

**MEDIC ONE FOUNDATION**

Financial Statements  
December 31, 2023 and 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Medic One Foundation  
Bellevue, Washington

### **Opinion**

We have audited the accompanying financial statements of Medic One Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Medic One Foundation as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Medic One Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **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 Medic One Foundation's ability to continue as a going concern within 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 generally accepted 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.

Amanda O'Rourke, CPA  
Matt Smith, CPA  
Claire Chow, CPA  
Jason Mallon, CPA  
Andrew Van Ness, CPA



In performing an audit in accordance with generally accepted 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 Medic One Foundation'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 Medic One Foundation'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.

*Greenwood Ohlund*

Seattle, Washington  
July 1, 2024

## MEDIC ONE FOUNDATION

### STATEMENTS OF FINANCIAL POSITION December 31, 2023 and 2022

| ASSETS   | 2023         | 2022         |
|--|--------------|--------------|
| Current Assets   |              |              |
| Cash and cash equivalents                                    | \$ 429,424   | \$ 907,678   |
| Investments  | 6,700,995    | 5,859,126    |
| Contributions and bequests receivable                        | 30,500       | 46,200       |
| Prepaid expenses and other assets                            | 45,355       | 16,107       |
| Total current assets   | 7,206,274    | 6,829,111    |
| Endowment Investments  | 2,423,556    | 1,349,095    |
| Beneficial Interest in Assets Held by The Seattle Foundation | 72,972       | 65,300       |
| Right-of-Use Asset – Operating Lease                         | 115,990      | 182,270      |
| Total assets   | \$ 9,818,792 | \$ 8,425,776 |
| LIABILITIES AND NET ASSETS                                   |              |              |
| Current Liabilities  |              |              |
| Accounts payable   | \$ 154,740   | \$ 39,384    |
| Grants payable   | 280,259      | 518,364      |
| Accrued wages and benefits                                   | 63,066       | 122,395      |
| Operating lease liability                                    | 66,757       | 64,815       |
| Total current liabilities                                    | 564,822      | 744,958      |
| Operating Lease Liability, less current portion              | 51,185       | 117,942      |
| Total liabilities  | 616,007      | 862,900      |
| Net Assets   |              |              |
| Without donor restrictions                                   | 5,419,862    | 4,670,794    |
| With donor restrictions                                      | 3,782,923    | 2,892,082    |
| Total net assets   | 9,202,785    | 7,562,876    |
| Total liabilities and net assets                             | \$ 9,818,792 | \$ 8,425,776 |

