Well-being as we age

SENIOR SERVICES OF SNOHOMISH COUNTY
DBA HOMAGE SENIOR SERVICES

Financial Statements

For the Year Ended December 31, 2024

Table of Contents

	Page
Independent Auditor's Report	1 - 3
Financial Statements:	
Statement of Financial Position	4 - 5
Statement of Activities	6
Statement of Changes in Net Assets	7
Statement of Functional Expenses	8
Statement of Cash Flows	9
Notes to Financial Statements	10 - 18

Clark Nuber PS

Independent Auditor's Report

To the Board of Directors
Senior Services of Snohomish County
dba Homage Senior Services
Lynnwood, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Senior Services of Snohomish County, dba Homage Senior Services (Organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the results of its operations and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Report on Summarized Comparative Information

We have previously audited the Organization's December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 27, 2024. In our opinion, the summarized comparative information presented herein as of and for the year December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

CN

T: 425-454-4919
T: 800-504-8747
F: 425-454-4620

10900 NE 4th St
Suite 1400
Bellevue WA
98004

clarknuber.com

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 24, 2025 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Clark Nuber P.S.

Certified Public Accountants
July 24, 2025

SENIOR SERVICES OF SNOHOMISH COUNTY
DBA HOMAGE SENIOR SERVICES
Statement of Financial Position - Assets
December 31, 2024
(With Comparative Totals for 2023)

	2024	2023
Current Assets:		
Cash and cash equivalents	$ 3,990,378	$ 4,040,079
Grants, contracts, and other receivables	1,977,063	1,037,217
Pledges receivable	60,000	145,000
Prepaid expenses and other assets	411,859	502,842
Total Current Assets	**6,439,300**	**5,725,138**
Beneficial interest in assets held by others	158,682	147,337
Property and Equipment:		
Land	2,844,000	2,844,000
Automotive equipment	1,556,116	1,309,209
Automotive, not yet placed into service		95,636
Furnishings and equipment	495,384	624,841
Building	6,489,307	6,489,307
Software	100,393	100,393
Less accumulated depreciation	(2,857,169)	(2,709,155)
Owned property and equipment, net	8,628,031	8,754,231
Automotive equipment - non-owned	141,984	141,984
Less accumulated depreciation - non-owned	(68,601)	(40,229)
Automotive equipment - non-owned, net	73,383	101,755
Total Property and Equipment, Net	**8,701,414**	**8,855,986**
Total Assets	**$ 15,299,396**	**$ 14,728,461**

See accompanying notes.

SENIOR SERVICES OF SNOHOMISH COUNTY
DBA HOMAGE SENIOR SERVICES
Statement of Financial Position - Liabilities and Net Assets
December 31, 2024
(With Comparative Totals for 2023)

	2024	2023
Current Liabilities:		
Accounts payable	$ 231,480	$ 215,631
Accrued employee salaries and benefits	525,172	553,322
Deferred revenue	122,491	76,430
Current portion of long-term debt	146,767	136,799
Total Current Liabilities	**1,025,910**	**982,182**
Long-term debt, net of current portion	5,205,578	5,350,848
Total Liabilities	**6,231,488**	**6,333,030**
Net Assets:		
Without donor restrictions	7,787,448	7,622,735
With donor restrictions	1,280,460	772,696
Total Net Assets	**9,067,908**	**8,395,431**
Total Liabilities and Net Assets	**$ 15,299,396**	**$ 14,728,461**

See accompanying notes.

