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CLIENT'S COPY



STILLWATER CHILDREN'S CENTER  
1183 MONROE AVENUE  
ROCHESTER, NY 14620

STILLWATER CHILDREN'S CENTER:

ENCLOSED ARE THE ORIGINAL AND ONE COPY OF THE 2018 EXEMPT ORGANIZATION RETURNS, AS FOLLOWS...

2018 FORM 990

2018 FORM 990-T

2018 NEW YORK FORM CHAR500

EACH ORIGINAL SHOULD BE DATED, SIGNED AND FILED IN ACCORDANCE WITH THE FILING INSTRUCTIONS. THE COPY SHOULD BE RETAINED FOR YOUR FILES.

VERY TRULY YOURS,

DOPKINS & COMPANY, LLP

# TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING

JUNE 30, 2019

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**PREPARED FOR:**

STILLWATER CHILDREN'S CENTER  
1183 MONROE AVENUE  
ROCHESTER, NY 14620

---

**PREPARED BY:**

DOPKINS & COMPANY, LLP  
200 INTERNATIONAL DR  
BUFFALO, NY 14221-5794

---

**AMOUNT DUE OR REFUND:**

NOT APPLICABLE

---

**MAKE CHECK PAYABLE TO:**

NOT APPLICABLE

---

**MAIL TAX RETURN AND CHECK (IF APPLICABLE) TO:**

NOT APPLICABLE

---

**RETURN MUST BE MAILED ON OR BEFORE:**

NOT APPLICABLE

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**SPECIAL INSTRUCTIONS:**

THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8879-EO TO OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE IRS. DO NOT MAIL A PAPER COPY OF THE RETURN TO THE IRS. RETURN FORM 8879-EO TO US BY MAY 15, 2020.

# TAX RETURN FILING INSTRUCTIONS

FORM 990-T

**FOR THE YEAR ENDING**

JUNE 30, 2019

---

**PREPARED FOR:**

STILLWATER CHILDREN'S CENTER  
1183 MONROE AVENUE  
ROCHESTER, NY 14620

---

**PREPARED BY:**

DOPKINS & COMPANY, LLP  
200 INTERNATIONAL DR  
BUFFALO, NY 14221-5794

---

**AMOUNT DUE OR REFUND:**

NO AMOUNT IS DUE. THE ORGANIZATION WILL RECEIVE A REFUND IN THE  
AMOUNT OF \$2,975

---

**MAKE CHECK PAYABLE TO:**

NO AMOUNT IS DUE.

---

**MAIL TAX RETURN AND CHECK (IF APPLICABLE) TO:**

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE CENTER  
OGDEN, UT 84201-0027

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**RETURN MUST BE MAILED ON OR BEFORE:**

MAY 15, 2020

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**SPECIAL INSTRUCTIONS:**

THE RETURN SHOULD BE SIGNED AND DATED.

Form **8879-EO**

# IRS e-file Signature Authorization for an Exempt Organization

OMB No. 1545-1878

For calendar year 2018, or fiscal year beginning JUL 1, 2018, and ending JUN 30, 2019

# 2018

Department of the Treasury  
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**  
▶ **Go to [www.irs.gov/Form8879EO](http://www.irs.gov/Form8879EO) for the latest information.**

Name of exempt organization

Employer identification number

**STILLWATER CHILDREN 'S CENTER**

**16-1415435**

Name and title of officer

**MARIA CRISTALLI**  
**CHIEF EXECUTIVE OFFICER**

### Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

<b>1a</b> Form 990 check here	▶ <input checked="" type="checkbox"/>	<b>b Total revenue</b> , if any (Form 990, Part VIII, column (A), line 12)	<b>1b</b> <u>4,143,308.</u>
<b>2a</b> Form 990-EZ check here	▶ <input type="checkbox"/>	<b>b Total revenue</b> , if any (Form 990-EZ, line 9)	<b>2b</b> _____
<b>3a</b> Form 1120-POL check here	▶ <input type="checkbox"/>	<b>b Total tax</b> (Form 1120-POL, line 22)	<b>3b</b> _____
<b>4a</b> Form 990-PF check here	▶ <input type="checkbox"/>	<b>b Tax based on investment income</b> (Form 990-PF, Part VI, line 5)	<b>4b</b> _____
<b>5a</b> Form 8868 check here	▶ <input type="checkbox"/>	<b>b Balance Due</b> (Form 8868, line 3c)	<b>5b</b> _____

### Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2018 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

**Officer's PIN: check one box only**

I authorize DOPKINS & COMPANY, LLP to enter my PIN 12345  
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2018 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2018 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ \_\_\_\_\_ **TAXPAYER'S COPY** Date ▶ \_\_\_\_\_

### Part III Certification and Authentication

**ERO's EFIN/PIN.** Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

**16617567218**

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2018 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ NICHOLAS FIUME Date ▶ 05/15/20

**ERO Must Retain This Form - See Instructions**  
**Do Not Submit This Form to the IRS Unless Requested To Do So**

LHA For Paperwork Reduction Act Notice, see instructions.

Form **8879-EO** (2018)

823051 10-26-18

Form **990**

**Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

**2018**

Department of the Treasury  
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Open to Public Inspection

**A** For the 2018 calendar year, or tax year beginning **JUL 1, 2018** and ending **JUN 30, 2019**

<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>STILLWATER CHILDREN'S CENTER</b> Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>1183 MONROE AVENUE</b> City or town, state or province, country, and ZIP or foreign postal code <b>ROCHESTER, NY 14620</b> <b>F</b> Name and address of principal officer: <b>MARIA CRISTALLI</b> <b>SAME AS C ABOVE</b>	<b>D</b> Employer identification number <b>16-1415435</b> <b>E</b> Telephone number <b>585-256-7500</b> <b>G</b> Gross receipts \$ <b>4,143,308.</b> <b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
<b>J</b> Website: ▶ <b>WWW.HILLSIDE.COM</b>		
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		
<b>L</b> Year of formation: <b>1992</b>		<b>M</b> State of legal domicile: <b>NY</b>

**Part I Summary**

	<b>1</b>	Briefly describe the organization's mission or most significant activities: <b>STILLWATER CHILDREN'S CENTER OPERATES A RESIDENTIAL CHILD CARE TREATMENT FACILITY IN GREENE, NY.</b>		
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
<b>Activities &amp; Governance</b>	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>9</b>
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>8</b>
	<b>5</b>	Total number of individuals employed in calendar year 2018 (Part V, line 2a)	<b>5</b>	<b>72</b>
	<b>6</b>	Total number of volunteers (estimate if necessary)	<b>6</b>	<b>8</b>
	<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
	<b>7b</b>	Net unrelated business taxable income from Form 990-T, line 38	<b>7b</b>	<b>0.</b>
	<b>Revenue</b>	<b>8</b>	Contributions and grants (Part VIII, line 1h)	Prior Year <b>5,000.</b>
<b>9</b>		Program service revenue (Part VIII, line 2g)	<b>3,866,350.</b>	<b>4,130,298.</b>
<b>10</b>		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>2,000.</b>	<b>476.</b>
<b>11</b>		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>6,638.</b>	<b>7,534.</b>
<b>12</b>		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>3,879,988.</b>	<b>4,143,308.</b>
<b>Expenses</b>		<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>0.</b>
	<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4)	<b>0.</b>	<b>0.</b>
	<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>2,187,393.</b>	<b>2,281,725.</b>
	<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e)	<b>0.</b>	<b>0.</b>
	<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>0.</b>		
	<b>17</b>	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>1,796,225.</b>	<b>1,722,492.</b>
	<b>18</b>	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>3,983,618.</b>	<b>4,004,217.</b>
	<b>19</b>	Revenue less expenses. Subtract line 18 from line 12	<b>-103,630.</b>	<b>139,091.</b>
<b>Net Assets or Fund Balances</b>	<b>20</b>	Total assets (Part X, line 16)	Beginning of Current Year <b>1,653,573.</b>	End of Year <b>1,573,612.</b>
	<b>21</b>	Total liabilities (Part X, line 26)	<b>978,071.</b>	<b>655,338.</b>
	<b>22</b>	Net assets or fund balances. Subtract line 21 from line 20	<b>675,502.</b>	<b>918,274.</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>TAXPAYER'S COPY</b>																
<b>Sign Here</b>	Signature of officer _____ Date _____ <b>MARIA CRISTALLI, CHIEF EXECUTIVE OFFICER</b> Type or print name and title															
<b>Paid Preparer Use Only</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Print/Type preparer's name <b>NICHOLAS FIUME</b></td> <td>Preparer's signature <b>NICHOLAS FIUME</b></td> <td>Date <b>05/15/20</b></td> <td>Check if self-employed <input type="checkbox"/></td> <td>PTIN <b>P10501475</b></td> </tr> <tr> <td>Firm's name ▶ <b>DOPKINS &amp; COMPANY, LLP</b></td> <td colspan="2">Firm's EIN ▶ <b>16-0929175</b></td> <td colspan="2"></td> </tr> <tr> <td>Firm's address ▶ <b>200 INTERNATIONAL DR BUFFALO, NY 14221-5794</b></td> <td colspan="4">Phone no. <b>716-634-8800</b></td> </tr> </table>	Print/Type preparer's name <b>NICHOLAS FIUME</b>	Preparer's signature <b>NICHOLAS FIUME</b>	Date <b>05/15/20</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P10501475</b>	Firm's name ▶ <b>DOPKINS &amp; COMPANY, LLP</b>	Firm's EIN ▶ <b>16-0929175</b>				Firm's address ▶ <b>200 INTERNATIONAL DR BUFFALO, NY 14221-5794</b>	Phone no. <b>716-634-8800</b>			
Print/Type preparer's name <b>NICHOLAS FIUME</b>	Preparer's signature <b>NICHOLAS FIUME</b>	Date <b>05/15/20</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P10501475</b>												
Firm's name ▶ <b>DOPKINS &amp; COMPANY, LLP</b>	Firm's EIN ▶ <b>16-0929175</b>															
Firm's address ▶ <b>200 INTERNATIONAL DR BUFFALO, NY 14221-5794</b>	Phone no. <b>716-634-8800</b>															

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission: STILLWATER CHILDREN'S CENTER OPERATES A RESIDENTIAL CHILD CARE TREATMENT FACILITY IN GREENE, NY. SERVICES INCLUDE INTENSIVE CHILD CARE SERVICES, CLINICAL, RECREATIONAL AND PSYCHOLOGICAL SERVICES FOR SEVERELY EMOTIONALLY DISTURBED CHILDREN IN NEED.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 3,548,754. including grants of \$ ) (Revenue \$ 4,137,832. ) INSTITUTION CO-ED SUPERVISED RESIDENCE FOR SERIOUSLY EMOTIONALLY DISTURBED CHILDREN AND ADOLESCENTS - PROVIDES SERVICES TO SERIOUSLY EMOTIONALLY DISTURBED CHILDREN. SERVICES INCLUDED INDIVIDUAL AND GROUP COUNSELING, RECREATIONAL THERAPY, PROVIDING CLOTHING AND NUTRITIONAL MEALS IN A NATIONALLY-ACCREDITED HIGH-QUALITY, CARING ENVIRONMENT. MEDICAL SERVICES PROVIDED INCLUDE IN-HOUSE PSYCHIATRIC, PSYCHOLOGICAL AND MEDICAL SERVICES AS WELL AS DIAGNOSIS, MONITORING AND TRANSPORTING TO OUTSIDE PROVIDERS WORKING WITHIN A WIDE SPECTRUM OF MEDICAL SPECIALTIES.

4b (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses 3,548,754.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X



Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Yes, No. Rows 22-38 detailing various organizational requirements and compliance checks.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with 3 columns: Question ID, Yes, No. Rows 1a, 1b, 1c regarding Form 1096, Forms W-2G, and backup withholding rules.

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No response boxes. Includes questions 2a through 16 regarding employee counts, tax filings, and organizational compliance.

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
<b>1b</b>	Enter the number of voting members included in line 1a, above, who are independent		
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	X	
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b>	Did the organization have members or stockholders?	X	
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
<b>7b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>8a</b>	The governing body?	X	
<b>8b</b>	Each committee with authority to act on behalf of the governing body?	X	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates?		X
<b>10b</b>	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?		X
<b>11b</b>	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
<b>12b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>12c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
<b>13</b>	Did the organization have a written whistleblower policy?	X	
<b>14</b>	Did the organization have a written document retention and destruction policy?	X	
<b>15</b>	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>15a</b>	The organization's CEO, Executive Director, or top management official	X	
<b>15b</b>	Other officers or key employees of the organization	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
<b>16b</b>	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed **NY**
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website     Another's website     Upon request     Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records **MARIA CRISTALLI, PRESIDENT & CHIEF EXECUTIVE OFFICER - 585-256-7500**  
**1183 MONROE AVENUE, ROCHESTER, NY 14620**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) AMY BRANDT DIRECTOR	0.50	X						0.	0.	0.
(2) ANDREW BRINGUEL DIRECTOR	0.50	X						0.	0.	0.
(3) JUSTIN GUILLES DIRECTOR	0.50	X						0.	0.	0.
(4) MELISSA HARDESTY, PH.D DIRECTOR	0.50	X						0.	0.	0.
(5) JEFFREY JACOBS TREASURER	0.50			X				0.	0.	0.
(6) KAREN E. BEARSCH VICE CHAIR	0.50 0.50			X				0.	0.	0.
(7) MARIA CRISTALLI CHIEF EXECUTIVE OFFICER	2.00 38.00			X				0.	307,625.	23,802.
(8) NICOLE ROUHANA SECRETARY	0.50			X				0.	0.	0.
(9) TRACEY FISH CHAIR	0.50			X				0.	0.	0.
(10) JAMES DEMER PSYCHIATRIST	2.00 38.00					X		6,581.	132,856.	12,456.
(11) JANE VALENZUELA DIRECTOR I RESIDENTIAL SERVICES	40.00					X		103,533.	0.	1,546.
(12) MICHELLE BELGE EXECUTIVE DIRECTOR - CENTRAL REGION	2.00 38.00					X		5,582.	101,428.	26,946.



**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b> Federated campaigns .....	<b>1a</b>					
	<b>b</b> Membership dues .....	<b>1b</b>					
	<b>c</b> Fundraising events .....	<b>1c</b>					
	<b>d</b> Related organizations .....	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above .....	<b>1f</b>	5,000.				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$						
	<b>h Total.</b> Add lines 1a-1f .....		5,000.				
<b>Program Service Revenue</b>	<b>2 a</b> PROGRAM SERVICE FEES	<b>Business Code</b> 623990	4,130,298.	4,130,298.			
	<b>b</b> _____						
	<b>c</b> _____						
	<b>d</b> _____						
	<b>e</b> _____						
	<b>f</b> All other program service revenue .....						
	<b>g Total.</b> Add lines 2a-2f .....		4,130,298.				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....						
	<b>4</b> Income from investment of tax-exempt bond proceeds .....						
	<b>5</b> Royalties .....						
	<b>6 a</b> Gross rents .....	(i) Real	(ii) Personal				
		<b>b</b> Less: rental expenses .....					
		<b>c</b> Rental income or (loss) .....					
		<b>d</b> Net rental income or (loss) .....					
	<b>7 a</b> Gross amount from sales of assets other than inventory .....	(i) Securities	(ii) Other				
		<b>b</b> Less: cost or other basis and sales expenses .....		476.			
		<b>c</b> Gain or (loss) .....		0.			
		<b>d</b> Net gain or (loss) .....		476.			476.
	<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....	<b>a</b>					
		<b>b</b> Less: direct expenses .....	<b>b</b>				
		<b>c</b> Net income or (loss) from fundraising events .....					
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....	<b>a</b>					
<b>b</b> Less: direct expenses .....		<b>b</b>					
<b>c</b> Net income or (loss) from gaming activities .....							
<b>10 a</b> Gross sales of inventory, less returns and allowances .....	<b>a</b>						
	<b>b</b> Less: cost of goods sold .....	<b>b</b>					
	<b>c</b> Net income or (loss) from sales of inventory .....						
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
<b>11 a</b> _____							
	<b>b</b> _____						
	<b>c</b> _____						
	<b>d</b> All other revenue .....	624100	7,534.	7,534.			
	<b>e Total.</b> Add lines 11a-11d .....		7,534.				
<b>12 Total revenue.</b> See instructions .....		4,143,308.	4,137,832.	0.	476.		