*See accompanying notes to financial statements.*

## MEDIC ONE FOUNDATION

### STATEMENTS OF ACTIVITIES For the Years Ended December 31, 2023 and 2022

|  | 2023                          |                            |                     | 2022                          |                            |                     |
|--|-------------------------------|----------------------------|---------------------|-------------------------------|----------------------------|---------------------|
|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |
| <b>Support and Revenue</b>                   |                               |                            |                     |                               |                            |                     |
| Contributions                                | \$ 1,789,355                  | \$ 1,411,728               | \$ 3,201,083        | \$ 2,085,493                  | \$ 476,134                 | \$ 2,561,627        |
| Bequests                                     | 1,306,872                     | -                          | 1,306,872           | 1,414,365                     | -                          | 1,414,365           |
| Special events                               | 492,704                       | -                          | 492,704             | 364,345                       | -                          | 364,345             |
| Special events – direct benefit to donor     | (246,464)                     | -                          | (246,464)           | (177,412)                     | -                          | (177,412)           |
| Investment return                            | 685,484                       | 107,901                    | 793,385             | (290,386)                     | (148,788)                  | (439,174)           |
| Net assets released from restrictions        | 628,788                       | (628,788)                  | -                   | 276,508                       | (276,508)                  | -                   |
| <b>Total support and revenue</b>             | <b>4,656,739</b>              | <b>890,841</b>             | <b>5,547,580</b>    | <b>3,672,913</b>              | <b>50,838</b>              | <b>3,723,751</b>    |
| <b>Expenses</b>                              |                               |                            |                     |                               |                            |                     |
| Program services                             |                               |                            |                     |                               |                            |                     |
| Paramedic training and continuing education  | 2,015,370                     | -                          | 2,015,370           | 1,129,118                     | -                          | 1,129,118           |
| Community outreach                           | 148,066                       | -                          | 148,066             | 430,069                       | -                          | 430,069             |
| EMS scholarship program                      | 14,861                        | -                          | 14,861              | 28,677                        | -                          | 28,677              |
| Community CPR                                | 275,259                       | -                          | 275,259             | 28,339                        | -                          | 28,339              |
| EMS equipment                                | 33,252                        | -                          | 33,252              | 100,297                       | -                          | 100,297             |
| PulsePoint                                   | 41,371                        | -                          | 41,371              | 15,364                        | -                          | 15,364              |
| EMT and firefighter mental health resilience | 150,051                       | -                          | 150,051             | 161,233                       | -                          | 161,233             |
| Special projects                             | 386,147                       | -                          | 386,147             | 185,338                       | -                          | 185,338             |
| <b>Total program services</b>                | <b>3,064,377</b>              | <b>-</b>                   | <b>3,064,377</b>    | <b>2,078,435</b>              | <b>-</b>                   | <b>2,078,435</b>    |
| Management and general                       | 363,180                       | -                          | 363,180             | 323,225                       | -                          | 323,225             |
| Fundraising                                  | 480,114                       | -                          | 480,114             | 516,127                       | -                          | 516,127             |
| <b>Total expenses</b>                        | <b>3,907,671</b>              | <b>-</b>                   | <b>3,907,671</b>    | <b>2,917,787</b>              | <b>-</b>                   | <b>2,917,787</b>    |
| <b>Change in net assets</b>                  | <b>749,068</b>                | <b>890,841</b>             | <b>1,639,909</b>    | <b>755,126</b>                | <b>50,838</b>              | <b>805,964</b>      |
| Net Assets, beginning of year                | 4,670,794                     | 2,892,082                  | 7,562,876           | 3,915,668                     | 2,841,244                  | 6,756,912           |
| Net Assets, end of year                      | <u>\$ 5,419,862</u>           | <u>\$ 3,782,923</u>        | <u>\$ 9,202,785</u> | <u>\$ 4,670,794</u>           | <u>\$ 2,892,082</u>        | <u>\$ 7,562,876</u> |

*See accompanying notes to financial statements.*

# MEDIC ONE FOUNDATION

## STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2023

|  | Program Services                            |                    |                         |                   |                  |                  |  |                   | Total Program Services | Management and General | Fundraising       | Total               |