SENIOR SERVICES OF SNOHOMISH COUNTY
DBA HOMAGE SENIOR SERVICES
Statement of Activities
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024	2023
Operating Support and Revenue:				
Government grants and contracts	$ 9,186,090	$ -	$ 9,186,090	9,071,598
Contributions	985,902	755,454	1,741,356	2,441,787
Sales, advertising, and other income	1,764,335		1,764,335	1,205,374
Professional fees	184,452		184,452	56,276
Investment return	14,037		14,037	15,354
Gain on sale of assets				48,082
Net assets released from restrictions	247,690	(247,690)		
Total Operating Support and Revenue	**12,382,506**	**507,764**	**12,890,270**	**12,838,471**
Operating Expenses:				
Program services-				
Social and information services	2,682,249		2,682,249	2,813,890
Nutrition services	3,732,872		3,732,872	3,464,803
Transportation services	1,524,933		1,524,933	1,438,541
Home repair services	1,424,246		1,424,246	1,409,321
Total program services	9,364,300		9,364,300	9,126,555
Supporting services-				
Administration	2,281,364		2,281,364	2,622,677
Fundraising and public relations	572,129		572,129	720,812
Total supporting services	2,853,493		2,853,493	3,343,489
Total Operating Expenses	**12,217,793**		**12,217,793**	**12,470,044**
Change in Net Assets From Operating Activities/Total Change In Net Assets	**$ 164,713**	**$ 507,764**	**$ 672,477**	**$ 368,427**

See accompanying notes.

SENIOR SERVICES OF SNOHOMISH COUNTY
DBA HOMAGE SENIOR SERVICES
Statement of Changes in Net Assets
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Total 2023
Net assets, beginning of year	$ 7,622,735	$ 772,696	$ 8,395,431	$ 8,027,004
Total change in net assets	164,713	507,764	672,477	368,427
Net Assets, End of Year	**$ 7,787,448**	**$ 1,280,460**	**$ 9,067,908**	**$ 8,395,431**

See accompanying notes.

SENIOR SERVICES OF SNOHOMISH COUNTY
DBA HOMAGE SENIOR SERVICES
Statement of Functional Expenses
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Program Services					Supporting Services				
	Social and Information Services	Nutrition Services	Transportation Services	Home Repair Services	Total Program Services	Administration	Fundraising and Public Relations	Total Supporting Services	2024 Total Expenses	2023 Total Expenses
Salaries	$ 1,840,638	$ 1,140,964	$ 854,465	$ 857,333	$ 4,693,400	$ 1,393,289	$ 299,640	$ 1,692,929	$ 6,386,329	$ 6,533,705
Payroll taxes	190,931	127,175	122,253	109,527	549,886	134,896	30,421	165,317	715,203	706,423
Employee benefits	164,247	136,096	91,565	81,291	473,199	128,691	30,922	159,613	632,812	606,764
Salaries and Benefits	**2,195,816**	**1,404,235**	**1,068,283**	**1,048,151**	**5,716,485**	**1,656,876**	**360,983**	**2,017,859**	**7,734,344**	**7,846,892**
Office and operating supplies	9,669	1,581,364	677	152,507	1,744,217	4,016	929	4,945	1,749,162	1,823,871
Small tools and minor equipment	20,827	90,290	18,689	23,303	153,109	185,491	37,119	222,610	375,719	318,907
Supplies and Equipment	**30,496**	**1,671,654**	**19,366**	**175,810**	**1,897,326**	**189,507**	**38,048**	**227,555**	**2,124,881**	**2,142,778**
Professional services	150,116	91,751	9,047	7,587	258,501	253,733	40,298	294,031	552,532	572,869
Client assistance	29,616				29,616				29,616	46,839
Telephone and postage expense	34,091	22,817	17,053	15,931	89,892	3,896	27,377	31,273	121,165	135,520
Travel, mileage, and contracted services	58,542	14,839	6,004	4,251	83,636	17,208		17,208	100,844	112,413
Insurance and other services	29,014	99,000	78,371	68,906	275,291	26,199	2,604	28,803	304,094	273,100
Interest and other miscellaneous expenses	38,919	115,753	9,910	14,363	178,945	29,546	8,152	37,698	216,643	255,248
Dues, printing, training, etc.	32,995	16,666	6,177	9,485	65,323		68,196	68,196	133,519	151,331
Recruitment	8,125	2,782	3,482	10	14,399	2,112	712	2,824	17,223	20,759
Advertising	22,389	13,459	15,283	5,444	56,575	58,883	17,537	76,420	132,995	108,371
Public utility service	10,731	33,828	2,977	4,446	51,982	6,784	1,511	8,295	60,277	63,731
Operating rentals and leases	3,651	5,450	8,228	1,277	18,606	3,517	1,395	4,912	23,518	28,661
Repair and maintenance services	3	58,357	195,011	39,908	293,279	2		2	293,281	324,571
Other Expenses	**418,192**	**474,702**	**351,543**	**171,608**	**1,416,045**	**401,880**	**167,782**	**569,662**	**1,985,707**	**2,093,413**
Total Expenses Before Depreciation	**2,644,504**	**3,550,591**	**1,439,192**	**1,395,569**	**9,029,856**	**2,248,263**	**566,813**	**2,815,076**	**11,844,932**	**12,083,083**
Depreciation and amortization	37,745	182,281	85,741	28,677	334,444	33,101	5,316	38,417	372,861	386,961
Total Operating Expenses	**$ 2,682,249**	**$ 3,732,872**	**$ 1,524,933**	**$ 1,424,246**	**$ 9,364,300**	**$ 2,281,364**	**$ 572,129**	**$ 2,853,493**	**$12,217,793**	**$12,470,044**