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22 .....				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 .....				
<b>4</b> Benefits paid to or for members .....				
<b>5</b> Compensation of current officers, directors, trustees, and key employees .....				
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
<b>7</b> Other salaries and wages .....	1,870,752.	1,870,752.		
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	18,901.	18,901.		
<b>9</b> Other employee benefits .....	204,526.	204,526.		
<b>10</b> Payroll taxes .....	187,546.	187,546.		
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management .....	455,463.		455,463.	
<b>b</b> Legal .....				
<b>c</b> Accounting .....				
<b>d</b> Lobbying .....				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees .....				
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	252,097.	252,097.		
<b>12</b> Advertising and promotion .....				
<b>13</b> Office expenses .....	112,433.	112,433.		
<b>14</b> Information technology .....				
<b>15</b> Royalties .....				
<b>16</b> Occupancy .....	438,790.	438,790.		
<b>17</b> Travel .....	29,235.	29,235.		
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
<b>19</b> Conferences, conventions, and meetings .....	76.	76.		
<b>20</b> Interest .....				
<b>21</b> Payments to affiliates .....				
<b>22</b> Depreciation, depletion, and amortization .....	136,590.	136,590.		
<b>23</b> Insurance .....	46,236.	46,236.		
<b>24</b> Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> <b>FOOD SERVICES</b>	169,439.	169,439.		
<b>b</b> <b>RECREATION, WORK ACTIVI</b>	41,201.	41,201.		
<b>c</b> <b>STAFF DEVELOPMENT - REC</b>	24,792.	24,792.		
<b>d</b> <b>CLOTHING AND LINEN</b>	16,140.	16,140.		
<b>e</b> All other expenses _____				
<b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24e	4,004,217.	3,548,754.	455,463.	0.
<b>26</b> <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here  if following SOP 98-2 (ASC 958-720)

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	1,200.	<b>1</b>	1,200.
	<b>2</b> Savings and temporary cash investments .....		<b>2</b>	
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....	180,737.	<b>4</b>	192,594.
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges .....	5,608.	<b>9</b>	86.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 3,730,256.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 2,360,686.	<b>10c</b>	1,369,570.
	<b>11</b> Investments - publicly traded securities .....		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11 .....		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>	
	<b>14</b> Intangible assets .....	12,324.	<b>14</b>	10,162.
	<b>15</b> Other assets. See Part IV, line 11 .....		<b>15</b>	
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) .....	1,653,573.	<b>16</b>	1,573,612.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	228,223.	<b>17</b>	248,127.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	44,248.	<b>19</b>	48,645.
	<b>20</b> Tax-exempt bond liabilities .....	193,569.	<b>20</b>	0.
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....	259,522.	<b>23</b>	293,608.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	252,509.	<b>25</b>	64,958.
	<b>26 Total liabilities.</b> Add lines 17 through 25 .....	978,071.	<b>26</b>	655,338.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets .....	675,502.	<b>27</b>	918,274.
	<b>28</b> Temporarily restricted net assets .....		<b>28</b>	0.
	<b>29</b> Permanently restricted net assets .....		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds .....		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>32</b>	
<b>33</b> Total net assets or fund balances .....	675,502.	<b>33</b>	918,274.	
<b>34</b> Total liabilities and net assets/fund balances .....	1,653,573.	<b>34</b>	1,573,612.	



**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,143,308.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,004,217.
3	Revenue less expenses. Subtract line 2 from line 1	3	139,091.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	675,502.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	109,205.
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-5,524.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	918,274.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	X	
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Form 990 (2018)



**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....	30,581.	4,634.	1,353.	5,000.	5,000.	46,568.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....	30,581.	4,634.	1,353.	5,000.	5,000.	46,568.
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						46,568.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>7</b> Amounts from line 4 .....	30,581.	4,634.	1,353.	5,000.	5,000.	46,568.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....	15.	697.	5,915.	0.	0.	6,627.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....	17,245.	49,494.	79,753.	6,638.	7,438.	160,568.
<b>11 Total support.</b> Add lines 7 through 10						213,763.
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	18,507,193.
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2018 (line 6, column (f) divided by line 11, column (f)) .....	<b>14</b>	21.78 %
<b>15</b> Public support percentage from 2017 Schedule A, Part II, line 14 .....	<b>15</b>	23.73 %
<b>16a 33 1/3% support test - 2018.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 33 1/3% support test - 2017.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>17a 10% -facts-and-circumstances test - 2018.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 10% -facts-and-circumstances test - 2017.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		<input checked="" type="checkbox"/>

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						

**14 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2018 (line 8, column (f), divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2017 Schedule A, Part III, line 15 .....	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2018 (line 10c, column (f), divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2017 Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2018.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

**b 33 1/3% support tests - 2017.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

**Part IV Supporting Organizations**

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
<b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
<b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
<b>b Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
<b>b</b> Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>c</b> Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>10a</b> Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
<b>b</b> Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

**Part IV Supporting Organizations** (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>b</b> A family member of a person described in (a) above?		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
<b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
<b>2</b> Activities Test. Answer (a) and (b) below.		
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.		
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>		
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

- 1  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI.) **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	<b>Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990 or 990-EZ) 2018

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)

Section D - Distributions	Current Year
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in <b>Part VI</b> ). See instructions.	
<b>7 Total annual distributions.</b> Add lines 1 through 6.	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in <b>Part VI</b> ). See instructions.	
<b>9</b> Distributable amount for 2018 from Section C, line 6	
<b>10</b> Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
<b>1</b> Distributable amount for 2018 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2018 (reasonable cause required- explain in <b>Part VI</b> ). See instructions.			
<b>3</b> Excess distributions carryover, if any, to 2018			
<b>a</b> From 2013			
<b>b</b> From 2014			
<b>c</b> From 2015			
<b>d</b> From 2016			
<b>e</b> From 2017			
<b>f Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2018 distributable amount			
<b>i</b> Carryover from 2013 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
<b>4</b> Distributions for 2018 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2018 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from 4.			
<b>5</b> Remaining underdistributions for years prior to 2018, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in <b>Part VI</b> . See instructions.			
<b>6</b> Remaining underdistributions for 2018. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in <b>Part VI</b> . See instructions.			
<b>7 Excess distributions carryover to 2019.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b> Excess from 2014			
<b>b</b> Excess from 2015			
<b>c</b> Excess from 2016			
<b>d</b> Excess from 2017			
<b>e</b> Excess from 2018			



**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

Multiple horizontal lines for supplemental information.

**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2018**

Name of the organization

STILLWATER CHILDREN ' S CENTER

Employer identification number

16-1415435

Organization type (check one):

**Filers of:**

**Section:**

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization  <b>STILLWATER CHILDREN ' S CENTER</b>	Employer identification number  <b>16-1415435</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	HILLSIDE CHILDRENS FOUNDATION  1183 MONROE AVENUE  ROCHESTER, NY 14206	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>STILLWATER CHILDREN ' S CENTER</b>	Employer identification number  <b>16-1415435</b>
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**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____

Name of organization  <b>STILLWATER CHILDREN ' S CENTER</b>	Employer identification number  <b>16-1415435</b>
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**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018 Open to Public Inspection

Name of the organization STILLWATER CHILDREN ' S CENTER Employer identification number 16-1415435

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two yes/no questions about donor property and grant fund usage.

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Form with multiple questions (1-9) regarding conservation easements, including checkboxes for various purposes, a table for held easements at the end of the tax year, and yes/no questions about monitoring and reporting.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Form with questions (1a, 1b, 2) regarding reporting of art and historical treasures, including amounts for revenue and assets.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment  \_\_\_\_\_ %
- b Permanent endowment  \_\_\_\_\_ %
- c Temporarily restricted endowment  \_\_\_\_\_ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		22,000.		22,000.
b Buildings		3,045,768.	1,924,018.	1,121,750.
c Leasehold improvements				
d Equipment		662,488.	436,668.	225,820.
e Other				

**Total.** Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)  1,369,570.

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely-held equity interests .....		
(3) Other .....		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) <b>INTERAFFILIATE PAYABLE</b>	<b>64,958.</b>
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	<b>64,958.</b>

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII



**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	4,137,732.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e		0.
3	Subtract line 2e from line 1		3	4,137,732.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		5,576.
c	Add lines 4a and 4b	4c		5,576.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	4,143,308.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	4,009,741.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		5,524.
e	Add lines 2a through 2d	2e		5,524.
3	Subtract line 2e from line 1		3	4,004,217.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c		0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	4,004,217.

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART X, LINE 2:**

IT IS HIGHLY CERTAIN THAT SOME POSITIONS TAKEN FOR INCOME TAX PURPOSES WOULD BE SUSTAINED UPON EXAMINATION BY THE TAXING AUTHORITIES, WHILE OTHERS ARE SUBJECT TO UNCERTAINTY ABOUT THE MERITS OF THE POSITION TAKEN OR THE AMOUNT OF THE POSITION THAT WOULD BE ULTIMATELY SUSTAINED. THE CENTER IS NOT AWARE OF ANY UNCERTAIN TAX POSITIONS.

**PART XI, LINE 4B - OTHER ADJUSTMENTS:**

GRANTS FROM AFILIATES	5,000.
MANAGEMENT FEE INCOME	100.
FIXED ASSET GAIN/LOSS	476.
<b>TOTAL TO SCHEDULE D, PART XI, LINE 4B</b>	<b>5,576.</b>

**Part XIII** Supplemental Information (continued)

PART XII, LINE 2D - OTHER ADJUSTMENTS:

GAIN ON INTEREST RATE SWAP AGREEMENT SHOWN AS REDUCTION OF

INTEREST EXPENSE 5,524.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2018**

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
 ▶ Attach to Form 990.  
 ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

Name of the organization **STILLWATER CHILDREN'S CENTER** Employer identification number **16-1415435**

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use   |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence   |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees     |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain ..... **1b**

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a? ..... **2**

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input checked="" type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment? ..... **4a**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? ..... **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement? ..... **4c**
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? ..... **5a**
- b** Any related organization? ..... **5b**
- If "Yes" on line 5a or 5b, describe in Part III.

**6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? ..... **6a**
- b** Any related organization? ..... **6b**
- If "Yes" on line 6a or 6b, describe in Part III.

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III ..... **7**

**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III ..... **8**

**9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? ..... **9**

	Yes	No
<b>1b</b>		
<b>2</b>		
<b>4a</b>		X
<b>4b</b>	X	
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2018

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

**Note:** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) MARIA CRISTALLI CHIEF EXECUTIVE OFFICER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	307,625.	0.	0.	5,763.	18,039.	331,427.	0.
(2) JAMES DEMER PSYCHIATRIST	(i)	6,581.	0.	0.	101.	487.	7,169.	0.
	(ii)	132,856.	0.	0.	2,030.	9,838.	144,724.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2018**

Open to Public  
Inspection

Name of the organization

STILLWATER CHILDREN'S CENTER

Employer identification number

16-1415435

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SERVICES INCLUDE INTENSIVE CHILD CARE SERVICES, CLINICAL, RECREATIONAL  
AND PSYCHOLOGICAL SERVICES FOR SEVERELY EMOTIONALLY DISTURBED CHILDREN  
IN NEED.

FORM 990, PART VI, SECTION A, LINE 3:

AS AN AFFILIATE OF HILLSIDE FAMILY OF AGENCIES, CERTAIN EXECUTIVE LEVEL  
FUNCTIONS ARE DELEGATED TO THE PARENT COMPANY. THESE INCLUDE FINANCIAL  
MANAGEMENT, HUMAN RESOURCES, MARKETING, AND BUSINESS INTELLIGENCE. DAILY  
OPERATIONAL MANAGEMENT, SERVICE DELIVERY, REGULATORY COMPLIANCE, HIRING AND  
FIRING OF PERSONNEL, QUALITY OF SERVICE, RISK MANAGEMENT, AND BUDGET  
MANAGEMENT ARE THE RESPONSIBILITY OF THE AFFILIATE ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 6:

HILLSIDE FAMILY OF AGENCIES, THE PARENT ORGANIZATION, IS THE SOLE CORPORATE  
MEMBER OF THE ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 7A:

THE BY-LAWS STATE THAT THE SOLE CORPORATE MEMBER, HILLSIDE FAMILY OF  
AGENCIES, CAN APPOINT OR REMOVE BOARD MEMBERS.

FORM 990, PART VI, SECTION A, LINE 7B:

HILLSIDE FAMILY OF AGENCIES HAS RESERVED POWERS TO APPROVE DECISIONS OF THE  
BOARD ON EXISTENTIAL MATTERS.

FORM 990, PART VI, SECTION B, LINE 11B:

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2018)

832211 10-10-18

Name of the organization STILLWATER CHILDREN'S CENTER	Employer identification number 16-1415435
--	--

THE CHIEF FINANCIAL OFFICER AND THE HILLSIDE FAMILY OF AGENCIES' AUDIT COMMITTEE REVIEWS THE 990 PRIOR TO FILING THE 990 IS SHARED WITH THE BOARD OF DIRECTORS AFTER FILING. THE PERFORMANCE AND COMPENSATION COMMITTEE ALSO REVIEWS AND MONITORS EXECUTIVE COMPENSATION.

FORM 990, PART VI, SECTION B, LINE 12C:

RESPONSES ARE REVIEWED ANNUALLY BY THE CEO; SPECIAL CASES GO TO THE GOVERNANCE COMMITTEE FOR ENFORCEMENT.

