits	(52,117)
Deferred charges	221,945
Accounts payable	8,822,692
Accrued expenses and taxes	4,643,363
Due to governmental agencies	2,874,739
Deferred revenue, refundable advances and other liabilities	<u>(507,296)</u>
Net cash flow from operating activities	<u>58,188,244</u>
CASH FLOW FROM INVESTING ACTIVITIES:	
Proceeds from the sale of property, plant and equipment	5,017,300
Purchases of property, plant and equipment	(53,820,421)
Purchase of investments	(56,866,091)
Proceeds from sales of investments	49,250,961
Change in limited use reserves and deposits refunded	443,590
Other investing activities	<u>(2,227,527)</u>
Net cash flow from investing activities	<u>(58,202,188)</u>
CASH FLOW FROM FINANCING ACTIVITIES:	
Proceeds from long-term debt	13,290,139
Repayment of long-term debt	(31,328,095)
Proceeds from notes payable	33,166,079
Repayment of notes payable	(24,043,783)
Other financing activities	<u>(6,158,138)</u>
Net cash flow from financing activities	<u>(15,073,798)</u>
CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(15,087,742)
CASH, CASH EQUIVALENTS, RESTRICTED CASH - beginning of year	<u>167,298,372</u>
CASH, CASH EQUIVALENTS, RESTRICTED CASH - end of year	<u>\$ 152,210,630</u>

See accompanying notes and accountant's compilation report.

# **NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

## **NOTES TO COMBINED FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

(See Accountant's Compilation Report)

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### **1. THE ORGANIZATION**

NYSARC, Inc. (NYSARC) is a membership corporation composed of 42 Community Chapters and their affiliates and 6 Developmental Center Chapters (the Chapters) located throughout New York State. NYSARC is governed by a Board of Governors that consists of at least one Governor per Chapter to a maximum of six based on NYSARC membership in the Chapter. The Chapters are unincorporated divisions of NYSARC granted geographic jurisdiction and operating authority by the Board of Governors that provide assistance to persons with intellectual and other developmental disabilities through program services, education and guardianship. NYSARC also fosters research and helps individuals and organizations working with persons with intellectual and other developmental disabilities, while disseminating information to develop a better understanding of and opportunities for persons with intellectual and other developmental disabilities.

NYSARC, Inc. State Office (State Office) is NYSARC's central office that provides oversight responsibilities, on behalf of NYSARC's Board of Governors. The State Office provides the Chapters with technical and financing assistance and advocates on their behalf with New York State funding sources and legislative bodies. The State Office receives the majority of its support from administrative charges assessed on the Chapters.

The Chapters operate programs providing services that include, but are not limited to, sheltered workshop, residential, day treatment, family support, transportation, and respite programs. Developmental Centers advocate for persons that reside or formerly resided in State institutions.

The Chapters receive their revenues primarily by providing the services outlined above through licensed programs certified by New York State Office for People With Developmental Disabilities (OPWDD), Office of Mental Health, State Education Department, and Department of Health.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Principles of Combination**

The combined financial statements include the separate financial statements of the State Office and the Community Chapters and their affiliates. On a combined basis, the entities included in these combined financial statements are referred to as "NYSARC." The 6 Developmental Center Chapters are not included because they do not provide program services. All significant intercompany accounts and transactions between the State Office and the Chapters and between the Chapters and their affiliates have been eliminated. Substantially all of the components of NYSARC maintain their books and records on a calendar year, except for the State Office whose year-end is May 31 and the New York City Chapter and its affiliates whose year-end is June 30. The State Office and the New York City Chapter and its affiliates have been included in the combined financial statements utilizing their financial statements for their respective fiscal years ended in 2019.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Basis of Accounting**

The combined financial statements of NYSARC have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

### **Financial Reporting**

NYSARC reports its activities and related net assets using the following net asset categories:

- **Net assets without donor restrictions**

Net assets without donor restrictions include resources available for the support of NYSARC's operating activities. In addition, they include NYSARC's net investment in fixed assets and other sources designated by the Board of Governors for specific purposes.

- **Net assets with donor restrictions**

Net assets with donor restrictions include resources that have been donated to NYSARC subject to restrictions as defined by the donor. These assets are restricted for use in various programs as of December 31, 2019. Net assets with donor restrictions also include resources have been contributed to NYSARC with the stipulation by the donor that the principal is to remain in perpetuity.

### **Change in Accounting Principles**

#### ASU 2016-02, Leases

On January 1, 2019, NYSARC adopted the Financial Accounting Standard Board (FASB) Accounting Standard Update (ASU) 2016-02: *Leases (Topic 842)*. The new leases standard applies a right-of-use (ROU) model that requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset and a liability to make lease payments. For leases with a term of 12 months or less, NYSARC has adopted the practical expedient whereby a lessee may elect, by class of underlying asset, not to recognize a ROU asset or lease liability. The new leases standard requires a lessor to classify leases as either sales-type, direct financing or operating, similar to existing U.S. generally accepted accounting principles (GAAP). Classification depends on the same five criteria used by lessees plus certain additional factors. The subsequent accounting treatment for all three lease types is substantially equivalent to existing GAAP for sales-type leases, direct financing leases, and operating leases. However, the new standard updates certain aspects of the lessor accounting model to align it with the new lessee accounting model, as well as with the new revenue standard under Topic 606. Lessees and lessors are required to provide certain qualitative and quantitative disclosures to enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The amendments are effective for public business entities for fiscal years beginning after December 15, 2018. The adoption of this ASU on January 1, 2019 resulted in NYSARC recording ROU assets of \$58,819,095 and corresponding operating lease liabilities of \$59,845,719 on the combined statement of financial position.

In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, which amended FASB Topic 842, to (1) add an optional transition method that would permit entities to apply the new requirements by recognizing a cumulative-effect adjustment to the opening balance of retained earnings in the year of adoption, and (2) provide a practical expedient for lessors regarding the separation of the lease and non-lease components of a contract. NYSARC elected to adopt the transition relief under ASC Topic 842 using the modified retrospective transition method. NYSARC had no unamortized initial direct costs related to the establishment of these lease agreements as of January 1, 2019. NYSARC elected the available practical expedients and implemented internal controls and key system functionality to enable the preparation of financial information on adoption.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Change in Accounting Principles (Continued)**

#### ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. The standard requires entities to include restricted cash and equivalents with cash and equivalents when reconciling the beginning and end of year total amounts presented on the statement of cash flows. NYSARC adopted this standard as of January 1, 2019, the earliest period presented and adopted guidance retrospectively for each period presented. The application resulted in an increase of \$6,890,067 in the beginning of year cash and equivalents and restricted cash in the combined statement of cash flows. There was no effect on total net assets or changes in net assets.

#### ASU 2018-08 - Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made

In 2020, NYSARC adopted the provisions of FASB Accounting Standards Update (ASU) 2018-08 "Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made." ASU 2018-08 clarifies the determination of whether a grant or contract is a contribution or an exchange transaction, and therefore how such arrangements should be accounted for. On January 1, 2019, NYSARC adopted this standard using the modified retrospective application. There was no effect on total net assets or change in net assets for 2020 as a result of the adoption of this ASU.

#### ASU 2017-17, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost

In March 2017, the FASB issued ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*, which requires that an employer report the service cost component of pension costs in the same line item as employee compensation costs within income from operations. The other components of net benefit cost are required to be presented in the statement of activities and change in net assets separately from the service cost component and included in non-operating activities. NYSARC adopted 2017-07 on January 1, 2019. There was no effect on total net assets or changes in net assets.

### **Revenue Recognition**

NYSARC receives substantially all of its revenue for services provided from third-party reimbursement agencies, primarily OPWDD and Medicaid. Revenue is based on predetermined rates based on cost reimbursement principles and is subject to audit and retroactive adjustment by the respective third-party fiscal intermediaries. Revenue is recognized when NYSARC satisfies its performance obligations under contracts by transferring services to individuals. NYSARC's performance obligations include: providing clinical services, community and day habilitation services, residential services, work programs and family support services and other services to individuals with intellectual and/or other developmental disabilities. The transaction price is based on established charges for services provided. These rates are determined by allowable expenditures in rate setting periods. Fees for service revenue is recognized based on approved rates when NYSARC satisfies its performance obligations under contracts by transferring services to individuals.

NYSARC expects to collect established charges. NYSARC performs an assessment of individuals' ability to pay for the services provided prior to performing services. Based on this, NYSARC determined that there are no implicit price concessions provided to individuals.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Revenue Recognition (Continued)

Revenue under Medicaid and third-party payor agreements are subject to audit and retroactive adjustment. Provisions for estimated third-party payor settlements are provided in the period the related services are rendered. Settlements with third-party payors for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing services using the most likely outcome method. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews and investigations. Differences between the estimated amounts accrued and interim and final settlements are reported in operations in the year of settlement.

Laws and regulations governing the Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

NYSARC recognizes revenue from government grants as revenue when eligible costs are incurred or services performed. A receivable is recognized to the extent revenue earned exceeds cash advances. Conversely, deferred revenue is recorded when cash advances exceed support and revenue earned.

NYSARC provides services that are paid for by third-party payers. Accounts for which no payments have been received for several months are considered delinquent and the account is written-off when customary collection efforts are exhausted. NYSARC records an allowance for doubtful accounts in anticipation of future write-offs. The allowance for doubtful accounts at December 31, 2019 is approximately \$6,922,000 and is based on NYSARC's past experience and a periodic review of outstanding accounts.

### Cash and Equivalents

Cash and equivalents consist of bank demand deposit accounts and money market accounts which, at times, may exceed federally insured limits. NYSARC has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to cash and equivalents.

### Reconciliation to Statement of Cash Flows

The table below provides a reconciliation of cash and equivalents and restricted cash reported on the combined statement of financial position that sum to the total of those same amounts shown in the combined statement of cash flows at December 31, 2019:

Cash and equivalents	\$ 144,750,757
Restricted cash	<u>7,459,873</u>
	<u>\$ 152,210,630</u>

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Investments**

Substantially all investments are stated at fair value. NYSARC invests in various types of investment securities, U.S. government obligations, and corporate bonds. Investments are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and those changes could materially affect the amounts reported in the accompanying combined financial statements. Interest and dividend income, realized and unrealized gains (losses), net with management fee is included in non-program revenue in the accompanying combined statement of activities and change in net assets.

### **Fair Value of Financial Instruments**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). Level 2 inputs consist of other observable inputs other than active markets.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Investments are stated at fair value, based on quoted market prices or based on quoted market prices of securities with similar characteristics, as discussed in footnote 5.

NYSARC has financial instruments in the accompanying combined statement of financial position which include investment and debt. The carrying amount of debt approximates fair value based on current rates at which the Chapters could borrow funds with similar remaining maturities and is determined to be a level 2 measurement. Investments are stated at fair value (see footnote 5).

### **Inventories**

Inventories are valued at the lower of cost, determined using the first-in, first-out method, or market.

### **Property, Plant and Equipment and Depreciation**

Property, plant and equipment are stated at cost if purchased or the fair market value at the date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets, which range from two (2) to fifty (50) years. Depreciation expense was approximately \$62,969,000 for the year ended December 31, 2019.

### **Debt Issuance Costs**

Debt issuance costs consist of debt issuance costs associated with various mortgage closings that are being expensed on a straight-line basis over the terms of the related debt agreements. The deferred debt issuance costs at December 31, 2019 were netted against long-term debt on the combined statement of financial position. Interest expense related to the recognition of debt issuance costs was approximately \$305,000 for the year ended December 31, 2019.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Net Investments in Affiliates**

NYSARC has recognized 100% of its equity interest in the net assets of its affiliates, which are separately incorporated entities, whose purpose is to promote and support the activities of the respective Chapters.

### **Functional Expenses**

The costs of providing various programs and supporting services have been summarized on a functional basis in the combined statement of functional expenses. Accordingly, certain costs have been allocated amongst the programs and supporting services benefited. The expenses with the most significant allocations include certain salaries, fringe benefits, maintenance and property related costs, transportation costs, and agency administrative costs. All expenses are allocated in line with acceptable allocation methodologies as described by government funding sources. In addition, all attempts are made to direct charge expenses before allocations are made.

Indirect salary allocations are recorded based on hours charged by program in the payroll system or time studies that are submitted quarterly by applicable personnel. Fringe benefit costs are allocated based on total salaries to each program or cost center. Maintenance and property related costs are allocated using square footage of each program or cost center. Transportation related costs are allocated based upon actual mileage used by program or cost center. Lastly, agency administrative costs are allocated using the ratio value method, which calculates a percentage for each program based on the total costs of the program compared to the Organization's total expenses.