See accompanying notes.

SENIOR SERVICES OF SNOHOMISH COUNTY
DBA HOMAGE SENIOR SERVICES
Statement of Cash Flows
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	2024	2023
Cash Flows From Operating Activities:		
Total change in net assets	$ 672,477	$ 368,427
Adjustments to reconcile change in net assets to net cash provided by operating activities-		
Depreciation and amortization	372,861	386,961
Changes in operating assets and liabilities:		
Grants, contracts, and other receivables	(939,846)	460,152
Pledges receivable	85,000	(86,000)
Prepaid expenses and other assets	79,638	83,748
Accounts payable	15,849	36,152
Accrued employee salaries and benefits	(28,150)	53,107
Deferred revenue	46,061	(17,563)
Cash Provided by Operating Activities	**303,890**	**1,284,984**
Cash Flows From Investing Activities:		
Purchase of property and equipment	(212,441)	(179,202)
Cash Used in Investing Activities	**(212,441)**	**(179,202)**
Cash Flows From Financing Activities:		
Payments on long-term debt	(141,150)	(136,799)
Cash Used in Financing Activities	**(141,150)**	**(136,799)**
Net Change in Cash and Cash Equivalents	**(49,701)**	**968,983**
Cash, cash equivalents, and restricted cash, beginning of year	4,040,079	3,071,096
Cash and Cash Equivalents, End of Year	**$ 3,990,378**	**$ 4,040,079**
Supplementary Cash Flow Information:		
Cash paid during the year for interest	$ 196,695	$ 207,000

See accompanying notes.

Note 1 - Nature of the Organization

Senior Services of Snohomish County is a Washington nonprofit corporation formed in 1973. During 2017, Senior Services of Snohomish County began doing business as Homage Senior Services (the Organization).

Effective March 20, 2020, Senior Services of Snohomish County entered into an LLC agreement to create Home Advantage, LLC. Home Advantage, LLC (the LLC) is a 501(c)(3) organization. Senior Service of Snohomish County has a 50% interest in the LLC. The LLC was dissolved during the year ended December 31, 2024.

Programs of the Organization - The Organization is dedicated to providing services that improve the health and well-being of older adults and people with disabilities in Snohomish County through the following programs:

Social and Information Services - helps people find the right service at the right time and assists with providing meals, activities, and supportive services to encourage a healthy lifestyle.

Aging and Disability Resources provides a central source of information on services throughout the region.

The Homage Newspaper, published once a month as an insert in the Daily Herald, provides a unique and valuable community resource to inspire, educate, and support older adults.

The Senior Source Resource Guide is an annual directory of services for older adults and people with disabilities.

Family Caregiver Program provides information and counseling to families and friends caring for a loved one with dementia or other chronic illness or disability.

Housing Social Services provides advocacy and support to older adults living in affordable senior housing.

The Multicultural Senior Center provides nutritious meals, activities, and supportive services for ethnic elders at the Center for Healthy Living.

Health and Wellness - helps people take better care of themselves.

Care Coordination provides advocacy and support to people with complex health needs.

Chronic Disease Self-Management provides classes that help people live with and manage chronic conditions.

Mental Health Services provides education, screening, counseling, and referral for older adults experiencing depression, chemical dependency and other mental health problems.

HomeAdvantage® provides non-medical services to individuals living with chronic conditions to support their health and wellness.

