SUNNYSIDE CITYWIDE HOME CARE SERVICES, INC.

Financial Statements
(Together with Independent Auditors' Report)

Years Ended June 30, 2019 and 2018

MARKS PANETH

ACCOUNTANTS & ADVISORS

SUNNYSIDE CITYWIDE HOME CARE SERVICES, INC.

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

YEARS ENDED JUNE 30, 2019 AND 2018

CONTENTS

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MARKS PANETH
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

The Board of Directors of
Sunnyside Citywide Home Care Services, Inc.

We have audited the accompanying financial statements of Sunnyside Citywide Home Care Services, Inc. ("Citywide"), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sunnyside Citywide Home Care Services, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2N to the financial statements, during the year ended June 30, 2019, Citywide adopted Accounting Standards Update 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Marks Paneth LLP

New York, NY
February 13, 2020

SUNNYSIDE CITYWIDE HOME CARE SERVICES, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
Cash (Note 11)	$ 170,314	$ 1,050,749
Government grants receivable (Note 2C)	2,302	79,518
Accounts receivable, net (Notes 2D, 2G and 4)	2,229,967	3,408,896
Investments (Note 2E and 5)	3,760,208	4,528,527
Prepaid expenses and other assets	313,990	417,840
Due from affiliates (Note 12)	3,650,684	1,787,108
Property and equipment, net (Notes 2F and 6)	60,368	75,801
TOTAL ASSETS	$ 10,187,833	$ 11,348,439
LIABILITIES		
Accounts payable and accrued expenses	$ 1,098,610	$ 2,189,426
Workers compensation assessment payable (Note 7)	594,692	711,680
TOTAL LIABILITIES	1,693,302	2,901,106
COMMITMENTS AND CONTINGENCIES (Note 8)		
NET ASSETS (Note 2B)		
Without donor restrictions	8,494,531	8,325,734
With donor restrictions (Note 9)	-	121,599
TOTAL NET ASSETS	8,494,531	8,447,333
TOTAL LIABILITIES AND NET ASSETS	$ 10,187,833	$ 11,348,439

The accompanying notes are an integral part of these financial statements.

SUNNYSIDE CITYWIDE HOME CARE SERVICES, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	For the Year Ended June 30, 2019			For the Year Ended June 30, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
GOVERNMENT AND OTHER SUPPORT:						
Contract revenue - Managed care (Notes 2G and 11)	$ 13,311,317	$ -	$ 13,311,317	$ 25,418,243	$ -	$ 25,418,243
Government grants (Note 2C)	148,943	-	148,943	108,994	-	108,994
Contributions and grants (Note 2H)	-	15,000	15,000	-	205,000	205,000
Donated services (Note 2I)	15,558	-	15,558	882	-	882
State Funding and Other income	869,458	-	869,458	1,459,069	-	1,459,069
Net assets released from restrictions (Notes 2B and 9)	136,599	(136,599)	-	191,348	(191,348)	-
TOTAL GOVERNMENT AND OTHER SUPPORT	14,481,875	(121,599)	14,360,276	27,178,536	13,652	27,192,188
OPERATING EXPENSES (Note 2K)**:**						
Program services						
Home care	13,675,996	-	13,675,996	25,128,431	-	25,128,431
Supporting services						
Management and general	868,764	-	868,764	2,391,586	-	2,391,586
TOTAL OPERATING EXPENSES	14,544,760	-	14,544,760	27,520,017	-	27,520,017
CHANGE IN NET ASSETS BEFORE NON-OPERATING ACTIVITY	(62,885)	(121,599)	(184,484)	(341,481)	13,652	(327,829)
NON-OPERATING ACTIVITY:						
Investment return, net (Note 5)	231,682	-	231,682	213,231	-	213,231
TOTAL NON-OPERATING ACTIVITY	231,682	-	231,682	213,231	-	213,231
CHANGE IN NET ASSETS	168,797	(121,599)	47,198	(128,250)	13,652	(114,598)
NET ASSETS - BEGINNING OF YEAR	8,325,734	121,599	8,447,333	8,453,984	107,947	8,561,931
NET ASSETS - END OF YEAR	$ 8,494,531	$ -	$ 8,494,531	$ 8,325,734	$ 121,599	$ 8,447,333

The accompanying notes are an integral part of these financial statements.