### **Income Taxes**

NYSARC is a New York not-for-profit corporation and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. NYSARC has also been classified by the Internal Revenue Code as an entity that is not a private foundation. The Chapters' affiliates are exempt from income taxes under Section 501(c)(3) or 501(c)(2) of the Internal Revenue Code.

At June 30, 2019, an affiliate of the New York City Chapter had Federal and New York State net operating loss carryforwards from unrelated business activities of approximately \$4,569,000 that expire at various dates through 2039. A valuation allowance has been established to offset the entire potential tax benefit associated with the operating loss carryforwards and all other temporary differences, as it is uncertain if the future tax benefit will be realized.

### **Estimates**

The preparation of combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the combined financial statements and accompanying notes. Actual results could differ from those estimates.

## 3. LIQUIDITY

The Organization is substantially supported by Medicaid revenue generated by its operations. In addition, some support is received from government grants, donors, and investment earnings. The following reflects the Organization's financial assets as of the combined statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the combined statement of financial position date.

### 3. LIQUIDITY (Continued)

Financial assets at December 31, 2019	
Cash and equivalents	\$ 144,750,757
Investments	288,849,076
Government receivables net	239,796,496
Other receivables, net	4,171,739
Restricted deposits and funded reserves	20,688,341
Deposits	<u>2,338,572</u>
	700,594,981
Less those unavailable for general expenditures within one year, due to:	
Restricted deposits and funded reserves	(20,688,341)
Funds with donor restrictions	<u>(26,787,747)</u>
Financial assets available to meet cash need for general expenditure within one year.	<u>\$653,118,893</u>

The Organization's ability to meet its cash needs is highly dependent on timely collection of its accounts receivable. The Organization's accounts receivable are due primarily from government funders and third-party payors including Medicaid. Many of these arrangements require the Organization to incur costs in advance and then bill for reimbursements after the cash outlay has been made. The Organization has designed procedures to collect from these payers as quickly as possible. However, timeliness of these payments can sometimes be difficult to predict. Due to this factor, the Organization has lines-of-credit available (see footnote 7), which it can draw upon throughout the year. In addition, the Organization could also manage vendor relationships to extend payment terms where possible. The Organization has also built up investment reserves over the years. Should any of the affiliated entities be struggling from a cash flow perspective, they also have the ability to borrow from these investment reserves.

### 4. INVESTMENTS

Investments consist of the following at December 31, 2019:

Cash and equivalents	\$ 18,992,417
Mutual funds	68,447,415
US Government obligations	19,047,915
Corporate bonds	14,958,616
Bonds and cash equivalents	2,538,797
Bond mutual funds	41,131,322
Corporate stock equities	49,655,809
Equity mutual funds	70,133,653
Contributed real estate	80,278
Limited use assets	1,176,002
Net interest in affiliate	<u>2,686,852</u>
	<u>\$288,849,076</u>

## 5. FAIR VALUE MEASUREMENTS

The following are measured at fair value on a recurring basis at December 31, 2019:

	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>	<u>Total</u>
Mutual funds	\$ 78,817,231	\$ 177,719	\$ -	\$ 78,994,950
U.S. government obligations	-	19,135,077	-	19,135,077
Bonds	23,972,199	36,159,960	-	60,132,159
Stock	106,078,188	4,506,112	13,357	110,597,657
Investment in community foundation	-	2,048,759	-	2,048,759
Limited liability company	-	-	<u>2,767,130</u>	<u>2,767,130</u>
	208,867,618	62,027,627	2,780,487	273,675,732
Money Markets & CD's	<u>7,138,919</u>	<u>8,034,425</u>	-	<u>15,173,344</u>
	<u>\$ 216,006,537</u>	<u>\$ 70,062,052</u>	<u>\$ 2,780,487</u>	<u>\$ 288,849,076</u>

The measurement of the fair value of the investments listed above using level 1 inputs considered observable data that is based on the quoted market prices of the shares held at year-end. If quoted market prices are not available, then fair values are estimated using pricing models, quoted prices of securities with similar characteristics, discounted cash flows or the percentage of the fair value of underlying investments and are classified as level 2. The value of the investments using level 3 inputs equals the equity balance in a limited liability company, which approximates the fair value.

The valuation methodologies described previously may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While NYSARC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at December 31, 2019.

There were no changes in the valuation techniques during 2019.

## 6. ENDOWMENT

Endowment net asset composition as of December 31, 2019:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Endowment net assets, beginning of the year	\$ 3,894,710	\$ 2,494,833	\$ 6,389,543
Investment income, net	864,440	690,297	1,554,737
Appropriated for expenditure	<u>(235,565)</u>	<u>(102,000)</u>	<u>(337,565)</u>
Endowment net assets, end of year	<u>\$ 4,523,585</u>	<u>\$ 3,083,130</u>	<u>\$ 7,606,715</u>



## 6. ENDOWMENT (Continued)

### Interpretation of Relevant Law

Each individual Chapter has interpreted the applicable provisions of New York Not-for-Profit Corporation Law to mean that the classification of appreciation on permanently restricted endowment gifts, beyond the original gift amount, follows the donor's restrictions on the use of the related income (interest and dividends) and income is classified as with donor restrictions, if applicable, until appropriated by the Boards for expenditure.

### Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level required by New York Not-for-Profit Corporation Law. There were no such deficiencies as of December 31, 2019.

### Return Objectives, Risk Parameters, Spending Policy and Strategies Employed for Achieving Objectives

Each individual Chapter of NYSARC, which has an endowment fund, has established its own investment policy for endowment funds. These investment policies may include the establishment of a risk return objective, risk parameters, a spending policy or a strategy for achieving long-term rate objectives.

## 7. FINANCING ARRANGEMENTS

### Long-Term Debt

Mortgages and other financing arrangements with state and local government agencies including, but not limited to, the Medical Care Facilities Finance Agency, Local Industrial Development Agencies, New York State Urban Development Corporation, and the New York State Dormitory Authority, payable in monthly and semi-annual installments, including interest ranging from 1.35% to 6.00%, maturing at various dates through August 2041, collateralized by specific real property, accounts receivable and revenues related to the real property. \$ 94,311,046

Mortgages due to United States Department of Housing and Urban Development, payable in monthly installments, including interest ranging from 3.86% to 9.25%, maturing at various dates through 2031, collateralized by specific real property. 7,410,191

Mortgages due to various banks and other lending institutions, payable in monthly and semi-annual installments including interest ranging from 1.35% to 9.25%, maturing at various dates through 2045, collateralized by specific real property. 44,091,573

Other term loans due to various banks and other lending institutions, payable in monthly installments, including interest ranging from 0.00% to 8.72%, maturing at various dates through 2043, collateralized by equipment, vehicles and other specific assets. 20,790,476

Total long-term debt \$ 166,603,286

## 7. FINANCING ARRANGEMENTS (Continued)

Total long-term debt	\$ 166,603,286
Less unamortized debt issuance cost	(2,274,088)
Plus unamortized premiums	<u>2,208,376</u>
Long term debt	<u>\$ 166,537,574</u>

Maturities of long-term debt are as follows:

2020	\$ 27,569,749
2021	24,478,336
2022	17,833,451
2023	13,672,712
2024	10,482,804
Thereafter	<u>72,566,234</u>
	<u>\$ 166,603,286</u>

### Notes Payable

NYSARC has agreements with various banks for lines-of-credit. Interest on the lines-of-credit range from less than prime rate to prime plus 1.5%. The lines are secured by receivables and other assets. The total potential borrowing under these lines-of-credit is approximately \$184,000,000 of which approximately \$31,920,000 is outstanding at December 31, 2019.

### Debt Covenants

In connection with its financing arrangements, NYSARC and the Chapters are subject to various debt covenants. As of December 31, 2019, NYSARC and the Chapters were in compliance with these covenants.

### Supplemental Cash Flow Information

Interest paid during 2019 under the terms of all financing arrangements and interest expense for the year ended December 31, 2019 was approximately \$10,214,000.

## 8. LEASES

NYSARC has operating leases for property and equipment and financing leases for equipment and vehicles. The leases have remaining lease terms of 1 year to 25 years. Some of these leases have options to extend, however, these options are not included in the ROU assets and lease liabilities due to the nature and future direction of NYSARC being unclear. Leases with remaining lease terms of less than 1 year are excluded from amounts reported below.

Right-of-use assets and lease liabilities included in the combined statement of financial position includes the following:

	<u>Financing</u>	<u>Operating</u>	<u>Total</u>
Right-of-use assts	\$ 30,735,161	\$41,253,788	\$ 71,988,949
Current portion of lease liability	6,250,216	9,082,642	15,332,858
Lease liability, net of current portion	24,109,070	25,449,756	49,558,826



## 8. LEASES (Continued)

The components of lease cost consisted of the following for the year ended December 31, 2019:

Operating lease expense	\$	9,419,057
Financing lease amortization expense	\$	6,712,090
Financing lease interest expense	\$	1,497,081

Supplemental cash flow information related to leases was as follows for the year ended December 31, 2019:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operating leases	\$	8,742,740
Operating cash flows from financing leases	\$	4,748,376
Financing cash flows from financing leases	\$	1,764,678

ROU assets obtained in exchange for lease obligations:

Financing leases	\$	24,829,398
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At December 31, 2019, the weighted average discount rate for operating and financing leases was 3.5% and 3.8%, respectively. At December 31, 2019, the weighted average remaining lease term was 4.1 years and 3.1 years for operating and financing leases, respectively.

Total minimum lease payments for the years ending December 31, is as follows:

	<u>Financing</u>	<u>Operating</u>	<u>Total</u>
2020	\$ 8,099,867	\$10,133,587	\$ 18,233,454
2021	6,626,068	8,404,362	15,030,430
2022	5,629,833	6,533,093	12,162,926
2023	3,731,930	4,616,369	8,348,299
2024	2,322,845	2,946,283	5,269,128
Thereafter	<u>9,650,539</u>	<u>8,101,822</u>	<u>17,752,361</u>
Total lease payments	36,061,082	40,735,516	76,796,598
Imputed interest expense	<u>(5,701,796)</u>	<u>(4,436,668)</u>	<u>(10,138,464)</u>
Thereafter	<u>\$ 30,359,286</u>	<u>\$36,298,848</u>	<u>\$ 66,658,134</u>

## 9. RETIREMENT PLANS

NYSARC has adopted numerous retirement plans covering its employees. These plans include defined contribution, defined benefit and tax-deferred annuity plans. Total pension expense incurred by the State Office and the Chapters was approximately \$29,561,000 for the year ended December 31, 2019.

## 9. RETIREMENT PLANS (Continued)

The following information sets forth the funded status of the Defined Benefit Plans and amounts recognized in the NYSARC combined financial statements at December 31, 2019:

Projected benefit obligation	\$(34,270,531)
Fair value of plan assets	<u>27,025,074</u>
Funded status	<u>\$ (7,245,457)</u>
Employer contributions	\$ 1,921,250
Benefits paid	\$ 555,489

As of December 31, 2019, the following amounts were recognized in the combined statement of financial position and included with participant funds and other noncurrent liabilities:

As a current liability	\$ -
As a non-current liability	<u>7,245,457</u>
	<u>\$ 7,245,457</u>

Amounts recognized in the combined statement of activities and change in net assets, included in non-program revenue, consists of the following:

Net periodic benefit cost/expense	\$ (21,743)
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Significant actuarial assumptions used in the pension valuations are as follows:

Discount rates ranged from	3.03% - 3.25%
Projected rate of increase in compensation levels	N/A
Expected long-term rate of return on plan assets ranged from	6.30% - 7.00%

Fair value of the plan assets are as follows as of December 31, 2019:

	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>	<u>Total</u>
Money market funds	\$ 2,888,100	\$ -	\$ -	\$ 2,888,100
Mutual funds	4,031,016	-	-	4,031,016
Exchange traded funds	8,972,674	-	-	8,972,674
Corporate bonds	9,374,650	210,746	-	9,585,396
Government obligations	<u>1,547,888</u>	<u>-</u>	<u>-</u>	<u>1,547,888</u>
	<u>\$ 26,814,328</u>	<u>\$ 210,746</u>	<u>\$ -</u>	<u>\$ 27,025,074</u>

Estimated future benefit payments are expected as follows:

2020	\$ 1,396,327
2021	\$ 1,425,856
2022	\$ 1,483,239
2023	\$ 1,557,211
2024	\$ 1,599,505
Succeeding five years	\$ 8,625,811

## **10. POSTEMPLOYMENT BENEFIT PLANS**

NYSARC has several postemployment benefit plans. The total post-employment benefit expense incurred by the State Office and the Chapters was approximately \$173,000 for the year ended December 31, 2019.

