

MEDIC ONE FOUNDATION

Financial Statements
December 31, 2024 and 2023

Table of Contents

	Page
Independent Auditor's Report	1 and 2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statement of Functional Expenses – 2024	5
Statement of Functional Expenses – 2023	6
Statements of Cash Flows	7
Notes to Financial Statements	8-18

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



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, 2024, and 2023, 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, 2024 and 2023, 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
June 9, 2025

MEDIC ONE FOUNDATION

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

ASSETS	2024	2023
Current Assets		
Cash and cash equivalents	\$ 499,002	\$ 429,424
Investments	7,442,440	6,700,995
Contributions and bequests receivable	107,499	30,500
Prepaid expenses and other assets	59,508	45,355
Total current assets	8,108,449	7,206,274
Endowment Investments	3,425,714	2,423,556
Beneficial Interest in Assets Held by The Seattle Foundation	70,218	72,972
Right-of-Use Asset – Operating Lease	457,592	115,990
Total assets	<u>\$ 12,061,973</u>	<u>\$ 9,818,792</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 20,737	\$ 154,740
Grants payable	402,065	280,259
Accrued wages and benefits	66,834	63,066
Operating lease liability	117,201	66,757
Total current liabilities	606,837	564,822
Operating Lease Liability, less current portion	340,391	51,185
Total liabilities	947,228	616,007
Net Assets		
Without donor restrictions	5,587,885	5,419,862
With donor restrictions	5,526,860	3,782,923
Total net assets	11,114,745	9,202,785
Total liabilities and net assets	<u>\$ 12,061,973</u>	<u>\$ 9,818,792</u>

See accompanying notes to financial statements.

MEDIC ONE FOUNDATION

STATEMENTS OF ACTIVITIES For the Years Ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Contributions	\$ 1,898,635	\$ 2,202,346	\$ 4,100,981	\$ 1,789,355	\$ 1,411,728	\$ 3,201,083
Bequests	462,585	-	462,585	1,306,872	-	1,306,872
Special events	656,217	-	656,217	492,704	-	492,704
Special events – direct benefit to donor	(294,587)	-	(294,587)	(246,464)	-	(246,464)
Investment return	539,946	99,868	639,814	685,484	107,901	793,385
Net assets released from restrictions	558,277	(558,277)	-	628,788	(628,788)	-
Total support and revenue	3,821,073	1,743,937	5,565,010	4,656,739	890,841	5,547,580
Expenses						
Program services						
Paramedic training and continuing education	1,622,879	-	1,622,879	2,015,370	-	2,015,370
Community outreach & AED program	428,480	-	428,480	148,066	-	148,066
Community CPR/First aid training	343,742	-	343,742	275,259	-	275,259
EMS equipment	61,366	-	61,366	33,252	-	33,252
Special projects	268,590	-	268,590	592,430	-	592,430
Total program services	2,725,057	-	2,725,057	3,064,377	-	3,064,377
Management and general	407,552	-	407,552	363,180	-	363,180
Fundraising	520,441	-	520,441	480,114	-	480,114
Total expenses	3,653,050	-	3,653,050	3,907,671	-	3,907,671
Change in net assets	168,023	1,743,937	1,911,960	749,068	890,841	1,639,909
Net Assets, beginning of year	5,419,862	3,782,923	9,202,785	4,670,794	2,892,082	7,562,876
Net Assets, end of year	<u>\$ 5,587,885</u>	<u>\$ 5,526,860</u>	<u>\$ 11,114,745</u>	<u>\$ 5,419,862</u>	<u>\$ 3,782,923</u>	<u>\$ 9,202,785</u>

See accompanying notes to financial statements.