SUNNYSIDE CITYWIDE HOME CARE SERVICES, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	For the Year Ended June 30, 2019			For the Year Ended June 30, 2018		
	Program Services Home Care	Management and General	Total	Program Services Home Care	Management and General	Total
Salaries	$ 9,126,375	$ 433,350	$ 9,559,725	$ 16,670,418	$ 945,494	$ 17,615,912
Payroll taxes and fringe benefits (Note 10)	4,227,876	36,830	4,264,706	8,051,279	511,318	8,562,597
Total Personnel Costs	13,354,251	470,180	13,824,431	24,721,697	1,456,812	26,178,509
Consultants (Note 2I)	53,228	36,415	89,643	42,464	40,623	83,087
Computer services	56,208	52,723	108,931	72,169	66,245	138,414
Occupancy (Note 8)	96,035	90,080	186,115	108,933	99,992	208,925
Supplies/printing	13,126	37,792	50,918	28,663	67,832	96,495
Travel/transportation	580	544	1,124	2,311	2,122	4,433
Insurance	34,674	32,523	67,197	51,344	47,129	98,473
Repairs and maintenance	13,921	13,058	26,979	25,252	23,180	48,432
Dues and subscriptions	3,041	2,852	5,893	9,168	8,416	17,584
Depreciation and amortization (Notes 6 and 8)	7,963	7,470	15,433	7,710	7,078	14,788
Bad debt expense	-	84,816	84,816	-	531,732	531,732
Other	42,969	40,311	83,280	58,720	40,425	99,145
TOTAL EXPENSES	$ 13,675,996	$ 868,764	$ 14,544,760	$ 25,128,431	$ 2,391,586	$ 27,520,017

The accompanying notes are an integral part of these financial statements.

SUNNYSIDE CITYWIDE HOME CARE SERVICES, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 47,198	$ (114,598)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Unrealized gain on investment	(71,819)	(122,373)
Realized gain on investment	(63,227)	-
Bad debt expense	84,816	531,732
Depreciation and amortization	15,433	14,788
Subtotal	12,401	309,549
Changes in operating assets and liabilities:		
(Increase) or decrease in assets:		
Accounts receivable	1,094,113	(760,506)
Government grants receivable	77,216	(17,742)
Prepaid expenses and other assets	103,850	(256,885)
Due from affiliates	(1,863,576)	(834,284)
Increase or (decrease) in liabilities:		
Accounts payable and accrued expenses	(1,090,816)	(658,332)
Workers compensation assessment payable	(116,988)	(116,988)
Net Cash Used in Operating Activities	(1,783,800)	(2,335,188)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	-	(9,486)
Proceeds from sale of investments	1,000,000	-
Purchase of investments	(96,635)	(140,844)
Net Cash Provided by (Used in) Investing Activities	903,365	(150,330)
NET DECREASE IN CASH	(880,435)	(2,485,518)
Cash - beginning of the year	1,050,749	3,536,267
CASH - END OF YEAR	$ 170,314	$ 1,050,749

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Sunnyside Citywide Home Care Services, Inc. ("Citywide") is a not-for-profit licensed home care service agency that was established to provide personal care services to the elderly and disabled persons who require such services in order to maintain themselves safely at home. Citywide is funded primarily by managed care revenues.

The agency is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The accompanying financial statements were prepared to present the financial position, changes in net assets and cash flows of only Citywide and do not include the financial position, changes in net assets and cash flows of its related organizations: Sunnyside Community Services, Inc. ("Sunnyside") and Sunnyside Home Care Project, Inc. ("Home Care") and Sunnyside CDPAP, Inc. ("CDPAP"). Effective January 1, 2019, Citywide began transferring clients to Home Care.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ***Basis of accounting*** - The accompanying financial statements of Citywide have been prepared on the accrual basis of accounting. Citywide adheres to accounting principles generally accepted in the United States of America ("U.S. GAAP").

B. ***Basis of presentation*** - Citywide maintains its net assets under the following two classes:

   a. Net assets without donor restrictions – includes funds having no restriction as to use or purpose imposed by donors. It represents resources available for support of Citywide's operations over which the Board of Directors has discretionary control.

   b. Net assets with donor restrictions – represents assets that are subject to donor-imposed stipulations. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

C. ***Government grants receivable*** - Government grants receivable are recorded for expenditures made in accordance with grant agreements.

D. ***Allowance for doubtful accounts*** - Citywide determines whether an allowance for uncollectible accounts should be provided for accounts receivable. Such estimates are based on management's assessment of the aged basis of its receivables, current economic conditions, subsequent receipts and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. As of June 30, 2019 and 2018, Citywide determined an allowance of $269,650 and $562,000, respectively, was necessary for accounts receivable and no allowance was necessary for government grants receivable.

E. ***Investments*** - Investments are stated at fair value. Fair value measurements are based on 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. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels as described in Note 5.