## **11. COMMITMENTS AND CONTINGENCIES**

### **Compliance with Funding Sources**

Service providers that are funded by Medicaid and OPWDD have become the subject of increased scrutiny with respect to reimbursements they have received for service provision. Specific areas often reviewed by Medicaid and OPWDD auditors include appropriate billing practices, technical regulatory compliance, etc. The stated purpose for these reviews is to recover inappropriate reimbursements. The Chapters are subject to these reviews and rate adjustments that may have an effect on the revenues and net asset balances of the Chapters. Management of the Chapters does not expect these adjustments, if any, to have a material effect on these or their individual financial statements.

### **Litigation**

Some of the Chapters are involved in lawsuits related to employment issues and injuries sustained on Chapter program properties. All such lawsuits appear to be adequately covered by insurance; however, the amount of awards and judgments cannot be determined at this time.

NYSARC by virtue of its corporate structure and relationship to the Chapters, holds title as nominee to various Chapter assets and is directly obligated under certain of the related Chapter mortgage agreements and, accordingly, NYSARC, including the State Office, could be contingently liable in the event of default. Additionally, many of the Chapters have established holding companies, which hold title to property. Some of these affiliates, but not all, have related mortgage and lease obligations to which NYSARC could also be contingently liable in the event of default on those mortgages.

### **Workers' Compensation Reserve**

Several Chapters are or have been participants in self-insurance trusts (Trusts) with other unrelated not-for-profit organizations that provide workers' compensation benefits. Under the terms of the Trusts, the Chapters make annual contributions to the Trusts based on reported wages paid to the employees, using a rate-based formula. Based on actual claim experience, the Chapters could receive refunds or be assessed additional amounts related to workers' compensation premiums. Under the Trust agreements, each participating organization has joint and several liability for Trust obligations.

In December 2017, the trustees of the Trust approved the purchase of an Assumption of Liability Policy (ALP), which was approved by the New York State Worker's Compensation Board (NYSWCB) in March 2018, and will transfer all of the Trust's remaining open claims to a third party insurance carrier, without recourse to the NYSWCB or the Trust members.

In connection with the terms of the ALP, the Administrator of the Trust determined the estimated unfunded liability associated with the open claims at the time the ALP will be finalized. The Administrator also allocated the unfunded liability to each member based on a formula approved by the Trustees.

## **11. COMMITMENTS AND CONTINGENCIES (Continued)**

### **Commitments**

Several Chapters have entered into contracts and committed resources to the acquisition of property for program services. This is part of the on-going program development in which the Chapters are engaged.

### **NYSARC, Inc. Contingencies**

Several Chapters are participants in the Dormitory Authority of the State of New York (DASNY) bond program. Prior to the 2009A series bonds, security for the tax-exempt bonds was the pledged revenue of the participating Chapters and, for individual loans in excess of a \$3 million, a mortgage on the financed property. For the 2009A and subsequent bond series, in addition to pledging revenues, participating Chapters were required to mortgage all real property associated with the financed projects. Pledged revenues consist of all public funds, payable to NYSARC and its participating Chapters, by the federal government, receipts, revenues, income, gifts, grants, assistance, bequests, and other monies; whether now owned or to be received in the future while these bonds are outstanding; excluding any gifts, grants, or bequests received subject to restrictions upon the use that is inconsistent with the pledging of said amounts as collateral.

Furthermore, on behalf of the participating Chapters, NYSARC has entered into an agreement with DASNY to permit DASNY to execute a certificate of Medicaid receipts intercept with OPWDD in the event of default on the bonds. As of December 31, 2019, DASNY has not issued such a certificate to OPWDD.

## **12. SUBSEQUENT EVENTS**

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID – 19 on a national, regional and local level are unknown, but it has the potential to result in a significant economic impact. The impact of this situation on NYSARC and its future results and financial position is not presently determinable.

Subsequent events have been evaluated through December 11, 2020, which is the date the combined financial statements were issued.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2019**

	Total	Eliminations	Office	Albany	Broomfield	Cattaraugus-Niagara	Chautauque	Chemung	Clinton	Columbia	Delaware
<b>ASSETS</b>											
<b>CURRENT ASSETS:</b>											
Cash, cash equivalents and restricted cash	\$ 144,750,757	\$ -	\$ 2,519,767	\$ 51,461	\$ 1,928,644	\$ 2,868,795	\$ 14,494	\$ 2,866,540	\$ 2,660,984	\$ 826,683	\$ 1,339,727
Investments	288,849,076	-	4,479,645	1,914,246	4,151,994	2,072,602	3,969,510	1,565,719	3,333,974	1,425,189	10,884,929
Current portion restricted deposits and funded reserves	252,273	-	-	-	-	-	-	-	-	-	-
Government receivables, net	239,796,496	(168,677)	-	1,915,028	3,832,745	7,629,620	12,472,998	2,448,814	4,252,516	3,205,138	1,573,624
Other receivables, net	4,171,739	-	891,904	1,087,656	248,767	20,958	4,673,528	-	110,835	447,701	12,681
Inventories	11,229,415	-	-	1,389,162	-	-	-	-	-	-	-
Due from Chapters	7,263,964	-	-	-	169,507	39,681	470,050	20,014	106,380	138,946	119,334
Prepaid expenses and other assets	16,457,685	-	43,167	87,338	-	-	-	2,125,260	-	-	-
Deposits	2,338,572	(188,677)	7,934,483	6,444,861	10,334,667	12,731,656	21,600,280	9,026,347	10,464,689	6,044,657	13,900,295
Total current assets	715,109,977	(188,677)	7,934,483	6,444,861	10,334,667	12,731,656	21,600,280	9,026,347	10,464,689	6,044,657	13,900,295
<b>PROPERTY, PLANT AND EQUIPMENT:</b>											
Land	119,039,048	-	-	295,379	383,717	15,183,241	462,240	237,370	2,897,019	506,708	167,600
Buildings and leasehold improvements	809,181,921	-	62,889	6,255,883	16,853,203	1,434,225	30,462,860	8,412,449	17,850,060	15,033,767	5,976,279
Furniture, fixtures and equipment	183,264,252	-	1,828,142	2,184,098	1,004,145	3,466,530	10,594,990	7,852,229	2,878,806	8,412,526	3,332,454
Vehicles	121,131,209	-	102,577	3,348,912	3,251,441	3,064,671	1,398,792	1,191,990	5,255,628	-	-
Construction-in-progress	17,154,319	-	-	-	755,883	69,790	1,856,332	52,110	52,110	110,123	-
	1,249,770,749	-	1,993,708	12,084,232	22,378,389	23,218,457	44,765,214	10,627,038	28,733,623	24,063,124	9,478,333
Less: Accumulated depreciation	(844,701,244)	-	(1,788,042)	(9,458,573)	(11,361,762)	(19,879,929)	(38,923,735)	(8,935,722)	(18,741,857)	(18,914,164)	(6,565,209)
Total property, plant and equipment	405,069,405	-	225,666	2,625,659	11,016,627	3,338,528	5,841,479	1,691,316	9,991,766	5,148,960	2,913,124
<b>OTHER ASSETS:</b>											
Restricted deposits and funded reserves, net of current portion	20,436,068	-	1,797,462	6,750	21,037	225,579	596,817	73,745	746,888	-	11,484
Deferred charges	2,377,410	-	-	-	-	-	-	-	-	-	-
Right-of-use assets	71,988,949	-	6,817,717	155,071	269,725	425,466	18,683,860	288,645	152,471	1,588,923	-
Participant funds and other noncurrent assets	33,348,948	-	-	-	1,445,833	891,141	-	175,129	68,797	-	-
Net investments in affiliates	33,532,452	-	-	-	-	257,948	-	-	-	-	-
Total other assets	161,682,927	-	8,615,179	161,821	1,726,595	1,800,134	19,280,677	537,519	895,369	1,658,720	11,484
<b>\$ 1,281,862,309</b>	<b>\$ (188,677)</b>	<b>\$ 16,775,328</b>	<b>\$ 9,254,371</b>	<b>\$ 23,087,879</b>	<b>\$ 17,870,318</b>	<b>\$ 46,722,736</b>	<b>\$ 11,255,182</b>	<b>\$ 21,355,824</b>	<b>\$ 12,852,337</b>	<b>\$ 16,854,883</b>	<b>\$ 16,854,883</b>
<b>LIABILITIES AND NET ASSETS</b>											
<b>CURRENT LIABILITIES:</b>											
Current installments of long-term debt	\$ 27,569,749	\$ -	\$ -	\$ 245,894	\$ 951,151	\$ 424,826	\$ 762,403	\$ 76,527	\$ 692,658	\$ 527,522	\$ 135,433
Current portion of lease liability	15,332,858	-	-	-	153,816	186,706	1,249,056	151,804	-	381,969	-
Notes payable	32,095,755	-	-	459,089	-	1,820,000	1,596,986	-	273,623	-	-
Accounts payable	57,995,000	-	1,147,220	272,406	480,819	1,384,720	3,360,449	367,543	1,836,191	440,370	384,706
Accrued expenses and taxes	123,170,517	-	392,942	688,333	1,200,263	-	-	917,268	1,902,347	960,069	398,811
Current portion of amounts due to governmental agencies	14,427,957	-	-	-	317,206	-	-	199,906	1,102,169	107,605	-
Current portion of deferred revenue and refundable advances	3,636,775	-	32,509	-	-	-	-	-	40,859	33,150	-
Other current liabilities	13,404,178	(188,677)	-	23,712	7,725	2,732,242	6,875,435	-	-	-	-
Total current liabilities	287,592,789	(188,677)	1,572,671	1,870,434	3,110,960	6,549,494	13,844,329	1,713,048	5,847,847	2,450,685	918,950
<b>LONG-TERM DEBT, net, net of current portion</b>	<b>138,987,825</b>	<b>(188,677)</b>	<b>-</b>	<b>395,548</b>	<b>1,153,720</b>	<b>594,627</b>	<b>4,983,901</b>	<b>141,977</b>	<b>1,824,771</b>	<b>2,894,246</b>	<b>402,720</b>
<b>LEASE LIABILITY, net of current portion</b>	<b>49,558,826</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115,909</b>	<b>238,760</b>	<b>11,277,370</b>	<b>136,841</b>	<b>-</b>	<b>1,206,954</b>	<b>-</b>
<b>OTHER NONCURRENT LIABILITIES:</b>											
Due to governmental agencies, net of current portion	709,127	-	-	-	-	-	-	-	-	-	-
Deferred revenue and refundable advances, net of current portion	21,310,885	-	7,753,089	183,937	1,454,645	817,287	2,756,646	95,042	587,865	58,912	-
Participant funds and other noncurrent liabilities	38,724,889	-	-	-	-	-	-	-	-	-	-
Total other noncurrent liabilities	60,724,881	-	7,753,089	183,937	1,454,645	817,287	2,756,646	95,042	587,865	58,912	-
Total liabilities	536,904,321	(188,677)	9,325,760	2,449,919	5,835,254	8,200,188	32,842,246	2,086,908	8,260,483	6,650,797	1,321,670
<b>NET ASSETS:</b>											
With donor restrictions	28,787,747	-	3,537	6,804,452	105,301	260,134	57,128	9,168,274	30,586	6,201,540	15,533,213
Without donor restrictions	718,170,241	-	7,446,031	6,804,452	17,150,324	9,410,016	13,823,362	9,168,274	13,064,775	6,201,540	15,533,213
Total net assets	744,957,988	-	7,449,568	6,804,452	17,255,625	9,670,150	13,880,490	9,168,274	13,095,341	6,201,540	15,533,213
<b>\$ 1,281,862,309</b>	<b>\$ (188,677)</b>	<b>\$ 16,775,328</b>	<b>\$ 9,254,371</b>	<b>\$ 23,087,879</b>	<b>\$ 17,870,318</b>	<b>\$ 46,722,736</b>	<b>\$ 11,255,182</b>	<b>\$ 21,355,824</b>	<b>\$ 12,852,337</b>	<b>\$ 16,854,883</b>	<b>\$ 16,854,883</b>

See accountants compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2019**

(Continued)