Health and wellness expenditures are included in social and information services program expenses on the statement of activities.

Note 1 - Continued

Nutrition Services - helps people with food and friendship.

Meals on Wheels delivers nutritious meals to frail homebound seniors.

Senior Dining provides hot nutritious meals to seniors at thirteen senior activity centers throughout Snohomish County.

Transportation Services - helps people get where they need to go.

Transportation Assistance Program (TAP) provides accessible transportation to seniors and people with disabilities.

Home Repair Services - helps people live safely in their own homes.

Minor Home Repair provides health and safety repairs for low-income senior homeowners.

Home Solutions offers handyman services to the general public on a fee-for-service basis.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting - The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that will be met by actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated funds be maintained in perpetuity. Earnings on donor-restricted net assets are to be used for the purpose specified by the donor.

Revenues are reported as increases in net assets without restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. It is the Organization's policy to record contributions with donor restrictions that are received and expended in the same accounting period as activity of net assets without donor restrictions.

Note 2 - Continued

Revenue Recognition - The Organization provides outreach and referral services to insurance companies. Revenue is recognized when the outreach event is performed, or the eligible member is enrolled with the insurance company based on a fixed price for each outreach or referral. These services are billed monthly. Revenue related to these services totaled $1,680,949 and $1,126,444 for the years ended December 31, 2024 and 2023, respectively. There are no significant contract assets or liabilities recorded at December 31, 2024, 2023 or 2022.

The Organization provides various goods and services to customers. Revenue is recognized when the performance obligations are met. Revenue was recognized for these goods and services of $31,434 and $24,308 for the years ended December 2024 and 2023, respectively. There are no significant contract assets or liabilities recorded at December 31, 2024, 2023, or 2022.

Revenue recognized from contracts with customers totaled $1,901,581 and $1,211,809 for the years ended December 31, 2024 and 2023, respectively. All revenue from contracts with customers is recognized over the period of time specified per the terms of each contract.

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give are not recognized as revenues until the conditions on which they depend have been met. Government contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Consequently, at December 31, 2024, conditional contributions approximating $4,651,701, of which no amounts had been received in advance, have not been recognized in the accompanying financial statements. Conditions are expected to be met throughout the next three years.

Cash and Cash Equivalents - For the purpose of the statement of cash flows, the Organization considers all highly liquid investments purchased with original maturities of three months or less to be cash and cash equivalents. Cash and cash equivalents held by financial institutions at times exceed federally insured limits.

Receivables - Grants, contracts, pledges, and accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to receivables. Based on prior experience, management has determined that expected losses on balances outstanding are immaterial at December 31, 2024 and 2023. Accordingly, no allowance for doubtful accounts has been recorded.

Grants, contracts, and other receivables totaled $1,977,063 with $1,037,217 due from government grants and contracts at December 31, 2024 and 2023, respectively. Additionally, pledges receivable totaled $60,000 at December 31, 2024. Grants, contracts, and other receivables and pledges receivable are due within one year.

Note 2 - Continued

Property and Equipment - Property and equipment are recorded at cost, or if donated, at the approximate fair value at the date of donation. Fixed assets with a useful life of more than one year and a cost or donated fair value greater than $5,000 are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is calculated on a straight-line basis as follows.

Buildings and improvements	20 - 40 years
Furniture and equipment	3 - 10 years
Software	3 years
Servers	4 years
Automotive equipment - vehicles	5 years

The Organization's transportation program has the use of vehicles owned by the State. The title of these vehicles is transferred to the Organization after five years of service. To provide a more informative presentation of these assets in the financial statements, the Organization records such equipment and any accumulated depreciation as "non-owned" vehicles with donor restrictions. At such time that title passes, and no further restrictions are in effect, the equipment is transferred from the "non-owned" classification to the "owned" classification.

Assets donated with explicit donor restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions and released when the donor restrictions are met. In accordance with U.S. GAAP, the Organization releases cash restricted for purchase of long-lived assets when the purchased asset is placed into service.

Subsequent to year end, the Organization sold their Lynnwood office building for $11,000,000, paid off all related long-term debt of $5,440,511, and subsequently bought a new office space in April of 2025.