MEDIC ONE FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2024

	Program Services						Management and General	Fundraising	Total
	Paramedic Training and Continuing Education	Community Outreach & AED Program	CPR/First Aid Training	EMS Equipment	Special Projects	Total Program Services			
Grants and allocations	\$ 1,170,184	\$ 35,627	\$ -	\$ 54,100	\$ 254,759	\$ 1,514,670	\$ -	\$ -	\$ 1,514,670
Salaries and wages	10,773	141,762	201,715	5,387	5,387	365,024	118,363	193,815	677,202
Professional fees	408,193	45,322	4,403		500	458,418	102,818	86,220	647,456
Event catering, supplies and other	7,660	71,082	2,381	-	154	81,277	6,662	300,420	388,359
Benefits and payroll taxes	3,723	46,011	63,433	1,861	1,861	116,889	39,088	67,035	223,012
Printing and publications	5,873	10,549	965	-	1,530	18,917	204	69,922	89,043
Occupancy	-	22,000	3,056	-	-	25,056	24,984	25,626	75,666
Marketing	1,124	39,924	2,836	-	1	43,885	309	20,470	64,664
Purchased services	-	2,000	-	-	621	2,621	55,802	-	58,423
Supplies	7,117	296	40,532	-	-	47,945	7,820	632	56,397
Equipment rental and maintenance	955	8,807	12,284	-	1,191	23,237	19,536	5,252	48,025
Miscellaneous	2,643	519	5,510	-	2,172	10,844	20,688	3,951	35,483
Postage	-	1,997	-	-	109	2,106	1,330	31,915	35,351
Telephone	156	1,535	3,720	-	-	5,411	3,970	3,844	13,225
Travel	4,072	471	2,907	18	158	7,626	2,698	1,866	12,190
Conferences and meetings	406	578	-	-	147	1,131	3,280	4,060	8,471
Total expenses	1,622,879	428,480	343,742	61,366	268,590	2,725,057	407,552	815,028	3,947,637
Less: Special events – direct benefit to donor	-	-	-	-	-	-	-	(294,587)	(294,587)
	<u>\$ 1,622,879</u>	<u>\$ 428,480</u>	<u>\$ 343,742</u>	<u>\$ 61,366</u>	<u>\$ 268,590</u>	<u>\$ 2,725,057</u>	<u>\$ 407,552</u>	<u>\$ 520,441</u>	<u>\$ 3,653,050</u>

See accompanying notes to financial statements.

MEDIC ONE FOUNDATION

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

	Program Services								
	Paramedic Training and Continuing Education	Community Outreach & AED Program	CPR/First Aid Training	EMS Equipment	Special Projects	Total Program Services	Management and General	Fundraising	Total
Grants and allocations	\$ 1,786,831	\$ -	\$ -	\$ 33,252	\$ 264,474	\$ 2,084,557	\$ -	\$ -	\$ 2,084,557
Salaries and wages	-	79,651	150,851	-	86,045	316,547	138,922	181,218	636,687
Professional fees	184,122	10,623	2,605	-	78,227	275,577	46,569	86,854	409,000
Benefits and payroll taxes	-	25,895	49,174	-	29,311	104,380	46,683	60,022	211,085
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	-	3,261	8,092	452	980	9,524
Conferences and meetings	1,893	1,242	1,161	-	667	4,963	2,431	723	8,117
Total expenses	2,015,370	148,066	275,259	33,252	592,430	3,064,377	363,180	726,578	4,154,135
Less: Special events – direct benefit to donor	-	-	-	-	-	-	-	(246,464)	(246,464)
	<u>\$ 2,015,370</u>	<u>\$ 148,066</u>	<u>\$ 275,259</u>	<u>\$ 33,252</u>	<u>\$ 592,430</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