FORM 990, PART VI, SECTION B, LINE 15:

THE BOARD OF GOVERNORS OF THE PARENT ORGANIZATION, HILLSIDE FAMILY OF AGENCIES, USES A PERFORMANCE AND COMPENSATION COMMITTEE OF INDEPENDENT MEMBERS TO EVALUATE THE CEO, ESTABLISH GOALS, CONSIDER COMPENSATION ISSUES AND GATHER RELEVANT MARKET INFORMATION ABOUT POSITIONS OF SIMILAR RESPONSIBILITIES AND SKILLS. OFTEN, COMPENSATION CONSULTANTS ARE ENGAGED TO BROADEN INFORMATION ACCESS AND TO ENSURE THAT THE COMPARATIVE INFORMATION IS INTERPRETED PROPERLY. THE COMMITTEE MEETS SEVERAL TIMES PER YEAR WITH THE CEO TO REVIEW PERFORMANCE AND REPORTS TO THE WHOLE BOARD AT LEAST ANNUALLY. THE INTELLIGENCE GATHERED DURING THAT PROCESS IS USED BY THE CEO IN CONSIDERATION OF COMPENSATION FOR OTHER OFFICERS AND KEY EMPLOYEES. THE PERFORMANCE AND COMPENSATION COMMITTEE ALSO REVIEWS AND APPROVES COMPENSATION FOR THE COO, CFO, AND CHIEF HR/OD OFFICER.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION'S FORM 990 IS POSTED TO ITS WEBSITE. IN ADDITION, THE RETURN AND OTHER DOCUMENTS OPEN FOR PUBLIC INSPECTION ARE AVAILABLE UPON WRITTEN REQUEST OR IN PERSON. REQUESTS FOR GOVERNING INSTRUMENTS, FINANCIAL STATEMENTS AND CONFLICT OF INTEREST POLICY ARE CONSIDERED UPON REQUEST.

Name of the organization STILLWATER CHILDREN'S CENTER	Employer identification number 16-1415435
--	--

## FORM 990, PART VII, SECTION A, COLUMN B

THE ORGANIZATION IS RELATED TO THE HILLSIDE FAMILY OF AGENCIES (THE "CORPORATION") AND ITS AFFILIATES (COLLECTIVELY, THE "SYSTEM") THE SYSTEM CONSTITUTES A COMPREHENSIVE SYSTEM OF CARE, OFFERING MENTAL HEALTH, SOCIAL SERVICES, DEVELOPMENTAL DISABILITY, YOUTH DEVELOPMENT, ADOPTION, AND EDUCATIONAL SERVICES IN NEW YORK, MARYLAND, AND THE DISTRICT OF COLUMBIA. THE CORPORATION IS A NOT-FOR-PROFIT CORPORATION THAT REVIEWS AND MONITORS THE MISSIONS, OBJECTIVES, ACTIVITIES, AND RESOURCES OF ITS AFFILIATES FOR THE PURPOSE OF PROMOTING EFFICIENT, EFFECTIVE, AND ECONOMICAL SOCIAL, EDUCATIONAL, AND MENTAL HEALTH SERVICES TO CHILDREN, YOUTH, AND FAMILIES IN ITS SERVICE AREA. THE CORPORATION IS A FINANCIALLY INTERRELATED ENTITY AND THE SOLE CORPORATE MEMBER OF THE ORGANIZATION, AND PROVIDES CERTAIN OPERATING AND ADMINISTRATIVE SERVICES TO THE ORGANIZATION AND OTHER RELATED ENTITIES. THE COSTS OF THESE SERVICES ARE ALLOCATED TO THE RECEIVING ENTITIES BASED UPON COST STUDIES AND/OR ACTUAL AMOUNTS INCURRED.

FOLLOWING IS AN ESTIMATE OF TIME DEVOTED AMONG ALL ENTITIES FOR INDIVIDUALS REPORTED IN PART VII - SECTION A:

1. MARIA CRISTALLI, CEO - STILLWATER CHILDREN'S CENTER - 2 HOURS, HILLSIDE CHILDREN'S CENTER - 6 HOURS, HILLSIDE FAMILY OF AGENCIES - 20 HOURS, SNELL FARM CHILDREN'S CENTER - 2 HOURS, HILLSIDE WORK SCHOLARSHIP CONNECTION - 5 HOURS, AND HILLSIDE CHILDREN'S FOUNDATION - 5 HOURS
2. JAMES DEMER, PSYCHIATRIST - STILLWATER CHILDREN'S CENTER 2 HOURS AND HILLSIDE CHILDREN'S CENTER - 38 HOURS
3. MICHELLE BELGE, EXECUTIVE DIRECTOR - STILLWATER CHILDREN'S CENTER 2



Name of the organization

STILLWATER CHILDREN'S CENTER

Employer identification number

16-1415435

HOURS AND HILLSIDE CHILDREN'S CENTER - .50 HOURS

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

UNREALIZED GAIN ON INTEREST RATE SWAP AGREEMENTS -5,524.

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**

Open to Public Inspection

Name of the organization **STILLWATER CHILDREN'S CENTER** Employer identification number **16-1415435**

**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

**Part II Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
HILLSIDE FAMILY OF AGENCIES - 16-1493407 1183 MONROE AVENUE ROCHESTER, NY 14620	SUPPORT SERVICES TO AFFILIATES	NEW YORK	501(C)(3)	LINE 12D, III-0			X
HILLSIDE WORK SCHOLARSHIP CONNECTION - 16-1453581, 1183 MONROE AVENUE, ROCHESTER, NY 14620	YOUTH ADVOCACY PROGRAMS	NEW YORK	501(C)(3)	LINE 7			X
HILLSIDE CHILDREN'S CENTER - 16-0743039 1183 MONROE AVENUE ROCHESTER, NY 14620	EDUCATIONAL SERVICES FOR SPECIAL NEEDS CHILDREN	NEW YORK	501(C)(3)	LINE 7			X
SNELL FARM CHILDREN'S CENTER - 16-1199261 1183 MONROE AVENUE ROCHESTER, NY 14620	RESIDENTIAL TREATMENT FOR TEENAGE BOYS	NEW YORK	501(C)(3)	LINE 7			X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2018



**Part III Identification of Related Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No

**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
<b>a</b> Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity .....		X
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....		X
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	X	
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	X	
<b>e</b> Loans or loan guarantees by related organization(s) .....	X	
<b>f</b> Dividends from related organization(s) .....		X
<b>g</b> Sale of assets to related organization(s) .....		X
<b>h</b> Purchase of assets from related organization(s) .....		X
<b>i</b> Exchange of assets with related organization(s) .....		X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....		X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....		X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	X	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....	X	
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....	X	
<b>o</b> Sharing of paid employees with related organization(s) .....	X	
<b>p</b> Reimbursement paid to related organization(s) for expenses .....	X	
<b>q</b> Reimbursement paid by related organization(s) for expenses .....	X	
<b>r</b> Other transfer of cash or property to related organization(s) .....		X
<b>s</b> Other transfer of cash or property from related organization(s) .....		X

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			





Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

2018

For calendar year 2018 or other tax year beginning JUL 1, 2018, and ending JUN 30, 2019

Go to www.irs.gov/Form990T for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Department of the Treasury Internal Revenue Service

Open to Public Inspection for 501(c)(3) Organizations Only

Form header section containing: A Check box if address changed; B Exempt under section 501(c)(3); C Book value of all assets at end of year; D Employer identification number; E Unrelated business activity code; F Group exemption number; G Check organization type; H Enter the number of the organization's unrelated trades or businesses; I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?; J The books are in care of MARIA CRISTALLI, PRESIDENT & CHIEF Telephone number 585-256-7500

Name of organization: STILLWATER CHILDREN'S CENTER; Number, street, and room or suite no.: 1183 MONROE AVENUE; City or town, state or province, country, and ZIP or foreign postal code: ROCHESTER, NY 14620

Part I Unrelated Trade or Business Income table header with columns (A) Income, (B) Expenses, (C) Net

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 1a Gross receipts or sales; 1b Less returns and allowances; 2 Cost of goods sold; 3 Gross profit; 4a Capital gain net income; 4b Net gain (loss); 4c Capital loss deduction for trusts; 5 Income (loss) from a partnership or an S corporation; 6 Rent income; 7 Unrelated debt-financed income; 8 Interest, annuities, royalties, and rents from a controlled organization; 9 Investment income of a section 501(c)(7), (9), or (17) organization; 10 Exploited exempt activity income; 11 Advertising income; 12 Other income; 13 Total. Combine lines 3 through 12. Total income is 0.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 14 Compensation of officers, directors, and trustees; 15 Salaries and wages; 16 Repairs and maintenance; 17 Bad debts; 18 Interest (attach schedule) (see instructions); 19 Taxes and licenses; 20 Charitable contributions (See instructions for limitation rules); 21 Depreciation (attach Form 4562); 22 Less depreciation claimed on Schedule A and elsewhere on return; 23 Depletion; 24 Contributions to deferred compensation plans; 25 Employee benefit programs; 26 Excess exempt expenses (Schedule I); 27 Excess readership costs (Schedule J); 28 Other deductions (attach schedule); 29 Total deductions. Add lines 14 through 28; 30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13; 31 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions); 32 Unrelated business taxable income. Subtract line 31 from line 30. Total net income is 0.



**Part III Total Unrelated Business Taxable Income**

33	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	33	0.
34	Amounts paid for disallowed fringes	34	
35	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	35	
36	Total of unrelated business taxable income before specific deduction. Subtract line 35 from the sum of lines 33 and 34	36	
37	Specific deduction (Generally \$1,000, but see line 37 instructions for exceptions)	37	1,000.
38	<b>Unrelated business taxable income.</b> Subtract line 37 from line 36. If line 37 is greater than line 36, enter the smaller of zero or line 36	38	0.

**Part IV Tax Computation**

39	<b>Organizations Taxable as Corporations.</b> Multiply line 38 by 21% (0.21)	39	0.
40	<b>Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 38 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	40	
41	<b>Proxy tax.</b> See instructions	41	
42	Alternative minimum tax (trusts only)	42	
43	<b>Tax on Noncompliant Facility Income.</b> See instructions	43	
44	<b>Total.</b> Add lines 41, 42, and 43 to line 39 or 40, whichever applies	44	0.

**Part V Tax and Payments**

45a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	45a	
b	Other credits (see instructions)	45b	
c	General business credit. Attach Form 3800	45c	
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	45d	
e	<b>Total credits.</b> Add lines 45a through 45d	45e	
46	Subtract line 45e from line 44	46	0.
47	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	47	
48	<b>Total tax.</b> Add lines 46 and 47 (see instructions)	48	0.
49	2018 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 2	49	0.
50a	Payments: A 2017 overpayment credited to 2018	50a	
b	2018 estimated tax payments	50b	2,975.
c	Tax deposited with Form 8868	50c	
d	Foreign organizations: Tax paid or withheld at source (see instructions)	50d	
e	Backup withholding (see instructions)	50e	
f	Credit for small employer health insurance premiums (attach Form 8941)	50f	
g	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	50g	
51	<b>Total payments.</b> Add lines 50a through 50g	51	2,975.
52	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	52	
53	<b>Tax due.</b> If line 51 is less than the total of lines 48, 49, and 52, enter amount owed	53	
54	<b>Overpayment.</b> If line 51 is larger than the total of lines 48, 49, and 52, enter amount overpaid	54	2,975.
55	Enter the amount of line 54 you want: <b>Credited to 2019 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	55	2,975.

**Part VI Statements Regarding Certain Activities and Other Information** (see instructions)

56	At any time during the 2018 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here	Yes	No
57	During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see instructions for other forms the organization may have to file.		X
58	Enter the amount of tax-exempt interest received or accrued during the tax year \$		

**Sign Here**  
 Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.  
 Signature of officer: \_\_\_\_\_ Date: \_\_\_\_\_  
 Title: **CHIEF EXECUTIVE OFFICER**

May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	NICHOLAS FIUME	NICHOLAS FIUME	05/15/20		P10501475
	Firm's name <b>DOPKINS &amp; COMPANY, LLP</b>	Firm's EIN <b>16-0929175</b>			
	Firm's address <b>200 INTERNATIONAL DR</b>		Phone no. <b>716-634-8800</b>		
	<b>BUFFALO, NY 14221-5794</b>				

**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation ► **N/A**

1	Inventory at beginning of year .....	1		6	Inventory at end of year .....	6			
2	Purchases .....	2		7	<b>Cost of goods sold.</b> Subtract line 6 from line 5. Enter here and in Part I, line 2 .....	7			
3	Cost of labor .....	3		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? .....			Yes	No
4a	Additional section 263A costs (attach schedule) .....	4a							
b	Other costs (attach schedule) .....	4b							
5	<b>Total.</b> Add lines 1 through 4b .....	5							

**Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)**

(see instructions)

1. Description of property

(1)	
(2)	
(3)	
(4)	

2. Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	0.	Total 0.

(c) **Total income.** Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) .....

(b) **Total deductions.** Enter here and on page 1, Part I, line 6, column (B) ... 0.

**Schedule E - Unrelated Debt-Financed Income** (see instructions)

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
<b>Totals</b> .....			Enter here and on page 1, Part I, line 7, column (A). 0.	Enter here and on page 1, Part I, line 7, column (B). 0.
<b>Total dividends-received deductions</b> included in column 8 .....			0.	0.

**Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations** (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

**Nonexempt Controlled Organizations**

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
<b>Totals</b>			<b>0.</b>	<b>0.</b>

**Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization** (see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).
<b>Totals</b>		<b>0.</b>		<b>0.</b>

**Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income** (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
	Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).				Enter here and on page 1, Part II, line 26.
<b>Totals</b>	<b>0.</b>	<b>0.</b>				<b>0.</b>

**Schedule J - Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals</b> (carry to Part II, line (5))	<b>0.</b>	<b>0.</b>				<b>0.</b>

**Part II** **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals from Part I</b> .....	<b>0.</b>	<b>0.</b>				<b>0.</b>
<b>Totals, Part II (lines 1-5)</b> .....	Enter here and on page 1, Part I, line 11, col. (A). <b>0.</b>	Enter here and on page 1, Part I, line 11, col. (B). <b>0.</b>				Enter here and on page 1, Part II, line 27. <b>0.</b>

**Schedule K - Compensation of Officers, Directors, and Trustees** (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
<b>Total.</b> Enter here and on page 1, Part II, line 14 .....			<b>0.</b>



# Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**  
▶ **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

	Enter filer's identifying number	
<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>STILLWATER CHILDREN'S CENTER</b>	Employer identification number (EIN) or <b>16-1415435</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>1183 MONROE AVENUE</b>	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ROCHESTER, NY 14620</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**MARIA CRISTALLI, PRESIDENT & CHIEF EXECUTIVE OFFICER**

- The books are in the care of ▶ **1183 MONROE AVENUE - ROCHESTER, NY 14620**  
Telephone No. ▶ **585-256-7500** Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **MAY 15, 2020**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year \_\_\_\_\_ or  
 ▶  tax year beginning **JUL 1, 2018**, and ending **JUN 30, 2019**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	0.
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	0.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA **For Privacy Act and Paperwork Reduction Act Notice, see instructions.**

Form **8868** (Rev. 1-2019)

**MAIL TO: DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE CENTER  
OGDEN, UT 84201-0045**

# TAX RETURN FILING INSTRUCTIONS

NEW YORK FORM CHAR500

**FOR THE YEAR ENDING**

JUNE 30, 2019

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**PREPARED FOR:**

STILLWATER CHILDREN'S CENTER  
1183 MONROE AVENUE  
ROCHESTER, NY 14620

---

**PREPARED BY:**

DOPKINS & COMPANY, LLP  
200 INTERNATIONAL DR  
BUFFALO, NY 14221-5794

---

**AMOUNT OF TAX:**

BALANCE DUE OF \$100

---

**MAKE CHECK PAYABLE TO:**

DEPARTMENT OF LAW

---

**MAIL TAX RETURN TO:**

NYS OFFICE OF ATTORNEY GENERAL  
CHARITIES BUREAU REGISTRATION SECTION  
28 LIBERTY STREET  
NEW YORK, NY 10005

---

**RETURN MUST BE MAILED ON OR BEFORE:**

PLEASE MAIL AS SOON AS POSSIBLE.