Functional Allocation of Expenses - The costs of providing the Organization's various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of the Organization. These costs are prorated individually as direct cost to each category and to each award or other activity using a base most appropriate to the particular cost being prorated. The bases are established in accordance with reasonable criteria and supported by current data that relates to the relative benefit received such as full time equivalents, hours worked, usage, or square footage. Occupancy is allocated based on square feet. Computer services, printing costs, office supplies, postage, and other miscellaneous costs are allocated based on full time equivalents.

Advertising Costs - The Organization uses advertising to communicate information about services available to the populations needing those services. Advertising costs are expensed as they are incurred. Total advertising costs totaled $132,995 and $108,371 during the years ended December 31, 2024 and 2023, respectively.

Note 2 - Continued

In-Kind Donations - In-kind contributions of $137,800 and $166,871 were received and reported in Contributions on the Statement of Activities during the years ended December 31, 2024 and 2023, respectively, which consisted primarily of donated food, supplies, and advertising. All the in-kind donations received were used in operations. No amounts have been reflected in the financial statements for donated services, as they do not meet the recognition criteria outlined in U.S. GAAP; however, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and fundraising efforts.

Operating and Nonoperating Activities - All activities of the Organization are considered operating except for contributions restricted for the purchase of long-term assets and related releases, other miscellaneous loss, and loss from operations of discontinued housing subsidiaries. There were no nonoperating activities for the years ended December 31, 2024 and 2023.

Federal Income Tax - Homage Senior Services have been notified by the Internal Revenue Service they are exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

Impairment of Real Estate - The Organization reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the net assets to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the real estate is considered impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined from the appraisal, discounted cash flows analysis, or other valuation technique. There was no impairment loss recognized for the years ended December 31, 2024 or 2023.

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

Subsequent Events - The Organization has evaluated subsequent events through July 24, 2025 the date on which the financial statements were available to be issued.

Note 3 - Long-Term Debt

Long-term debt consisted of the following at December 31:

	2023	2022
Washington State Housing Finance Commission Nonprofit Revenue Bond, privately placed, payable to Homestreet Bank; interest of 3.48% per annum; monthly interest and principal payments commencing February 1, 2019 for $28,099 and continuing through maturity, January 1, 2044. The note is secured by real property owned by the Organization and located in Snohomish County, Washington.	$ 5,463,954	$ 5,605,104
Less current portion of long-term debt	(146,767)	(136,799)
Less unamortized financing costs	(111,609)	(117,457)
Total Long-Term Debt, Net of Current Portion	**$ 5,205,578**	**$ 5,350,848**

Future minimum principal payments on debt are as follows:

For the Year Ending December 31,	
2025	$ 146,767
2026	152,030
2027	157,481
2028	162,634
2029	168,960
Thereafter	4,676,082
	5,463,954
Less unamortized debt issuance costs	(111,609)
Total Long-Term Debt	**$ 5,352,345**

Interest expense totaled $196,695 and $200,388 for the years ended December 31, 2024 and 2023, respectively.

Note 4 - Line of Credit

The Organization has a line of credit with Homestreet Bank. The line of credit is secured by real property owned by the Organization and located in Snohomish County, Washington. There is a $500,000 limit. The balance was a $0 balance at December 31, 2024 and 2023.

Note 5 - Net Assets With Donor Restrictions

Net assets were restricted for the following purposes at December 31:

	2024	2023
Subject to expenditure for specific purpose-		
Meals on Wheels	$ 418,473	$ 233,990
Other	748,001	450,059
	1,166,474	684,049
Beneficial interest in assets held by others (Note 9)	113,986	88,647
Total Assets With Donor Restrictions	**$ 1,280,460**	**$ 772,696**

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by the passage of time were $259,207 and $144,739 for the years ended December 31, 2024 and 2023, respectively.

Note 6 - Profit Sharing Plan

The Organization has a qualified defined-contribution profit sharing plan (the Plan). The Organization may elect to make contributions to the Plan in an amount determined by the Board of Directors. Organization contributions made are allocated to eligible participants on a pro rata basis in proportion to each participant's total annual compensation. All contributions made to the Plan are invested under the direction of the participants. All regular employees who have completed 900 hours of service during the allocation period are eligible to receive the employer contribution. There were approximately $51,020 and $44,709 of employer contributions for the years ended December 31, 2024 and 2023.