|--|---|--------------------|-------------------------|-------------------|------------------|------------------|--|-------------------|------------------------|------------------------|-------------------|---------------------|
|  | Paramedic Training and Continuing Education | Community Outreach | EMS Scholarship Program | Community CPR     | EMS Equipment    | PulsePoint       | EMT and Firefighter Mental Health Resilience | Special Projects  |                        |                        |                   |                     |
| Grants and allocations                         | \$ 1,786,831                                | \$ -               | \$ 14,861               | \$ -              | \$ 33,252        | \$ 41,371        | \$ -   | \$ 208,242        | \$ 2,084,557           | \$ -                   | \$ -              | \$ 2,084,557        |
| Salaries and wages                             | -   | 79,651             | -                       | 150,851           | -                | -                | 59,955                                       | 26,090            | 316,547                | 138,922                | 181,218           | 636,687             |
| Benefits and payroll taxes                     | -   | 25,895             | -                       | 49,174            | -                | -                | 19,006                                       | 10,305            | 104,380                | 46,683                 | 60,022            | 211,085             |
| Professional fees                              | 184,122                                     | 10,623             | -                       | 2,605             | -                | -                | 70,100                                       | 8,127             | 275,577                | 46,569                 | 86,854            | 409,000             |
| Event catering, supplies and other             | 4,035                                       | -                  | -                       | 7,351             | -                | -                | -  | 87,750            | 99,136                 | 3,075                  | 246,996           | 349,207             |
| Printing and publications                      | 3,000                                       | 6,836              | -                       | 1,810             | -                | -                | -  | 2,499             | 14,145                 | 120                    | 68,208            | 82,473              |
| Occupancy                                      | -   | -                  | -                       | -                 | -                | -                | -  | 22,405            | 22,405                 | 25,229                 | 24,600            | 72,234              |
| Supplies                                       | 24,390                                      | 538                | -                       | 34,402            | -                | -                | -  | 2,819             | 62,149                 | 4,693                  | 1,448             | 68,290              |
| Purchased services                             | -   | -                  | -                       | -                 | -                | -                | -  | -                 | -                      | 61,580                 | -                 | 61,580              |
| Marketing                                      | 4,336                                       | 17,110             | -                       | 6,305             | -                | -                | -  | 3,978             | 31,729                 | 356                    | 18,901            | 50,986              |
| Equipment rental and maintenance               | 323   | 1,855              | -                       | 10,309            | -                | -                | -  | 7,798             | 20,285                 | 16,010                 | 4,575             | 40,870              |
| Postage  | 1,225                                       | 2,514              | -                       | 1,438             | -                | -                | -  | 917               | 6,094                  | 4,137                  | 27,521            | 37,752              |
| Miscellaneous                                  | 2,631                                       | 3                  | -                       | 4,321             | -                | -                | -  | 2,118             | 9,073                  | 8,875                  | 612               | 18,560              |
| Telephone                                      | 45  | 1,282              | -                       | 3,757             | -                | -                | -  | 161               | 5,245                  | 4,048                  | 3,920             | 13,213              |
| Travel   | 2,539                                       | 517                | -                       | 1,775             | -                | -                | 496  | 2,765             | 8,092                  | 452                    | 980               | 9,524               |
| Conferences and meetings                       | 1,893                                       | 1,242              | -                       | 1,161             | -                | -                | 494  | 173               | 4,963                  | 2,431                  | 723               | 8,117               |
| <b>Total expenses</b>                          | <b>2,015,370</b>                            | <b>148,066</b>     | <b>14,861</b>           | <b>275,259</b>    | <b>33,252</b>    | <b>41,371</b>    | <b>150,051</b>                               | <b>386,147</b>    | <b>3,064,377</b>       | <b>363,180</b>         | <b>726,578</b>    | <b>4,154,135</b>    |
| Less: Special events – direct benefit to donor | -   | -                  | -                       | -                 | -                | -                | -  | -                 | -                      | -                      | (246,464)         | (246,464)           |
|  | <u>\$ 2,015,370</u>                         | <u>\$ 148,066</u>  | <u>\$ 14,861</u>        | <u>\$ 275,259</u> | <u>\$ 33,252</u> | <u>\$ 41,371</u> | <u>\$ 150,051</u>                            | <u>\$ 386,147</u> | <u>\$ 3,064,377</u>    | <u>\$ 363,180</u>      | <u>\$ 480,114</u> | <u>\$ 3,907,671</u> |