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**SPECIAL INSTRUCTIONS:**

THE REPORT SHOULD BE SIGNED AND DATED BY AN AUTHORIZED  
INDIVIDUAL(S).

THE ATTACHED COPY OF THE FEDERAL FORM 990 MUST BE PROPERLY SIGNED  
AND DATED.

# CHAR500

NYS Annual Filing for Charitable Organizations  
www.CharitiesNYS.com

Send with fee and attachments to:  
NYS Office of the Attorney General  
Charities Bureau Registration Section  
28 Liberty Street  
New York, NY 10005

**2018**  
**Open to Public Inspection**

## 1. General Information

For Fiscal Year Beginning (mm/dd/yyyy) **07/01/2018** and Ending (mm/dd/yyyy) **06/30/2019**

Check if Applicable: <input type="checkbox"/> Address Change <input type="checkbox"/> Name Change <input type="checkbox"/> Initial Filing <input type="checkbox"/> Final Filing <input type="checkbox"/> Amended Filing <input type="checkbox"/> Reg ID Pending	Name of Organization: <b>STILLWATER CHILDREN'S CENTER</b>	Employer Identification Number (EIN): <b>16-1415435</b>
	Mailing Address: <b>1183 MONROE AVENUE</b>	NY Registration Number: <b>44-14-63</b>
	City / State / ZIP: <b>ROCHESTER, NY 14620</b>	Telephone: <b>585 2567500</b>
	Website: <b>WWW.HILLSIDE.COM</b>	Email:

Check your organization's registration category:  7A only  EPTL only  DUAL (7A & EPTL)  EXEMPT\* Confirm your Registration Category in the Charities Registry at www.CharitiesNYS.com.

## 2. Certification

See instructions for certification requirements. Improper certification is a violation of law that may be subject to penalties. The certification requires two signatories.

*We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief, they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.*

President or Authorized Officer:	<b>TAXPAYER'S COPY</b>	<b>MARIA CRISTALLI</b>	
	Signature	Print Name and Title	Date
		<b>CHRISTOPHER PETERSON</b>	
Chief Financial Officer or Treasurer:	<b>TAXPAYER'S COPY</b>	<b>CFO</b>	
	Signature	Print Name and Title	Date

## 3. Annual Reporting Exemption

Check the exemption(s) that apply to your filing. If your organization is claiming an exemption under one category (7A or EPTL only filers) or both categories (DUAL filers) that apply to your registration, complete only parts 1, 2, and 3, and submit the certified Char500. No fee, schedules, or additional attachments are required. If you cannot claim an exemption or are a DUAL filer that claims only one exemption, you must file applicable schedules and attachments and pay applicable fees.

- 3a. 7A filing exemption:** Total contributions from NY State including residents, foundations, government agencies, etc. did not exceed \$25,000 and the organization did not engage a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during the fiscal year.
- 3b. EPTL filing exemption:** Gross receipts did not exceed \$25,000 and the market value of assets did not exceed \$25,000 at any time during the fiscal year.

## 4. Schedules and Attachments

See the following page for a checklist of schedules and attachments to complete your filing.	<input type="checkbox"/> Yes <input type="checkbox"/> No	4a. Did your organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? If yes, complete Schedule 4a.
	<input type="checkbox"/> Yes <input type="checkbox"/> No	4b. Did the organization receive government grants? If yes, complete Schedule 4b.

## 5. Fee

See the checklist on the next page to calculate your fee(s). Indicate fee(s) you are submitting here:	7A filing fee: \$ _____	EPTL filing fee: \$ <u>100.</u>	Total fee: \$ <u>100.</u>	Make a single check or money order payable to: <b>"Department of Law"</b>
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CHAR500 Annual Filing for Charitable Organizations (Updated January 2019)

\*The "Exempt" category refers to an organization's NYS registration status. It does not refer to its IRS tax designation.



# CHAR500

## Annual Filing Checklist

- Simply submit the certified CHAR500 with no fee, schedule, or additional attachments IF:
- Your organization is registered as 7A only and you marked the 7A filing exemption in Part 3.
  - Your organization is registered as EPTL only and you marked the EPTL filing exemption in Part 3.
  - Your organization is registered as DUAL and you marked both the 7A and EPTL filing exemption in Part 3.

### Checklist of Schedules and Attachments

Check the schedules you must submit with your CHAR500 as described in Part 4:

- If you answered "yes" in Part 4a, submit Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsel (FRC), Commercial Co-Venturers (CCV)
- If you answered "yes" in Part 4b, submit Schedule 4b: Government Grants

Check the financial attachments you must submit with your CHAR500:

- IRS Form 990, 990-EZ, or 990-PF, and 990-T if applicable
- All additional IRS Form 990 Schedules, including Schedule B (Schedule of Contributors). Schedule B of public charities is exempt from disclosure and will not be available for public review.
- Our organization was eligible for and filed an IRS 990-N e-postcard. Our revenue exceeded \$25,000 and/or our assets exceeded \$25,000 in the filing year. We have included an IRS Form 990-EZ for state purposes only.

If you are a 7A only or DUAL filer, submit the applicable independent Certified Public Accountant's Review or Audit Report:

- Review Report if you received total revenue and support greater than \$250,000 and up to \$750,000.
- Audit Report if you received total revenue and support greater than \$750,000
- No Review Report or Audit Report is required because total revenue and support is less than \$250,000
- We are a DUAL filer and checked box 3a, no Review Report or Audit Report is required

### Calculate Your Fee

For 7A and DUAL filers, calculate the 7A fee:

- \$0, if you checked the 7A exemption in Part 3a
- \$25, if you did not check the 7A exemption in Part 3a

For EPTL and DUAL filers, calculate the EPTL fee:

- \$0, if you checked the EPTL exemption in Part 3b
- \$25, if the NET WORTH is less than \$50,000
- \$50, if the NET WORTH is \$50,000 or more but less than \$250,000
- \$100, if the NET WORTH is \$250,000 or more but less than \$1,000,000
- \$250, if the NET WORTH is \$1,000,000 or more but less than \$10,000,000
- \$750, if the NET WORTH is \$10,000,000 or more but less than \$50,000,000
- \$1500, if the NET WORTH is \$50,000,000 or more

### Send Your Filing

Send your CHAR500, all schedules and attachments, and total fee to:

NYS Office of the Attorney General  
 Charities Bureau Registration Section  
 28 Liberty Street  
 New York, NY 10005

#### Need Assistance?

Visit: [www.CharitiesNYS.com](http://www.CharitiesNYS.com)  
 Call: (212) 416-8401  
 Email: [Charities.Bureau@ag.ny.gov](mailto:Charities.Bureau@ag.ny.gov)

#### Is my Registration Category 7A, EPTL, DUAL or EXEMPT?

Organizations are assigned a Registration Category upon registration with the NY Charities Bureau:

**7A** filers are registered to solicit contributions in New York under Article 7-A of the Executive Law ("7A")

**EPTL** filers are registered under the Estates, Powers & Trusts Law ("EPTL") because they hold assets and/or conduct activities for charitable purposes in NY.

**DUAL** filers are registered under both 7A and EPTL.

**EXEMPT** filers have registered with the NY Charities Bureau and meet conditions in **Schedule E - Registration Exemption for Charitable Organizations**. These organizations are not required to file annual financial reports but may do so voluntarily.

Confirm your Registration Category and learn more about NY law at [www.CharitiesNYS.com](http://www.CharitiesNYS.com).

#### Where do I find my organization's NET WORTH?

NET WORTH for fee purposes is calculated on:

- IRS Form 990 Part I, line 22
- IRS Form 990 EZ Part I, line 21
- IRS Form 990 PF, calculate the difference between Total Assets at Fair Market Value (Part II, line 16(c)) and Total Liabilities (Part II, line 23(b)).



**Consolidated Financial Statements and  
Consolidating Supplementary Information  
With Independent Auditor's Reports**

**June 30, 2019 and 2018**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Audit Committee  
Hillside Family of Agencies

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Hillside Family of Agencies and its affiliated entities (the "System"), which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our 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 consolidated financial statements are free of material misstatement.

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

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

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hillside Family of Agencies and its affiliated entities as of June 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter Regarding Adoption of New Accounting Standard**

As discussed in Note 1 to the consolidated financial statements, the System retrospectively adopted new accounting guidance in Accounting Standards Update ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* during the year ended June 30, 2019. Our opinion is not modified with respect to this matter.



CERTIFIED PUBLIC ACCOUNTANTS

November 1, 2019

HILLSIDE FAMILY OF AGENCIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
June 30, 2019 and 2018

ASSETS	2019	2018
Cash	\$ 960,136	\$ 512,548
Restricted cash	-	1,096,806
Restricted assets held in trust	304,164	294,851
Receivables – net	26,231,423	23,967,363
Investments	26,322,764	30,732,037
Prepaid expenses and other assets	5,373,307	5,752,201
Property and equipment – net	55,575,623	64,034,620
<b>Total assets</b>	<b>\$ 114,767,417</b>	<b>\$ 126,390,426</b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable	\$ 5,934,753	\$ 5,376,346
Accrued expenses and other liabilities	12,520,071	13,460,500
Refundable advances	4,041,238	5,054,467
Bonds, notes payable and lines of credit	45,128,148	49,235,942
Obligations under capital leases	901,785	1,171,900
Pension obligation	6,345,921	4,896,354
Postretirement benefit obligation	411,580	438,919
<b>Total liabilities</b>	<b>75,283,496</b>	<b>79,634,428</b>
Net Assets		
Without donor restrictions:		
Board designated	4,720,623	4,714,623
Undesignated	27,637,992	34,816,832
With donor restrictions	7,125,306	7,224,543
<b>Total net assets</b>	<b>39,483,921</b>	<b>46,755,998</b>
<b>Total liabilities and net assets</b>	<b>\$ 114,767,417</b>	<b>\$ 126,390,426</b>

HILLSIDE FAMILY OF AGENCIES

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
Years Ended June 30, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and public support:						
Program-related revenue:						
NYS Department of Children and Family Services	\$ 58,077,925	\$ -	\$ 58,077,925	\$ 58,067,603	\$ -	\$ 58,067,603
NYS Office of Mental Health	26,096,224	-	26,096,224	30,352,647	-	30,352,647
NYS Education Department	30,230,274	-	30,230,274	29,354,521	-	29,354,521
NYS OPWDD	11,543,899	-	11,543,899	9,802,939	-	9,802,939
NYS OASAS	205,817	-	205,817	205,192	-	205,192
Maryland Prince George County	1,350,000	-	1,350,000	1,375,000	-	1,375,000
Capital District Education Department	-	-	-	90,000	-	90,000
Private billings	11,814,724	-	11,814,724	6,659,199	-	6,659,199
Government grants	2,599,972	-	2,599,972	2,783,559	-	2,783,559
United Way	962,399	-	962,399	985,111	-	985,111
<b>Total program-related revenue</b>	<b>142,881,234</b>	<b>-</b>	<b>142,881,234</b>	<b>139,675,771</b>	<b>-</b>	<b>139,675,771</b>
Miscellaneous other operating revenue	2,924,668	-	2,924,668	3,063,816	-	3,063,816
Public support – contributions and grants	3,275,400	60,793	3,336,193	7,789,954	520,741	8,310,695
Event income	106,433	-	106,433	294,132	-	294,132
Investment income designated for operations	1,040,829	-	1,040,829	982,199	-	982,199
Net assets released from donor restrictions	273,636	(273,636)	-	446,126	(446,126)	-
<b>Total public support</b>	<b>4,696,298</b>	<b>(212,843)</b>	<b>4,483,455</b>	<b>9,512,411</b>	<b>74,615</b>	<b>9,587,026</b>
<b>Total revenue and public support</b>	<b>150,502,200</b>	<b>(212,843)</b>	<b>150,289,357</b>	<b>152,251,998</b>	<b>74,615</b>	<b>152,326,613</b>
Operating expenses:						
Program services:						
Children and family services	106,766,656	-	106,766,656	112,591,102	-	112,591,102
Educational services	22,724,324	-	22,724,324	21,874,639	-	21,874,639
<b>Total program services</b>	<b>129,490,980</b>	<b>-</b>	<b>129,490,980</b>	<b>134,465,741</b>	<b>-</b>	<b>134,465,741</b>
Supporting services:						
Management and general	17,355,645	-	17,355,645	18,871,066	-	18,871,066
General fundraising	1,333,579	-	1,333,579	1,911,573	-	1,911,573
<b>Total supporting services</b>	<b>18,689,224</b>	<b>-</b>	<b>18,689,224</b>	<b>20,782,639</b>	<b>-</b>	<b>20,782,639</b>
Grants to others	1,508,339	-	1,508,339	1,221,539	-	1,221,539
<b>Total operating expenses - recurring</b>	<b>149,688,543</b>	<b>-</b>	<b>149,688,543</b>	<b>156,469,919</b>	<b>-</b>	<b>156,469,919</b>
<b>Increase (decrease) from operating activities before nonrecurring items</b>	<b>813,657</b>	<b>(212,843)</b>	<b>600,814</b>	<b>(4,217,921)</b>	<b>74,615</b>	<b>(4,143,306)</b>
Depreciation on assets planned for disposal - nonrecurring (Note 6)	(4,248,646)	-	(4,248,646)	-	-	-
<b>Increase (decrease) from operating activities</b>	<b>(3,434,989)</b>	<b>(212,843)</b>	<b>(3,647,832)</b>	<b>(4,217,921)</b>	<b>74,615</b>	<b>(4,143,306)</b>
Non-operating activities:						
Investment income (loss) net of investment income designated for operations	(688,466)	113,606	(574,860)	307,227	399,069	706,296
Pension-related changes other than net periodic pension cost	(2,187,217)	-	(2,187,217)	1,074,440	-	1,074,440
Miscellaneous	(862,168)	-	(862,168)	(3,040,285)	-	(3,040,285)
<b>Increase (decrease) from non-operating activities</b>	<b>(3,737,851)</b>	<b>113,606</b>	<b>(3,624,245)</b>	<b>(1,658,618)</b>	<b>399,069</b>	<b>(1,259,549)</b>
Changes in net assets	(7,172,840)	(99,237)	(7,272,077)	(5,876,539)	473,684	(5,402,855)
Net assets – Beginning of year	39,531,455	7,224,543	46,755,998	45,407,994	6,750,859	52,158,853
Net assets – End of year	\$ 32,358,615	\$ 7,125,306	\$ 39,483,921	\$ 39,531,455	\$ 7,224,543	\$ 46,755,998

See Notes to Consolidated Financial Statements.