	Dutchess	Essex	Franklin-Hamilton	Fulton	Herkimer	Jefferson	Livingston-Wyoming	Madison-Cortland	Monroe	Montgomery	Nassau
<b>ASSETS</b>											
CURRENT ASSETS:											
Cash and equivalents	\$ 168,600	\$ 4,294,602	\$ 3,769,984	\$ 7,981,458	\$ 1,423,423	\$ 12,889,787	\$ 1,649,052	\$ 3,203,323	\$ 5,849,875	\$ 1,787,784	\$ 21,318,574
Investments	414,015	17,595,860	-	3,691,916	872,757	33,444,210	498,769	1,532,733	5,223,299	50,446,755	73,844,898
Current portion restricted deposits and funded reserves	-	-	-	-	-	-	-	-	-	-	-
Government receivables, net	2,554,559	4,329,140	2,254,438	6,895,004	2,461,232	12,059,086	5,487,766	2,412,936	5,724,781	6,908,001	16,131,033
Other receivables, net	-	-	-	747,495	211,779	289,436	73,448	58,106	25,088	757,462	6,821
Inventories	-	489,333	-	303,843	376,471	543,349	-	-	-	-	-
Due from Chapters	-	95,337	-	487,513	-	-	-	-	-	-	-
Prepaid expenses and other assets	110,974	747,321	16,769	278,649	188,938	242,777	206,184	159,378	90,197	1,052,852	2,040,191
Deposits	-	-	33,488	-	-	-	146,059	-	-	-	-
Total current assets	3,248,148	27,551,793	6,074,670	20,385,276	5,344,000	59,468,645	8,961,276	7,366,476	16,913,240	60,952,864	117,534,255
PROPERTY, PLANT AND EQUIPMENT:											
Land	1,222,819	1,677,555	284,004	2,388,387	675,276	1,613,852	785,851	469,414	1,081,476	33,626,352	1,586,000
Buildings and leasehold improvements	13,726,075	29,875,496	6,923,224	35,290,259	19,522,388	24,827,544	11,904,688	11,807,735	17,735,156	730,329	29,636,787
Furniture, fixtures and equipment	2,888,224	3,972,592	321,644	7,502,407	5,800,837	5,334,018	3,091,748	2,122,011	1,648,077	15,958,850	12,111,828
Vehicles	3,649,070	2,125,477	1,397,205	10,772,391	3,472,240	6,219,005	5,913,516	2,282,840	5,626,029	-	-
Construction-in-progress	129,732	340,875	-	146,505	-	51,126	5,230	-	47,453	1,185,675	-
	21,594,920	39,428,126	8,926,077	55,903,844	29,337,246	38,046,145	21,695,803	16,690,230	26,138,191	51,501,206	43,334,615
Less: Accumulated depreciation	(15,071,313)	(25,978,822)	(5,087,795)	(40,588,548)	(18,384,302)	(30,586,983)	(14,154,045)	(11,707,323)	(18,266,061)	(36,897,121)	(24,553,397)
Total property, plant and equipment	6,523,607	17,420,627	3,838,281	15,335,296	10,972,944	7,459,162	7,541,758	4,982,907	7,872,130	14,604,085	18,781,218
OTHER ASSETS:											
Restricted deposits and funded reserves, net of current portion	196,199	277,430	158,217	2,696,764	323,531	115,475	101,895	38,745	206,737	183,689	3,537,069
Deferred charges	-	-	-	-	-	-	-	-	-	292,807	-
Right-of-use assets	-	1,981,590	68,294	-	780,387	1,205,801	307,416	-	7,474,866	212,418	16,469,888
Participant funds and other noncurrent assets	163,538	41,667	39,354	606,910	174,463	670,684	75,862	568,775	315,912	192,189	39,809
Net investments in affiliates	-	-	-	11,131,237	-	-	-	-	179,592	5,294	8,429,224
Total other assets	359,737	2,973,639	270,159	14,434,911	1,278,381	1,991,940	485,173	607,520	8,177,107	886,407	28,475,990
	\$ 10,131,492	\$ 30,293,274	\$ 10,183,119	\$ 50,155,785	\$ 17,995,325	\$ 68,919,747	\$ 16,086,209	\$ 12,956,903	\$ 32,982,477	\$ 76,443,346	\$ 164,791,463
<b>LIABILITIES AND NET ASSETS</b>											
CURRENT LIABILITIES:											
Current installments of long-term debt	\$ 476,219	\$ 744,452	\$ 263,804	\$ 1,620,029	\$ 871,584	\$ 290,206	\$ 1,159,838	\$ 572,589	\$ 1,126,508	\$ 1,277,287	\$ -
Current portion of lease liability	-	-	26,612	-	301,193	350,259	60,847	-	1,411,553	67,670	4,707,199
Notes payable	1,473,184	-	-	-	-	-	-	-	283,389	1,000,000	-
Accounts payable	823,992	1,726,990	454,753	869,110	1,042,055	1,780,872	319,024	356,054	1,192,048	1,437,211	8,390,756
Accrued expenses and taxes	732,255	2,393,491	2,609,790	6,873,466	1,982,368	7,018,934	1,169,032	1,428,006	3,492,904	5,741,615	11,364,102
Current portion of amounts due to governmental agencies	-	171,685	26,104	235,686	150,290	560,785	24,029	76,335	425,781	795,545	919,146
Current portion of deferred revenue and refundable advances	46,923	114,597	211,308	186,640	141,988	17,577,688	82,907	-	-	-	-
Other current liabilities	-	385,025	-	-	-	6,752	95,289	-	2,790	-	-
Total current liabilities	3,552,573	5,190,043	3,592,371	9,784,941	4,469,488	10,007,608	2,910,966	2,432,984	7,914,973	10,319,338	25,381,203
LONG-TERM DEBT, net, net of current portion	2,551,682	2,393,970	1,913,636	3,781,766	1,470,640	665,669	4,143,365	1,516,523	1,714,185	3,392,394	-
LEASE LIABILITY, net of current portion	-	-	89,768	-	479,194	855,542	-	-	6,123,146	141,864	-
OTHER NONCURRENT LIABILITIES:											
Due to governmental agencies, net of current portion	1,146	-	-	240,461	-	-	-	-	-	707,662	14,384,953
Deferred revenue and refundable advances, net of current portion	163,538	98,267	-	236,924	-	6,228,849	-	304,336	1,029,519	454,986	1,946,026
Participant funds and other noncurrent liabilities	164,684	89,267	-	606,910	111,592	6,228,849	304,336	-	-	1,192,698	16,331,579
Total other noncurrent liabilities	6,298,939	10,873,625	5,959,775	14,153,817	7,029,959	17,757,688	7,300,900	4,255,843	16,781,823	15,046,254	52,588,108
Total liabilities	3,862,533	27,690,909	4,587,344	11,151,372	18,427,911	6,699,811	8,787,309	8,701,000	1,202,973	61,397,092	6,282,323
With donor restrictions	3,862,533	19,128,962	4,587,344	10,381,067	18,427,911	49,462,688	8,787,309	8,701,000	14,977,681	61,397,092	105,921,032
Without donor restrictions	-	19,419,649	-	36,002,168	10,855,366	51,162,079	8,787,309	8,701,000	16,180,654	61,397,092	112,023,355
Total net assets	\$ 10,131,492	\$ 30,293,274	\$ 10,183,119	\$ 50,155,785	\$ 17,995,325	\$ 68,919,747	\$ 16,086,209	\$ 12,956,903	\$ 32,982,477	\$ 76,443,346	\$ 164,791,463

See accountant's compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2019**

Exhibit I

(Continued)

	New York City	North County MSO	Oneida-Lewis	Chondiana	Ontario	Genesee-Ontario	Oswego	Chesco	Rensselaer	Rockland	Saratoga	Schenectady
<b>ASSETS</b>												
<b>CURRENT ASSETS:</b>												
Cash and equivalents	\$ 5,361,034	\$ 1,170,002	\$ 8,866,288	\$ 2,453,586	\$ 2,978,917	\$ 1,294,329	\$ 317,601	\$ 1,540,417	\$ 3,800,543	\$ 685,089	\$ 1,515,663	\$ 184,830
Investments	10,020,496	-	5,883,896	2,754,720	3,647,860	2,752,997	816,906	-	482,834	3,828,645	1,371,684	2,566,110
Current portion restricted deposits and funded reserves	-	-	-	-	-	-	-	-	-	-	-	252,273
Government receivables, net	39,705,139	559,600	3,975,586	3,925,193	1,555,927	3,020,266	161,620	2,296,948	4,402,541	4,500,381	2,508,917	2,833,204
Other receivables, net	67,089	-	418,648	-	418,648	-	-	96,430	190,814	-	-	-
Inventories	-	-	236,135	-	68,748	-	-	-	-	-	-	-
Due from Chapters	-	-	13,673	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	4,294,479	64,761	432,711	233,453	211,986	250,629	6,620	30,848	6,404	555,759	209,427	258,127
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Total current assets	59,381,147	1,861,452	19,974,270	9,381,225	8,893,086	7,318,421	1,302,747	3,864,643	8,883,236	9,570,074	6,110,570	6,104,544
<b>PROPERTY, PLANT AND EQUIPMENT:</b>												
Land	13,384,643	-	797,851	361,549	15,631,620	450,728	-	531,853	290,987	4,904,069	1,227,406	1,506,221
Buildings and leasehold improvements	119,648,418	-	10,590,672	9,691,501	11,088,452	11,088,452	21,185	9,164,570	10,738,421	23,457,121	22,083,298	16,784,206
Furniture, fixtures and equipment	21,784,284	169,055	2,439,720	1,942,729	1,388,794	3,663,192	66,340	972,091	2,268,946	5,668,696	2,791,986	4,636,811
Vehicles	102,089	-	1,999,257	64,902	4,706,080	-	38,489	2,895,850	1,164,194	487,214	6,660,389	4,657,758
Construction-in-progress	-	-	108,777	-	9,828	-	29,200	46,054	923	285,856	-	-
Less: Accumulated depreciation	(87,299,307)	(152,149)	(10,109,882)	(12,060,681)	(21,867,271)	(15,212,200)	(155,224)	(13,004,388)	(14,483,273)	(22,002,655)	(22,381,433)	(27,584,896)
Total property, plant and equipment	77,712,282	16,906	5,717,518	3,182,780	5,183,438	3,792,331	32,539	3,139,614	3,731,450	12,603,007	10,760,403	5,203,653
<b>OTHER ASSETS:</b>												
Deferred deposits and funded reserves, net of current portion	2,603,223	-	72,000	188,717	170,691	427,077	-	45,266	397,372	250,521	680,081	134,477
Right-of-use assets	-	-	18,874	388,513	142,189	469,764	-	469,764	187,170	1,872,115	153,238	163,938
Participant funds and other noncurrent assets	6,416,317	452,121	2,697,681	2,697,681	1,735,968	865,669	20,000	99,844	333,530	656,243	656,243	335,629
Net investments in affiliates	9,120,537	-	51,111	172,595	133,568	75,862	20,000	114,316	230,740	4,382,671	4,294	180,373
Total other assets	18,140,077	452,121	143,005	3,601,875	519,394	1,368,638	20,000	259,426	981,851	6,985,101	1,340,618	803,807
<b>LIABILITIES AND NET ASSETS</b>	<b>\$ 155,233,486</b>	<b>\$ 2,330,479</b>	<b>\$ 25,834,793</b>	<b>\$ 16,165,880</b>	<b>\$ 14,585,918</b>	<b>\$ 12,479,190</b>	<b>\$ 1,355,286</b>	<b>\$ 7,363,683</b>	<b>\$ 13,576,337</b>	<b>\$ 29,158,182</b>	<b>\$ 18,211,591</b>	<b>\$ 12,111,914</b>
<b>CURRENT LIABILITIES:</b>												
Current installments of long-term debt	\$ 3,837,787	\$ 67,089	\$ 463,745	\$ 175,365	\$ 409,519	\$ 369,020	\$ -	\$ 139,550	\$ 162,824	\$ 477,837	\$ 949,040	\$ 486,096
Current portion of lease liability	-	-	-	800,522	38,165	280,102	-	81,438	187,170	596,585	158,966	72,632
Notes payable	15,500,000	-	1,017,338	1,673,304	437,552	402,652	43,131	785,791	270,382	2,802,204	-	900,000
Accounts payable	13,815,906	37,835	28,662,111	3,264,146	1,756,601	1,402,067	20,700	922,121	2,045,935	2,474,694	1,102,765	421,321
Accrued expenses and taxes	28,662,111	677,589	3,264,146	279,884	1,756,601	1,402,067	20,700	922,121	2,045,935	2,474,694	1,102,765	1,538,861
Current portion of amounts due to governmental agencies	1,750,000	-	681,239	-	84,324	194,128	2,314	100,009	47,875	617,270	28,581	405,721
Current portion of deferred revenue and refundable advances	931,119	-	234,381	-	7,288	13,736	38,812	585,195	5,000	5,000	-	-
Other current liabilities	64,516,903	782,513	5,660,649	2,929,085	2,793,449	2,662,005	105,957	2,028,909	3,323,052	8,459,744	3,103,020	3,824,731
Total current liabilities	45,639,745	28,248	1,292,344	779,819	639,990	1,872,387	-	283,176	376,655	2,243,615	6,190,212	2,166,089
<b>LONG-TERM DEBT, net, net of current portion</b>	-	-	-	-	-	-	-	18,406	146,369	617,126	497,170	257,896
<b>LEASE LIABILITY, net of current portion</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>OTHER NONCURRENT LIABILITIES:</b>												
Due to governmental agencies, net of current portion	-	-	-	-	-	-	-	-	-	-	-	-
Deferred revenue and refundable advances, net of current portion	6,436,491	1,446,851	282,041	603,367	196,306	97,469	-	62,005	249,252	339,872	184,175	329,407
Participant funds and other noncurrent liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Total other noncurrent liabilities	6,436,491	1,446,851	282,041	603,367	196,306	97,469	-	62,005	249,252	339,872	184,175	329,407
Total liabilities	114,593,139	2,257,612	7,225,434	6,160,497	3,604,526	5,200,924	105,957	2,372,486	4,095,328	17,618,657	10,021,707	6,578,213
<b>NET ASSETS:</b>												
With donor restrictions	2,104,394	-	19,609,359	408,984	89,904	655,988	-	-	50,000	197,539	254,548	-
Without donor restrictions	38,535,953	72,867	18,609,559	9,556,399	10,891,488	6,622,288	1,249,329	4,891,187	9,431,009	11,341,986	7,935,336	5,533,701
Total net assets	40,640,347	72,867	18,609,559	10,065,383	10,981,392	7,278,266	1,249,329	4,991,187	9,481,009	11,539,525	8,189,884	5,533,701
<b>Total net assets</b>	<b>\$ 155,233,486</b>	<b>\$ 2,330,479</b>	<b>\$ 25,834,793</b>	<b>\$ 16,165,880</b>	<b>\$ 14,585,918</b>	<b>\$ 12,479,190</b>	<b>\$ 1,355,286</b>	<b>\$ 7,363,683</b>	<b>\$ 13,576,337</b>	<b>\$ 29,158,182</b>	<b>\$ 18,211,591</b>	<b>\$ 12,111,914</b>

