CJBS

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

CJBS, LLC
2100 Sanders Road, Suite 200, Northbrook, Illinois 60062-6141 • p. 847-945-2888 • f. 847-945-9512

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NORTH SHORE SENIOR CENTER AND SUBSIDIARY

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
North Shore Senior Center and NSSC Foundation

Opinion

We have audited the accompanying consolidated financial statements of North Shore Senior Center and Subsidiary (NSSC Foundation) (nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of North Shore Senior Center and Subsidiary as of June 30, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 North Shore Senior Center and Subsidiary 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. The financial statements of NSSC Foundation were not audited in accordance with *Government Auditing Standards.*

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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Auditor's Responsibilities for Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 consolidated 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 consolidated 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 consolidated 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information presented on Schedules 1 through 7, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying supplementary information presented on Schedules 8, as required by AgeOptions, the Area Agency, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying supplementary information presented on Schedules 9 that includes the Consolidated Year-End Financial Report for the State of Illinois Grant Accountability and Transparency Act (GATA) compliance is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information presented on Schedules 1 through 9 is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2024, on our consideration of North Shore Senior Center and Subsidiary'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 North Shore Senior Center and Subsidiary'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 North Shore Senior Center and Subsidiary's internal control over financial reporting and compliance.

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CJBS, LLC
Northbrook, IL

December 18, 2024

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
North Shore Senior Center

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of North Shore Senior Center and Subsidiary (NSSC Foundation) (nonprofit organizations), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 18, 2024. The financial statements of NSSC Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with NSSC Foundation.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered North Shore Senior Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Shore Senior Center's internal control. Accordingly, we do not express an opinion on the effectiveness of North Shore Senior Center's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Shore Senior Center's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no

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instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Northbrook, IL

December 18, 2024

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash	$ 348,527	$ 520,395
Contributions Receivable	5,618	120,490
Grants and Contracts Receivable	1,487,261	757,765
Accounts Receivable	54,448	33,585
Prepaid Expenses	114,561	141,376
Total Current Assets	2,010,415	1,573,611
LONG-TERM ASSETS		
Investments	16,590,605	16,195,033
Operating Lease Right-Of-Use Assets	204,258	238,372
Property and Equipment		
Land	1,860,000	1,860,000
161 Northfield Building	7,577,404	7,577,404
House of Welcome Building	2,566,969	2,566,969
Land Improvements	1,346,967	1,229,097
Furniture and Equipment	3,069,667	2,970,474
	16,421,007	16,203,944
Less: Accumulated Depreciation	(11,185,605)	(10,708,909)
Property and Equipment, Net	5,235,402	5,495,035
Total Long-Term Assets	22,030,265	21,928,440
Total Assets	$ 24,040,680	$ 23,502,051

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

LIABILITIES AND NET ASSETS

	2024	2023
CURRENT LIABILITIES		
Accounts Payable	$ 147,133	$ 110,834
Accrued Expenses	256,309	330,450
Current Portion of Operating Lease Liabilities	53,267	48,180
Custodial Accounts	4,705	4,261
Deferred Income	367,205	275,109
Charitable Gift Annuities	83,700	87,948
Total Current Liabilities	912,319	856,782
LONG-TERM LIABILITIES		
Bonds Payable	7,000,000	7,000,000
Less Bond Issuance Cost	(30,407)	(36,313)
Bonds Payable Less Bond Issuance Cost, Net	6,969,593	6,963,687
Operating Lease Liabilities	158,565	192,550
Total Long-Term Liabilities	7,128,158	7,156,237
Total Liabilities	8,040,477	8,013,019
NET ASSETS		
Without Donor Restrictions		
Undesignated	1,927,714	1,797,131
Bond Covenant Reserve	7,700,000	7,700,000
	9,627,714	9,497,131
With Donor Restrictions		
Purpose and Time Restrictions	5,069,191	4,688,603
Perpetual in Nature	1,303,298	1,303,298
	6,372,489	5,991,901
Total Net Assets	16,000,203	15,489,032
Total Liabilities and Net Assets	$ 24,040,680	$ 23,502,051

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Without Donor Restrictions	With Donor Restrictions	Total 2023
PUBLIC SUPPORT AND OTHER REVENUE						
Grants and Contributions						
Members	$ 52,586	$ -	$ 52,586	$ 42,373	$ -	$ 42,373
Friends	643,006	-	643,006	517,954	15,000	532,954
Foundations, Corporations, Estates	138,182	155,000	293,182	656	250,000	250,656
Special Events	153,890	-	153,890	126,712	-	126,712
Townships	174,333	-	174,333	171,000	-	171,000
Municipalities	131,895	-	131,895	140,689	-	140,689
Government Grants	2,370,005	-	2,370,005	1,341,310	-	1,341,310
Program Fees and Contracts						
Registration and Membership Fees	630,203	-	630,203	572,538	-	572,538
Program Service Fees	689,996	-	689,996	588,105	-	588,105
State Contracts	4,015,730	-	4,015,730	3,858,975	-	3,858,975
Change in Value of Split-Interest Agreements						
Charitable Gift Annuities	(26,714)	-	(26,714)	(2,002)	-	(2,002)
Net Assets Released from Restrictions	451,282	(451,282)	-	777,817	(777,817)	-
Total Public Support and Other Revenue	9,424,394	(296,282)	9,128,112	8,136,127	(512,817)	7,623,310
EXPENSES						
Program Services	8,725,944	-	8,725,944	7,504,059	-	7,504,059
Management and General	961,795	-	961,795	1,193,518	-	1,193,518
Fundraising	699,122	-	699,122	687,197	-	687,197
Total Expenses	10,386,861	-	10,386,861	9,384,774	-	9,384,774
Change in Net Assets Before Investment Income	(962,467)	(296,282)	(1,258,749)	(1,248,647)	(512,817)	(1,761,464)
Investment Income						
Interest and Dividends	376,879	222,634	599,513	359,733	212,810	572,543
Realized Gain on Investments	29,232	17,602	46,834	49,236	29,552	78,788
Unrealized Gain on Investments	725,123	436,634	1,161,757	471,350	282,916	754,266
Investment Fees	(38,184)	-	(38,184)	(41,862)	-	(41,862)
Total Investment Income, Net	1,093,050	676,870	1,769,920	838,457	525,278	1,363,735
Change In Net Assets	130,583	380,588	511,171	(410,190)	12,461	(397,729)
Net Assets at Beginning of Year	9,497,131	5,991,901	15,489,032	9,907,321	5,979,440	15,886,761
Net Assets at End of Year	$ 9,627,714	$ 6,372,489	$ 16,000,203	$ 9,497,131	$ 5,991,901	$ 15,489,032