*See accompanying notes to financial statements.*

# MEDIC ONE FOUNDATION

## STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2022

|   | Program Services                                     |                       |                               |                  |                   |                  |   |                     |                           |                   | Management<br>and General | Fundraising         | Total |
|---|--|-----------------------|-------------------------------|------------------|-------------------|------------------|---|---------------------|---------------------------|-------------------|---------------------------|---------------------|-------|
|   | Paramedic<br>Training and<br>Continuing<br>Education | Community<br>Outreach | EMS<br>Scholarship<br>Program | Community<br>CPR | EMS<br>Equipment  | PulsePoint       | EMT and<br>Firefighter<br>Mental Health<br>Resilience | Special<br>Projects | Total Program<br>Services |                   |                           |                     |       |
| Grants and allocations                            | \$ 1,105,230   | \$ -                  | \$ 28,000                     | \$ -             | \$ 100,297        | \$ 5,815         | \$ -  | \$ 184,838          | \$ 1,424,180              | \$ -              | \$ -                      | \$ 1,424,180        |       |
| Salaries and wages                                | -  | 250,638               | -                             | -                | -                 | -                | 50,228  | -                   | 300,866                   | 127,134           | 175,867                   | 603,867             |       |
| Benefits and payroll taxes                        | -  | 83,135                | -                             | -                | -                 | -                | 92,400  | 250                 | 175,785                   | 42,951            | 53,636                    | 272,372             |       |
| Professional fees                                 | 4,181  | 12,309                | -                             | 1,725            | -                 | 7,000            | 16,981  | -                   | 42,196                    | 39,925            | 160,889                   | 243,010             |       |
| Event catering, supplies,<br>and other            | -  | 4,912                 | -                             | -                | -                 | -                | -   | -                   | 4,912                     | -                 | 95,895                    | 100,807             |       |
| Marketing   | 8,725  | 22,370                | 254                           | 2,295            | -                 | 1,657            | -   | 250                 | 35,551                    | 372               | 55,430                    | 91,353              |       |
| Printing and publications                         | 2,813  | 14,387                | 223                           | 1,635            | -                 | 687              | -   | -                   | 19,745                    | 2,712             | 63,205                    | 85,662              |       |
| Occupancy   | -  | 25,279                | -                             | -                | -                 | -                | -   | -                   | 25,279                    | 23,767            | 24,941                    | 73,987              |       |
| Equipment rental and<br>maintenance               | -  | 4,776                 | -                             | 1,019            | -                 | 159              | 79  | -                   | 6,033                     | 25,174            | 12,944                    | 44,151              |       |
| Postage   | 800  | 3,134                 | -                             | 58               | -                 | -                | -   | -                   | 3,992                     | 5,369             | 34,384                    | 43,745              |       |
| Purchased services                                | -  | 908                   | -                             | -                | -                 | -                | -   | -                   | 908                       | 35,872            | -                         | 36,780              |       |
| Miscellaneous                                     | 2,013  | 2,863                 | -                             | 3,928            | -                 | -                | -   | -                   | 8,804                     | 12,391            | 3,267                     | 24,462              |       |
| Supplies  | 139  | 829                   | -                             | 10,757           | -                 | 9                | 852   | -                   | 12,586                    | 2,826             | 4,625                     | 20,037              |       |
| Conferences and meetings                          | 3,187  | 1,794                 | 200                           | 984              | -                 | 7                | 459   | -                   | 6,631                     | 960               | 4,718                     | 12,309              |       |
| Telephone   | -  | 1,200                 | -                             | 3,307            | -                 | -                | -   | -                   | 4,507                     | 3,394             | 3,392                     | 11,293              |       |
| Travel  | 2,030  | 1,535                 | -                             | 2,631            | -                 | 30               | 234   | -                   | 6,460                     | 378               | 346                       | 7,184               |       |
| <b>Total expenses</b>                             | <b>1,129,118</b>                                     | <b>430,069</b>        | <b>28,677</b>                 | <b>28,339</b>    | <b>100,297</b>    | <b>15,364</b>    | <b>161,233</b>  | <b>185,338</b>      | <b>2,078,435</b>          | <b>323,225</b>    | <b>693,539</b>            | <b>3,095,199</b>    |       |
| Less: Special events –<br>direct benefit to donor | -  | -                     | -                             | -                | -                 | -                | -   | -                   | -                         | -                 | (177,412)                 | (177,412)           |       |
|   | <b>\$ 1,129,118</b>                                  | <b>\$ 430,069</b>     | <b>\$ 28,677</b>              | <b>\$ 28,339</b> | <b>\$ 100,297</b> | <b>\$ 15,364</b> | <b>\$ 161,233</b>                                     | <b>\$ 185,338</b>   | <b>\$ 2,078,435</b>       | <b>\$ 323,225</b> | <b>\$ 516,127</b>         | <b>\$ 2,917,787</b> |       |

*See accompanying notes to financial statements.*



## MEDIC ONE FOUNDATION

### STATEMENTS OF CASH FLOWS For the Years Ended December 31, 2023 and 2022

|   | 2023             | 2022           |
|---|------------------|----------------|
| Cash Flows from Operating Activities  |                  |                |
| Change in net assets  | \$ 1,639,909     | \$ 805,964     |
| Adjustments to reconcile change in net assets to net cash flows for operating activities: |                  |                |
| Realized and unrealized gain on investments   | (507,441)        | 559,457        |
| Change in value of beneficial interests in assets held by The Seattle Foundation          | (7,672)          | 17,270         |
| Amortization of right-of-use asset – operating lease                                      | 66,280           | 16,570         |
| Changes in operating assets and liabilities:  |                  |                |
| Contributions and bequests receivable   | 15,700           | 59,700         |
| Prepaid expenses and other assets   | (29,248)         | 9,455          |
| Accounts payable  | 115,356          | 22,416         |
| Grants payable  | (238,105)        | 391,502        |
| Accrued wages and benefits  | (59,329)         | 4,970          |
| Operating lease liability   | (64,815)         | (16,083)       |
|   | 930,635          | 1,871,221      |
| Net cash flows from operating activities  |                  |                |
| Cash Flows from Investing Activities  |                  |                |
| Purchases of investments  | (1,858,889)      | (2,294,239)    |
| Sales of investments  | 450,000          | 750,000        |
|   | (1,408,889)      | (1,544,239)    |
| Net cash flows from investing activities  |                  |                |
| <b>Net change in cash and cash equivalents</b>  | <b>(478,254)</b> | <b>326,982</b> |
| Cash and Cash Equivalents, beginning of the year  | 907,678          | 580,696        |
| Cash and Cash Equivalents, end of the year  | \$ 429,424       | \$ 907,678     |

*See accompanying notes to financial statements.*

# MEDIC ONE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### **Note 1 – Organization and Summary of Significant Accounting Policies**

#### *Organization*

Medic One Foundation (the Foundation) is located in Bellevue and is an independent not-for-profit corporation. The mission of the Foundation is to save lives by improving pre-hospital emergency care, and the Foundation has been doing it successfully for nearly 50 years. Contributions to the Foundation provide the necessary resources to train paramedics to the highest level possible, research new methods of treatment that may save more lives, and purchase emergency medical equipment for use by first responders.