HILLSIDE FAMILY OF AGENCIES

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended June 30, 2019

(With Comparative Totals for 2018)

	Program Services			Supporting Services			2019 Total	2018 Total
	Children and Family Services	Educational Services	Total	Management and General	General Fundraising	Total		
Personnel expenses:								
Salaries and wages	\$ 68,292,496	\$ 15,048,964	\$ 83,341,460	\$ 8,750,292	\$ 621,425	\$ 9,371,717	\$ 92,713,177	\$ 96,876,296
Employee benefits	15,515,969	3,438,639	18,954,608	1,884,331	141,651	2,025,982	20,980,590	20,710,170
<b>Total personnel expenses</b>	<b>83,808,465</b>	<b>18,487,603</b>	<b>102,296,068</b>	<b>10,634,623</b>	<b>763,076</b>	<b>11,397,699</b>	<b>113,693,767</b>	<b>117,586,466</b>
Direct child care:								
Food	1,774,215	263,058	2,037,273	33,021	17,914	50,935	2,088,208	2,344,209
Clothing and linen	561,041	6,053	567,094	966	-	966	568,060	609,233
Supplies – medical	124,485	264,831	389,316	-	-	-	389,316	598,195
Purchase of services – medical	1,743,143	5,182	1,748,325	-	-	-	1,748,325	2,057,705
Recreation, work activities and other	730,808	21,835	752,643	27,613	-	27,613	780,256	893,583
Staff development	404,359	33,964	438,323	473,270	11,354	484,624	922,947	1,159,923
Boarding home payments	255,283	-	255,283	-	-	-	255,283	250,709
<b>Total direct child care expenses</b>	<b>5,593,334</b>	<b>594,923</b>	<b>6,188,257</b>	<b>534,870</b>	<b>29,268</b>	<b>564,138</b>	<b>6,752,395</b>	<b>7,913,557</b>
Other expenses:								
Occupancy	2,025,896	543,145	2,569,041	307,625	149,844	457,469	3,026,510	3,226,475
Supplies	1,453,937	262,774	1,716,711	542,084	97,414	639,498	2,356,209	2,790,046
Professional fees	4,609,664	1,081,927	5,691,591	2,261,341	140,731	2,402,072	8,093,663	9,550,012
Telephone	1,456,102	176,794	1,632,896	147,764	7,710	155,474	1,788,370	1,943,513
Conferences and administration	441,960	10,133	452,093	206,334	5,260	211,594	663,687	693,730
Transportation	2,214,359	100,779	2,315,138	50,401	5,876	56,277	2,371,415	2,649,496
Interest	1,157,372	325,697	1,483,069	1,805,849	-	1,805,849	3,288,918	2,240,307
Postage	66,442	8,325	74,767	24,786	28,427	53,213	127,980	147,834
Publications and publicity	9,123	1,590	10,713	83,514	105,973	189,487	200,200	616,377
<b>Total other expenses</b>	<b>13,434,855</b>	<b>2,511,164</b>	<b>15,946,019</b>	<b>5,429,698</b>	<b>541,235</b>	<b>5,970,933</b>	<b>21,916,952</b>	<b>23,857,790</b>
<b>Total expenses before depreciation</b>	<b>102,836,654</b>	<b>21,593,690</b>	<b>124,430,344</b>	<b>16,599,191</b>	<b>1,333,579</b>	<b>17,932,770</b>	<b>142,363,114</b>	<b>149,357,813</b>
Depreciation	3,930,002	1,130,634	5,060,636	756,454	-	756,454	5,817,090	5,890,567
<b>Total program and supporting services expenses</b>	<b>106,766,656</b>	<b>22,724,324</b>	<b>129,490,980</b>	<b>17,355,645</b>	<b>1,333,579</b>	<b>18,689,224</b>	<b>148,180,204</b>	<b>155,248,380</b>
Grants to others	-	-	-	-	-	-	1,508,339	1,221,539
<b>Total operating expenses - recurring</b>	<b>\$ 106,766,656</b>	<b>\$ 22,724,324</b>	<b>\$ 129,490,980</b>	<b>\$ 17,355,645</b>	<b>\$ 1,333,579</b>	<b>\$ 18,689,224</b>	<b>\$ 149,688,543</b>	<b>\$ 156,469,919</b>



**HILLSIDE FAMILY OF AGENCIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2018**

	Program Services			Supporting Services			
	Children and Family Services	Educational Services	Total	Management and General	General Fundraising	Total	Total
Personnel expenses:							
Salaries and wages	\$ 71,217,518	\$ 14,532,348	\$ 85,749,866	\$ 10,015,658	\$ 1,110,772	\$ 11,126,430	\$ 96,876,296
Employee benefits	15,216,246	3,111,661	18,327,907	2,144,429	237,834	2,382,263	20,710,170
<b>Total personnel expenses</b>	<b>86,433,764</b>	<b>17,644,009</b>	<b>104,077,773</b>	<b>12,160,087</b>	<b>1,348,606</b>	<b>13,508,693</b>	<b>117,586,466</b>
Direct child care:							
Food	2,006,119	311,968	2,318,087	13,049	13,073	26,122	2,344,209
Clothing and linen	601,845	6,021	607,866	1,367	-	1,367	609,233
Supplies – medical	595,105	3,090	598,195	-	-	-	598,195
Purchase of services – medical	1,944,559	113,146	2,057,705	-	-	-	2,057,705
Recreation, work activities and other	814,611	53,446	868,057	25,526	-	25,526	893,583
Staff development	491,215	26,701	517,916	622,103	19,904	642,007	1,159,923
Boarding home payments	250,709	-	250,709	-	-	-	250,709
<b>Total direct child care expenses</b>	<b>6,704,163</b>	<b>514,372</b>	<b>7,218,535</b>	<b>662,045</b>	<b>32,977</b>	<b>695,022</b>	<b>7,913,557</b>
Other expenses:							
Occupancy	2,371,477	533,269	2,904,746	277,905	43,824	321,729	3,226,475
Supplies	1,663,623	499,040	2,162,663	574,977	52,406	627,383	2,790,046
Professional fees	5,656,904	1,194,330	6,851,234	2,593,173	105,605	2,698,778	9,550,012
Telephone	1,603,452	170,547	1,773,999	158,530	10,984	169,514	1,943,513
Conferences and administration	343,177	4,625	347,802	335,104	10,824	345,928	693,730
Transportation	2,472,363	54,882	2,527,245	114,595	7,656	122,251	2,649,496
Interest	831,354	121,883	953,237	1,287,070	-	1,287,070	2,240,307
Postage	80,978	9,585	90,563	36,563	20,708	57,271	147,834
Publications and publicity	8,680	1,536	10,216	328,178	277,983	606,161	616,377
<b>Total other expenses</b>	<b>15,032,008</b>	<b>2,589,697</b>	<b>17,621,705</b>	<b>5,706,095</b>	<b>529,990</b>	<b>6,236,085</b>	<b>23,857,790</b>
<b>Total expenses before depreciation</b>	<b>108,169,935</b>	<b>20,748,078</b>	<b>128,918,013</b>	<b>18,528,227</b>	<b>1,911,573</b>	<b>20,439,800</b>	<b>149,357,813</b>
Depreciation	4,421,167	1,126,561	5,547,728	342,839	-	342,839	5,890,567
<b>Total program and supporting services expenses</b>	<b>112,591,102</b>	<b>21,874,639</b>	<b>134,465,741</b>	<b>18,871,066</b>	<b>1,911,573</b>	<b>20,782,639</b>	<b>155,248,380</b>
Grants to others	-	-	-	-	-	-	1,221,539
<b>Total operating expenses - recurring</b>	<b>\$ 112,591,102</b>	<b>\$ 21,874,639</b>	<b>\$ 134,465,741</b>	<b>\$ 18,871,066</b>	<b>\$ 1,911,573</b>	<b>\$ 20,782,639</b>	<b>\$ 156,469,919</b>

HILLSIDE FAMILY OF AGENCIES

CONSOLIDATED STATEMENTS OF CASH FLOWS  
Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities		
Change in net assets	\$ (7,272,077)	\$ (5,402,855)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	5,817,090	5,890,567
Depreciation on assets planned for disposal	4,248,646	-
Loss on disposal of property and equipment	178,053	32,450
Amortization of interest expense	105,764	71,898
Change in allowance for uncollectible accounts	34,461	(303,747)
Net unrealized and realized (gains) losses on investments	983,289	(1,484,911)
Change in beneficial interest in trusts	8,627	(82,745)
Unrealized (gain) loss on interest rate swap agreements	565,541	(527,454)
Pension-related changes other than net periodic pension cost	2,187,217	(1,074,440)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(2,298,521)	1,194,493
Prepaid expenses and other assets	(192,642)	491,935
Increase (decrease) in:		
Accounts payable	351,231	134,724
Accrued expenses and other liabilities	(934,434)	210,299
Refundable advances	(1,013,229)	2,791,759
Pension obligation	(737,650)	(560,452)
Postretirement benefit obligation	(27,339)	(26,030)
<b>Net cash provided by operating activities</b>	<b>2,004,027</b>	<b>1,355,491</b>
Cash Flows From Investing Activities		
Purchases of property and equipment	(1,839,773)	(3,441,233)
Proceeds from the sale of property and equipment	610,976	99,819
Purchases of investments	(2,491,683)	(837,331)
Proceeds from the sales of investments	5,909,040	505,797
Change in restricted assets held in trust	(9,313)	(6,262)
Change in restricted cash	1,096,806	(103,242)
<b>Net cash provided by (used in) investing activities</b>	<b>3,276,053</b>	<b>(3,782,452)</b>
Cash Flows From Financing Activities		
Net borrowings (payments) on lines of credit	(2,779,858)	3,000,000
Payments on bonds and notes payable	(2,525,096)	(3,044,550)
Proceeds from notes payable	1,104,675	-
Cash paid for deferred financing costs	(13,279)	-
Payments on obligations under capital leases	(618,934)	(581,299)
<b>Net cash used in financing activities</b>	<b>(4,832,492)</b>	<b>(625,849)</b>
<b>Net increase (decrease) in cash</b>	<b>447,588</b>	<b>(3,052,810)</b>
Cash:		
Beginning	512,548	3,565,358
Ending	\$ 960,136	\$ 512,548
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	\$ 2,617,613	\$ 2,695,863
Supplemental Schedule of Non-Cash Investing and Financing Activities		
Lines of credit and notes payable refinanced	\$ 40,366,465	\$ -
Property and equipment included in accounts payable	\$ 542,163	\$ 334,987
Property and equipment financed by capital leases	\$ 348,819	\$ 645,349

See Notes to Consolidated Financial Statements.

# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### Note 1. Nature of Business and Significant Accounting Policies

#### Organization:

Hillside Family of Agencies (the “Corporation”) and its affiliates (collectively, the “System”) constitute a comprehensive system of care, offering mental health, social services, developmental disability, youth development, adoption, and educational services in New York and Maryland. The Corporation is a not-for-profit corporation that reviews and monitors the missions, objectives, activities, and resources of its affiliates for the purpose of promoting efficient, effective, and economical social, educational, and mental health services to children, youth, and families in its service area. It is the sole corporate member of the following entities:

- Hillside Children’s Center (the “Center”)
- Hillside Children’s Foundation (the “Foundation”)
- Hillside Work-Scholarship Connection
- Snell Farm Children’s Center
- Stillwater Children’s Center

A summary of the System’s significant accounting policies follows:

#### Basis of presentation:

The accompanying consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The consolidated financial statements include the accounts of the System, as described above. All significant interaffiliate balances and transactions have been eliminated.

#### Accounting changes:

During 2019, the System adopted Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. This ASU requires various modifications to the current financial statement presentation in order to make information more useful for the users of the financial statements. Key changes that impact the System include expanded disclosures regarding donor restrictions and board designations of net assets; reducing the net asset classifications from three to two; and liquidity disclosure requirements. This accounting change was applied on a retrospective basis. The following table presents the June 30, 2018 balances of net assets, as previously reported and as revised for adoption of this ASU:

<u>As Previously Reported</u>		<u>As Revised</u>	
Unrestricted	\$ 27,781,384	Without donor restrictions:	
Temporarily restricted	14,268,157	Board designated	\$ 4,714,623
Permanently restricted	<u>4,706,457</u>	Undesignated	34,816,832
		With donor restrictions	<u>7,224,543</u>
Total net assets	<u>\$ 46,755,998</u>	Total net assets	<u>\$ 46,755,998</u>

The revised presentation includes all net assets previously reported as permanently restricted as net assets with donor restriction. Net assets previously reported as temporarily restricted were classified with or without donor restrictions based on the nature of the restriction (donor or otherwise).

# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### Note 1. Nature of Business and Significant Accounting Policies (Continued)

#### Accounting changes (continued):

The consolidated financial statements as previously reported for the year ended June 30, 2018 presented net assets released from donor restrictions of \$9,526,072. As revised, net assets released from donor restrictions were \$446,126 for the year ended June 30, 2018.

#### Cash:

The System maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The System has not experienced any losses in such accounts. The System believes it is not exposed to any significant credit risk on cash.

#### Restricted assets held in trust:

This balance represents cash and cash equivalents which are limited to use under terms of debt indentures for debt service payments.

#### Receivables:

Receivables for program services provided are recorded at the amount the System expects to be reimbursed based on approved reimbursement rates in place at the time the service is provided, as described under the revenue recognition policy. Pledges are recorded as receivables in the year made at the original pledge amount less an estimate made for uncollectible pledges. Management evaluates if accounts receivable are collectible on an annual basis and adjusts for uncollectible amounts through an allowance for doubtful accounts. Recoveries of amounts previously written off are recorded as revenue at the time such amounts are collected. At June 30, 2019 and 2018, the System's receivables consisted of net program-related receivables of \$25,955,017 and \$23,967,363, respectively, and net pledges receivable of \$276,406 and \$-0-, respectively. Receivables are presented net of allowances for doubtful accounts and discounts of \$516,700 and \$482,239 at June 30, 2019 and 2018, respectively.

#### Beneficial interest in trusts:

The System is the beneficiary of an interest in various trusts which were created at the direction of the donors and are controlled by independent trustees. The System records its interest in these trusts, upon discovery of their existence, at fair value of the trusts' assets, which is determined by the investment statements held by the trusts. Because of the complex issues related to collecting the data for these transactions, there can be a time delay in recording of the assets because of the time needed for discovery, verification of the System's rights, and the determination of the fair value.

The original fair value, subsequent annual changes in fair value, and distributions received are recorded within the two classifications of net assets (net assets with donor restrictions and net assets without donor restrictions) following the original intent of the donors and instructions received from the trustees. The value of the interest in the trusts is included within investments in the accompanying consolidated statements of financial position. The change in the value of the trusts and receipt of distributions of earnings are reported as a component of investment income in the accompanying consolidated statements of activities and changes in net assets.

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Significant Accounting Policies (Continued)

##### Fair value measurements:

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the System has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's 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.

Certain assets are valued at net asset value (NAV) per share and these are not included in the fair value hierarchy.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at June 30, 2019 and 2018.

*Cash and Cash Equivalents* – The carrying amount of cash and cash equivalents approximates fair value because of the short maturity of those instruments.

*Debt Securities* – These are valued at estimated fair value as determined by third-party pricing services and qualified appraisers.

*Mutual Funds* – Mutual funds with registered investment companies, including The Investment Fund for Foundations (TIFF) fund, are valued at the daily closing price as reported by the fund. Mutual funds held by the System and Defined Benefit Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The funds held by the Defined Benefit Plan, except for money market funds, are deemed to be actively traded.

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Significant Accounting Policies (Continued)

##### Fair value measurements (continued):

*Mutual Funds* (continued) – Money market funds generally transact at \$1.00 NAV as reported by the fund and is based on the amortized cost of the underlying securities of the fund. The \$1.00 NAV is considered to be the price to sell the money market funds and its estimated fair value. Investments in this category can be redeemed daily at the current NAV per share based on the fair value of the underlying assets.