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

	Senior and Family Services	Senior Options	Lifelong Learning	House of Welcome	Community Services	Total Program Services	Management and General	Fundraising	Total 2024
OPERATING EXPENSES									
Activities	$ 15,370	$ -	$ 224,404	$ 825	$ 1,996	$ 242,595	$ -	$ -	$ 242,595
Assistance	407,570	13,749	-	-	-	421,319	-	-	421,319
Training / Professional Growth	7,370	100	2,044	3,165	-	12,679	4,159	1,734	18,572
Dues and Subscriptions	4,107	461	595	2,561	795	8,519	1,662	4,714	14,895
Equipment / Technology	63,505	8,250	27,287	14,144	5,509	118,695	12,607	49,042	180,344
Food	4,622	848	8,273	13,938	7,820	35,501	3,277	2,144	40,922
Health and Disability	405,735	46,095	33,031	79,811	2,864	567,536	11,388	37,153	616,077
Insurance	48,927	8,896	8,896	8,896	4,448	80,063	4,448	4,448	88,959
Occupancy	174,379	23,584	62,714	77,068	9,378	347,123	12,370	14,731	374,224
Payroll Taxes	227,220	60,371	36,561	44,210	9,394	377,756	39,919	31,602	449,277
Postage	7,158	1,186	9,322	1,266	3,297	22,229	1,224	2,527	25,980
Printing / Supplies	29,300	5,250	42,947	13,000	19,358	109,855	7,513	20,007	137,375
Professional Fees	200,789	48,960	58,137	32,896	31,275	372,057	220,538	25,427	618,022
Retirement Plan	41,800	12,224	9,314	10,375	2,985	76,698	13,891	4,317	94,906
Salaries	3,043,115	786,359	479,789	599,717	127,092	5,036,072	536,159	421,117	5,993,348
Sundry	29,235	257	17,005	6,124	4,585	57,206	17,022	17,336	91,564
Telecommunications	28,178	11,452	5,603	2,722	454	48,409	1,854	1,809	52,072
Transportation	27,648	6,639	272	90	124	34,773	108	376	35,257
Total Operating Expenses	4,766,028	1,034,681	1,026,194	910,808	231,374	7,969,085	888,139	638,484	9,495,708
PROPERTY AND EQUIPMENT									
Depreciation and Amortization	273,961	59,476	58,988	52,355	13,300	458,080	44,580	36,700	539,360
Professional Fees–Facilities	1,833	398	395	350	89	3,065	298	246	3,609
Interest Expense and Costs	176,856	38,394	38,080	33,798	8,586	295,714	28,778	23,692	348,184
Total Property and Equipment	452,650	98,268	97,463	86,503	21,975	756,859	73,656	60,638	891,153
TOTAL EXPENSES	$ 5,218,678	$ 1,132,949	$ 1,123,657	$ 997,311	$ 253,349	$ 8,725,944	$ 961,795	$ 699,122	$ 10,386,861

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2023

	Senior and Family Services	Senior Options	Lifelong Learning	House of Welcome	Total Program Services	Management and General	Fundraising	Total 2023
OPERATING EXPENSES								
Activities	$ 12,482	$ -	$ 198,153	$ 5,479	$ 216,114	$ -	$ -	$ 216,114
Assistance	317,540	6,791	-	-	324,331	-	-	324,331
Training / Professional Growth	6,616	1,589	2,252	1,110	11,567	8,774	3,340	23,681
Dues and Subscriptions	4,091	-	995	2,833	7,919	229	5,596	13,744
Equipment / Technology	19,050	9,427	27,352	6,899	62,728	7,874	27,127	97,729
Fitness Center	-	-	6,307	-	6,307	-	-	6,307
Food	699	-	9,344	8,128	18,171	4,718	324	23,213
Health and Disability	374,926	55,389	35,419	60,669	526,403	31,356	42,450	600,209
Insurance	36,887	5,902	10,328	10,328	63,445	5,154	5,164	73,763
Occupancy	162,974	23,789	48,536	53,607	288,906	19,821	20,406	329,133
Payroll Taxes	210,135	51,437	33,668	36,644	331,884	51,668	32,375	415,927
Postage	3,385	610	13,598	1,098	18,691	1,255	1,934	21,880
Printing / Supplies	21,678	5,986	40,248	10,398	78,310	29,598	12,269	120,177
Professional Fees	129,622	16,178	32,871	18,720	197,391	214,693	18,750	430,834
Retirement Plan	41,376	10,820	9,550	9,337	71,083	14,329	5,159	90,571
Salaries	2,846,610	676,112	470,391	499,222	4,492,335	681,535	427,753	5,601,623
Sundry	12,496	-	14,201	1,105	27,802	20,854	18,575	67,231
Telecommunications	25,167	9,064	6,313	3,432	43,976	2,334	2,496	48,806
Transportation	24,757	2,666	322	-	27,745	147	387	28,279
Total Operating Expenses	4,250,491	875,760	959,848	729,009	6,815,108	1,094,339	624,105	8,533,552
PROPERTY AND EQUIPMENT								
Depreciation and Amortization	286,936	59,120	64,796	49,213	460,065	66,229	42,131	568,425
Professional Fees–Facilities	12,367	2,548	2,793	2,121	19,829	2,855	1,816	24,500
Interest Expense and Costs	130,386	26,864	29,444	22,363	209,057	30,095	19,145	258,297
Total Property and Equipment	429,689	88,532	97,033	73,697	688,951	99,179	63,092	851,222
TOTAL EXPENSES	$ 4,680,180	$ 964,292	$ 1,056,881	$ 802,706	$ 7,504,059	$ 1,193,518	$ 687,197	$ 9,384,774

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 511,171	($ 397,729)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by (Used in) Operating Activities:		
Depreciation Expense	533,454	562,519
Amortization Expense	5,906	5,906
Realized (Gain) on Sale of Investments	(46,834)	(78,788)
Unrealized (Gain) on Investments	(1,161,757)	(754,266)
Non-Cash Lease Expense	56,757	72,104
(Increase) Decrease in Assets:		
Contributions Receivable	114,872	91,844
Grants and Contracts Receivable	(729,496)	48,889
Accounts Receivable	(20,863)	34,468
Prepaid Expenses	26,815	(18,027)
Increase (Decrease) in Liabilities:		
Accounts Payable	36,299	6,554
Accrued Expenses	(74,141)	107,176
Custodial Accounts	444	(240)
Deferred Income	92,096	10,168
Charitable Gift Annuities	(4,248)	(31,374)
Operating Lease Liabilities	(51,541)	(73,543)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(711,066)	(414,339)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(273,821)	(206,273)
Proceeds from Sale of Investments	2,671,866	1,324,100
Purchases of Investments	(2,247,215)	(605,728)
Net Change in Cash and Cash Equivalents Included in Investments	388,368	(173,579)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	539,198	338,520
NET CHANGE IN CASH AND CASH EQUIVALENTS	(171,868)	(75,819)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	520,395	596,214
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 348,527	$ 520,395
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 22,643	$ 250,701
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest Paid	$ 254,961	$ 165,315

The accompanying notes are an integral part of the consolidated financial statements.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

North Shore Senior Center (the "Center" or "NSSC") has been in operation since 1956 and is an Illinois not-for-profit corporation. The Center was established to foster the independence and well-being of older adults, enhance their dignity and self-respect, and promote their participation in and contribution toward all aspects of community life. The Center is accredited by the National Institute of Senior Centers, a constituent unit of the National Council On Aging, and by CARF International, a private not-for-profit organization that promotes quality rehabilitation services, for Community Services and Adult Day Services.

NSSC Foundation ("the Foundation") was established in 1992 as a non-profit corporation by the North Shore Senior Center. The purpose of the Foundation is to solicit and receive gifts, endowments, and contributions for and on behalf of the Center, and to provide financial support for the charitable programs, services, operations, physical plant, and activities of the Center, and to direct the investment and management of the Foundation's assets. While its Articles of Incorporation indicate that the Foundation can support any other non-profit organization, by virtue of the designation of the Foundation as a Type I supporting organization, in accordance with IRC 509(a)(3), the Foundation exclusively supports the Center. The Foundation's directors are elected by the members of the Foundation. A majority of the Foundation's members consist of the Center's board of directors. The executive director and president of the Center also serves as the president of the Foundation. NSSC Foundation utilizes the Center's facilities and certain staff.

Principles of Consolidation

The consolidated financial statements include the accounts of North Shore Senior Center and NSSC Foundation (together "the Organization"). All significant inter-organization balances and transactions have been eliminated in consolidation.