F. ***Property and equipment*** - Property and equipment and leasehold improvements are recorded at cost. Items with a cost of $1,000 and estimated useful life of greater than one year are capitalized. Property and equipment are depreciated on the straight-line method over their estimated useful lives. Amortization of leasehold improvements is recorded on the straight-line method over the term of the lease or the life of the asset, whichever is shorter.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. ***Contract and managed care revenues* -** Revenues from care of patients are reported at the estimated net realizable amounts from patients, third-party payors and others from services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Laws and regulations governing health care programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates may change by a material amount in the near term. Citywide records accounts receivable based on established rates or contracts for services provided.

H. ***Contributions*** - Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported as donor restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

I. ***Donated Services*** - Donated services are recognized in the financial statements if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased, if not provided by donation. Donated services of $15,558 and $882 were received during the years ended June 30, 2019 and 2018, respectively, and reflected as revenues and expenses in the accompanying statements of activities.

J. ***Operating leases*** - Rent expense has been recorded on the straight-line basis over the life of the lease. Deferred rent, when material, is recorded for the difference between the fixed payment and the rent expense.

K. ***Functional allocation of expenses*** - The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The accompanying financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, insurance, depreciation and amortization which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes which are allocated on the basis of estimates of time and effort, consultants, computer services, supplies and all other expenses which are allocated on the basis of full time equivalent.

L. ***Use of Estimates*** *-* The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual amounts could differ from those estimates.

M. ***Reclassifications*** - Certain line items in the June 30, 2018 financial statements have been reclassified to conform to the June 30, 2019 presentation.

N. ***Recent Accounting Pronouncements*** - Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities* was adopted for the year ended June 30, 2019. ASU 2016-14 provides for a number of changes, including the presentation of two classes of net assets and enhanced disclosure on liquid resources and expense allocation. These changes had no impact on the change in net assets for the year ended June 30, 2018. Due to these changes, Citywide has reclassified prior periods and fully comparative financial statements are presented. Net assets as of June 30, 2018 were renamed to conform to the new presentation.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash	$ 170,314
Accounts receivable, net	2,229,967
Investments	3,760,208
Government grants and contracts receivable	2,302
	6,162,791
Less accounts receivable due in more than one year	(737,392)
	$ 5,425,399

Citywide regularly monitors liquidity required to meet its operating needs while also striving to maximize the investment of its available funds. This is done by comparing, on a weekly basis, funds available to actual expenses to be paid. Citywide also strives to collect receivables on a timely basis from all types of debtors.

As part of Citywide's liquidity management plan, Citywide invests cash in excess of daily requirements in short-term investments. During fiscal year 2019, the Board approved the transfer of $1 million from investments to the operating fund.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, Citywide considers all expenditures related to its ongoing activities of Citywide's programs as well as the conduct of services undertaken to support those activities to be general expenditures. Donor restricted funds for various programs are considered available for the general expenditures to conduct those programs.

NOTE 4 – ACCOUNTS RECEIVABLE, NET

Accounts receivable consist of the following as of June 30:

	2019	2018
Medicaid – Managed care	$ 2,306,847	$ 3,718,922
Other third-party insurance	189,759	153,495
Other receivables	3,011	98,479
Total accounts receivable	2,499,617	3,970,896
Less: allowance for doubtful accounts	(269,650)	(562,000)
Total accounts receivable, net	$ 2,229,967	$ 3,408,896

NOTE 5 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments consisted of the following at June 30, 2019 and 2018 and were classified as Level 1 in the fair value hierarchy (as defined below) as follows:

	2019	2018
Fixed income	$ 1,867,048	$ 2,245,779
Equity	1,893,160	2,282,748
Total Investments	$ 3,760,208	$ 4,528,527

Investments are subject to market volatility that could change their carrying value in the near term.

NOTE 5 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Investment return consisted of the following for the years ended June 30:

	2019	2018
Interest and dividends	$ 111,710	$ 106,206
Realized gain	63,227	-
Unrealized gain	71,819	122,373
	246,756	228,579
Less: Investment fees	(15,074)	(15,348)
	$ 231,682	$ 213,231

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to level 1 inputs. Level 1 valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

In determining fair value, Citywide utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value. Investments in equity and fixed income are valued using market prices in active markets (Level 1). Level 1 instrument valuations are obtained from real-time quotes in active exchange markets involving identical assets.

Citywide’s policy is to recognize transfers in and transfers out between fair value levels as of the beginning of the period in which the transfer takes place. During the year ended June 30, 2019, no such transfers between fair value levels occurred.