*Beneficial Interest in Trusts* – These are valued at an estimated fair value of the trusts' assets, as reported by each trustee based on the underlying investments held within each of the trust accounts.

*Derivative Instruments* – The System's interest rate swap agreements are stated at fair value, calculated at the difference of the present value of future cash flows of the two interest rates (variable rate swapped at a fixed rate) that were swapped, and represents the estimated amount that the System would expect to pay or collect if it terminated the interest rate swap agreement at the reporting date.

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

##### Captive insurance program:

The System has insurance coverage with commercial insurance companies for general and professional liabilities up to \$1 million and an umbrella policy for an additional \$1 million. The System is also a subscriber in a captive insurance arrangement with a risk retention group, which provides coverage for losses between \$2 million and \$40 million. The System was required to make capital contributions to the risk retention group upon execution of its membership agreement, and the amount is recorded in a paid-in surplus account. The subscriber savings account also includes the System's proportionate share of costs, expenses and fees, including reinsurance, paid losses, case reserves, claims incurred but not reported, allocated shared losses, the System's proportionate share of investment income/loss, dividends paid to the System, and allocated gains/losses from former subscribers. The System's subscriber savings account and paid-in surplus account balance amounted to \$2,476,000 and \$2,376,000 as of June 30, 2019 and 2018, respectively, and is presented within prepaid expenses and other assets in the accompanying consolidated statements of financial position. Changes in the account balance are recorded in miscellaneous other operating income in the accompanying consolidated statements of activities and changes in net assets. Premiums paid by the System for each policy year are recorded in management and general expense. Insurance expense relating to the captive insurance program amounted to \$347,000 and \$354,000 at June 30, 2019 and 2018, respectively.

# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### Note 1. Nature of Business and Significant Accounting Policies (Continued)

#### Property and equipment and accumulated depreciation:

Land, buildings and equipment are recorded at cost if purchased or at fair value if donated. Depreciation is provided on a straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings	40
Building and land improvements	20
Leasehold improvements	3 - 15
Furniture, fixtures and equipment	4 - 10
Vehicles	4

Fully depreciated assets are retained in the accounting records until their retirement. Repairs and maintenance are expensed as incurred.

Improvements to leased property are amortized over the life of the lease, including the expected renewal periods, or the life of the improvements, whichever is less.

#### Capital leases:

Leases which meet the capital lease criteria under the Leases Topic of the FASB Accounting Standards Codification are recorded as assets and obligations at the lesser of the present value of the future rental payments or the fair value of the leased property at the inception of the lease. Amortization of equipment under capital leases has been provided using the straight-line method over the term of the leases, and is included in depreciation expense in the accompanying consolidated financial statements.

#### Refundable advances:

Refundable advances of the System represent short-term overpayments received for contracted services and amounts owed back to funding sources for audits and rate modifications.

#### Derivative financial instruments:

The System has entered into interest rate swap agreements for the purpose of reducing the impact of changes in interest rates on variable rate long-term debt. Derivative financial instruments are utilized to reduce interest-rate risk and are not held for trading purposes. The System records all interest rate swap agreements in the consolidated statements of financial position at fair value. The fair value asset (liability) of the interest rate swaps were \$(15,145) and \$550,396 at June 30, 2019 and 2018, respectively, and were included in prepaid and other assets on the consolidated statements of financial position. Changes in the interest rate swap agreements fair value is recognized in the consolidated statements of activities and changes in net assets as additional interest expense or a reduction of interest expense, which amounted to an unrealized gain (loss) of \$(565,541) and \$527,454 for the years ended June 30, 2019 and 2018, respectively.

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Significant Accounting Policies (Continued)

##### Net assets:

The System is required to report information regarding their financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets with donor restrictions are those whose use has been limited by donors to a specific time period or purpose.

The System's Board of Governors has designated, from assets without donor restrictions, net assets for long-term investment purposes amounting to \$4,720,623 and \$4,714,623 as of June 30, 2019 and 2018, respectively.

##### Operating and non-operating activities:

Operating activities are those that occur in the normal course of business operations for the current period. Non-operating activities include investment income (loss) (net of which has been designated for operations) and activities that are unrelated to the current time period or to normal operations, including pension related changes relating to other than net periodic pension cost.

##### Program-related revenues:

Revenue under most contracts and grants with various authorities (principally governmental agencies in New York State) is recognized as the services are performed. These program-related revenues are categorized in the accompanying consolidated financial statements under the New York State department that is responsible for the regulatory oversight of the related programs. Certain rates under such contracts and grants are subject to audit by the contracting authority. Rate modifications for prior fiscal years are reported as an adjustment to non-operating miscellaneous income (expense) in the year realized in the accompanying consolidated statements of activities and changes in net assets.

The System has contracts with third-party payors, which provide for reimbursement to the System at established rates. The primary payor for these contracts (including but not limited to contracts with New York State funding sources of the Office of People with Developmental Disabilities, the Office of Mental Health and the Office of Children and Family Services) is Medicaid, which accounted for approximately 31% and 34% of total operating revenue for the years ended June 30, 2019 and 2018, respectively. The laws and regulations under which the governmental funded programs operate are complex, subject to frequent change and are open to interpretation. At present, there are significant initiatives underway at both the Federal and New York State levels to eliminate and prevent fraud, waste and abuse in governmental funded programs. Such initiatives include governmental authorities, or their representatives, conducting various types of reviews of organizations that bill governmental payors. These reviews are being conducted to determine if the organization is following appropriate regulations and procedures including having adequate documentation for its billing activities. In cases where an organization's billing documentation or procedures are deemed deficient, the authorities could seek to recover related funds received from the governmental authorities. Therefore, as part of operating under governmental funded programs, there is a possibility that such authorities may perform this type of review of the System. Although no assurances can be given, management believes they have complied with the requirements of the various governmental funded programs they operate under.



# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### Note 1. Nature of Business and Significant Accounting Policies (Continued)

#### Program-related revenues (continued):

Reimbursement rates established by Federal, state and county funding agencies are subject to audits and retroactive adjustments by third-party payors. An estimate of the provision for audit and retroactive adjustments are recorded in the period that the adjustments can be reasonably estimated, with any adjustments to the estimate recorded when the approved rate is received by the funding source.

#### Contributions:

All contributions are considered to be available for unrestricted use unless specifically restricted by a donor. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Conditional pledges are recognized as revenue when the stipulated conditions have been met.

The System reports gifts of cash and investments as support with donor restrictions 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, the related net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities and changes in net assets as net assets released from donor restrictions.

The System reports gifts of land, buildings and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the System report expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donor restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions in the consolidated statements of activities and changes in net assets.

#### Investment income:

Investment income and gains and losses from the sale or other disposition of investments are accounted for in accordance with specific donor instructions. In the absence of such instructions, investment income and gains and losses are accounted for in net assets without donor restrictions. Interest and dividend income are recognized as earned. Gains and losses on security sales are determined based upon the average cost of the security within the respective net asset portfolio.

Under an investment spending policy established by the System's Board of Governors, the System utilizes 5% of the average invested balance of the prior 20 quarters to support its programs. This amount is presented as investment income designated for operations within public support and the remaining net investment income is presented as a component of increase (decrease) in net assets from non-operating activities as investment income (loss) net of investment income designated for operations in the consolidated statements of activities and changes in net assets.

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Significant Accounting Policies (Continued)

##### Grant to others:

During the years ended June 30, 2019 and 2018, the Foundation granted \$1,508,339 and \$1,221,539, respectively, to meet the matching requirements for certain programs which require philanthropic support in order to leverage other funding sources. The grant is classified within operating activities in the accompanying consolidated statements of activities and changes in net assets.

##### Endowments:

New York State Prudent Management of Institutional Funds Act (NYPMIFA or the Act), New York's version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), governs the management and investment of funds held by not-for-profit corporations and other institutions. The Board of Trustees of the Foundation has interpreted the Act as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds which is prudent, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by NYPMIFA.

When making a determination to appropriate or accumulate donor-restricted endowment funds, the System considers the following: the duration and preservation of the fund, the purposes of the System and the donor-restricted endowment fund, general economic conditions, the possible effects of inflation and deflation, the expected total return from income and the appreciation of investments, other resources of the System, where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund giving due consideration to the effect that such alternatives may have on the System and the investment policies of the System.

The System has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the System while seeking to maintain the purchasing power of the endowment assets. The donor-restricted endowment funds are held in one of its multipurpose investment portfolios. Under this policy, as approved by the Board of Governors, the endowment assets are to be invested in a manner that is intended to achieve returns, net of fees, in excess of a relevant balanced benchmark as defined by the target asset allocation while assuming a moderate level of investment risk.

The Board of Trustees will review the fund's performance at least annually and will appropriate for distribution an amount it feels appropriate. Annual endowment fund spending may not exceed 100% of the fund investment income accumulated since the last distribution plus any investment income not distributed in the preceding years and may not exceed 5% calculated on a twenty rolling quarter average of the net value of the endowment, at its current balance.

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Significant Accounting Policies (Continued)

##### Endowments (continued):

The Foundation's objective is to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or relevant law requires the System to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions to the extent accumulated gains are available to absorb such loss, otherwise as net assets without donor restrictions. There were no deficiencies of this nature for the years ended June 30, 2019 and 2018.

##### Methods used for allocation of expenses between program and supporting services:

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The significant expenses that are allocated include fringe benefits, which are allocated based on salary costs, property and equipment costs (depreciation, interest on debt-financed property and property and vehicle insurance) and occupancy costs (maintenance salaries and fringe benefits, utilities, repairs and maintenance, and maintenance supplies), which are allocated based on square footage and food related costs which are allocated based on number of meals served. Most salaries and benefits are direct charged to programs and supporting activities. Approximately 8.2% of salaries and benefits are in support services and are allocated based on time studies performed.

##### Interest expense:

Interest expense is a recurring cost incurred in normal business operations and, accordingly, is presented within operating expenses in the accompanying consolidated statements of activities and changes in net assets.

##### Income taxes:

The System (the Corporation and each of its affiliates) is tax exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision has been made for income taxes in the accompanying consolidated financial statements. The Corporation evaluates its positions taken for income tax purposes, including its continued compliance with the requirements of its exemption under Section 501(c)(3).

It is highly certain that some positions taken for income tax purposes would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. The Corporation is not aware of any uncertain tax positions as of June 30, 2019 and 2018.

The tax returns for the years ended June 30, 2016 through June 30, 2019 remain subject to examination by the Internal Revenue Service for Federal tax purposes and also by New York State for state tax purposes.

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 1. Nature of Business and Significant Accounting Policies (Continued)

##### Use of estimates:

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### Recent accounting pronouncements:

The following recently issued accounting pronouncements by the Financial Accounting Standards Board (FASB) represent those considered relevant and potentially significant to the System:

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for the year ending June 30, 2020 for the System. The System does not expect the ASU to have a significant impact on the System's revenue recognition policies and, as a result, does not expect the implementation of the ASU to materially affect the consolidated financial statements.

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The standard provides clarified guidance on evaluating whether transactions should be accounted for as contribution (non-reciprocal transactions) within the scope of Topic 958 Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance, and determining whether the contribution is conditional. ASU 2018-08 will be effective for the System for the year ending June 30, 2020. The System does not expect the ASU to have a significant impact on the System's revenue recognition policies and, as a result, does not expect the implementation of the ASU to materially affect the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 will require an entity to recognize assets and liabilities for leases that are longer than 12 months including operating leases existing at the date the standard becomes effective. ASU 2016-02 must be adopted by the System for their year ending June 30, 2022, although earlier application is permitted. As disclosed in Note 8, the expected future payments on operating leases are \$1,682,040. The new standard will require the presentation of these leases in the statement of financial position. The System does not expect a material impact on the consolidated statement of activities and changes in net assets.

# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### Note 1. Nature of Business and Significant Accounting Policies (Continued)

#### Recent accounting pronouncements (continued):

In March 2017, the FASB issued ASU 2017-07, *Compensation – Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. ASU 2017-07 requires that an entity report the service cost component of net periodic pension and postretirement cost in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. The remaining components of net benefits costs are required to be presented in the consolidated statement of activities and changes in net assets separately from the service component and outside a subtotal of revenue from operations, if one is presented. The amendment further allows only the service cost component of net period pension and postretirement costs to be eligible for capitalization. ASU 2017-07 must be adopted by the System for their year ending June 30, 2020, although earlier adoption is permitted. As the plan is frozen, the System does not expect the ASU to materially affect the consolidated financial statements.

### Note 2. Liquidity Information

As part of the System's liquidity management practice, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The System has financial assets of \$45,545,883 available within one year of the consolidated statement of financial position date to meet the cash needs for general expenditure. The financial assets consist of the following:

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Cash	\$	960,136
Receivables expected to be collected within one year		26,231,423
Investments		26,322,764
Less:		
Investments pledged as collateral		(5,247,817)
Investments subject to board designation		(4,720,623)
Total financial assets	\$	<u>45,545,883</u>

The System has agreements with a syndicate of banks for a maximum borrowing capacity of \$18,000,000 on a revolving line of credit, which could be drawn upon in the event of an unanticipated liquidity need. There was \$8,000,000 outstanding at June 30, 2019.

The System also has agreements with a syndicate of banks for delayed draw term loan facilities, which could be drawn upon to fund capital expenditures. The remaining capacity on these facilities is \$4,895,325 as of June 30, 2019.

# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Note 3. Investments

The following is a summary of investments at June 30, 2019 and 2018:

	2019		
	Cost or Amortized Cost	Unrealized Gains (Losses)	Estimated Fair Value
<b>TIFF Fund</b>	\$ 19,962,723	\$ (734,971)	\$ 19,227,752
<b>U.S. government obligations</b>	4,893,882	59,476	4,953,358
<b>Beneficial interest in trusts</b>	1,834,718	-	1,834,718
<b>Cash and cash equivalents</b>	306,936	-	306,936
<b>Total</b>	<b>\$ 26,998,259</b>	<b>\$ (675,495)</b>	<b>\$ 26,322,764</b>

  

	2018		
	Cost or Amortized Cost	Unrealized Gains (Losses)	Estimated Fair Value
TIFF Fund	\$ 23,798,161	\$ 42,495	\$ 23,840,656
U.S. government obligations	4,778,030	(95,912)	4,682,118
Beneficial interest in trusts	1,843,345	-	1,843,345
Cash and cash equivalents	365,918	-	365,918
<b>Total</b>	<b>\$ 30,785,454</b>	<b>\$ (53,417)</b>	<b>\$ 30,732,037</b>

Investment income of the System for the years ended June 30, 2019 and 2018 included the following:

	2019	2018
Investment return	\$ 487,437	\$ 1,716,238
Custodial fees and related expenses	(21,468)	(27,743)
<b>Total</b>	<b>\$ 465,969</b>	<b>\$ 1,688,495</b>

Investment income is presented in the consolidated statements of activities and changes in net assets for the years ended June 30, 2019 and 2018 as follows:

	2019	2018
Investment income designated for operations	\$ 1,040,829	\$ 982,199
Investment income (loss) net of investment income designated for operations	(574,860)	706,296
	<b>\$ 465,969</b>	<b>\$ 1,688,495</b>

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 3. Investments (Continued)

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation uses an advisor to manage capital with unique liquidity, risk and spending considerations of non-profit institutions in mind to deliver at least 5% per annum over multiple market cycles, net of inflation and fees.