Reclassifications

Certain reclassifications have been made to prior period amounts to conform to the current-year presentation.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, and subsequently issued multiple ASUs that amend or clarify certain matters relating to FASB ASC 326. The guidance amends how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. Also, it requires the application of a current expected credit loss model, which is a new impairment model based on expected losses. Under this model, an entity recognizes an allowance for expected credit losses based on historical experience, current conditions, and forecasted information rather than the prior methodology of delaying the recognition of credit losses until it is probable a loss has been incurred. The standard also requires additional quantitative and qualitative disclosures regarding credit risk inherent in a reporting entity's portfolio, how management monitors this risk, management's estimate of expected credit losses, and the changes in the estimate that has taken place during the period. As amended, for entities other than public business entities, ASU 2016-13 is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Organization's prior methodology for estimating credit losses on its accounts receivable did not differ significantly from the new requirements of Topic 326. The Organization adopted ASU 2016-13 effective July 1, 2023, and the adoption of the standard did not materially impact the financial statements.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and are not subject to grantor or donor-imposed restrictions. It is the policy of the Board of Directors of the Organization to review its plans for future operations of the Organization and from time to time to designate appropriate sums of *net assets without donor restrictions* to assure adequate financing of such operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

The Organization's donor-restricted endowment funds, including the unspent appreciation of the endowment fund and the portion of the Organization's donor-restricted endowment funds that the Organization is committed to maintaining in perpetuity are classified in net assets with donor restrictions.

The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from Grants and Contracts Including State Allocations

Revenue from government and private grant and contract agreements is recognized as it is earned through expenditure in accordance with the agreements. Any funding received in advance of expenditure is recorded as deferred revenue until expended.

Funding under Title III Older Americans Act. During years ended June 30, 2024 and 2023, the Center was a sub-recipient of federal and state grants, provided through the Area Agency (AgeOptions). The federal funding source is the U.S. Administration on Aging, an agency of the U.S. Department of Health and Human Services. The federal funds are provided to the Illinois Department on Aging, which in turn allocates a portion to AgeOptions for local administration. The grants are authorized annually and are provided by AgeOptions based on the federal government's fiscal year ending September 30. Federal grants authorized by AgeOptions for the Center under Title IIIB and Title IIIE are used to subsidize certain specified counseling, comprehensive, and respite social service programs and activities. Total amounts of revenue recognized under Title III federal and state funding included under government grants in the consolidated statement of activities and the receivable as of year-end are as follows:

	2024	2023
Title IIIB Supportive Services and Senior Centers	$ 363,831	$ 369,182
Title IIIE Caregiver Support	$ 498,077	$ 369,153
Grant Receivable	$ 43,308	$ 39,798
Deferred Revenue	$ 86,974	$ 86,974

Additional federal grants were received from the Area Agency as well as Community Development Block Grants.

State of Illinois Department on Aging. The Organization received approximately 41% and 38% of its revenue from contracts from the Illinois Department of Aging for the years ended June 30, 2024 and 2023, respectively. As of June 30, 2024 and 2023, the amounts due from the State of Illinois Department on Aging on these fee for service contracts that pertain to nursing home pre-screens and case coordination administered through the Center's Department of Social Services was $1,142,256 and $425,065, respectively.

Revenue from Program Service Fees

The House of Welcome ("HOW") day program specializes in adult day services for individuals with Alzheimer's disease and related dementias. North Shore Senior Options (NSSO) provides various care management fee for service programs for older adults and their families. Revenues from contracts with program participants for daily fees are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services to program participants. Revenue is recognized as performance obligations are satisfied, which is monthly, as billed. Generally, the Organization bills program participants on the 10th day of each month for prior month services with a payment term of 10 days. Any unearned amounts for payment received in advance are included in deferred revenue.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Lifelong Learning program has various member-only clubs, classes, presentations, trips, concerts, and events. Revenue from contracts with members for membership dues and program fees is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing membership and program activities to its members. Membership revenue is recognized as performance obligations are satisfied over the membership term. Tuition fee revenue is recognized as performance obligations are satisfied over the class term. Program revenue associated with presentations, trips, concerts, and events is recognized at the point in time when control transfers to the program participant, generally when services are delivered to the participants. Membership dues are nonrefundable. Tuition fees are nonrefundable after the start of the class. Any unearned amounts for payment received in advance are included in deferred revenue.

The Organization operates a cafeteria and a gift shop that is staffed by volunteers. The gift shop sells donated items such as hand-crafted items made by the Organization's Sewing Bees group, note cards, and artwork created by participants in the House of Welcome Adult Day Services for people with memory loss. Revenue for cafeteria and gift shop sales is recognized when the customer receives and pays for the merchandise. Gift shop inventory items are not material to the financial statements.

Because all of the performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to providing member services. The performance obligations for these contracts are generally completed when the annual membership term is completed. The Organization applies the practical expedient FASB ASC 340-40-25-4 to recognize the incremental costs of obtaining a contract as an expense when incurred when the amortization period of the asset that the Organization otherwise would have recognized is one year or less.

Significant Judgments. The Organization determines the transaction price based on standard charges for goods and services provided, discounts provided in accordance with the Organization's policy, and implicit price concessions provided to program participants. The Organization determines its estimates of explicit price concessions based on contractual agreements and its discount policies. The Organization determines its estimate of implicit price concessions based on its historical collection experience with program participants.

Grants and contract receivable presented on the consolidated statement of financial position include the following program service fees:

	2024	2023
Accounts receivable, net		
Beginning of year	$ 33,585	$ 68,053
End of year	$ 54,448	$ 33,585

Revenue from Contributions

Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from Donated Services and In-Kind Contributions

Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization annually receives a significant amount of donated services from volunteers. Because the majority of these donated services do not meet the U.S. GAAP requirements for recognition of professional services or creation or enhancement of non-financial assets, no value has been reflected in the accompanying consolidated financial statements.

Advertising Expenses

Advertising costs, if any, are annually expensed as incurred.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Natural expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas, while indirect costs that benefit multiple functional areas have been allocated among various functional areas using a variety of cost allocation techniques such as square footage and time and effort.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers highly liquid investments with an initial maturity of three months or less to be cash equivalents, except those held for long-term investment.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash and money market accounts with high credit quality financial institutions. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates.

Because a significant portion of the Foundation's assets are market investments, there is an inherent concentration of risk for associated income and loss tied to market performance. However, the Foundation's Board of Directors seeks to mitigate this risk through diversification of investment portfolio, ongoing monitoring, and consultation with third-party investment professionals. Additionally, the Foundation continues to investigate and pursue additional sources of income from donors and private sources.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return/(loss) is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses. Realized gains and losses on investments held more than one fiscal year and sold in current year include the change in fair value of investments in the current year.

Accounts Receivable

Accounts receivable represent consideration from state and local government agencies and program service fees, of which the Organization has an unconditional right to receive. Accounts receivable are stated at the amount management expects to be collected from the outstanding balance. As of June 30, 2024 and 2023, management has determined, based on historical experience, that no allowance for credit losses was necessary.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. The amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date.

Support from wills and estates is recognized when probate declares the will valid, and the Organization is notified of the approximate amount of the bequest. Because the beneficiary designation can be revoked at any time, such trusts and bequests associated therewith are thus conditional promises to give and are not included in the consolidated financial statements.

Split-Interest Agreements

The Foundation benefits from charitable gift annuities that are commonly known as split-interest agreements.

Property and Equipment

Property and equipment have been capitalized at stated cost or at the fair market value at the date of contribution. All assets are depreciated using the straight-line method. Furniture and equipment are depreciated over their useful lives, ranging from three to ten years. Leasehold improvements are amortized over the lives of the leases, assuming the leases are usually renewed. Buildings are depreciated over their useful lives of twenty to thirty years. The Organization capitalizes all acquisitions of property and equipment in excess of $2,500. Total depreciation expense for the fiscal years ended June 30, 2024 and 2023, were $533,454 and $562,519, respectively.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Long-Lived Assets

Management evaluates long-lived assets for impairment whenever events or circumstances indicate that the carrying value of a long-lived asset may not be recoverable in accordance with accounting principles generally accepted in the United States of America. Management determined that no long-lived assets were impaired as of June 30, 2024 and 2023.