Charitable contributions to the Foundation are the primary source of support for the world-renowned Michael K. Copass Paramedic Training Program. Through private support, the Foundation can ensure that the region's paramedics, who are among the best in the world, receive an exceptional education that far exceeds national standards.

Beyond training today's life-saving paramedics, the Foundation funds the research and development of tomorrow's lifesaving ideas to improve care and prevent sudden cardiac arrest. These ideas become Medic One's lifesaving treatments, from its early advances in response time to its role in bringing CPR training to our region's residents.

Each year, the Foundation identifies communities and fire departments where assistance is needed to purchase critical patient care and training equipment that will improve the quality of care and help save more lives.

The Foundation's support of a world-class paramedic training program, together with innovative research in new methods of patient care, is one of the primary reasons why Medic One paramedics achieve a survival rate for cardiac arrest that is two to three times greater than other communities.

The Foundation values community involvement and encourages citizens to learn CPR. Through our community outreach program, the Foundation provides certified adult, child, and infant CPR/AED, and First Aid training, as well as hand-only CPR. This program provides the lifesaving skills and knowledge necessary when responding to a sudden cardiac arrest.

#### *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from the estimated amounts.

#### *Financial Statement Presentation*

The Foundation reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Public support and revenue are recorded depending on the existence and/or nature of any donor restrictions.

# MEDIC ONE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### *Cash and Cash Equivalents*

Cash includes cash in bank accounts and money market funds (other than money market funds classified with investments). Occasionally, cash and cash equivalents may exceed federally insured limits.

### *Fair Value Measurements*

Fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels that prioritize the inputs used in measuring fair value as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Foundation reports its investments and its beneficial interest in assets held by The Seattle Foundation at fair value (see Note 5).

### *Charitable Gift Annuity*

In 2010, the Foundation entered into a charitable gift annuity agreement with a donor. Under the terms of this agreement, the donor contributed assets to the Foundation in exchange for a promise by the Foundation to pay a fixed amount to the donor for the donor's lifetime.

The assets, composed of cash and cash equivalents, held for the charitable gift annuity are \$22,104 and \$21,268 at December 31, 2023 and 2022, respectively, and are reported within investments on the statements of financial position. The corresponding liability of \$5,812 and \$7,299 at December 31, 2023 and 2022, respectively, for the expected annuity payments is reported at the estimated present value of future cash outflows based on appropriate discount rates and mortality tables. The liability is included within accounts payable on the statements of financial position.

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## MEDIC ONE FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### *Investments*

Investments are reported at their fair value (Level 1 inputs, such as quoted prices on national exchanges) in the statements of financial position and consist of the following at December 31:

|                           | 2023         | 2022         |
|---------------------------|--------------|--------------|
| Cash and cash equivalents | \$ 3,150,442 | \$ 2,389,125 |
| Certificates of deposit   | 39,574       | 149,778      |
| Government bonds          | 402,600      | 1,016,932    |
| Corporate bonds           | -            | 138,785      |
| Bond mutual funds         | 2,065,721    | 874,658      |
| Equity mutual funds       | 2,937,778    | 1,784,830    |
| Domestic common stocks    | 528,436      | 854,113      |
|                           | \$ 9,124,551 | \$ 7,208,221 |

Investments are reported in the statements of financial position as follows at December 31:

|                       | 2023         | 2022         |
|-----------------------|--------------|--------------|
| Investments – current | \$ 6,700,995 | \$ 5,859,126 |
| Endowment investments | 2,423,556    | 1,349,095    |
|                       | \$ 9,124,551 | \$ 7,208,221 |

Investment return consist of the following for the years ended December 31:

|  | 2023       | 2022         |
|--|------------|--------------|
| Interest and dividends, net of fees  | \$ 280,509 | \$ 114,906   |
| Realized and unrealized gains (losses)   | 507,441    | (559,457)    |
| Change in value of beneficial interest in assets<br>held by The Seattle Foundation | 5,435      | 5,377        |
|  | \$ 793,385 | \$ (439,174) |

#### *Contributions and Bequests Receivable*

Contributions and bequests receivable are primarily from individuals, businesses, and estates located in the Puget Sound region. Contributions and bequests receivable are expected to be collected within one year and are recorded at the net realizable value. Management periodically reviews receivables and establishes an allowance for accounts that may not be collectible. Any amounts written off are charged against the allowance. Management has determined that no allowance was necessary at December 31, 2023 or 2022.