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the consolidated statements of financial position.

The System had no unfunded commitments related to investments carried at NAV at June 30, 2019 and 2018.

#### Note 4. Endowments

The System's endowment assets include those assets that the System must hold in perpetuity or for a donor-specified period(s). Changes in endowment net assets as of and for the years ended June 30, 2019 and 2018 is as follows:

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Endowment net assets as of June 30, 2017	\$ 4,763,400
Contributions	517,741
Investment income	316,324
Appropriations	<u>(429,626)</u>
Endowment net assets as of June 30, 2018	5,167,839
Contributions	<b>59,294</b>
Investment income	<b>122,233</b>
Appropriations	<u><b>(254,137)</b></u>
Endowment net assets as of June 30, 2019	<u><b>\$ 5,095,229</b></u>

# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Note 5. Fair Value of Financial Instruments

The following tables set forth by level, within the fair value hierarchy, the System's assets and liabilities at fair value as of June 30, 2019 and 2018:

	2019			
	Level 1	Level 2	Level 3	Total
Debt Securities:				
U.S. government obligations	\$ -	\$ 4,953,358	\$ -	\$ 4,953,358
Beneficial interest in trusts	-	-	1,834,718	1,834,718
Cash and cash equivalents	306,936	-	-	306,936
Interest rate swap	-	(15,145)	-	(15,145)
	<u>\$ 306,936</u>	<u>\$ 4,938,213</u>	<u>\$ 1,834,718</u>	<u>\$ 7,079,867</u>

	2018			
	Level 1	Level 2	Level 3	Total
Debt Securities:				
U.S. government obligations	\$ -	\$ 4,682,118	\$ -	\$ 4,682,118
Beneficial interest in trusts	-	-	1,843,345	1,843,345
Cash and cash equivalents	365,918	-	-	365,918
Interest rate swap	-	550,396	-	550,396
	<u>\$ 365,918</u>	<u>\$ 5,232,514</u>	<u>\$ 1,843,345</u>	<u>\$ 7,441,777</u>

As presented in the consolidated statements of financial position at June 30, 2019 and 2018:

	2019	2018
Investments	\$ 26,322,764	\$ 30,732,037
Less investments valued at net asset value	(19,227,752)	(23,840,656)
Interest rate swap asset (liability) (included in prepaid and other assets)	(15,145)	550,396
Total assets and liabilities at fair value	<u>\$ 7,079,867</u>	<u>\$ 7,441,777</u>



## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 5. Fair Value of Financial Instruments (Continued)

During the years ended June 30, 2019 and 2018, the changes in the fair value of the assets carried at fair value measured using significant unobservable inputs (Level 3) were comprised of the following:

	<b>2019</b>	2018
Beginning balance – beneficial interest in trust	\$ 1,843,345	\$ 1,760,600
Change in beneficial interest in trust	<u>(8,627)</u>	<u>82,745</u>
Ending balance – beneficial interest in trust	<u>\$ 1,834,718</u>	<u>\$ 1,843,345</u>

#### Note 6. Property and Equipment

At June 30, 2019 and 2018, the System’s property and equipment consisted of the following:

	<b>2019</b>	2018
Land	\$ 1,906,934	\$ 1,906,934
Buildings	51,391,178	51,858,648
Building and land improvements	39,189,007	38,333,995
Furniture, fixtures and equipment	11,283,345	11,546,726
Leasehold Improvements	22,000,490	21,975,638
Vehicles	1,212,262	1,501,216
Capital lease equipment	1,850,303	2,160,814
Construction-in-progress	1,239,444	742,100
	<u>130,072,963</u>	<u>130,026,071</u>
Less accumulated depreciation	<u>74,497,340</u>	<u>65,991,451</u>
Property and equipment – net	<u>\$ 55,575,623</u>	<u>\$ 64,034,620</u>

Recurring depreciation expense for the System, excluding accelerated depreciation on assets to be disposed, was \$5,817,090 and \$5,890,567 for the years ended June 30, 2019 and 2018, respectively.

During March 2019, the System decided to begin the transition of services provided at its Varick, New York residential campus (“Varick campus”) to other System facilities with closure of the Varick campus to occur during the fiscal year ending June 30, 2020. As a result of this decision, the System revised its estimate of the useful lives of certain leasehold improvements and furniture, fixtures and equipment in use at the Varick campus to coincide with the planned closure. This change in estimated useful lives resulted in acceleration of depreciation of \$4,248,646, which is presented in the consolidated statements of activities and changes in net assets as depreciation on assets planned for disposal - non-recurring. Property and equipment – net related to the Varick campus was \$382,833 and \$5,366,628 at June 30, 2019 and 2018, respectively.

**HILLSIDE FAMILY OF AGENCIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 7. Bonds, Notes Payable and Lines of Credit**

At June 30, 2019 and 2018, bonds, notes payable and lines of credit of the System consisted of the following:

	<b>2019</b>	2018
<p>The System has an \$18 million revolving line of credit with a syndicate of banks led by KeyBank, N.A. at a variable interest rate based on the one month Eurodollar rate (2.125% at June 30, 2019) plus 2.9%, or prime (5.5% at June 30, 2019) plus 1.9% at the System’s sole discretion. The revolving line is limited to the lesser of \$18 million maximum or 80% of the eligible accounts receivable, and is due to mature December 2021. Essentially all of the net assets without donor restrictions of the System are collateralized in support of this revolving line of credit. All entities of the System are jointly and severally liable for this revolving line of credit.</p>	<b>\$ 8,000,000</b>	\$ 15,000,000
<p>The System has a capital delayed draw term loan facility with a syndicate of banks led by KeyBank, N.A. at a variable interest rate based on the one month Eurodollar rate (2.125% at June 30, 2019) plus 2.9%, or prime (5.5% at June 30, 2019) plus 1.9% at the System’s sole discretion, and is due to mature December 2025.</p>	<b>1,104,675</b>	-
<p>Note payable to a syndicate of banks led by KeyBank, N.A. Principal is payable at \$103,333 per month plus interest at a variable rate based on the one month Eurodollar rate (2.125% at June 30, 2019) plus 2.9%, or prime (5.5% at June 30, 2019) plus 1.9% at the System’s sole discretion. \$21 million of this term note is swapped to a fixed rate of 5.12%. A final payment of \$24,903,333 is due December 2023; however, the intent is to term out the final balloon payment at that time. Essentially all of the net assets without donor restrictions of the System are collateralized in support of this term note. All entities of the System are jointly and severally liable for this note.</p>	<b>30,380,000</b>	26,760,000

**HILLSIDE FAMILY OF AGENCIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 7. Bonds, Notes Payable and Lines of Credit (Continued)**

	<b>2019</b>	2018
<p>Bond payable with DASNY with an interest rate of 4.9%. Repayments are due monthly in accordance with a fixed schedule (with monthly payments ranging from approximately \$12,000 to \$38,000) through June 2038. The costs from this issue are incrementally reimbursable via the New York State Office of Children and Family Services per diem rates attached to the specific services residing in the renovated buildings. Special reimbursement intercept provisions for unusual circumstances enhance the security of this issue, in addition to a mortgage on the real property of the Monroe Avenue Campus, Scottsville Campus, and Bath Campus.</p>	<b>\$ 5,672,795</b>	\$ 5,846,185
<p>Bond payable with the Seneca County Industrial Development Agency (SCIDA) and three temporary credit facilities that were arranged with a bank. Payments are due quarterly based on a predetermined amortization schedule through July 2020 (with quarterly payments ranging from \$120,000 to \$165,000). Interest is variable based on weekly market conditions for tax-exempt debt. The interest rate at June 30, 2019 was 0.75%. The System is also contingently liable on a standby letter of credit, which guarantees repayment of the bond payable in the amount of \$694,606 at June 30, 2019, which expires April 2020.</p>	<b>680,000</b>	1,305,000
<p>Note payable to KeyBank, N.A. at a variable per annum interest rate based on the prime rate (5.5% at June 30, 2019) less 1%, which was swapped to a fixed rate of 5.4%. Principal is payable in equal monthly installments of \$3,637 through October 2022. The note is secured by the Lake Road property.</p>	<b>145,466</b>	189,106
<p>Note payable to KeyBank, N.A. at a variable per annum interest rate based on the prime rate (5.5% at June 30, 2019) less 1%, which was swapped to a fixed rate of 5.4%. Principal is payable in equal monthly installments of \$2,982 through October 2022. The note is secured by the Chestnut Ridge Road property.</p>	<b>119,289</b>	155,076
<p>Note payable to KeyBank, N.A. at a variable per annum interest rate based on the prime rate (5.5% at June 30, 2019) less 1%, which was swapped to a fixed rate of 5.4%. Principal is payable in equal monthly installments of \$2,911 through October 2022. The note is secured by the Farmington Road property.</p>	<b>116,446</b>	151,378

**HILLSIDE FAMILY OF AGENCIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 7. Bonds, Notes Payable and Lines of Credit (Continued)**

	<b>2019</b>	2018
Note payable to KeyBank, N.A. at a fixed per annum interest rate of 9.04%. Principal is payable in equal monthly installments of \$2,219 through May 2021. The note is secured by the Strickler Road property.	\$ 51,034	\$ 77,661
Notes payable paid in full during 2019.	-	501,267
	<b>46,269,705</b>	49,985,673
Less deferred financing costs	<b>(1,141,557)</b>	(749,731)
	<b>\$ 45,128,148</b>	\$ 49,235,942

Bonds, notes payable and lines of credit with KeyBank, N.A. are subject to various financial covenants. The System was in compliance with all covenants at June 30, 2019.

The aggregate annual maturities for bonds, notes payable and lines of credit at June 30, 2019 are due as follows:

<u>Years ending June 30,</u>	
2020	\$ 2,224,373
2021	1,592,160
2022	9,557,749
2023	1,491,510
2024	25,638,390
Thereafter	<u>5,765,523</u>
Total	<u>\$ 46,269,705</u>

**Note 8. Operating Leases**

The System leases property under operating lease arrangements which require various minimum rental payments through fiscal 2026. Certain leases require the System to provide insurance on the leased property. Future minimum payments under operating leases at June 30, 2019 are as follows:

<u>Years ending June 30,</u>	
2020	\$ 459,854
2021	273,378
2022	181,006
2023	169,864
2024	170,075
Thereafter	<u>427,863</u>
Total	<u>\$ 1,682,040</u>

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### Note 8. Operating Leases (Continued)

Total rental expense included in the accompanying consolidated statements of activities and changes in net assets for the years ended June 30, 2019 and 2018 amounted to \$747,315 and \$803,478, respectively, and is included in occupancy expense in the consolidated statements of functional expenses.

#### Note 9. Net Assets

Net assets with donor restrictions as of June 30, 2019 and 2018 are available for the following purposes or periods:

	<b>2019</b>	2018
Subject to expenditures for staff scholarships	\$ <b>195,359</b>	\$ 213,359
Beneficial interest in trusts	<b>1,834,718</b>	1,843,345
Endowments – investment in perpetuity, the income from which is expendable for enhanced program services	<u><b>5,095,229</b></u>	<u>5,167,839</u>
	<u><b>\$ 7,125,306</b></u>	<u>\$ 7,224,543</u>

During the years ended June 30, 2019 and 2018, net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes:

	<b>2019</b>	2018
Staff scholarships	\$ <b>19,500</b>	\$ 16,500
Appropriation of endowment earnings for enhanced program services	<u><b>254,136</b></u>	<u>429,626</u>
	<u><b>\$ 273,636</b></u>	<u>\$ 446,126</u>

**HILLSIDE FAMILY OF AGENCIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 10. Employee Retirement Plans**

Defined benefit plan:

The System has a noncontributory defined benefit plan (the Plan), which covers substantially all employees of the System. The Plan provides benefits based upon compensation, age and years of service. The System's funding policy is to meet the minimum funding requirements required by the Employee Retirement Income Security Act of 1974 (ERISA).

Effective May 31, 2012, the Plan was amended to freeze benefit accruals for service and transition credits and prohibit new employees from entering the Plan. Participants will continue to earn years of service to satisfy vesting requirements and interest credits will be earned on participants' cash accumulation accounts.

	<b>2019</b>	2018
Actuarial assumptions:		
Weighted average assumptions used to determine benefit obligations:		
Discount rate	<b>4.27%</b>	4.90%
Expected future salary increase	<b>N/A</b>	N/A
Weighted average assumptions used to determine net periodic benefit costs:		
Discount rate	<b>4.27%</b>	4.90%
Expected future salary increase	<b>N/A</b>	N/A
Expected return on plan assets	<b>8.00%</b>	8.00%
Pension expense	<b>\$ 746,609</b>	\$ 306,802
Employer contributions	<b>\$ 1,045,543</b>	\$ 361,224
Benefits paid	<b>\$ 1,382,467</b>	\$ 2,843,960

The System expects to contribute \$1,461,700 to the Plan during the year ending June 30, 2020.

The following table sets forth the Plan's funded status at June 30, 2019 and 2018:

	<b>2019</b>	2018
Projected benefit obligations	<b>\$ 37,211,537</b>	\$ 35,915,237
Fair value of plan assets	<b>30,865,616</b>	31,018,883
Funded status	<b>\$ (6,345,921)</b>	\$ (4,896,354)
Accumulated benefit obligations	<b>\$ 37,211,537</b>	\$ 35,915,237

# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Note 10. Employee Retirement Plans (Continued)

#### Defined benefit plan (continued):

The investment policies and individual decisions are made for the exclusive benefit of the Plan participants, consistent with ERISA and regulations thereunder. Total long-term investment returns are optimized against risk in a manner that reasonably protects benefit requirements and timely cash payments. The policy establishes target allocations for diversification and investment performance over a time line that mirrors liabilities. It also limits exposure to quality and concentration risks.

The Plan's weighted-average asset allocations at June 30, 2019 and 2018, by asset category, are as follows:

	<b>2019</b>		
	<b>Actual Allocation</b>	<b>Percentage Allocation</b>	<b>Target % Allocation</b>
Mutual funds – money market funds	\$ 343,145	1%	-%
Mutual funds – fixed income	9,554,599	31	35
Mutual funds – equity	19,581,201	63	60
Mutual funds – alternatives	1,386,671	5	5
Total	<b>\$ 30,865,616</b>	<b>100%</b>	<b>100%</b>
	<b>2018</b>		
	<b>Actual Allocation</b>	<b>Percentage Allocation</b>	<b>Target % Allocation</b>
Mutual funds – money market funds	\$ 233,286	1%	-%
Mutual funds – fixed income	9,155,470	30	35
Mutual funds – equity	20,242,249	65	60
Mutual funds – alternatives	1,387,878	4	5
Total	<b>\$ 31,018,883</b>	<b>100%</b>	<b>100%</b>

The long-term rate of return expectation is 8%. Asset allocations are aligned with long-term, independently determined, expected segment performance to ensure a reasonable expectation of achieving that return.