Leases

The Organization recognizes right-of-use assets ("ROU") and lease liabilities calculated based on the present value of lease payments for all lease agreements with terms that are greater than twelve months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statement of operations. *The lease term* includes the noncancelable period specified in the agreement together with (1) periods covered by options to extend the lease if reasonably certain to exercise that option, (2) periods covered by an option to terminate if reasonably certain not to exercise that option and (3) periods covered by an option to extend (or not terminate) if the lessor controls it. *Short-term leases* or leases with a term of twelve months or less that do not contain a purchase option that is reasonably certain to exercise are excluded from ROU asset and lease liability calculations and are recognized as expenses on a straight-line basis over the term of the lease. Lease agreements that allow either party to terminate the agreement without permission from the other party with no more than an insignificant penalty are considered month-to-month leases. *Non-lease components* such as common area maintenance, property taxes, and insurance are expensed as incurred. *Discount rate*. When the rate implicit in the lease is not readily determinable, a lessee must use its incremental borrowing rate (IBR) or the risk-free rate if an accounting policy election is made and apply this accounting policy election by class of underlying asset. The Organization elected to use the IBR.

Deferred Income

Certain grants are deferred income due to their service delivery requirements and reciprocal nature as exchange transactions. Revenue from program service fees is recognized when the services are provided. Membership dues, tuition fees, and the exchange portion of sponsorship income received in advance are deferred and recognized over the periods to which they relate.

Custodial Accounts

Custodial accounts are used for fees and expenses incurred for specific group activities that are sponsored by the Center for its members. Funds are held for forthcoming classes, trips, and club activities and are represented in the consolidated financial statements as assets offset by corresponding liabilities.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

North Shore Senior Center and NSSC Foundation are Illinois nonprofit corporations exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and are not subject to income taxes, except regarding income unrelated to their tax-exempt purpose. The Organizations also qualify for a charitable contribution deduction in regard to their donors. Accordingly, no tax provision has been made in the financial statements. The Foundation is classified as a Type I supporting organization as described by the IRC 509(a)(3) that is controlled by the supported organization, the Center, as further explained in Note A, *Nature of Activities* paragraph.

The Organization follows the guidance of Accounting Standards Codification (ASC) 740, *Accounting for Income Taxes,* related to uncertainties in income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. There are no such uncertain tax positions for the Organization for the years ended June 30, 2024 and 2023. The Organization's federal and state information returns are subject to examination, generally for three years after the filing date.

NOTE B – PROGRAMS

The Center offers four main programs: House of Welcome, Lifelong Learning, Senior and Family Services, and Senior Options.

The House of Welcome ("HOW") day program specializes in *adult day services* for individuals with Alzheimer's disease and related dementias. This program offers several therapeutic, small group activities in a homelike setting for its participants. The Center also works with the Greater Illinois Chapter of the Alzheimer's Association in providing support group programs.

The Lifelong Learning ("LL") program is available to adults age 50 and older to pursue new interests; cultivate new friends; and participate in a wide variety of cultural, recreational, educational, and social activities. A sample of the program's activities offered includes the following:

- Education and Learning
- Social and Special Interests
- Creative and Performing Arts
- Health and Fitness
- Leisure and Recreation
- Travel and Adventure

NOTE B – PROGRAMS (continued)

The Center's Senior and Family Services ("SFS") program provides a wide range of services for seniors at its headquarters location, satellite location, village halls, hospitals, park districts, and senior housing facilities.

The no fee-based SFS programs include the following:

- Information and Assistance
- Adult Protective Services Program
- Benefits Counseling
- Respite and Caregiver Services
- Choices for Care Program
- Chore Housekeeping
- Community Care Program (CCP)
- Escorted Transportation Services
- Friendly Visiting Program
- General Case Management
- Grandparents Raising Grandchildren
- Hearing Loss Program
- Home-Delivered Meals
- Lending Closet
- Medicare Counselors (SHIP)
- Options Counseling
- Support Groups
- Wellness Education

The Senior Options program offers a fee-based program, Senior Options, which aims to be the go-to resource for services that can guide older adults and their family members to thrive in the place they call home. To accomplish this, Senior Options offers a client-centered approach for seniors and their families, works with families to provide answers at a time of seemingly endless questions, and helps guide seniors to the actions and decisions that ensure an optimal life. Senior Options process to achieve this goal involves:

- Assessment and Monitoring
- Planning and Problem-Solving
- Education and Advocacy

These fee-based programs fill a gap in services for seniors whose income or asset levels do not allow them to participate in government-provided or managed care services and most insurance companies do not reimburse for costs:

- Care Management
- Daily Money Management
- Psychotherapy

NOTE C - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization monitors its liquidity to be able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	Center	Foundation	Total 2024	Total 2023
Financial Assets:				
Cash	$ 45,621	$ 26,986	$ 72,607	$ 338,390
Receivables, Net	1,547,327	-	1,547,327	911,840
Operating Investments	86,059	2,707,977	2,794,036	2,685,137
Endowment Distribution	822,000	(822,000)	-	-
Total financial assets available within one year	$2,501,007	$ 1,912,963	$4,413,970	$3,935,367

NOTE D – INVESTMENTS AND CLASSIFICATION IN THE FAIR VALUE HIERARCHY

All investments are valued at fair market under the provisions of FASB ASC 958. The following is a summary of the Organization’s investments and investment income as of June 30, 2024 and 2023:

	2024	2023
Cash/Money Market Funds	$ 106,902	$ 102,572
Mutual Funds	14,533,529	13,421,398
Real Estate Fund	987,497	1,327,378
Pooled Investment Fund	815,037	803,347
Total Foundation’s Investments	16,442,965	15,654,695
Cash/Money Market Funds	147,640	540,338
Total Center’s Investments	147,640	540,338
Total Investments	$ 16,590,605	$ 16,195,033

The Accounting Standards Codification for *Fair Value Measurements* (ASC 820) establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

NOTE D – INVESTMENTS AND CLASSIFICATION IN THE FAIR VALUE HIERARCHY (continued)

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

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

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Common Stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds: Valued at the closing price reported on the active market on which the individual funds are traded.

Real Estate Fund and Alternative Investment: Valued at net asset value (NAV) of units held provided by the funds' managers. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liability. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

Money Market: Valued at cost plus interest earned, which approximates fair value.

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

The following tables set forth by level, within the fair value hierarchy, the Organization's investment assets at fair value at June 30, 2024:

NOTE D – INVESTMENTS AND CLASSIFICATION IN THE FAIR VALUE HIERARCHY (continued)

	Assets at Fair Value at June 30, 2024			
	Level 1	Level 2	Level 3	Total Fair Value
Mutual Funds - Equity	$ 10,106,213	$ -	$ -	$ 10,106,213
Mutual Funds - Fixed Income	3,696,056	-	-	3,696,056
Mutual Funds - Balanced	731,260	-	-	731,260
Total Assets at Fair Value	$ 14,533,529	$ -	$ -	14,533,529
Investments Measured at NAV*				1,802,534
Cash/Money Market Funds				254,542
Total Investments				$ 16,590,605

The following tables set forth by level, within the fair value hierarchy, the Organization's investment assets at fair value at June 30, 2023:

	Assets at Fair Value at June 30, 2023			
	Level 1	Level 2	Level 3	Total Fair Value
Mutual Funds - Equity	$ 9,895,753	$ -	$ -	$ 9,895,753
Mutual Funds - Fixed Income	2,832,702	-	-	2,832,702
Mutual Funds - Balanced	692,943	-	-	692,943
Total Assets at Fair Value	$ 13,421,398	$ -	$ -	13,421,398
Investments Measured at NAV*				2,130,725
Cash/Money Market Funds				642,910
Total Investments				$ 16,195,033

* The fair values of the real estate fund reflected in the tables above have been determined using the NAV per share (or its equivalent) practical expedient and, as such, have not been categorized within the fair value hierarchy. The fair values presented in the tables are intended to permit reconciliation of the fair value hierarchy table to amounts presented in the Consolidated Statement of Activities.