# MEDIC ONE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### *Grants Payable*

Grant awards, although not legally binding, are reported as an expense and liability when the unconditional award is made. Grants payable represent payments to be made on education, research, and equipment grant awards.

### *Contribution and Bequest Revenue*

Contribution revenues (including those from special events) are recognized when the unconditional pledge is made and all conditions have been met. Bequests are recognized when the Foundation is notified by the executor as to the amount to be received and the estate has cleared probate.

Contributions from one donor represented 26% of total support and revenue for 2023. Contributions from three donors represented 51% of support and revenue for 2022.

### *In-Kind Contributions*

A number of volunteers have donated time to the Foundation's programs and fundraising activities. The services of those volunteers are not recorded in the accompanying financial statements, as they do not meet the criteria for recognition.

### *Net Assets Without and With Donor Restrictions*

Net assets without donor restrictions are available for support of the Foundation's operations. Certain net assets without donor restrictions are designated by the Board of Directors to support long-term purposes (a quasi-endowment, see Note 3).

Some net assets with donor restrictions are temporary in nature and consist of unexpended contributions restricted for particular programs or time periods. Other net assets have perpetual donor restrictions, where the principal of the contributions is restricted in perpetuity and the income from which is utilized for the purposes specified by the donors. Net assets with temporary donor restrictions that are temporary in nature are transferred to net assets without donor restrictions as expenditures are incurred for the restricted programs or as the time restrictions are met. Contributions and investment gains are reported as without donor restrictions if donor restrictions are met within the same year the contribution, or the investment gain, is earned.

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# MEDIC ONE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

Net assets with donor restrictions consist of the following at December 31:

|  | 2023         | 2022         |
|--|--------------|--------------|
| Net assets with purpose restrictions                               |              |              |
| Paramedic training:  |              |              |
| General  | \$ 277,385   | \$ 93,582    |
| Michael K. Copass, MD Fund for Paramedic Training                  | -            | 176,742      |
| Paramedic Training Room Equipment                                  | 67,335       | 3,396        |
| Emerald Heights Fund   | 14,385       | 12,760       |
| Mirabella Fund   | 62,419       | 45,219       |
| Emergency Equipment Fund:  |              |              |
| General  | -            | 745          |
| CPR equipment  | 4,188        | 4,188        |
| W. Hunter Simpson Fund   | 517,697      | 517,697      |
| Redmond Fire ALS Fund  | 207,929      | 197,553      |
| Strategic Planning   | 137,726      | 264,000      |
| Leonard A. Cobb, MD Fund   | 58,128       | 53,368       |
| Chief Jack N. Richards Memorial Fund                               | 30,530       | 31,030       |
| Mental Health Resilience Fund                                      | 16,689       | 166,565      |
| EMT Scholarship Fund   | 5,207        | 4,257        |
| Gratitude Meals Program  | 3,890        | 4,152        |
| Bellevue Fire Department   | 2,876        | -            |
| EMS Research   | 2,100        | 1,850        |
| PulsePoint Fund  | -            | 15,000       |
| Total purpose restrictions   | 1,408,484    | 1,592,104    |
| Net assets with endowment restrictions                             |              |              |
| Perpetual endowment restrictions:                                  |              |              |
| Paramedic Training Educator Excellence Fund                        | 966,560      | -            |
| Natcher & Clementine Casey Paramedic<br>Scholarship Endowment Fund | 299,333      | 299,333      |
| Natcher & Clementine Casey Equipment Endowment Fund                | 299,333      | 299,333      |
| Mary N. Stowe Endowment Fund for Paramedic Training                | 333,540      | 326,928      |
| Medic One Foundation General Endowment Fund                        | 169,058      | 169,058      |
| Total perpetual endowment restrictions                             | 2,067,824    | 1,094,652    |
| Unappropriated endowment earnings:                                 |              |              |
| Natcher & Clementine Casey Paramedic<br>Scholarship Endowment Fund | 120,409      | 84,985       |
| Natcher & Clementine Casey Equipment Endowment Fund                | 122,551      | 87,127       |
| Mary N. Stowe Endowment Fund for Paramedic Training                | 33,891       | 7,441        |
| Medic One Foundation General Endowment Fund                        | 29,764       | 25,773       |
| Total unappropriated endowment earnings                            | 306,615      | 205,326      |
|  | \$ 3,782,923 | \$ 2,892,082 |