See accountant's compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2019**

(Continued)

	Schoharie	Schuylcr	Seneca-Cayuga	Steuben	Suffolk	Sullivan	Ulster-Greene	Warren-Washington-Albany	Community League Wassic	Wayne	Westchester	Yates
<b>ASSETS</b>												
<b>CURRENT ASSETS:</b>												
Cash and equivalents	\$ 579,847	\$ 1,412,609	\$ 736,241	\$ 1,295,846	\$ 3,702,690	\$ 6,678,045	\$ 3,485,764	\$ 4,041,791	\$ 602,112	\$ 4,701,791	\$ 5,857,960	\$ 537,426
Investments	728,610	3,243,232	1,322,820	3,827,053	73,536	2,011,675	9,724,868	1,476,713	83,238	5,731,366	3,788,650	457,432
Current portion restricted deposits and funded reserves	-	-	-	-	-	-	-	-	-	-	-	-
Government receivables, net	1,773,412	2,001,397	2,190,730	2,620,663	8,592,595	12,074,506	9,710,466	3,754,165	13,463	4,008,856	9,717,738	1,646,420
Other receivables, net	147,130	46,016	-	12,300	-	-	-	-	-	-	-	-
Inventories	99,497	5,599	897,641	59,888	-	55,585	-	-	-	-	-	-
Due from Chapters	-	-	-	1,771,605	-	-	41,947	-	-	-	154,272	-
Prepaid expenses and other assets	106,563	12,227	81,567	73,449	8,639	512,628	672,551	201,955	1,545	-	1,535,960	85,669
Deposits	-	-	-	-	-	-	-	-	-	-	33,765	-
Total current assets	3,445,059	6,721,080	5,228,989	7,889,199	14,149,085	21,332,439	23,635,596	9,473,930	700,358	14,440,013	21,088,345	2,726,947
<b>PROPERTY, PLANT AND EQUIPMENT:</b>												
Land	384,083	311,816	831,202	141,000	2,230,717	1,690,660	3,274,167	900,485	-	513,120	4,026,672	323,759
Buildings and leasehold improvements	6,791,688	7,966,423	15,397,103	11,140,198	29,477,397	48,526,558	51,635,236	23,948,817	-	13,316,359	35,781,708	5,049,315
Furniture, fixtures and equipment	1,234,927	1,960,464	4,671,229	2,289,792	5,212,078	6,671,873	5,916,476	2,892,365	-	5,240,103	2,739,098	1,783,617
Vehicles	2,184,183	1,256,423	-	2,238,310	3,352,856	9,981,585	9,199,803	5,618,565	-	-	-	1,915,038
Construction-in-progress	-	-	451,993	-	11,050	-	5,264	-	-	23,053	30,812	56,158
	10,594,891	11,495,126	21,351,527	15,789,300	40,274,048	67,181,726	71,252,402	33,265,474	-	19,092,635	42,578,290	9,127,887
Less: Accumulated depreciation	(8,592,332)	(8,526,584)	(13,965,738)	(10,857,481)	(30,632,972)	(51,482,675)	(42,721,749)	(24,960,818)	-	(14,165,887)	(22,615,083)	(6,585,139)
Total property, plant and equipment	2,012,549	2,968,542	7,385,789	4,931,819	9,641,076	15,699,051	28,530,653	9,204,656	-	4,926,738	19,963,207	2,542,748
<b>OTHER ASSETS:</b>												
Restricted deposits and funded reserves, net of current portion	219,224	42,189	363,199	366,417	188,621	427,066	1,363,012	483,971	-	67,548	-	53,230
Deferred charges	-	-	183,578	-	750,227	-	-	-	-	846,686	3,855,257	573,119
Right-of-use assets	411,269	-	1,128,787	-	6,505,134	1,611,849	366,063	366,063	-	212,117	4,663,170	103,121
Participant funds and other noncurrent assets	129,033	138,883	129,335	157,058	76,100	170,630	2,148,011	346,108	-	-	-	-
Net investments in affiliates	-	-	-	-	4,145,560	-	-	-	-	-	-	-
Total other assets	759,526	181,072	1,804,899	523,475	10,915,415	1,347,922	5,122,872	1,196,142	-	1,126,351	8,518,427	728,470
<b>\$ 6,217,134</b>	<b>\$ 9,870,694</b>	<b>\$ 15,019,687</b>	<b>\$ 13,344,493</b>	<b>\$ 34,705,556</b>	<b>\$ 34,705,556</b>	<b>\$ 38,389,413</b>	<b>\$ 57,289,121</b>	<b>\$ 19,674,728</b>	<b>\$ 700,358</b>	<b>\$ 20,493,102</b>	<b>\$ 49,569,979</b>	<b>\$ 5,999,165</b>
<b>LIABILITIES AND NET ASSETS</b>												
<b>CURRENT LIABILITIES:</b>												
Current installments of long-term debt	\$ 183,364	\$ 134,535	\$ 747,724	\$ 326,868	\$ 733,656	\$ 1,018,956	\$ 2,220,641	\$ 963,244	\$ -	\$ 128,420	\$ 558,463	\$ 306,410
Current portion of lease liability	89,377	-	337,235	-	948,649	-	434,680	112,531	-	177,919	1,179,043	73,383
Notes payable	-	-	1,151,000	-	797,290	800,000	2,818,990	-	-	-	-	440,000
Accounts payable	196,475	155,036	438,156	309,327	796,425	903,599	2,040,212	373,914	7,750	277,615	2,211,276	112,384
Accrued expenses and taxes	950,694	612,017	999,212	1,473,525	4,625,440	4,588,893	4,465,871	2,303,384	933	1,243,429	2,932,969	816,791
Current portion of amounts due to governmental agencies	957,555	29,351	249,070	13,372	1,764,945	1,650,427	405,590	21	62,582	127,830	1,773,315	14,076
Current portion of deferred revenue and refundable advances	34,979	-	5,627	114,077	177,966	-	-	-	-	195,686	-	-
Other current liabilities	-	-	-	-	-	401,906	579,025	-	-	-	1,457,778	-
Total current liabilities	1,550,644	930,939	3,927,024	2,237,169	9,844,371	9,383,781	12,955,009	3,753,094	71,265	2,150,899	10,112,844	1,763,044
<b>LONG-TERM DEBT, net, net of current portion</b>	<b>683,335</b>	<b>743,179</b>	<b>2,998,299</b>	<b>3,191,502</b>	<b>2,177,697</b>	<b>6,673,647</b>	<b>11,247,042</b>	<b>3,944,193</b>	<b>-</b>	<b>731,408</b>	<b>5,815,589</b>	<b>1,097,541</b>
<b>LEASE LIABILITY, net of current portion</b>	<b>321,892</b>	<b>-</b>	<b>757,721</b>	<b>-</b>	<b>6,055,534</b>	<b>-</b>	<b>1,211,950</b>	<b>249,600</b>	<b>-</b>	<b>666,767</b>	<b>2,676,214</b>	<b>499,736</b>
<b>OTHER NONCURRENT LIABILITIES:</b>												
Due to governmental agencies, net of current portion	-	-	-	-	-	421,536	-	-	-	-	-	-
Deferred revenue and refundable advances, net of current portion	129,033	54,566	237,051	84,608	-	1,485,530	1,032,150	346,108	-	48,951	410,561	27,259
Participant funds and other noncurrent liabilities	129,033	54,566	237,051	84,608	-	1,907,060	1,032,150	346,108	-	48,951	410,561	27,259
Total other noncurrent liabilities	2,884,904	1,729,240	7,920,095	5,513,279	18,077,602	17,944,494	26,446,151	8,292,995	71,265	3,600,025	19,015,205	3,397,580
Total liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET ASSETS:</b>												
With donor restrictions	3,532,230	8,007,728	7,099,592	7,818,630	16,627,954	20,424,138	29,661,513	11,442,189	629,093	16,838,853	30,554,771	2,801,528
Without donor restrictions	2,684,904	1,721,352	7,920,095	5,513,279	18,077,602	17,944,494	26,446,151	8,292,995	71,265	3,600,025	19,015,205	3,397,580
Total net assets	6,217,134	9,729,080	15,019,687	13,344,493	34,705,556	38,389,413	56,107,664	19,737,184	700,358	20,493,102	49,569,979	6,199,108

See accountants compilation report.



**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2019**

	Total	Eliminations	Office	Allegany	Broome- Chenango- Tioga	Cattaraugus- Niagara	Chautauqua	Chemung	Clinton	Columbia	Delaware
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>											
Revenue and support -											
Program revenue	\$ 1,776,066,758	\$ (3,799,735)	\$ 9,748,040	\$ 17,250,461	\$ 29,922,486	\$ 42,854,519	\$ 75,418,042	\$ 23,325,745	\$ 33,549,015	\$ 22,450,628	\$ 11,124,464
Non-program revenue	25,204,618	-	27,351	481,965	409,578	284,657	(8,935)	292,304	742,677	142,646	280,607
Fundraising	4,041,591	-	100	35,409	117,182	-	-	-	-	-	-
Other support	16,274,568	-	132,934	19,599	78,645	(47,277)	1,159,755	156,337	-	(13,478)	206,819
Capital additions revenue	16,002	-	-	-	-	-	-	-	-	-	-
Realized and unrealized gain (loss) on investments, net	34,827,787	-	108,621	107,337	213,152	283,385	311,653	146,720	383,716	188,324	630,422
Net assets released from restrictions	2,418,773	-	6,360	-	-	-	1,203	-	500	-	-
Total revenue and support	1,858,850,697	(3,799,735)	10,023,406	17,894,771	30,741,043	43,375,284	76,881,718	23,921,106	34,675,908	22,768,120	12,252,312
Expenses -											
Program services	1,636,409,228	-	5,861,225	16,132,864	26,215,286	38,236,221	70,703,550	20,830,540	31,406,324	20,063,989	10,630,682
Management and general	174,761,408	(3,799,735)	3,179,182	1,333,726	2,828,310	4,781,003	6,158,640	2,286,834	3,141,469	2,396,710	1,182,393
Fundraising	5,691,543	-	-	342,762	434,808	-	-	-	-	29,201	-
Other operating expenses	332,351	-	-	-	-	-	-	-	-	-	-
Total expenses	1,817,194,528	(3,799,735)	9,040,407	17,809,352	29,478,404	43,019,224	76,862,190	23,117,374	34,547,793	22,489,900	11,813,075
Increase (decrease) in net assets without donor restrictions	41,656,169	-	982,999	85,419	1,262,639	356,060	19,528	803,732	128,115	278,220	439,237
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>											
Contributions, grants, etc.	3,328,009	-	-	-	-	-	41,482	-	-	-	-
Other	1,768,424	-	(6,360)	-	-	-	(1,203)	-	(500)	-	-
Net assets released from restrictions	(2,418,773)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in net assets with donor restrictions	2,678,260	-	(6,360)	-	-	-	40,279	-	(500)	-	-
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	44,334,429	-	976,639	85,419	1,262,639	356,060	59,807	803,732	127,615	278,220	439,237
<b>OTHER CHANGES IN NET ASSETS</b>	(1,165,309)	-	-	-	-	-	(1,156,252)	-	-	-	-
<b>CHANGE IN NET ASSETS</b>	43,169,120	-	976,639	85,419	1,262,639	356,060	(1,096,445)	803,732	127,615	278,220	439,237
NET ASSETS - beginning of year	701,788,988	-	6,472,929	6,719,033	15,989,986	9,314,090	14,976,935	8,364,542	12,967,726	5,923,320	15,093,976
NET ASSETS - end of year	\$ 744,957,988	\$ -	\$ 7,449,568	\$ 6,804,452	\$ 17,252,625	\$ 9,670,150	\$ 13,880,490	\$ 9,168,274	\$ 13,095,341	\$ 6,201,540	\$ 15,533,213