Fair Value of Investments that Calculate Net Asset Value. The following table summarizes investments measured at fair value based on net asset value (NAVs) per share as of June 30, 2024 and 2023, respectively:

Instrument	Fair Value as of June 30, 2024	Fair Value as of June 30, 2023	Redemption Frequency	Redemption Notice Period
Real Estate Fund	$ 987,497	$ 1,327,378	quarterly	Requests at any time
Alternative Investment	$ 815,037	$ 803,347	month-end	Requests at any time

NOTE D – INVESTMENTS AND CLASSIFICATION IN THE FAIR VALUE HIERARCHY (continued)

The Real Estate Fund invests primarily in core institutional quality industrial, multi-family, office, and retail properties located throughout the United States, and is diversified by product type, geographic region, and economic exposure in order to mitigate investment risk. Requests for redemptions of units in the Fund may be made at any time and are effective at the end of the calendar quarter in which the request is received.

The Alternative Investment include private equity funds. The fund primarily invests in a broad portfolio of U.S. dollar-denominated, non-investment grade, floating rate senior secured loans and other financial instruments.

NOTE E – CHARITABLE GIFT ANNUITIES

The Foundation is the recipient of charitable gift annuities. Under charitable gift annuity contracts, the Foundation receives immediate and unrestricted title to contributed assets and agrees to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability was recorded as a contribution without donor restrictions. In subsequent years, the liability for future annuity payments is reduced by payments made to the specified beneficiaries and is adjusted to reflect the amortization of the discount and changes in actuarial assumptions at the end of the year. Total annuity payments for years ending June 30, 2024 and 2023, were $30,613 and $33,026, respectively. Changes in the value of split-interest agreements totaling $26,714 loss and $2,002 loss for 2024 and 2023, respectively, were included in the consolidated statement of activities.

NOTE F – LEASE OBLIGATIONS

The Center has a lease for additional office space located at 7900 Milwaukee Ave, Niles, Illinois, for the period March 1, 2023, through February 29, 2028. Under the lease agreement, the Center is responsible for a pro-rata share of real estate taxes, insurance, and common area maintenance.

The Center has operating leases for equipment expiring on various dates through November 20, 2028.

The Foundation has utilized office space and personnel from the North Shore Senior Center. An allocation of certain rent, salary, and associated benefits is charged to the Foundation accounts to accurately represent these costs, which were eliminated in the consolidated financial statements.

Renewal options included in the lease are excluded from the calculation of lease liabilities unless management is reasonably certain of exercising the renewal option. Short-term operating leases with an initial term of twelve months or less are not recorded on the Organization’s consolidated statement of financial position. The operating lease expense is recognized straight-line over the lease term. Because the rate implicit in each lease is not readily determinable, the Organization uses its incremental borrowing rate of 3% to determine the present value of the lease payments.

NOTE F – LEASE OBLIGATIONS (continued)

Information related to the Organization's right-of-use assets and related lease liabilities were as follows:

	2024	2023
The following summarizes the line items in the consolidated statement of financial position which include amounts for leases as of June 30, 2024 and 2023 :		
Operating Right-of-Use Asset	$ 204,258	$ 238,372
Operating Current Lease Liabilities	$ 53,267	$ 48,180
Operating Long-Term Lease Liabilities	$ 158,565	$ 192,550
The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2024 and 2023 :		
Weighted average remaining lease term	3.7 Years	4.6 Years
Weighted average discount rate	3.0 %	3.0 %
The maturities of lease liabilities as of June 30, 2024, were as follows:		
2025	$ 58,752	
2026	59,439	
2027	60,789	
2028	42,804	
Thereafter	1,935	
Total lease payments	223,719	
Less interest	(11,887)	
Present value of lease liabilities	$ 211,832	
The following summarizes the line items in the consolidated statement of activities which include the components of lease expense for the period ended June 30, 2024 and 2023:		
Operating lease cost	$ 63,689	$ 52,515
The following summarizes cash flow information related to leases for the period ended June 30, 2024 and 2023:		
Cash paid for amounts included in the measurement of lease liabilities	$ 58,473	$ 53,954
Lease assets obtained in exchange for lease obligations	$ 22,643	$ 250,701

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE G – NATURE OF RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions as of June 30, 2024 and 2023:

	2024	2023
Subject to expenditure for specified purpose or periods		
Foundation		
Charitable Gift Annuity for Student Internship Program	$ 9,123	$ 9,123
House of Welcome Program	62,248	58,320
Men's Club Music Concerts	32,002	29,645
	103,373	97,088
Center		
Senior and Family Services	77,488	71,778
House of Welcome Program	140,000	50,000
Bond Debt Service	58,433	60,226
	275,921	182,004
Total subject to expenditure for specified purpose or periods	379,294	279,092
Endowments – Accumulated investment gains and term endowments held until subject to appropriation and expenditures based on spending policies and donor restrictions		
Foundation		
The Harry and Jeanette Weinberg Endowment	3,319,370	3,260,727
Sandra R. Johnson Endowment	129,588	103,766
Golder Distinguished Senior Lecture Series Fund	514,241	441,416
Thaviu Concert Series Fund	452,986	382,673
Edwin J. Brach and Hazel and Bertram Brodie Endowment	148,930	123,762
Weber Endowment for Training and Professional Development for House of Welcome	54,844	45,528
Thaviu House of Welcome Scholarships	69,938	51,639
	4,689,897	4,409,511
Endowments – Original donor restricted gift amounts and amounts required to be maintained in perpetuity by donor		
Foundation		
Sandra R. Johnson Endowment	279,647	279,647
Golder Distinguished Senior Lecture Series Fund	200,000	200,000
Thaviu Concert Series Fund	200,000	200,000
Edwin J. Brach and Hazel and Bertram Brodie Endowment	258,000	258,000
Weber Endowment for Training and Professional	92,987	92,987
Thaviu House of Welcome Scholarships	100,000	100,000
Other Funds	111,083	111,083
	1,241,717	1,241,717
Center	61,581	61,581
	1,303,298	1,303,298
Total Endowments	5,993,195	5,712,809
Total Net Assets with Donor Restrictions	$ 6,372,489	$ 5,991,901

NOTE H – ENDOWMENT

Description of the Governing Board's Interpretation of the Law(s) that Underlie the Organization's Net Asset Classification of Donor-Restricted Endowment Funds

The Organization interpreted the Illinois 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 Organization retained in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considered the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

As provided by UPMIFA, its guidelines for expenditure of donor-restricted endowment funds apply in the absence of overriding, explicit donor stipulations. Specific provisions of donor gift instruments will take precedence over the general default provisions of UPMIFA.

Investment and Spending Policy

The Center –
Endowment assets include those assets of donor-restricted funds that the Center must hold in perpetuity. The Center maintains the endowment funds in cash and cash equivalents based on historical precedent. The Center places an emphasis on money market accounts and certificate of deposits to achieve its long-term return objectives within prudent risk parameters.

The Center’s spending policy is at the discretion of the board of directors as determined by the governing documents for the various donor-restricted funds that make up the endowments and applicable federal and state law.

NOTE H – ENDOWMENT (continued)

The Foundation –
The Foundation has adopted an investment policy for financial assets that attempts to provide a predictable stream of funding to the Center's programs while seeking to maintain the purchasing power of such assets. The financial assets are invested in a manner that is intended to maximize total return without undue risk. The Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) and current yields (interest and dividends).

The Foundation's investment policy targets a diversified asset allocation that balances a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints along with a substantive allocation (approximately 20%-30% of the total portfolio) to fixed income to provide certainty of return and tempering of volatility. The investment policy is developed with the goal of achieving an investment rate of return of 7% on average. The performance objective of the Foundation is to exceed, after investment management fees, a customized blended benchmark.

In determining distributable amounts from endowment earnings, the Foundation considers applicable federal and state law, and the governing documents for the various donor-restricted funds.

The average annual distribution to the Center from the Foundation assets is determined by multiplying the rolling three-year average market value of the fund by 5%. In calculating the average market value, the December 31 market value for the previous three years is used. Exceptions to this policy may be made only with the approval of the board of directors. The Foundation expects this distribution practice to allow its investments to grow in excess of the annual spending. This is consistent with the Foundation's objective to maintain the purchasing power of the assets as well as to provide additional real growth through new gifts and investment return.