STATEMENTS OF CASH FLOWS For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Cash received from:		
Donors	\$ 4,472,414	\$ 4,494,407
Interest	333,326	278,272
Other	477,620	378,800
Cash paid to:		
Personnel	(896,446)	(907,101)
Vendors	(1,490,111)	(991,081)
Grantees	(1,392,864)	(2,322,662)
Net cash flows from operating activities	1,503,939	930,635
Cash Flows from Investing Activities		
Purchases of investments	(2,784,361)	(1,858,889)
Sales of investments	1,350,000	450,000
Net cash flows from investing activities	(1,434,361)	(1,408,889)
Net change in cash and cash equivalents	69,578	(478,254)
Cash and Cash Equivalents, beginning of the year	429,424	907,678
Cash and Cash Equivalents, end of the year	\$ 499,002	\$ 429,424

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 over 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 Medic One 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. The Foundation does not believe it is exposed to any significant credit risk.

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 \$22,996 and \$22,104 at December 31, 2024 and 2023, respectively, and are reported within investments on the statements of financial position. The corresponding liability of \$4,919 and \$5,812 at December 31, 2024 and 2023, 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.

THIS SPACE HAS BEEN INTENTIONALLY LEFT BLANK

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:

	2024	2023
Cash and cash equivalents	\$ 4,871,412	\$ 3,150,442
Bond mutual funds	4,144,273	2,065,721
Equity mutual funds	1,139,236	2,937,778
Domestic common stocks	713,233	528,436
Certificates of deposit	-	39,574
Government bonds	-	402,600
	<u>\$ 10,868,154</u>	<u>\$ 9,124,551</u>

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

	2024	2023
Investments – current	\$ 7,442,440	\$ 6,700,995
Endowment investments	3,425,714	2,423,556
	<u>\$ 10,868,154</u>	<u>\$ 9,124,551</u>

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

	2024	2023
Interest and dividends, net of fees	\$ 325,014	\$ 280,509
Realized and unrealized gains	309,242	507,441
Change in value of beneficial interest in assets held by The Seattle Foundation	5,558	5,435
	<u>\$ 639,814</u>	<u>\$ 793,385</u>

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, 2024 or 2023.

MEDIC ONE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

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.

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 39% and 26% of total support and revenue for 2024 and 2023, respectively.

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.

MEDIC ONE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

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.

The Michael K. Copass, MD Fund is restricted 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.

THIS SPACE HAS BEEN INTENTIONALLY LEFT BLANK

MEDIC ONE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

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

	2024	2023
Net assets with purpose restrictions		
Paramedic training:		
General	\$ 1,050,000	\$ 277,385
Michael K. Copass, MD Fund for Paramedic Training	23,833	-
Paramedic Training Room Equipment	23,151	67,335
Emerald Heights Fund	35,064	14,385
Mirabella Fund	66,709	62,419
Emergency Equipment Fund:		
General	10,000	-
CPR equipment	2,368	4,188
W. Hunter Simpson Fund	517,697	517,697
Redmond Fire ALS Fund	166,724	207,929
Leonard A. Cobb, MD Fund	102,878	58,128
Strategic Planning	46,004	137,726
Chief Jack N. Richards Memorial Fund	30,030	30,530
John A. McGary Endowed Fund for Paramedic Instruction	27,000	-
EMT Scholarship Fund	5,000	5,207
Thurston County Medic One Fund	4,040	-
Gratitude Meals Program	3,589	3,890
Bellevue Fire Department	2,926	2,876
EMS Research	2,100	2,100
Mental Health Resilience Fund	-	16,689
Total purpose restrictions	2,119,113	1,408,484
Net assets with endowment restrictions		
Perpetual endowment restrictions:		
Aldarra / W & J Boeing Paramedic Training Educator		
Excellence Fund	1,000,000	966,560
Aldarra / W & J Boeing Paramedic Training Scholarship Fund	900,000	-
Natcher & Clementine Casey Paramedic		
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	336,809	333,540
Medic One Foundation General Endowment Fund	169,058	169,058
Total perpetual endowment restrictions	3,004,533	2,067,824
Unappropriated endowment earnings:		
Aldarra / W & J Boeing Paramedic Training Educator		
Excellence Fund	50,057	-
Natcher & Clementine Casey Paramedic		
Scholarship Endowment Fund	135,770	120,409
Natcher & Clementine Casey Equipment Endowment Fund	137,902	122,551
Mary N. Stowe Endowment Fund for Paramedic Training	46,967	33,891
Medic One Foundation General Endowment Fund	29,764	29,764
Seattle Foundation - Medic One Endowment Fund	2,754	-
Total unappropriated endowment earnings	403,214	306,615
	<u>\$ 5,526,860</u>	<u>\$ 3,782,923</u>