**NYSCAR, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2019**

(Continued)

**CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS**

	<u>Dutchess</u>	<u>Essex</u>	<u>Franklin-Hamilton</u>	<u>Fulton</u>	<u>Herkimer</u>	<u>Jefferson</u>	<u>Livingston-Wyoming</u>	<u>Madison-Cortland</u>	<u>Monroe</u>	<u>Montgomery</u>	<u>Nassau</u>
Revenue and support -											
Program revenue	\$ 20,813,022	\$ 40,198,130	\$ 19,523,056	\$ 88,551,059	\$ 24,232,388	\$ 68,525,627	\$ 27,155,670	\$ 23,614,176	\$ 45,319,146	\$ 57,653,882	\$ 116,081,562
Non-program revenue	72,435	1,752,479	748	582,708	(2,009)	1,651,572	-	31,300	779,748	1,362,934	6,540,926
Fundraising	323,560	-	75,418	-	451,839	-	141,047	25,617	177,344	-	340,083
Other support	123,777	(17,711)	12,631	-	2,565,504	2,535,146	475,092	132,737	1,056,084	(595,974)	366,889
Capital additions revenue	-	-	-	1,800	-	-	-	-	-	-	-
Realized and unrealized gain, (loss) on investments, net	46,435	1,737,242	-	430,381	-	3,584,351	53,991	84,059	640,780	7,716,743	10,773,511
Net assets released from restrictions	-	-	-	-	500,341	-	20,099	-	120,002	-	47,108
<b>Total revenue and support</b>	<b>21,055,669</b>	<b>43,687,851</b>	<b>19,611,853</b>	<b>89,565,948</b>	<b>27,748,063</b>	<b>76,316,795</b>	<b>27,638,610</b>	<b>23,887,889</b>	<b>48,093,104</b>	<b>66,137,585</b>	<b>134,150,089</b>
Expenses -											
Program services	18,921,127	38,916,963	17,804,633	81,370,619	24,162,110	64,016,807	25,659,968	20,508,365	41,913,880	53,890,367	109,106,731
Management and general	2,278,925	6,690,416	1,706,495	7,266,501	2,339,276	6,168,145	2,061,616	3,020,548	4,359,820	4,946,526	13,526,022
Fundraising	194,461	240,594	45,591	-	633,040	195,866	31,259	-	345,534	31,977	456,570
Other operating expenses	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>21,394,513</b>	<b>47,458,547</b>	<b>19,556,719</b>	<b>88,637,120</b>	<b>27,134,426</b>	<b>70,380,818</b>	<b>27,752,843</b>	<b>23,528,913</b>	<b>46,619,234</b>	<b>58,866,870</b>	<b>123,089,323</b>
<b>Increase (decrease) in net assets without donor restrictions</b>	<b>(338,844)</b>	<b>1,477,831</b>	<b>55,134</b>	<b>928,828</b>	<b>613,637</b>	<b>5,935,977</b>	<b>85,767</b>	<b>358,976</b>	<b>1,473,870</b>	<b>7,268,715</b>	<b>11,060,766</b>
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>											
Contributions, grants, etc.	-	-	-	309	494,817	1,138,761	-	-	253,618	-	365,072
Other	-	17,736	-	1,561,644	-	-	-	-	33,392	-	-
Net assets released from restrictions	-	-	-	-	(500,341)	(20,099)	(12,810)	-	(120,002)	-	(47,108)
<b>Increase (decrease) in net assets with donor restrictions</b>	<b>-</b>	<b>17,736</b>	<b>-</b>	<b>1,561,953</b>	<b>(5,224)</b>	<b>1,118,662</b>	<b>(12,810)</b>	<b>-</b>	<b>167,008</b>	<b>-</b>	<b>317,964</b>
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	<b>(338,844)</b>	<b>1,495,567</b>	<b>55,134</b>	<b>2,490,781</b>	<b>608,113</b>	<b>7,054,639</b>	<b>72,957</b>	<b>358,976</b>	<b>1,640,878</b>	<b>7,268,715</b>	<b>11,378,730</b>
<b>OTHER CHANGES IN NET ASSETS</b>											
	-	-	-	-	-	390,309	-	-	-	3,724	-
<b>CHANGE IN NET ASSETS</b>	<b>(338,844)</b>	<b>1,495,567</b>	<b>55,134</b>	<b>2,490,781</b>	<b>608,113</b>	<b>7,444,948</b>	<b>72,957</b>	<b>358,976</b>	<b>1,640,878</b>	<b>7,272,439</b>	<b>11,378,730</b>
<b>NET ASSETS - beginning of year</b>	<b>4,201,397</b>	<b>17,924,082</b>	<b>4,532,210</b>	<b>33,511,387</b>	<b>9,957,253</b>	<b>43,717,131</b>	<b>8,714,352</b>	<b>8,342,084</b>	<b>14,539,776</b>	<b>54,124,653</b>	<b>100,824,625</b>
<b>NET ASSETS - end of year</b>	<b>\$ 3,862,553</b>	<b>\$ 19,419,649</b>	<b>\$ 4,587,344</b>	<b>\$ 36,002,168</b>	<b>\$ 10,565,366</b>	<b>\$ 51,162,079</b>	<b>\$ 8,787,309</b>	<b>\$ 8,701,060</b>	<b>\$ 16,180,654</b>	<b>\$ 61,397,082</b>	<b>\$ 112,203,355</b>

See accountant's compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

(Continued)

	New York City	North County MSO	Oneida- Lewis	Onondaga	Ontario	Genesee- Orleans	Oswego	Olseco	Rensselaer	Rockland	Saratoga	Schenectady
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>												
Revenue and support -												
Program revenue	\$ 292,675,966	\$ -	\$ 35,384,322	\$ 26,268,879	\$ 21,126,470	\$ 19,002,289	\$ 993,698	\$ 20,162,937	\$ 27,487,520	\$ 42,024,767	\$ 25,563,218	\$ 28,756,633
Non-program revenue	-	-	248,652	113,972	1,000,626	2,074,208	30,973	122,653	190,680	1,023,840	458,152	158,505
Fundraising	-	-	76,623	37,018	229,200	285,629	-	-	-	209,680	124,197	-
Other support	-	6,419,063	423,668	129,413	-	324,020	27,701	(93,530)	153,284	32,848	43,242	268,714
Capital additions revenue	-	-	-	-	-	-	-	-	-	-	-	-
Realized and unrealized gain, (loss) on investments, net	611,911	-	470,994	385,010	376,753	328,748	223	-	70,041	602,809	180,122	355,425
Net assets released from restrictions	25,000	-	-	211,750	27,699	52,445	-	-	-	662,753	15,000	-
<b>Total revenue and support</b>	<b>293,312,877</b>	<b>6,419,063</b>	<b>36,604,259</b>	<b>27,146,042</b>	<b>22,760,748</b>	<b>22,067,339</b>	<b>1,052,595</b>	<b>20,192,060</b>	<b>27,901,525</b>	<b>44,556,677</b>	<b>26,383,931</b>	<b>29,539,277</b>
Expenses -												
Program services	261,283,546	6,343,531	31,057,441	24,554,394	18,726,693	19,649,576	900,962	17,379,654	26,670,388	39,140,764	22,621,256	26,241,676
Management and general	30,898,847	91,331	3,316,582	2,772,128	2,452,713	2,395,647	171,676	1,803,744	1,728,118	5,148,930	3,396,876	3,263,027
Fundraising	319,687	-	-	818	337,499	226,127	35,760	129,685	67,106	-	261,023	-
Other operating expenses	-	-	227,518	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>292,501,080</b>	<b>6,434,862</b>	<b>34,601,541</b>	<b>27,327,340</b>	<b>21,516,905</b>	<b>22,271,350</b>	<b>1,108,398</b>	<b>19,313,083</b>	<b>28,465,612</b>	<b>44,289,694</b>	<b>26,279,155</b>	<b>29,504,703</b>
Increase (decrease) in net assets without donor restrictions	811,797	(15,799)	2,002,718	(181,298)	1,243,843	(204,011)	(55,803)	878,977	(564,087)	266,983	104,776	34,574
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>												
Contributions, grants, etc.	-	-	-	174,439	3,099	4,501	-	-	-	475,831	26,822	-
Other	(25,000)	-	-	(211,750)	(27,699)	(52,445)	-	-	-	(662,753)	(15,000)	-
Net assets released from restrictions	(25,000)	-	-	(37,311)	(24,600)	10,705	-	-	-	(186,922)	11,822	-
Increase (decrease) in net assets with donor restrictions	786,797	(15,799)	2,002,718	(218,609)	1,219,243	(193,306)	(55,803)	878,977	(564,087)	80,061	116,598	34,574
<b>OTHER CHANGES IN NET ASSETS BEFORE OTHER CHANGES</b>	<b>(124,883)</b>	<b>-</b>	<b>-</b>	<b>56,356</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,623</b>	<b>-</b>
<b>CHANGE IN NET ASSETS</b>	<b>661,904</b>	<b>(15,799)</b>	<b>2,002,718</b>	<b>(162,253)</b>	<b>1,219,243</b>	<b>(193,306)</b>	<b>(55,803)</b>	<b>878,977</b>	<b>(564,087)</b>	<b>80,061</b>	<b>122,221</b>	<b>34,574</b>
NET ASSETS - beginning of year	39,978,443	88,666	16,606,641	10,167,636	9,762,149	7,471,572	1,305,132	4,112,210	10,045,096	11,459,464	8,067,663	5,499,127
NET ASSETS - end of year	\$ 40,640,347	\$ 72,867	\$ 18,609,359	\$ 10,005,383	\$ 10,981,392	\$ 7,278,266	\$ 1,249,329	\$ 4,991,187	\$ 9,481,009	\$ 11,539,525	\$ 8,189,884	\$ 5,533,701

See accountant's compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

(Continued)