Details of the Composition of Endowment Funds at the End of the Fiscal Year

The Center –
The Center's endowment consists of $61,581 that is to be held in perpetuity, as designated by the donors. The income from the assets can be used to support the Center's general activities. All earnings of the endowment fund are appropriated for spending in the year earned.

The Foundation –
The Foundation's endowment consists of all donor-restricted endowment funds. Management keeps the original gift and realized and unrealized gains and losses on those assets linked for determining the fair value of the fund for administrative purposes. Investment income and realized and unrealized gains and losses on those assets are recorded as restricted assets until appropriated in accordance with the donor instructions and stipulations and do not impact the amount of the original donor-restricted assets.

NOTE H – ENDOWMENT (continued)

Details of the Composition of Endowment Funds at the End of the Year
Endowment net asset composition by type of fund at June 30, 2024 and 2023:

	2024	2023
The Foundation, Donor Restricted Endowment		
Accumulated investment gains	$ 1,689,897	$ 1,409,511
Original donor-restricted gift amount and amounts required to be maintained for specific time and purpose by donor	3,000,000	3,000,000
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	1,241,717	1,241,717
Total Foundation's Endowment	5,931,614	5,651,228
The Center, Donor Restricted Endowment		
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	61,581	61,581
Total Center's Endowment	61,581	61,581
Total Endowment	$ 5,993,195	$ 5,712,809

Reconciliation of the Beginning and Ending Balances of Endowment Funds

There were no changes in Center's endowment net assets as of June 30, 2024 and 2023. The changes in donor-restricted endowment net assets are as follows for the years ended June 30, 2024 and 2023:

	2024	2023
The Foundation, Donor Restricted Endowment		
Endowment Net Assets, Beginning of Year	$ 5,651,228	$ 5,585,498
Investment Return (Loss)	666,325	517,459
Appropriated for Expenditure	(385,939)	(451,729)
Endowment Net Assets, End of Year	5,931,614	5,651,228
The Center, Donor Restricted Endowment		
Endowment Net Assets, End of Year	61,581	61,581
Total Endowment	$ 5,993,195	$ 5,712,809

NOTE H – ENDOWMENT (continued)

Information on 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 Organization to retain as a fund of perpetual duration. Such deficiencies result from unfavorable market fluctuations and are evaluated by the Organization in accordance with principles of prudent fiscal oversight. Any accumulated losses for underwater endowments are included together with that fund in net assets with donor restrictions. There were no significant deficiencies as of June 30, 2024 and 2023.

NOTE I – TAX DEFERRED SAVINGS PLAN

Effective January 1, 2014, North Shore Senior Center (the “Plan Sponsor”) adopted a defined contribution plan covering all qualified employees of the Plan Sponsor. To be eligible to make a salary deferral contribution or receive an employer matching contribution participant must have attained age 18. Participation in the employee elective contributions portion of the Plan begins on the first day of employment at the Plan Sponsor. Participation in the matching portion of the Plan begins on the date on which the participant completed one year of service and at least 1,000 hours of service. Through payroll deductions, participants may contribute on a tax-deferred basis or after-tax basis (Roth deferrals) up to the maximum allowed under the Internal Revenue Code.

The Plan Sponsor contributed 50 percent of the first 6 percent of eligible compensation that a participant contributed after 1 year of service, calculated on a per check basis. Contributions are subject to certain limitations. The Center made contributions under 401(k) plans of $94,906 and $90,571 in the fiscal year ended June 30, 2024 and 2023, respectively.

NOTE J – BONDS PAYABLE

On August 18, 1999, the North Shore Senior Center borrowed $7 million from the issuance of Illinois Development Finance Authority variable-rate demand revenue bonds. The bond proceeds were used to purchase and renovate the existing land and the 40,000 square foot facility at 161 Northfield Road. Two percent of the bond proceeds were used for the cost of the bond issue, and 98% of the bond proceeds were for the acquisition and renovation of the property located at 161 Northfield Road and 18 months of capitalized interest.

NOTE J – BONDS PAYABLE – (continued)

The maturity date of the bonds is August 1, 2029, with no mandatory redemption until that date. Interest is paid monthly on the first day of the month. The interest rate changes each week and is set by the re-marketing agent based on the prevailing financial conditions and yields at which comparable securities are then being sold. For fiscal years 2024 and 2023, the average annual interest rates were 3.64% and 2.57%, respectively. During the weekly mode of interest calculation, the Center may redeem the bonds at par in whole or in part, without penalty, with the written permission of the guaranteeing bank. Interest expense was $254,961 and $165,315 for the year ended June 30, 2024 and 2023, respectively.

The bonds are secured by a letter of credit issued by a bank in the amount of $7,103,562, with maturity on August 16, 2024, and require an annual fee of 1.35 percent of the issue amount. Subsequent year-end, on July 9, 2024, the letter of credit's maturity was extended through August 16, 2027, and the required annual fee changed to 1.60 percent of the issue amount. The NSSC Foundation is a guarantor of the bonds and must maintain unrestricted cash and marketable securities with a value at least equal to $7,700,000 (required threshold applicable for fiscal years ended June 30, 2024 and 2023) to comply with the terms of the Guaranty Agreement.

The Center must, among other covenants, maintain its principal depository account with the letter of credit bank or its affiliates. In addition, the ratio of unrestricted cash and investments to funded debt for any semi-annual period ended on or about any June 30 or December 31 must be at least 1.1 to 1.0. The Center complied with all covenants, as applicable, during the fiscal years ended June 30, 2024 and 2023.

NOTE K – CAPITALIZED INTEREST COSTS

Under FASB ASC 835-20, *Capitalization of Interest,* formerly SFAS #62, *Capitalization of Interest Cost In Situations Involving Certain Tax-exempt Borrowings and Certain Gifts and Grants*, capitalization of interest expenses, net of bond proceeds interest income, starts when the proceeds are received and ceases when the project is ready for its intended use. In the fiscal year 2000, the Center capitalized interest costs associated with the tax-exempt bonds until the date of occupancy, July 31, 2001. The Center is amortizing these costs over a period of 30 years, beginning with their initial occupancy on July 31, 2001. The total capitalized interest included in the 161 Northfield building cost is $137,585.

For the fiscal years ended June 30, 2024 and 2023, the amortization expense for each year was $5,906.

NOTE L – RISKS AND UNCERTANTIES

A substantial amount of the Center's total revenue is derived from government grants and service contracts. Program revenue in excess of program expenses is typically subject to recapture under various provisions. Additionally, the disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability to the Center. Also, a change in the funding levels could have a significant effect on operations.

NOTE L – RISKS AND UNCERTANTIES - (continued)

The Foundation's endowment consists of all donor-restricted endowment funds. If an organization is subject to UPMIFA, the net appreciation on endowments not restricted by the donor in perpetuity is considered restricted until appropriated for expenditure by the board. Opinions of legal counsel may be necessary if there are questions about legal restrictions on the net appreciation on investments. Future changes in government regulations, legal opinions, or any claims resulting from state agencies' audits could materially impact the classification of net assets. Management believes that financial statements present fairly, in all material respects, endowments in accordance with accounting principles generally accepted in the United States of America and in accordance with donor intent.

NOTE M –CONDITIONAL PROMISES TO GIVE

The Organization determines whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor‘s obligation to transfer assets. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met, or the donor has explicitly released the restriction.