NOTE 6 – PROPERTY AND EQUIPMENT, NET

Property and equipment consists of the following as of June 30:

	2019	2018	Estimated Useful Lives
Leasehold improvements	$ 84,574	$ 84,574	12-15 Years
Furniture and equipment	48,912	48,912	5 Years
	133,486	133,486	
Less: accumulated depreciation and amortization	(73,118)	(57,685)	
Net book value	$ 60,368	$ 75,801	

For the years ended June 30, 2019 and 2018, depreciation and amortization expenses amounted to $15,433 and $14,788, respectively.

NOTE 7 – WORKERS COMPENSATION ASSESSMENT

In 1999, Citywide joined the Health Care Providers Self-Insurance Trust ("HCPSIT"), a workers' compensation group self-insurance trust established to provide Workers' Compensation coverage and services for providers of social services throughout the State of New York. A forensic audit of the Trust was commissioned by the New York State Workers' Compensation Board ("WCB"). That audit determined that HCPSIT had a cumulative deficit in the amount of $188,187,893. Based on the deficit, the WCB terminated HCPSIT on or about June 30, 2009 and assumed trust administration and final distribution of the trust's assets and liabilities. The WCB initiated the process of determining the assessment amount to be levied on each member of the Trust.

On January 15, 2014, the WCB provided Citywide with a settlement agreement of $1,169,883. The agreement included an option for a one-time lump sum payment with a 5% discount, which would net to a liability of $1,111,389; an option to pay the full amount over one or two years, interest free; or the option to pay the full amount over a ten-year period with an interest rate of 3.5%. Citywide accrued the full amount of $1,169,883 in June of 2013, while deciding on the best option for Citywide. On June 24, 2014, Citywide elected the option to pay the full amount over the ten-year period incurring annual interest of 3.5%, and signed the settlement agreement with WCB. Under the terms of this agreement, Citywide is required to make monthly payments of $11,568, including interest, beginning in August 2014. Workers' compensation assessment payable amounted to $594,692 and $711,680 as of June 30, 2019 and 2018, respectively.

Future principal payments for each of the five years subsequent to June 30, 2019 are as follows:

2020	$ 116,988
2021	116,988
2022	116,988
2023	116,988
2024	116,988
Thereafter	9,752
	$ 594,692

NOTE 8 – COMMITMENTS AND CONTINGENCIES

A. ***Lease Commitments***

Citywide subleases its office located in Queens, New York from Sunnyside under three operating leases and provides payments of real estate taxes and utilities in addition to minimum rent. Two of the leases expired on June 30, 2018 and the other expires on December 31, 2019. Citywide signed an extension of the two expired office space subleases through June 30, 2022. In the event that governmental funding is terminated, Citywide may cancel the subleases upon giving one to three months' notice (varying by sublease agreement) to Sunnyside.

Rent expense for the years ended June 30, 2019 and 2018 was $116,767 and $114,163, respectively.

The future minimum lease payments to Sunnyside, based on the subleases, subject to cancellation, are as follows:

Years Ending June 30:	
2020	$ 114,000
2021	112,000
2022	115,000
Total	$ 341,000

NOTE 8 – COMMITMENTS AND CONTINGENCIES (Continued)

B. ***Third Party Contingencies***

Citywide is responsible to report to various third parties, among which are the New York State Department of Health (“DOH”), the New York State Office of Attorney General (“AG”), the Internal Revenue Service (“IRS”), the New York State Department of Charities Registration, the Office of Inspector General, and the Office of Medicaid Inspector General (“OMIG”). These and other agencies, including the New York City Human Resources Administration (“HRA”) and the New York City Department for the Aging (“DFTA”), have the right to audit fiscal as well as programmatic compliance, i.e., clinical documentation and physician certifications, among other compliance requirements.

DOH increased the Medicaid rates to provide funding for recruitment, training and retention of home health aides and/or other personnel with direct patient care responsibility. Home Care and Citywide are required to provide attestations certifying that these funds, if applicable, were paid to home health aides and other personnel with direct patient care responsibilities.

During 2007, the AG of the State of New York issued subpoenas to several Certified Home Health Agencies (“CHHAs”) and Long Term Home Health Care Programs (“LTHHCPs”) citing that the Home Health Aides (“HHAs”) they contracted from licensed vendor agencies were not actually trained, and their certification as HHAs was falsified. Therefore, the CHHAs and LTHHCPs billed Medicaid for ineligible services. Citywide maintains that it performed proper due diligence to assure that the HHAs it employs have appropriate training and certification. Citywide did not receive a subpoena; however, this matter and the AG’s investigation have not been concluded. Citywide’s management believes that they have no exposure in this matter.