# MEDIC ONE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

The Michael K. Copass, MD Fund is restricted to establish an endowment fund at the University of Washington to benefit the Paramedic Training Program at Harborview Medical Center. The W. Hunter Simpson Fund is restricted to benefit research and development in pre-hospital emergency care. The Leonard A. Cobb, MD Fund is restricted to benefit medical oversight and research. The Chief Jack N. Richards Memorial Fund is restricted to give awards to outstanding paramedics.

### *Functional Allocation of Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefitted. Occupancy is allocated based on estimates of the square footage of space supporting those functions. Salaries, benefits and payroll taxes, professional fees, event catering and supplies, printing and publications, marketing, and others are allocated based on estimates of time and effort.

### *Income Taxes*

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

### *Leases*

The Foundation determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position.

ROU assets represent the Foundation's right to use an underlying asset for the lease term, and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The Foundation has elected to recognize payments for short-term leases with terms of 12 months or less as expense as incurred, and these leases are not included as ROU assets or lease liabilities on the statements of financial position. Management has determined that any discount rate used for computing the present value of lease liabilities would be immaterial, and as such, it is not included in these financial statements.

The Foundation has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

### *Subsequent Events*

The Foundation has evaluated subsequent events through the date these financial statements were available to be issued, which was July 1, 2024.

# MEDIC ONE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### Note 2 – Liquidity and Availability of Resources

The Foundation strives to maintain liquid financial assets and reserves sufficient to cover at least 60 days of general expenditures. Financial assets in excess of daily cash requirements are invested in money market funds and marketable securities with original maturities of less than one year. Financial assets not available include investments held for endowments, a gift annuity, and net assets with donor restrictions for specific purposes.

The following table reflects the Foundation's financial assets as of December 31, 2023 and 2022, available to meet general expenditures within one year of the financial position date:

|   | 2023                | 2022                |
|---|---------------------|---------------------|
| Financial Assets:                                 |                     |                     |
| Cash and cash equivalents                         | \$ 429,424          | \$ 907,678          |
| Investments                                       | 9,124,551           | 7,208,221           |
| Contributions and bequests receivable             | 30,500              | 46,200              |
|   | <u>9,584,475</u>    | <u>8,162,099</u>    |
| Amounts Not Available to be Used Within One Year: |                     |                     |
| Endowment investments                             | (2,423,556)         | (1,349,095)         |
| Net assets with purpose restrictions              | (1,408,484)         | (1,592,104)         |
|   | <u>\$ 5,752,435</u> | <u>\$ 5,220,900</u> |

### Note 3 – Endowment

The Foundation's endowment consists of five individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments (quasi-endowments). As required by accounting principles generally accepted in the United States, net assets associated with endowment funds, including quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

#### *Interpretation of Relevant Law*

The Board of Directors of the Foundation has interpreted the Washington Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies net assets with perpetual endowment restrictions as (a) the original value of gifts donated to the endowment, plus (b) the original value of subsequent gifts to the endowment. In addition, under the terms of the endowment agreement, 20% of the total earnings (if any) from the Mary N. Stowe Endowment Fund for Paramedic Training are classified as endowment net assets with perpetual restrictions. The remaining portion of the donor-restricted endowment earnings are classified as unappropriated endowment earnings until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.



# MEDIC ONE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

In accordance with UPMIFA, the Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

- The duration and preservation of the endowment fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation or deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Changes in endowment net assets are as follows:

|   | Without Donor<br>Restrictions | With Time and<br>Purpose Donor<br>Restrictions | With Perpetual<br>Donor<br>Restrictions | Total               |
|---|-------------------------------|--|---|---------------------|
| Endowment net assets, December 31, 2021 | \$ 70,100                     | \$ 358,758                                     | \$ 1,094,652                            | \$ 1,523,510        |
| Investment return                       | (20,983)                      | (148,788)                                      | -                                       | (169,771)           |
| Appropriations for expenditure          | -                             | (4,644)  | -                                       | (4,644)             |
| Endowment net assets, December 31, 2022 | 49,117                        | 205,326  | 1,094,652                               | 1,349,095           |
| Investment return                       | -                             | 101,289  | 6,612                                   | 107,901             |
| Contributions                           | -                             | -  | 966,560                                 | 966,560             |
| Endowment net assets, December 31, 2023 | <u>\$ 49,117</u>              | <u>\$ 306,615</u>                              | <u>\$ 2,067,824</u>                     | <u>\$ 2,423,556</u> |

### *Return Objectives and Risk Parameters*

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s) as well as quasi-endowment funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce returns comparable to the Standard & Poor's 500 and U.S. Treasury Intermediate Lehman Brothers Index while assuming a prudent level of investment risk.