MEDIC ONE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

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.

Reclassifications

Certain prior year balances have been reclassified in order to conform to the current presentation.

Subsequent Events

The Foundation has evaluated subsequent events through the date these financial statements were available to be issued, which was June 9, 2025.

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, 2024 and 2023, available to meet general expenditures within one year of the financial position date:

	2024	2023
Financial Assets:		
Cash and cash equivalents	\$ 499,002	\$ 429,424
Investments	10,868,154	9,124,551
Contributions and bequests receivable	107,499	30,500
	11,474,655	9,584,475
Amounts Not Available to be Used Within One Year:		
Endowment investments	(3,425,714)	(2,423,556)
Net assets with purpose restrictions	(2,119,113)	(1,408,484)
	<u>\$ 5,929,828</u>	<u>\$ 5,752,435</u>

MEDIC ONE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Note 3 – Endowment

The Foundation's endowment consists of eight 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.

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 Restrictions	With Time and Purpose Donor Restrictions	With Perpetual Donor Restrictions	Total
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	49,117	306,615	2,067,824	2,423,556
Investment return	-	96,599	3,269	99,868
Contributions	-	-	933,440	933,440
Appropriations for expenditure	(31,150)	-	-	(31,150)
Endowment net assets, December 31, 2024	\$ 17,967	\$ 403,214	\$ 3,004,533	\$ 3,425,714

MEDIC ONE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

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.

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, 2024 or 2023.

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, 2024 and 2023, was \$1,355,883 and \$1,619,874, respectively. The total amount payable to these organizations was \$220,228 at December 31, 2024 and 2023.

MEDIC ONE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

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, 2024 and 2023, the value recognized by the Foundation was \$70,218 and \$72,972, respectively.

Changes in the beneficial interest in assets held by The Seattle Foundation valued using Level 3 inputs for the years ended December 31, 2024 and 2023, are as follows:

Balance, December 31, 2022	\$	65,300
Investment return		13,107
Distributions		<u>(5,435)</u>
Balance, December 31, 2023		72,972
Investment return		2,804
Distributions		<u>(5,558)</u>
Balance, December 31, 2024	\$	<u><u>70,218</u></u>

Note 6 – Lease Obligation

In 2024, the Foundation extended its lease for office space in Bellevue under a noncancelable agreement through September 2028. The extended lease term runs from October 1, 2025 through September 30, 2028.

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 \$65,625 and \$66,280 for the years ended December 31, 2024 and 2023, respectively, and are included within occupancy in the statement of functional expenses. Net operating cash flows for the lease totaled \$66,759 and \$64,815 during the years ended December 31, 2024 and 2023, respectively. ROU assets obtained in exchange for new operating lease liabilities totaled \$457,592 during the year ended December 31, 2024.

A maturity analysis of annual cash flows for lease liabilities as of December 31, 2024, is as follows for the years ending December 31:

2025	\$	117,201
2026		120,717
2027		124,338
2028		<u>95,336</u>
	\$	<u><u>457,592</u></u>

MEDIC ONE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

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

	<u>2024</u>	<u>2023</u>
Operating lease liability (a current liability)	\$ 117,201	\$ 66,757
Operating lease liability, less current portion	<u>340,391</u>	<u>51,185</u>
	<u>\$ 457,592</u>	<u>\$ 117,942</u>