	Schoharie	Schuyler	Seneca-Cayuga	Steuben	Suffolk	Sullivan	Ulster-Greene	Warren-Washington-Albany	Community League Wassaic	Wayne	Westchester	Yates
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>												
Revenue and support -												
Program revenue	\$ 14,482,031	\$ 8,285,191	\$ 24,298,278	\$ 15,414,022	\$ 60,881,644	\$ 64,177,785	\$ 82,494,476	\$ 33,406,979	\$ 271,160	\$ 27,861,095	\$ 54,631,863	\$ 8,608,862
Non-program revenue	464,481	1,317,347	123,351	52,613	(168,552)	77,720	335,083	-	21,797	211,250	1,016,060	688,166
Fundraising	-	-	-	86,155	-	609,404	-	607,097	3,560	12,104	-	-
Other support	(512,807)	76,248	349,721	220,306	85,681	163,562	164,034	-	4,832	-	(1,298)	(351,653)
Capital additions revenue	-	-	-	14,802	-	-	-	-	-	-	-	-
Realized and unrealized gain (loss) on investments, net	62,829	321,989	187,393	381,617	4,556	177,901	1,303,903	161,628	7,787	624,314	597,437	45,685
Net assets released from restrictions	-	224,636	(171,500)	(1,730)	96,330	25,549	(170,881)	-	-	519	-	24,548
<b>Total revenue and support</b>	<b>14,496,534</b>	<b>10,225,411</b>	<b>25,130,243</b>	<b>16,171,245</b>	<b>60,899,659</b>	<b>65,231,921</b>	<b>84,541,732</b>	<b>34,175,704</b>	<b>309,136</b>	<b>28,709,282</b>	<b>56,244,062</b>	<b>9,015,608</b>
Expenses -												
Program services	13,471,990	7,609,484	21,628,975	14,032,843	61,188,499	57,303,037	74,215,239	30,380,848	212,400	25,732,643	51,424,030	7,757,549
Management and general	1,452,824	873,879	2,484,085	1,731,969	3,835,753	5,903,406	9,317,841	3,421,596	14,806	2,427,404	3,430,764	1,428,165
Fundraising	64,923	158,364	215,335	57,854	-	186,666	154,934	56,547	359	15,987	-	101,378
Other operating expenses	-	104,833	-	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>14,989,737</b>	<b>8,746,560</b>	<b>24,328,395</b>	<b>15,822,666</b>	<b>65,024,252</b>	<b>63,393,109</b>	<b>83,868,014</b>	<b>33,858,991</b>	<b>227,565</b>	<b>28,176,034</b>	<b>54,854,794</b>	<b>9,287,092</b>
Increase (decrease) in net assets without donor restrictions	(493,203)	1,478,851	801,848	348,579	(4,124,593)	1,838,812	853,718	316,713	81,571	533,248	1,389,268	(271,484)
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>												
Contributions, grants, etc.	-	124,066	-	2,608	11,561	31,000	170,891	-	-	-	-	9,712
Other	-	(224,636)	(171,500)	(1,730)	(96,330)	(25,549)	(170,881)	8,227	-	(519)	-	(24,548)
Net assets released from restrictions	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in net assets with donor restrictions	-	(100,570)	(171,500)	878	(84,749)	5,451	88,776	8,227	-	(519)	-	(14,836)
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	<b>(493,203)</b>	<b>1,378,281</b>	<b>630,348</b>	<b>349,457</b>	<b>(4,209,342)</b>	<b>1,844,263</b>	<b>942,494</b>	<b>324,940</b>	<b>81,571</b>	<b>532,729</b>	<b>1,389,268</b>	<b>(286,320)</b>
<b>OTHER CHANGES IN NET ASSETS</b>												
CHANGE IN NET ASSETS	(493,203)	1,378,281	630,348	349,457	(4,209,342)	1,844,263	602,318	324,940	81,571	532,729	1,389,268	(286,320)
NET ASSETS - beginning of year	4,025,433	6,783,129	6,469,244	7,481,757	20,837,296	18,580,656	30,240,652	11,256,793	547,522	16,360,348	29,165,503	2,897,905
<b>NET ASSETS - end of year</b>	<b>\$ 3,532,230</b>	<b>\$ 8,141,410</b>	<b>\$ 7,099,592</b>	<b>\$ 7,831,214</b>	<b>\$ 16,627,954</b>	<b>\$ 20,424,919</b>	<b>\$ 30,842,970</b>	<b>\$ 11,581,733</b>	<b>\$ 629,093</b>	<b>\$ 16,893,077</b>	<b>\$ 30,554,771</b>	<b>\$ 2,611,585</b>

See accountant's compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Total</u>	<u>Eliminations</u>	<u>Office</u>	<u>Allentown</u>	<u>Broome- Chenango- Tioga</u>	<u>Cattaraugus- Niagara</u>	<u>Chautauqua</u>	<u>Chemung</u>	<u>Clinton</u>	<u>Columbia</u>	<u>Delaware</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>											
Change in net assets	\$ 43,168,120	\$ -	\$ 976,639	\$ 85,419	\$ 1,262,839	\$ 356,060	\$ (1,086,445)	\$ 803,732	\$ 127,615	\$ 278,220	\$ 439,237
Adjustments to reconcile change in net assets to net cash flow from operating activities:											
Depreciation and amortization	62,848,995	-	89,005	464,296	1,133,882	887,914	3,259,026	402,015	1,169,132	772,888	396,721
Realized and unrealized (gain) loss on investments, net	(34,827,787)	-	(108,621)	(107,337)	(213,152)	(283,385)	(311,653)	(146,720)	(383,716)	(188,324)	(630,422)
Gain on sales or dispositions of assets, net	(1,877,452)	-	-	(3,000)	(676,172)	22,587	10,079	(64,295)	(12,854)	14,136	(51,519)
Asset impairment	702,877	-	-	-	-	-	-	-	-	-	-
Bad debt expense	2,179,839	-	-	-	266,102	-	(15,892)	-	-	-	-
Operating leases	521,378	-	-	-	-	-	-	-	-	-	-
Contribution in kind	(485,827)	-	-	-	-	-	-	-	-	-	-
Other	(3,248,313)	-	-	-	-	47,277	(477,446)	(10,976)	-	-	-
Changes in:											
Receivables	(25,848,314)	-	175,956	(133,487)	118,697	(893,989)	1,141,769	(187,625)	(531,604)	(567,063)	(237,271)
Inventories	(1,115,693)	-	-	41,679	(70,855)	14,641	(1,458,044)	13,024	19,345	5,468	6,411
Prepaid expenses and other assets	166,095	-	(20,117)	44,874	(39,847)	45,490	11,829	8,308	(8,094)	50,046	(37,271)
Deposits	(52,117)	-	-	-	-	-	(15,908)	-	338	-	-
Deferred charges	221,945	-	-	-	-	-	-	-	-	-	-
Accounts payable	6,622,682	-	203,666	(39,855)	(121,586)	153,873	1,132,649	61,909	(24,915)	(6,925)	106,844
Accrued expenses and taxes	4,643,363	-	(150,766)	108,097	44,499	-	-	(431,042)	(681,007)	35,431	25,818
Due to governmental agencies	2,874,739	-	-	194,701	194,701	-	-	43,355	557,749	-	(3,947)
Deferred revenue, refundable advances and other liabilities	(507,296)	-	(615,720)	154,174	5,623	1,133,645	1,156,252	15,336	23,859	33,150	-
Net cash flow from operating activities	58,188,244	-	650,042	614,860	1,904,731	1,484,103	3,436,215	507,021	255,848	423,070	18,548
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>											
Proceeds from the sale of property, plant and equipment	5,017,300	-	-	3,000	2,188,297	26,430	52,792	-	15,137	90,864	51,519
Purchases of property, plant and equipment	(53,820,421)	-	(61,628)	(870,445)	(1,808,424)	(666,639)	(3,618,370)	(259,032)	(2,135,229)	(394,133)	(488,737)
Purchase of investments	(56,866,091)	-	(245,704)	(1,440,954)	(2,183,873)	(425,994)	(2,671,557)	(595,852)	(1,951,517)	(686,911)	(60,870)
Proceeds from sales of investments	49,250,961	-	158,284	1,320,772	2,020,897	391,945	1,350,730	595,852	1,872,029	672,109	-
Change in limited use reserves and deposits refunded	443,590	-	-	-	-	-	-	157,729	-	-	-
Other investing activities	(2,227,527)	-	198,387	-	-	(150,000)	37,226	(371,691)	12,882	-	-
Net cash flow from investing activities	(58,202,188)	-	29,339	(987,627)	196,687	(824,258)	(4,849,179)	(472,994)	(2,186,698)	(318,071)	(488,088)
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>											
Proceeds from long-term debt	13,290,139	-	-	-	-	253,159	3,057,466	-	1,190,414	-	-
Repayment of long-term debt	(31,328,095)	-	-	(286,850)	(1,392,325)	(165,575)	(845,499)	(120,944)	(522,984)	(659,092)	(145,169)
Proceeds from notes payable	33,166,079	-	-	459,089	-	-	19,909,678	-	-	-	-
Repayment of notes payable	(24,043,783)	-	(735,331)	-	-	(250,000)	(19,395,921)	-	(105,980)	-	-
Other financing activities	(6,158,138)	-	(31,172)	-	75,880	-	(1,315,527)	-	-	-	-
Net cash flow from financing activities	(15,073,798)	-	(766,503)	172,239	(1,316,445)	(162,416)	1,410,197	(120,944)	561,450	(569,092)	(145,169)
<b>CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>(15,087,742)</b>	<b>-</b>	<b>(87,122)</b>	<b>(200,528)</b>	<b>784,973</b>	<b>497,429</b>	<b>(2,767)</b>	<b>(86,917)</b>	<b>(1,369,400)</b>	<b>(464,093)</b>	<b>(624,709)</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH - beginning of year</b>	<b>167,298,372</b>	<b>-</b>	<b>2,806,889</b>	<b>251,989</b>	<b>1,143,671</b>	<b>2,895,945</b>	<b>614,078</b>	<b>3,046,499</b>	<b>4,056,247</b>	<b>1,290,776</b>	<b>1,975,900</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH - end of year</b>	<b>\$ 152,210,630</b>	<b>\$ -</b>	<b>\$ 2,519,767</b>	<b>\$ 51,461</b>	<b>\$ 1,928,644</b>	<b>\$ 3,194,374</b>	<b>\$ 611,311</b>	<b>\$ 2,961,582</b>	<b>\$ 2,686,847</b>	<b>\$ 826,683</b>	<b>\$ 1,351,191</b>

See accountant's compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

(Continued)

	Dutchess	Essex	Franklin-Hamilton	Fulton	Heikimer	Jefferson	Livingston-Warren	Madison-Cortland	Montgomery	Nassau
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>										
Change in net assets	\$ (338,844)	\$ 1,495,567	\$ 55,134	\$ 2,490,781	\$ 608,113	\$ 7,444,948	\$ 72,957	\$ 358,976	\$ 7,272,439	\$ 11,378,730
Adjustments to reconcile change in net assets to net cash flow from operating activities:										
Depreciation and amortization	723,129	2,354,032	516,702	3,254,383	1,446,422	1,394,022	1,363,978	894,394	2,640,225	6,741,366
Realized and unrealized (gain) loss on investments, net	(46,435)	(173,742)	(430,381)	(430,381)	-	(3,584,351)	(53,991)	(84,059)	(7,716,743)	(10,773,511)
Gain on sales or dispositions of assets, net	60,178	(188,488)	(93,621)	(103,279)	2,011	-	(32,025)	(35,625)	(49,175)	-
Asset impairment	-	-	-	7,121	26,644	-	-	8,170	141,285	702,877
Bad debt expense	-	100,001	-	-	-	-	-	-	60,692	121,286
Operating leases	-	75,229	-	-	-	-	-	-	(2,884)	-
Contribution in kind	-	-	-	-	-	-	-	-	(283,413)	-
Other	-	45,363	(4,479)	(1,561,644)	(10,349)	(1,158,840)	-	-	-	(118,923)
Changes in:										
Receivables	(748,050)	(1,907,989)	77,963	1,232,269	(147,501)	(2,590,157)	(628,762)	13,518	(646,785)	(4,271,679)
Inventories	(29,649)	132,675	(9,732)	(76,423)	32,236	155,790	26,528	(9,639)	132,212	-
Prepaid expenses and other assets	(11,468)	(104,631)	23,817	(61,713)	21,715	167,574	(37,413)	(38,375)	(19,709)	(121,956)
Deposits	-	-	-	13,327	-	-	(364)	-	-	-
Deferred charges	-	-	-	-	-	1,480	-	-	(15,847)	-
Accounts payable	411,958	(133,328)	144,384	(315,488)	421,772	803,124	(361,494)	78,418	(27,891)	14,581
Accrued expenses and taxes	(32,657)	(267,328)	760,528	829,835	(109,488)	1,155,326	84,941	(10,075)	150,443	2,638,594
Due to governmental agencies	-	43,555	-	(192,400)	(356,986)	(490,836)	16,244	(35,215)	(33,308)	787,496
Deferred revenue, refundable advances and other liabilities	136,575	(83,136)	91,900	(260,720)	(163,696)	-	37,742	-	(1,923,843)	(1,352,385)
Net cash flow from operating activities	124,737	867,793	1,562,596	4,825,668	1,770,893	3,298,080	488,341	1,140,488	(49,771)	6,647,523
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>										
Proceeds from the sale of property, plant and equipment	-	199,243	113,074	189,344	83,761	-	32,025	35,625	393,642	83,633
Purchases of property, plant and equipment	(906,872)	(635,049)	(554,540)	(2,922,227)	(1,474,149)	(1,987,811)	(456,485)	(388,987)	(299,994)	(3,263,221)
Purchase of investments	(61,662)	250,000	-	(6,673)	(123,828)	(1,316,037)	(11,138)	(1,199,121)	(114,746)	(2,134,573)
Proceeds from sales of investments	49,294	(8,284,505)	-	-	-	679,188	-	1,048,711	62,196	1,528,303
Change in limited use reserves and deposits refunded	-	-	-	-	67,227	-	-	605	-	27,689
Other investing activities	11,100	(150,000)	48,086	-	-	(500)	-	70,000	-	-
Net cash flow from investing activities	(908,140)	(3,033,961)	(393,380)	(2,741,556)	(1,446,988)	(2,625,180)	(435,598)	(433,147)	41,098	(4,165,665)
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>										
Proceeds from long-term debt	702,786	301,453	17,200	-	241,413	-	777,280	318,478	-	-
Repayment of long-term debt	(664,655)	(476,061)	(364,541)	(1,686,929)	(432,465)	(986,571)	(1,175,342)	(589,466)	(1,347,431)	(1,473,082)
Proceeds from notes payable	883,184	-	-	-	-	-	-	-	1,323,920	-
Repayment of notes payable	-	-	-	-	-	(242,517)	-	-	(800,000)	-
Other financing activities	-	68,330	44,082	-	-	(626,770)	-	-	-	(4,456,203)
Net cash flow from financing activities	721,315	(106,278)	(303,259)	(1,686,929)	(191,052)	(1,255,858)	(398,062)	(270,988)	(949,162)	(4,456,203)
<b>CHANGE IN CASH AND EQUIVALENTS</b>	(62,088)	(2,272,476)	865,957	397,183	132,852	(562,958)	(345,319)	436,353	(1,694,240)	(751,888)
<b>CASH AND EQUIVALENTS - beginning of year</b>	557,741	3,979,379	2,904,027	7,584,275	1,367,935	13,524,026	1,994,371	2,766,970	7,750,852	23,426,247
<b>CASH AND EQUIVALENTS - end of year</b>	\$ 495,653	\$ 1,706,903	\$ 3,769,984	\$ 7,981,458	\$ 1,500,787	\$ 12,941,068	\$ 1,649,052	\$ 3,203,323	\$ 6,056,612	\$ 21,451,902