### *Strategies Employed for Achieving Objectives*

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 targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

# MEDIC ONE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### *Spending Policy and How the Investment Objectives Relate to the Spending Policy*

The Foundation has a policy of appropriating approximately 4% (depending on the needs of the Foundation, this appropriation may be higher or lower) of the endowment net assets, based on a three-year rolling average. In establishing this policy, the Foundation considered the long-term expected return on its endowment as the 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.

### *Funds with Deficiencies*

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 UPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no endowment funds with deficiencies at December 31, 2023 or 2022.

### **Note 4 – Related Party Transactions**

The Board of Directors of the Foundation includes representation from the University of Washington School of Medicine, Harborview Medical Center, King County EMS, and the Seattle Fire Department. Contributions are made to these related parties in the form of grants or contracts for paramedic training, continuing medical education, research grants, and other specific projects in support of the goals and activities of the Foundation. The Board of Directors of the Foundation authorizes the grants. The total amount granted to these organizations during the years ended December 31, 2023 and 2022, was \$1,619,874 and \$1,076,563, respectively. The total amount payable to these organizations as of December 31, 2023 and 2022, was \$220,228 and \$500,986, respectively.

### **Note 5 – Beneficial Interest in Assets Held by the Seattle Foundation**

The Foundation is the beneficiary of a fund (the Fund) deposited with The Seattle Foundation. The Fund was established by the Foundation and is therefore without donor restriction. The Seattle Foundation was given variance power that allows it to modify the distributions of the Fund (either in amount or beneficiary) if The Seattle Foundation's Board of Trustees determines that the distribution is unnecessary, incapable of fulfillment, or inconsistent with the charitable purpose of The Seattle Foundation. However, the Foundation expects to annually receive the income generated by the Fund each year estimated at 4.5% of the market value of the Fund. The Fund is stated at fair value (using Level 3 inputs) of the underlying assets (cash and marketable securities) held by the Foundation. At December 31, 2023 and 2022, the value recognized by the Foundation was \$72,972 and \$65,300, respectively.

## MEDIC ONE FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

Changes in the beneficial interest in assets held by The Seattle Foundation valued using Level 3 inputs for the years ended December 31, 2023 and 2022, are as follows:

|                            |    |          |
|----------------------------|----|----------|
| Balance, December 31, 2021 | \$ | 82,570   |
| Investment return          |    | (11,893) |
| Distributions              |    | (5,377)  |
|                            |    | (5,377)  |
| Balance, December 31, 2022 |    | 65,300   |
| Investment return          |    | 13,107   |
| Distributions              |    | (5,435)  |
|                            |    | (5,435)  |
| Balance, December 31, 2023 | \$ | 72,972   |

#### **Note 6 – Lease Obligation**

The Foundation leases its operating space in Bellevue under a noncancelable agreement through September 2025.

The Foundation has recognized operating lease ROU assets and corresponding operating lease liabilities representing the payments required under the lease through maturity. Operating lease costs under this lease totaled \$66,280 and \$60,299 for the years ended December 31, 2023 and 2022, respectively, and are included within occupancy in the statement of functional expenses. Net operating cash flows for the lease totaled \$64,815 and \$16,083 during the years ended December 31, 2023 and 2022, respectively. ROU assets obtained in exchange for new operating lease liabilities totaled \$198,840 during the year ended December 31, 2022.

A maturity analysis of annual cash flows for lease liabilities as of December 31, 2023, is as follows for the years ending December 31:

|      |    |         |
|------|----|---------|
| 2024 | \$ | 66,757  |
| 2025 |    | 51,185  |
|      |    | 51,185  |
|      | \$ | 117,942 |

The operating lease liability is presented in the statement of financial position as follows at December 31:

|   | 2023       | 2022       |
|---|------------|------------|
| Operating lease liability (a current liability) | \$ 66,757  | \$ 64,815  |
| Operating lease liability, less current portion | 51,185     | 117,942    |
|   | \$ 117,942 | \$ 182,757 |