C. ***Income Taxes***

Citywide believes it has no uncertain tax positions as of June 30, 2019 and 2018 in accordance with Accounting Standards Codification (“ASC”) Topic 740, “Income Taxes,” which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2019 and 2018 are available for the following purposes:

	2019	2018
Home Health Aide Training	$ -	$ 121,599
Total net assets with donor restrictions	$ -	$ 121,599

Net assets with donor restrictions were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2019	2018
Home Health Aide Training	$ 136,599	$ 191,348
	$ 136,599	$ 191,348

NOTE 10 – PENSION PLANS

Nonunion Pension Plan

Citywide maintains a 403(b) pension plan that covers all full-time employees not covered by a collective bargaining agreement. On an annual basis, the Board determines a discretionary contribution for employees who are at least 21 years of age and have completed two years of service. Citywide's contributions amounted to $13,627 and $25,375 for the years ended June 30, 2019 and 2018, respectively.

Union Pension Plan

All union employees of Citywide are covered by an employer contributory pension plan administered by the union. Union pension expense for the years ended June 30, 2019 and 2018 was $211,929 and $423,755, respectively. Home Care did not contribute more than 5% of total contributions to those plans.

The risks of participating in these multiemployer defined benefit pension plans are different from single employer plans because: (a) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers, (b) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be required to be borne by the remaining participating employers, and (c) if Home Care chooses to stop participating in one of its multiemployer plans, it may be required to pay a withdrawal liability to the plan.

The following information was obtained from Citywide's union-managed pension plan:

Pension Fund	EIN/ Pension Plan Number	FIP/RP Status Pending/ Implemented	Contributions 2019	Contributions 2018	Surcharge Imposed	Expiration Date of Collective Bargaining Agreement
1199 SEIU Home Care Employees Pension Fund	EIN 13-3943904 Plan No. 001	Implemented	$211,929	$423,755	No	*March 2017

* A new agreement is in negotiation as of February 13, 2020, the date the financial statements were available to be issued.

As of the date the financial statements were available to be issued, Form 5500 was available for the plan year ended December 31, 2018 and did not include 2019 plan information. The plan's actuaries have certified that the plan is not endangered, seriously endangered or critical, as those terms are defined in the Pension Protection Act of 2006 for the plan year ended December 31, 2018.

NOTE 11 – CONCENTRATIONS

Credit Risk

Cash that potentially subjects Citywide to a concentration of credit risk includes cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Cash accounts are insured up to $250,000 per depositor. As of June 30, 2019 and 2018, there was approximately $0 and $1.14 million, respectively, of cash held by one bank that exceeded FDIC limits.

NOTE 11 – CONCENTRATIONS (Continued)

Revenue

In 2019, 40% of Citywide's revenues was derived from Visiting Nurse Service of New York, Inc. ("VNS") and 46% of accounts receivable was from Independent Care Systems. Also in 2019, 30% of revenues and 24% of accounts receivable are derived from billings to four other managed care vendors. In 2018, 32% of Citywide's revenues and 8% of accounts receivable are derived from billings to Visiting Nurse Service of New York, Inc. ("VNS") and 35% of revenues and 53% of accounts receivable are derived from billings to four other managed care vendors.

NOTE 12 – RELATED PARTY TRANSACTIONS

Citywide is related through common board members to Home Care and Sunnyside. Sunnyside CDPAP, Inc. ("CDPAP") is a wholly owned subsidiary of Sunnyside. As of June 30, 2019, Citywide is owed $3,342,682 from Home Care, $302,039 from Sunnyside and $5,963 from CDPAP. As of June 30, 2018, Citywide was owed $1,465,542 from Home Care, $315,603 from Sunnyside and $5,963 from CDPAP. These represent operating expenses advances, are non-interest-bearing and are due on demand.

In addition, in 2019 and 2018 Sunnyside charged rent (Note 8) and other expenses, as outlined in the table below, to Citywide.

	2019	2018
Rent, real estate taxes and utilities expenses	$ 164,232	$ 159,922
Salaries, fringe benefits and other expenses	369,268	714,479

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure of, events subsequent to the date of the statement of financial position through February 13, 2020, the date the financial statements were available to be issued.

Subsequent to year end, Sunnyside obtained a $2 million revolving line of credit with a bank as borrower with Home Care and Citywide as guarantors. Interest on this line is subject to change from time to time based on changes in an independent index which is the London Interbank Offered Rate (the "Index"). Interest will be calculated using a rate of 2.5% points over the Index. As of February 13, 2020, there is $500,000 borrowed under this line.