See accountant's compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**

**COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

(Continued)

	New York City	North County	Oneida-Lewis	Orangetown	Ontario	Genesee-Olean	Oswego	Utica	Rensselaer	Rockland	Saratoga	Schenectady
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>												
Change in net assets	\$ 661,904	\$ (15,799)	\$ 2,002,718	\$ (162,253)	\$ 1,219,243	\$ (193,306)	\$ (55,803)	\$ 878,977	\$ (564,087)	\$ 80,061	\$ 122,221	\$ 34,574
Adjustments to reconcile change in net assets to net cash flow from operating activities:												
Depreciation and amortization	7,515,519	33,811	1,619,625	383,985	1,041,653	732,310	3,478	490,612	751,438	1,174,875	1,403,516	954,147
Realized and unrealized (gain) loss on investments, net	(611,911)	-	(470,994)	(385,910)	(376,753)	(328,748)	(223)	(70,041)	(70,041)	(602,809)	(180,122)	(355,425)
Gain on sales or dispositions of assets, net	-	-	(85,312)	(1,059,979)	(1,192)	(31,751)	-	(3,688)	-	-	(24,817)	(32,478)
Asset impairment	-	-	-	65,571	-	20,804	-	60,795	-	307,745	-	59,000
Bad debt expense	-	-	-	(48,943)	-	(16,334)	-	-	-	-	(5,730)	(5,011)
Operating leases	-	-	-	(75,699)	(202,414)	-	-	-	(2,067)	(2,847)	5,623	-
Contribution in kind	-	-	-	-	-	(58,649)	-	-	-	-	-	-
Other	(470,155)	-	-	-	-	-	-	-	-	-	-	-
Changes in:												
Receivables	(9,968,949)	(138,224)	(3,247)	(140,996)	(335,831)	730,429	35,869	(442,485)	(48,473)	(637,516)	(90,369)	(145,597)
Inventories	-	-	10,836	-	17,464	-	(42,062)	(25,408)	(25,408)	-	-	-
Prepaid expenses and other assets	637,981	5,415	(45,415)	12,192	(78,872)	(184,929)	4,665	74,549	(3,966)	(335,385)	-	58,928
Deposits	-	-	-	-	-	-	-	-	-	-	-	67,580
Deferred charges	-	-	-	-	23	22,164	-	-	-	-	-	-
Accounts payable	3,136,370	(51,806)	159,818	(173,390)	(269,960)	(88,066)	13,267	211,127	(29,235)	674,032	11,552	69,386
Accrued expenses and taxes	(1,035,602)	(69,677)	31,966	(653,150)	(90,002)	(43,067)	4,678	(43,067)	(80,413)	(1,220,440)	22,113	(194,066)
Due to governmental agencies	-	-	-	(39,730)	18,568	-	-	-	(114,057)	169,815	(12,635)	226,159
Deferred revenue, refundable advances and other liabilities	-	437,873	70,859	257,249	225,541	13,863	(38,500)	6,300	(15,245)	5,000	-	157,460
Net cash flow from operating activities	(134,843)	201,593	3,290,874	(1,066,153)	1,257,470	637,787	(32,569)	1,191,058	(201,546)	(387,469)	1,351,352	894,657
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>												
Proceeds from the sale of property, plant and equipment	-	-	102,461	157,400	1,360	38,051	-	300	-	-	35,597	32,478
Purchases of property, plant and equipment	(7,076,195)	-	(1,115,191)	(605,028)	(511,572)	(501,921)	(29,200)	(1,184,860)	(560,282)	(1,275,901)	(1,348,389)	(1,141,042)
Purchase of investments	(2,129,881)	-	(3,459,248)	(1,770,600)	(90,002)	195,575	(816,683)	-	(257,538)	(3,997,057)	(515,000)	(367,638)
Proceeds from sales of investments	3,095,272	-	4,385,896	1,723,300	14,783	(167,005)	-	-	258,203	4,989,807	436,236	301,995
Change in limited use reserves and deposits refunded	(3,040)	-	-	6,345	-	-	-	6,076	-	-	4,836	70,023
Other investing activities	(685,328)	66,104	1	-	144,828	-	-	-	-	-	-	12,882
Net cash flow from investing activities	(6,799,170)	66,104	(86,081)	(488,643)	(440,603)	(435,300)	(845,883)	(1,178,484)	(659,617)	(303,151)	(1,366,720)	(1,091,302)
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>												
Proceeds from long-term debt	1,896,719	-	-	-	-	-	-	-	145,296	1,912,023	478,549	-
Repayment of long-term debt	(4,198,623)	(66,104)	(818,150)	(212,053)	(580,718)	(512,102)	-	(257,523)	(193,555)	(269,953)	(958,728)	(623,913)
Proceeds from notes payable	8,000,000	-	-	-	-	-	-	-	-	1,017,599	-	900,000
Repayment of notes payable	-	-	-	-	-	-	-	-	-	(1,389,807)	-	-
Other financing activities	885,648	-	-	-	(7,051)	-	-	-	-	(658,404)	-	-
Net cash flow from financing activities	6,568,744	(66,104)	(818,150)	(212,053)	(587,769)	(512,102)	-	(257,523)	(48,319)	611,458	(460,179)	276,087
<b>CHANGE IN CASH AND EQUIVALENTS</b>	(50,269)	201,593	2,386,643	(1,766,649)	229,098	(309,615)	(878,452)	(244,949)	(809,482)	(79,162)	(515,547)	79,442
<b>CASH AND EQUIVALENTS - beginning of year</b>	5,711,303	968,409	6,479,645	4,298,999	2,802,433	2,011,891	1,196,063	1,785,366	5,007,397	1,014,772	2,055,154	115,388
<b>CASH AND EQUIVALENTS - end of year</b>	5,361,034	1,170,002	8,866,288	2,532,350	3,031,531	1,702,276	317,601	1,540,417	4,197,915	935,610	1,539,607	194,830

See accountant's compilation report.

**NYSARC, INC. STATE OFFICE, CHAPTERS AND THEIR AFFILIATES**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

(Continued)

	<u>Schoharie</u>	<u>Schuyler</u>	<u>Seneca-Cattaraugus</u>	<u>Steuben</u>	<u>Sullivan</u>	<u>Ulster-Greene</u>	<u>Warren-Washington-Albany</u>	<u>Community League Wassaic</u>	<u>Warne</u>	<u>Westchester</u>	<u>Yates</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>											
Change in net assets	\$ (483,203)	\$ 1,378,281	\$ 630,348	\$ 349,457	\$ 1,844,203	\$ 602,318	\$ 324,940	\$ 81,571	\$ 532,729	\$ 1,389,288	\$ (286,320)
Adjustments to reconcile change in net assets to net cash flow from operating activities:											
Depreciation and amortization	353,104	408,306	862,717	718,088	1,324,708	2,925,638	1,394,483	-	781,782	1,400,357	488,229
Realized and unrealized (gain) loss on investments, net	(62,829)	(321,989)	(187,393)	(381,617)	(4,556)	(1,303,903)	(161,628)	(7,787)	(624,314)	(597,437)	(45,685)
Gain on sales or dispositions of assets, net	(205,956)	2,916	(19,810)	(16,600)	(1,003)	124,368	(1,744)	-	(15,765)	1,298	-
Asset impairment	-	-	-	-	-	-	-	-	-	-	-
Bad debt expense	-	4,973	(33,831)	-	128,317	-	-	-	192,167	(286)	205,217
Operating leases	-	-	-	-	499,049	-	-	-	-	-	-
Contribution in kind	-	-	-	-	-	-	-	-	-	-	-
Other	-	5,656	-	-	167,871	155,659	108,749	-	-	167,563	-
Changes in:											
Receivables	404,194	(481,281)	168,345	(256,225)	(2,937,816)	431,869	684,15	20,376	31,731	(912,657)	468,665
Inventories	46,897	(431)	(137,300)	25,385	17,298	-	-	-	-	-	6,590
Prepaid expenses and other assets	114,609	2,395	60,259	(13,438)	132,852	(76,113)	17,015	1,048	(1,539)	(158,167)	(27,049)
Deposits	-	(42,139)	-	(15,015)	-	-	(73,172)	-	-	888	-
Deferred charges	-	-	-	-	-	300,288	-	-	-	(64,352)	-
Accounts payable	(14,355)	(14,891)	(138,352)	104,908	(883,721)	230,764	7,440	662	(159,203)	(110,311)	(17,802)
Accrued expenses and taxes	(57,856)	5,739	136,881	56,368	1,430,434	271,759	486,717	(1,497)	128,173	255,514	225,813
Due to governmental agencies	42,993	(5,110)	51,433	2,950	1,764,455	15,679	(2,015)	62,582	-	221,429	3,276
Deferred revenue, refundable advances and other liabilities	(49,394)	155,473	(40,455)	(217,069)	115,531	10,803	4,085	-	79,368	(68,018)	(325,305)
Net cash flow from operating activities	78,204	1,097,898	1,352,842	357,192	2,284,016	3,689,129	2,173,275	156,955	945,129	1,535,089	705,629
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>											
Proceeds from the sale of property, plant and equipment	279,863	2,095	-	16,600	323,672	-	7,974	-	15,765	-	-
Purchases of property, plant and equipment	(121,200)	(1,434,371)	19,810	(585,367)	(904,035)	(4,749,201)	(1,332,866)	-	(425,705)	(877,349)	(245,107)
Purchase of investments	(45,808)	(92,393)	(632,438)	(195,229)	(861,250)	(1,046,005)	(2,413,453)	(40,146)	(1,232,799)	679,526	(132,879)
Proceeds from sales of investments	-	508,363	612,091	30,841	(861,250)	498,020	2,462,884	38,206	545,406	(768,631)	123,324
Change in limited use reserves and deposits refunded	-	-	47,926	19,866	-	-	-	-	-	38,308	-
Other investing activities	-	-	(1,682,438)	144,828	-	-	-	-	-	-	-
Net cash flow from investing activities	112,855	(1,016,306)	(1,635,049)	(528,461)	(1,764,282)	(5,297,190)	(1,275,481)	(1,940)	(1,097,333)	(928,146)	(254,662)
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>											
Proceeds from long-term debt	-	-	-	-	684,197	801,318	-	-	-	512,448	-
Repayment of long-term debt	(270,808)	(110,959)	(845,113)	(445,397)	(1,542,023)	(2,523,756)	(1,112,146)	-	(155,911)	(817,342)	(334,316)
Proceeds from notes payable	-	-	750,000	-	-	-	-	-	70,609	-	52,000
Repayment of notes payable	-	-	-	-	(336,091)	(450,000)	-	-	-	-	-
Other financing activities	-	-	131,869	-	(288,820)	-	-	-	-	-	-
Net cash flow from financing activities	(270,808)	(110,959)	36,756	(445,397)	(1,480,649)	(1,722,438)	(1,112,146)	-	(85,302)	(304,894)	(282,316)
<b>CHANGE IN CASH AND EQUIVALENTS</b>	(79,749)	(29,367)	(245,451)	(616,666)	(1,187,440)	(3,330,499)	(214,352)	155,015	(237,506)	302,049	168,651
<b>CASH AND EQUIVALENTS - beginning of year</b>	763,257	1,441,976	981,692	1,912,512	5,078,751	8,142,392	5,056,777	447,097	5,006,845	5,555,911	368,775
<b>CASH AND EQUIVALENTS - end of year</b>	683,508	1,412,609	736,241	1,295,846	3,891,311	5,545,857	4,844,425	602,112	4,769,339	5,857,960	537,426

See accountant's compilation report.