The approximate conditional promises to give as of June 30, 2024 and 2023, available for spending in the next following year when the conditions are expected to be met:

	2024	2023
Federal Funding under Title III Older Americans Act	$ 229,000	$ 200,000
Municipalities and Townships grants	112,000	153,000
Illinois Department of Commerce and Economic Opportunity	14,000	-
Total Conditional Promises to Give	$ 355,000	$ 353,000

NOTE N – SUBSEQUENT EVENTS

The Illinois Development Finance Authority variable-rate demand revenue bonds are secured by a letter of credit issued by a bank in the amount of $7,103,562, with maturity on August 16, 2024, and require an annual fee of 1.35 percent of the issue amount. Subsequent year-end, on July 9, 2024, the letter of credit's maturity was extended through August 16, 2027, and the required annual fee changed to 1.60 percent of the issue amount (see Note J).

The management of the Organization has evaluated events subsequent to the consolidated statement of financial position date of June 30, 2024, through December 18, 2024, the date the consolidated financial statements were available to be issued. It has concluded that there are no effects that provide additional evidence about conditions that existed at the consolidated statement of financial position date that require recognition in the 2024 financial statements or related consolidated note disclosures in accordance with FASB ASC 855, *Subsequent Events*.

SUPPLEMENTARY INFORMATION

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

	North Shore Senior Center	NSSC Foundation	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash	$ 321,541	$ 26,986	$ -	$ 348,527
Contributions Receivable	5,618	-	-	5,618
Grants and Contracts Receivable	1,487,261	-	-	1,487,261
Due from Related Party	-	-	-	-
Accounts Receivable	54,448	-	-	54,448
Prepaid Expenses	114,561	-	-	114,561
Total Current Assets	1,983,429	26,986	-	2,010,415
LONG-TERM ASSETS				
Investments	147,640	16,442,965	-	16,590,605
Operating Lease Right-Of-Use Asssets	204,258	-	-	204,258
Property and Equipment				
Land	1,860,000	-	-	1,860,000
161 Northfield Building	7,577,404	-	-	7,577,404
House of Welcome Building	2,566,969	-	-	2,566,969
Land Improvements	1,346,967	-	-	1,346,967
Furniture and Equipment	3,069,667	-	-	3,069,667
	16,421,007	-	-	16,421,007
Less: Accumulated Depreciation	(11,185,605)	-	-	(11,185,605)
Property and Equipment, Net	5,235,402	-	-	5,235,402
Total Long-Term Assets	5,587,300	16,442,965	-	22,030,265
Total Assets	$ 7,570,729	$ 16,469,951	$ -	$ 24,040,680

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

LIABILITIES AND NET ASSETS	North Shore Senior Center	NSSC Foundation	Eliminations	Total
CURRENT LIABILITIES				
Accounts Payable	$ 147,133	$ -	$ -	$ 147,133
Accrued Expenses	256,309	-	-	256,309
Current Portion of Operating Lease Liabilities	53,267	-	-	53,267
Custodial Accounts	4,705	-	-	4,705
Deferred Income	367,205	-	-	367,205
Charitable Gift Annuities	-	83,700	-	83,700
Total Current Liabilities	828,619	83,700	-	912,319
LONG-TERM LIABILITIES				
Bonds Payable	7,000,000	-	-	7,000,000
Less Bond Issuance Cost	(30,407)	-	-	(30,407)
Bonds Payable Less Bond Issuance Cost, Net	6,969,593	-	-	6,969,593
Operating Lease Liabilities	158,565	-	-	158,565
Total Long-Term Liabilities	7,128,158	-	-	7,128,158
Total Liabilities	7,956,777	83,700	-	8,040,477
NET ASSETS				
Without Donor Restrictions				
Undesignated	(723,549)	2,651,263	-	1,927,714
Bond Covenant Reserve	-	7,700,000	-	7,700,000
	(723,549)	10,351,263	-	9,627,714
With Donor Restrictions				
Purpose and Time Restrictions	275,920	4,793,271		5,069,191
Perpetual in Nature	61,581	1,241,717	-	1,303,298
	337,501	6,034,988	-	6,372,489
Total Net Assets	(386,048)	16,386,251	-	16,000,203
Total Liabilities and Net Assets	$ 7,570,729	$ 16,469,951	$ -	$ 24,040,680

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

	North Shore Senior Center			NSSC Foundation		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND OTHER REVENUE						
Grants and Contributions						
Members	$ 52,586	$ -	$ 52,586	$ -	$ -	$ -
Friends	643,006	-	643,006	-	-	-
Foundations, Corporations, Estates	1,083,544	155,000	1,238,544	-	-	-
Special Events	153,890	-	153,890	-	-	-
Townships	174,333	-	174,333	-	-	-
Municipalities	131,895	-	131,895	-	-	-
Government Grants	2,370,005	-	2,370,005	-	-	-
Program Fees and Contracts						
Registration and Membership Fees	630,203	-	630,203	-	-	-
Program Service Fees	689,996	-	689,996	-	-	-
State Contracts	4,015,730	-	4,015,730	-	-	-
Change in Value of Split-Interest Agreements						
Charitable Gift Annuities	-	-	-	(26,714)	-	(26,714)
Net Assets Released from Restrictions	61,085	(61,085)	-	390,197	(390,197)	-
Total Public Support and Other Revenue	10,006,273	93,915	10,100,188	363,483	(390,197)	(26,714)
EXPENSES						
Program Services	8,725,944	-	8,725,944	945,362	-	945,362
Management and General	849,195	-	849,195	112,600	-	112,600
Fundraising	699,122	-	699,122	-	-	-
Total Expenses	10,274,261	-	10,274,261	1,057,962	-	1,057,962
Change in Net Assets Before Investment Income	(267,988)	93,915	(174,073)	(694,479)	(390,197)	(1,084,676)
Investment Income						
Interest and Dividends	7,150	-	7,150	369,729	222,634	592,363
Realized Gain on Investments	-	-	-	29,232	17,602	46,834
Unrealized Gain on Investments	-	-	-	725,123	436,634	1,161,757
Investment Fees	-	-	-	(38,184)	-	(38,184)
Total Investment Income, Net	7,150	-	7,150	1,085,900	676,870	1,762,770
Change In Net Assets	(260,838)	93,915	(166,923)	391,421	286,673	678,094
Net Assets at Beginning of Year	(462,711)	243,586	(219,125)	9,959,842	5,748,315	15,708,157
Net Assets at End of Year	($ 723,549)	$ 337,501	($ 386,048)	$ 10,351,263	$ 6,034,988	$ 16,386,251

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

		Consolidated Totals		
	Eliminations	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND OTHER REVENUE				
Grants and Contributions				
Members	$ -	$ 52,586	$ -	$ 52,586
Friends	-	643,006	-	643,006
Foundations, Corporations, Estates	(945,362)	138,182	155,000	293,182
Special Events	-	153,890	-	153,890
Townships	-	174,333	-	174,333
Municipalities	-	131,895	-	131,895
Government Grants	-	2,370,005	-	2,370,005
Program Fees and Contracts				
Registration and Membership Fees	-	630,203	-	630,203
Program Service Fees	-	689,996	-	689,996
State Contracts	-	4,015,730	-	4,015,730
Change in Value of Split-Interest Agreements				
Charitable Gift Annuities	-	(26,714)	-	(26,714)
Net Assets Released from Restrictions	-	451,282	(451,282)	-
Total Public Support and Other Revenue	(945,362)	9,424,394	(296,282)	9,128,112
EXPENSES				
Program Services	(945,362)	8,725,944	-	8,725,944
Management and General	-	961,795	-	961,795
Fundraising	-	699,122	-	699,122
Total Expenses	(945,362)	10,386,861	-	10,386,861
Change in Net Assets Before Investment Income	-	(962,467)	(296,282)	(1,258,749)
Investment Income				
Interest and Dividends	-	376,879	222,634	599,513
Realized Gain on Investments	-	29,232	17,602	46,834
Unrealized Gain on Investments	-	725,123	436,634	1,161,757
Investment Fees	-	(38,184)	-	(38,184)
Total Investment Income, Net	-	1,093,050	676,870	1,769,920
Change In Net Assets	-	130,583	380,588	511,171
Net Assets at Beginning of Year	-	9,497,131	5,991,901	15,489,032
Net Assets at End of Year	$ -	$ 9,627,714	$ 6,372,489	$ 16,000,203

See accompanying Independent Auditor's Report on supplemental information.