Note 7 - Lease Commitments

Certain month-to-month leases held by the Organization include requirements to pay taxes and other expenses. Rental expense incurred totaled $42,444 and $52,632 for the years ended December 31, 2024 and 2023, respectively.

Note 8 - Commitments, Contingencies, and Concentrations

The Organization receives a substantial amount of its support from local, state, and federal governmental agencies. For the years ended December 31, 2024 and 2023, support from local, state, and federal governmental agencies totaled 71% and 70% respectively of total operating support and revenue. Receivables related to local, state, and federal government agencies accounted for 81% and 87% of the Organization's total grants, contracts, and other receivables at December 31, 2024 and 2023, respectively. Amounts received are subject to audit and adjustments by the grantor agency. Any disallowed cost, including amounts already collected, may constitute a liability for the Organization. The amounts, if any, of expenditures that may be disallowed by the grantor are recorded at the time that such amounts can be reasonably determined, normally upon notification by the governmental agency. During the years ended December 31, 2024 and 2023, no adjustments were made.

Note 9 - Beneficial Interest in Assets Held by the Community Foundation of Snohomish County

During 2013, the Organization designated the Community Foundation of Snohomish County (CFSC), an unrelated nonprofit 501(c)(3) entity, to hold $25,000 of funds for the benefit of the Organization. The fund is subject to CFSC's investment and spending policies. Grant distributions may be requested by the CEO; however, CFSC holds ultimate authority over the fund and distributions from the Fund. The beneficial interest in assets held at CFSC has been valued at the net asset value of the Organization's share of assets held by CFSC in the statement of financial position. Changes in the value of the Fund are reported as gains or losses without donor restrictions.

During 2018, the Organization received endowed funds of $78,000 from the Group Health Foundation. The distributed income from the fund is to be used for providing financial support for healthcare programs directed toward the senior population within Snohomish County. The Organization designated CFSC to hold the funds. CFSC holds the assets as an endowed component fund (Fund) for the benefit of the Organization. The fund is subject to CFSC's investment and spending policies. Distributions will be made in a manner to ensure permanent endowment according to CFSC's spending policy. There is an emergency clause in the distribution policy which states that the Board of Directors, by an affirmative vote of two-thirds of the Directors, may recommend and request distribution to the Organization of all or any portion of the assets of the Fund; however, CFSC holds ultimate authority over the Fund and distributions from the Fund. A grant allocation will be made annually. Thereafter, the amount of the grant allocation will be the average of the prior 12 quarters ending fund balances, multiplied by the payout that is specified in the fund agreement. The beneficial interest in assets held at CFSC has been valued at the net asset value of the Organization's share of assets held by CFSC in the statement of financial position. Changes in the value of the Fund are reported as gains or losses with donor restrictions.

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, December 31, 2023	$ 41,951	$ 105,386	$ 147,337
Change in value included in the change in net assets	2,745	8,600	11,345
Balance, December 31, 2024	**$ 44,696**	**$ 113,986**	**$ 158,682**

Note 10 - Liquidity and Availability of Financial Assets

The Organization's financial assets available within one year of the statement of financial position date for general expenditure were as follows at December 31:

	2024	2023
Cash and cash equivalents	$ 3,990,378	$ 4,040,079
Grants, contracts and other receivables	1,977,063	1,037,217
Pledges receivable	60,000	145,000
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	**$ 6,027,441**	**$ 5,222,296**

Note 10 - Continued

Financial assets available for meeting cash needs for general expenditures within one year do not include amounts not available for general expenditures because of internal, contractual, or donor-imposed restrictions that limit the use of the financial assets to uses other than program expenditures to be incurred in the normal course of operations within one year of the date of the statement of financial position.

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Monthly cash outflows vary each year based on program activities and necessary upkeep and replacement of assets. To manage liquidity, the Organization maintains a line of credit of $500,000 with a bank that is drawn upon as needed during the year to manage cash flow. See Note 4 for further description of this line.