**HILLSIDE FAMILY OF AGENCIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 10. Employee Retirement Plans (Continued)**

Defined benefit plan (continued):

The following benefit payments, which reflect expected future service at June 30, 2019, are expected to be paid as follows:

<u>Years ending June 30,</u>	
2020	\$ 3,025,688
2021	3,088,271
2022	2,964,773
2023	2,738,413
2024	2,683,786
2025 - 2029	<u>12,088,954</u>
Total	<u>\$ 26,589,885</u>

The following tables present the System's defined benefit plan's assets at June 30, 2019 and 2018 that are measured at fair value on a recurring basis. The hierarchy and inputs to valuation techniques to measure fair value of plan assets are the same as outlined in Note 1 of the consolidated financial statements:

	<b>2019</b>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Money market funds	\$ 343,145	\$ -	\$ -	\$ 343,145
Fixed income	4,284,325	5,270,274	-	9,554,599
Equity	3,105,411	16,475,790	-	19,581,201
Alternatives	1,386,671	-	-	1,386,671
Total mutual funds	<u>\$ 9,119,552</u>	<u>\$ 21,746,064</u>	<u>\$ -</u>	<u>\$ 30,865,616</u>
	<b>2018</b>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Money market funds	\$ -	\$ 233,286	\$ -	\$ 233,286
Fixed income	4,066,892	5,088,578	-	9,155,470
Equity	3,151,633	17,090,616	-	20,242,249
Alternatives	1,387,878	-	-	1,387,878
Total mutual funds	<u>\$ 8,606,403</u>	<u>\$ 22,412,480</u>	<u>\$ -</u>	<u>\$ 31,018,883</u>



# HILLSIDE FAMILY OF AGENCIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### Note 10. Employee Retirement Plans (Continued)

#### Defined contribution plan:

The System offers a voluntary 403(b) plan, which is available to all employees of the System. The System matches a percentage of employee contributions into the plan. The employer match that is made into the plan is at the discretion of the System. The System's matching contributions to the 403(b) plan were \$935,670 and \$1,844,514 for the years ended June 30, 2019 and 2018, respectively.

#### Other postretirement benefits:

The Center provides postretirement health care benefits to a select group of employees (once employed by an affiliated entity prior to acquisition by the Center) who retire after age 62 with 10 or more years of service or after age 55 with 20 or more years of service. The Center continues full coverage for the employee at the Center's expense. For those retirees separating from employment prior to January 1, 1997, the employer covers full premiums throughout the retired employee's lifetime. For employees retiring after that date, the Center covered full premium expenses through 1997, 50% of the increase in premiums in 1998 and, thereafter, the retiree covered will be responsible for all additional premium increases. Life insurance benefits equal to 25% of final annual rate of pay, but not more than \$25,000, are provided for employees who retire after age 62, with five or more years of service, or after age 55, with 20 or more years of service. The life insurance benefit is available only to employees hired before January 1, 1989. The accrued cost recognized in the consolidated statements of financial position was \$411,580 and \$438,919 at June 30, 2019 and 2018, respectively.

### Note 11. Commitments and Contingencies

#### Legal matters:

The System is a defendant in various legal actions arising in the normal course of business. It is management's opinion that the actions are either without merit or that settlements which arise, if any, will be covered by insurance, or not have a material impact on the System's operations.

#### Self-insurance:

The System self-insures workers' compensation benefits for its employees and health care benefits for its participating employees and dependents. The System maintains excess insurance coverage for certain major claims. The System's related liabilities and costs as of and for the years ended June 30, 2019 and 2018 are as follows:

	<b>2019</b>	<b>2018</b>
Workers' compensation expense (including assessments and administrative fees)	\$ <b>1,831,836</b>	\$ 1,439,801
Workers' compensation liability	\$ <b>2,905,500</b>	\$ 2,940,306
Health insurance expense	\$ <b>8,909,064</b>	\$ 8,764,000
Health insurance liability	\$ <b>622,600</b>	\$ 595,100

## HILLSIDE FAMILY OF AGENCIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### **Note 11. Commitments and Contingencies (Continued)**

The System's liabilities noted above are recorded within accrued expenses and other liabilities in the consolidated statements of financial position. The System's expenses noted above are recorded within employee benefits in the consolidated statements of functional expenses.

The New York State Workers' Compensation Board required the System to obtain a bond in the amount of \$2,000,000 at June 30, 2019. This bond was provided by the System's excess workers' compensation insurer, who required that the System obtain an irrevocable letter of credit in the amount of \$2,000,000 at June 30, 2019 which expires February 2020.

#### **Note 12. Related Party Transactions**

The System uses a centralized cash operation in order to share efficiencies in cash transactions, as well as access to the System's line of credit as needed. At any point in time, affiliates may be in a positive or negative cash position related to other affiliates in the System, represented as net interaffiliate payable or receivable.

#### **Note 13. Subsequent Event**

Subsequent to June 30, 2019, Stillwater Children's Center and Snell Farm Children's Center merged with the Center, with the Center as the surviving entity and the Center acquired the assets and liabilities of Hillside Work Scholarship Connection. As all entities are under common control, the Center, as the surviving entity, accounted for the acquisition of the related parties at net book value, with no gain or loss to be reflected in the June 30, 2020 consolidated financial statements.

Subsequent events have been evaluated through November 1, 2019, which is the date the consolidated financial statements were available to be issued.

\* \* \* \* \*

**INDEPENDENT AUDITOR'S REPORT ON THE  
CONSOLIDATING SUPPLEMENTARY INFORMATION**

To the Audit Committee  
Hillside Family of Agencies

We have audited the consolidated financial statements of Hillside Family of Agencies and its affiliated entities as of and for the year ended June 30, 2019, and have issued our report thereon, which contains an unmodified opinion on those consolidated financial statements. See pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating supplementary information presented on pages 33 and 34 is presented for purposes of additional analysis rather than to present the financial position and changes in net assets of the individual companies and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

As discussed in Note 1 to the consolidated financial statements, in 2019, the System adopted Accounting Standards Update ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*.

*Dopkins & Company, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

November 1, 2019

**HILLSIDE FAMILY OF AGENCIES**

**CONSOLIDATING INFORMATION FOR THE STATEMENT OF FINANCIAL POSITION**

**June 30, 2019**

	Hillside Children's Center	Snell Farm Children's Center	Stillwater Children's Center	Hillside Work- Scholarship Connection	Hillside Children's Foundation	Hillside Family of Agencies (Parent)	Eliminations Debit (Credit)	Consolidated
<b>ASSETS</b>								
Cash	\$ 19,686	\$ 1,500	\$ 1,200	\$ -	\$ -	\$ 937,750	\$ -	\$ 960,136
Restricted assets held in trust	252,405	51,759	-	-	-	-	-	304,164
Receivables — net	21,239,962	647,101	192,593	3,617,820	276,406	257,541	-	26,231,423
Interaffiliate receivable - net	-	-	-	263,183	6,764,821	30,159,767	(37,187,771)	-
Investments	5,805,047	-	-	-	20,517,717	2,219,142	(2,219,142)	26,322,764
Prepaid expenses and other assets	418,442	26,135	84	6,166	11,766	4,910,714	-	5,373,307
Property — net	48,056,529	2,955,028	1,369,571	-	1,250,019	643,608	1,300,868	55,575,623
Beneficial interest in net assets of Hillside Children's Foundation	7,755,367	18,541	-	6,818,068	-	13,949,854	(28,541,830)	-
<b>Total assets</b>	<b>\$ 83,547,438</b>	<b>\$ 3,700,064</b>	<b>\$ 1,563,448</b>	<b>\$ 10,705,237</b>	<b>\$ 28,820,729</b>	<b>\$ 53,078,376</b>	<b>\$ (66,647,875)</b>	<b>\$ 114,767,417</b>
<b>LIABILITIES AND NET ASSETS</b>								
<b>Liabilities</b>								
Accounts payable	\$ 3,864,412	\$ 42,036	\$ 114,686	\$ 139,033	\$ 212,668	\$ 1,561,918	\$ -	\$ 5,934,753
Accrued expenses and other liabilities	5,162,576	210,050	133,440	361,727	66,231	6,586,047	-	12,520,071
Refundable advances	3,992,593	-	48,645	-	-	-	-	4,041,238
Interaffiliate payable - net	36,268,766	854,047	64,958	-	-	-	(37,187,771)	-
Bonds, notes payable, and lines of credit	20,897,165	1,599,566	283,445	-	-	22,347,972	-	45,128,148
Obligations under capital leases	901,785	-	-	-	-	-	-	901,785
Pension obligation	-	-	-	-	-	6,345,921	-	6,345,921
Postretirement benefit obligation	411,580	-	-	-	-	-	-	411,580
<b>Total liabilities</b>	<b>71,498,877</b>	<b>2,705,699</b>	<b>645,174</b>	<b>500,760</b>	<b>278,899</b>	<b>36,841,858</b>	<b>(37,187,771)</b>	<b>75,283,496</b>
<b>Net Assets</b>								
Without donor restrictions:								
Board designated	4,012,254	-	-	-	4,720,623	708,369	(4,720,623)	4,720,623
Undesignated	4,522,843	994,365	918,274	9,954,718	9,664,287	12,166,066	(10,582,561)	27,637,992
With donor restrictions	3,513,464	-	-	249,759	14,156,920	3,362,083	(14,156,920)	7,125,306
<b>Total net assets</b>	<b>12,048,561</b>	<b>994,365</b>	<b>918,274</b>	<b>10,204,477</b>	<b>28,541,830</b>	<b>16,236,518</b>	<b>(29,460,104)</b>	<b>39,483,921</b>
<b>Total liabilities and net assets</b>	<b>\$ 83,547,438</b>	<b>\$ 3,700,064</b>	<b>\$ 1,563,448</b>	<b>\$ 10,705,237</b>	<b>\$ 28,820,729</b>	<b>\$ 53,078,376</b>	<b>\$ (66,647,875)</b>	<b>\$ 114,767,417</b>

HILLSIDE FAMILY OF AGENCIES

CONSOLIDATING INFORMATION FOR THE STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
Year Ended June 30, 2019

	Hillside Children's Center	Snell Farm Children's Center	Stillwater Children's Center	Hillside Work- Scholarship Connection	Hillside Children's Foundation	Hillside Family of Agencies (Parent)	Eliminations Debit (Credit)	Consolidated
Revenue and public support:								
Program-related revenue:								
NYS Department of Children and Family Services	\$ 47,955,603	\$ 5,940,879	\$ -	\$ 4,181,443	\$ -	\$ -	\$ -	\$ 58,077,925
NYS Office of Mental Health	22,438,922	-	3,657,302	-	-	-	-	26,096,224
NYS Education Department	25,524,913	1,193	532	4,703,636	-	-	-	30,230,274
NYS OPWDD	11,543,899	-	-	-	-	-	-	11,543,899
NYS OASAS	205,817	-	-	-	-	-	-	205,817
Maryland Prince George County	-	-	-	1,350,000	-	-	-	1,350,000
Private billings	11,361,561	-	453,163	-	-	-	-	11,814,724
Government and agency grants	2,397,898	46,920	19,301	135,853	-	-	-	2,599,972
United Way	533,899	-	-	78,500	350,000	-	-	962,399
<b>Total program-related revenue</b>	<b>121,962,512</b>	<b>5,988,992</b>	<b>4,130,298</b>	<b>10,449,432</b>	<b>350,000</b>	<b>-</b>	<b>-</b>	<b>142,881,234</b>
Miscellaneous other operating revenue	2,354,306	16,001	7,434	153,001	-	393,926	-	2,924,668
Public support — contributions and grants	-	-	-	-	3,336,193	-	-	3,336,193
Event income	-	-	-	-	106,433	-	-	106,433
Investment income designated for operations	-	-	-	-	1,040,829	-	-	1,040,829
<b>Total public support</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,483,455</b>	<b>-</b>	<b>-</b>	<b>4,483,455</b>
<b>Total revenue and public support</b>	<b>124,316,818</b>	<b>6,004,993</b>	<b>4,137,732</b>	<b>10,602,433</b>	<b>4,833,455</b>	<b>393,926</b>	<b>-</b>	<b>150,289,357</b>
Operating expenses:								
Program services:								
Children and family services	92,043,524	4,712,962	3,554,278	10,335,000	-	-	(3,879,108)	106,766,656
Educational services	22,724,324	-	-	-	-	-	-	22,724,324
<b>Total program services</b>	<b>114,767,848</b>	<b>4,712,962</b>	<b>3,554,278</b>	<b>10,335,000</b>	<b>-</b>	<b>-</b>	<b>(3,879,108)</b>	<b>129,490,980</b>
Supporting services:								
Management and general	14,895,687	519,685	455,463	1,375,831	213,514	38,032,317	(38,136,852)	17,355,645
General fundraising	-	-	-	-	1,333,579	-	-	1,333,579
<b>Total supporting services</b>	<b>14,895,687</b>	<b>519,685</b>	<b>455,463</b>	<b>1,375,831</b>	<b>1,547,093</b>	<b>38,032,317</b>	<b>(38,136,852)</b>	<b>18,689,224</b>
Grants to others	-	-	-	-	1,508,339	-	-	1,508,339
<b>Total operating expenses - recurring</b>	<b>129,663,535</b>	<b>5,232,647</b>	<b>4,009,741</b>	<b>11,710,831</b>	<b>3,055,432</b>	<b>38,032,317</b>	<b>(42,015,960)</b>	<b>149,688,543</b>
Grants from (to) affiliates for operating activities, including assets released from donor restrictions	5,185,184	5,400	5,100	1,175,415	(2,473,425)	38,092,226	(41,989,900)	-
<b>Increase (decrease) from operating activities before nonrecurring items</b>	<b>(161,533)</b>	<b>777,746</b>	<b>133,091</b>	<b>67,017</b>	<b>(695,402)</b>	<b>453,835</b>	<b>26,060</b>	<b>600,814</b>
Depreciation on assets planned for disposal - nonrecurring	(4,248,646)	-	-	-	-	-	-	(4,248,646)
<b>Increase (decrease) from operating activities</b>	<b>(4,410,179)</b>	<b>777,746</b>	<b>133,091</b>	<b>67,017</b>	<b>(695,402)</b>	<b>453,835</b>	<b>26,060</b>	<b>(3,647,832)</b>
Non-operating activities:								
Investment income (loss) net of investment income designated for operations	246,613	2,448	-	-	(825,909)	270,820	(268,832)	(574,860)
Pension-related changes other than net periodic pension cost	(1,759,760)	(62,405)	-	(152,057)	(15,042)	(197,953)	-	(2,187,217)
Change in beneficial interest in net assets of Hillside Children's Foundation	(52,974)	(4,326)	-	(94,601)	-	(1,363,976)	1,515,877	-
Net assets released from donor restrictions	-	-	-	-	-	(19,500)	19,500	-
Miscellaneous	(1,045,331)	55,209	109,681	(19,640)	976	36,937	-	(862,168)
<b>Increase (decrease) from non-operating activities</b>	<b>(2,611,452)</b>	<b>(9,074)</b>	<b>109,681</b>	<b>(266,298)</b>	<b>(839,975)</b>	<b>(1,273,672)</b>	<b>1,266,545</b>	<b>(3,624,245)</b>
Change in net assets	(7,021,631)	768,672	242,772	(199,281)	(1,535,377)	(819,837)	1,292,605	(7,272,077)
Net assets — Beginning of year	19,070,192	225,693	675,502	10,403,758	30,077,207	17,056,355	(30,752,709)	46,755,998
Net assets — End of year	\$ 12,048,561	\$ 994,365	\$ 918,274	\$ 10,204,477	\$ 28,541,830	\$ 16,236,518	\$ (29,460,104)	\$ 39,483,921