SCHEDULE 3

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

	Senior and Family Services	Senior Options	Lifelong Learning	House of Welcome	Community Services	Total Program Services	Management and General	Fundraising	North Shore Senior Center Total
OPERATING EXPENSES									
Activities	$ 15,370	$ -	$ 224,404	$ 825	$ 1,996	$ 242,595	$ -	$ -	$ 242,595
Assistance	407,570	13,749	-	-	-	421,319	-	-	421,319
Training / Professional Growth	7,370	100	2,044	3,165	-	12,679	4,159	1,734	18,572
Dues and Subscriptions	4,107	461	595	2,561	795	8,519	1,662	4,714	14,895
Equipment / Technology	63,505	8,250	27,287	14,144	5,509	118,695	12,607	49,042	180,344
Food	4,622	848	8,273	13,938	7,820	35,501	3,277	2,144	40,922
Health and Disability	405,735	46,095	33,031	79,811	2,864	567,536	11,388	37,153	616,077
Insurance	48,927	8,896	8,896	8,896	4,448	80,063	4,448	4,448	88,959
Occupancy	174,379	23,584	62,714	77,068	9,378	347,123	6,370	14,731	368,224
Payroll Taxes	227,220	60,371	36,561	44,210	9,394	377,756	39,919	31,602	449,277
Postage	7,158	1,186	9,322	1,266	3,297	22,229	1,224	2,527	25,980
Printing / Supplies	29,300	5,250	42,947	13,000	19,358	109,855	7,513	20,007	137,375
Professional Fees	200,789	48,960	58,137	32,896	31,275	372,057	209,938	25,427	607,422
Retirement Plan	41,800	12,224	9,314	10,375	2,985	76,698	13,891	4,317	94,906
Salaries	3,043,115	786,359	479,789	599,717	127,092	5,036,072	440,159	421,117	5,897,348
Sundry	29,235	257	17,005	6,124	4,585	57,206	17,022	17,336	91,564
Telecommunications	28,178	11,452	5,603	2,722	454	48,409	1,854	1,809	52,072
Transportation	27,648	6,639	272	90	124	34,773	108	376	35,257
Related Party Grants	-	-	-	-	-	-	-	-	-
Total Operating Expenses	4,766,028	1,034,681	1,026,194	910,808	231,374	7,969,085	775,539	638,484	9,383,108
PROPERTY AND EQUIPMENT									
Depreciation and Amortization	273,961	59,476	58,988	52,355	13,300	458,080	44,580	36,700	539,360
Professional Fees–Facilities	1,833	398	395	350	89	3,065	298	246	3,609
Interest Expense and Costs	176,856	38,394	38,080	33,798	8,586	295,714	28,778	23,692	348,184
Total Property and Equipment	452,650	98,268	97,463	86,503	21,975	756,859	73,656	60,638	891,153
	$ 5,218,678	$ 1,132,949	$ 1,123,657	$ 997,311	$ 253,349	$ 8,725,944	$ 849,195	$ 699,122	$ 10,274,261

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

	NSSC Foundation					Consolidated Totals			
	Program Services	Management and General	Fundraising	NSSC Foundation Total	Eliminations	Program Services	Management and General	Fundraising	Total 2024
OPERATING EXPENSES									
Activities	$ -	$ -	$ -	$ -	$ -	$ 242,595	$ -	$ -	$ 242,595
Assistance	-	-	-	-	-	421,319	-	-	421,319
Training / Professional Growth	-	-	-	-	-	12,679	4,159	1,734	18,572
Dues and Subscriptions	-	-	-	-	-	8,519	1,662	4,714	14,895
Equipment / Technology	-	-	-	-	-	118,695	12,607	49,042	180,344
Food	-	-	-	-	-	35,501	3,277	2,144	40,922
Health and Disability	-	-	-	-	-	567,536	11,388	37,153	616,077
Insurance	-	-	-	-	-	80,063	4,448	4,448	88,959
Occupancy	-	6,000	-	6,000	-	347,123	12,370	14,731	374,224
Payroll Taxes	-	-	-	-	-	377,756	39,919	31,602	449,277
Postage	-	-	-	-	-	22,229	1,224	2,527	25,980
Printing / Supplies	-	-	-	-	-	109,855	7,513	20,007	137,375
Professional Fees	-	10,600	-	10,600	-	372,057	220,538	25,427	618,022
Retirement Plan	-	-	-	-	-	76,698	13,891	4,317	94,906
Salaries	-	96,000	-	96,000	-	5,036,072	536,159	421,117	5,993,348
Sundry	-	-	-	-	-	57,206	17,022	17,336	91,564
Telecommunications	-	-	-	-	-	48,409	1,854	1,809	52,072
Transportation	-	-	-	-	-	34,773	108	376	35,257
Related Party Grants	945,362	-	-	945,362	(945,362)	-	-	-	-
Total Operating Expenses	945,362	112,600	-	1,057,962	(945,362)	7,969,085	888,139	638,484	9,495,708
PROPERTY AND EQUIPMENT									
Depreciation and Amortization	-	-	-	-	-	458,080	44,580	36,700	539,360
Professional Fees–Facilities	-	-	-	-	-	3,065	298	246	3,609
Interest Expense and Costs	-	-	-	-	-	295,714	28,778	23,692	348,184
Total Property and Equipment	-	-	-	-	-	756,859	73,656	60,638	891,153
	$ 945,362	$ 112,600	$ -	$ 1,057,962	($ 945,362)	$ 8,725,944	$ 961,795	$ 699,122	$ 10,386,861

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash	$ 321,541	$ 374,985
Contributions Receivable	5,618	120,490
Grants and Contracts Receivable	1,487,261	757,765
Accounts Receivable	54,448	33,585
Prepaid Expenses	114,561	141,376
Total Current Assets	1,983,429	1,428,201
LONG-TERM ASSETS		
Investments	147,640	540,338
Operating Lease Right-Of-Use Assets	204,258	238,372
Property and Equipment		
Land	1,860,000	1,860,000
161 Northfield Building	7,577,404	7,577,404
House of Welcome Building	2,566,969	2,566,969
Land Improvements	1,346,967	1,229,097
Furniture and Equipment	3,069,667	2,970,474
	16,421,007	16,203,944
Less: Accumulated Depreciation	(11,185,605)	(10,708,909)
Property and Equipment, Net	5,235,402	5,495,035
Total Long-Term Assets	5,587,300	6,273,745
Total Assets	$ 7,570,729	$ 7,701,946

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

LIABILITIES AND NET ASSETS

	2024	2023
CURRENT LIABILITIES		
Accounts Payable	$ 147,133	$ 106,834
Accrued Expenses	256,309	330,450
Current Portion of Operating Lease Liabilities	53,267	48,180
Custodial Accounts	4,705	4,261
Deferred Income	367,205	275,109
Total Current Liabilities	828,619	764,834
LONG-TERM LIABILITIES		
Bonds Payable	7,000,000	7,000,000
Less Bond Issuance Cost	(30,407)	(36,313)
Bonds Payable Less Bond Issuance Cost, Net	6,969,593	6,963,687
Operating Lease Liabilities	158,565	192,550
Total Long-Term Liabilities	7,128,158	7,156,237
Total Liabilities	7,956,777	7,921,071
COMMITMENTS		
NET ASSETS (DEFICIT)		
Without Donor Restrictions		
Undesignated	(723,549)	(462,711)
	(723,549)	(462,711)
With Donor Restrictions		
Purpose and Time Restrictions	275,920	182,005
Perpetual in Nature	61,581	61,581
	337,501	243,586
Total Net Assets (Deficit)	(386,048)	(219,125)
Total Liabilities and Net Assets	$ 7,570,729	$ 7,701,946

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Total 2023
PUBLIC SUPPORT AND OTHER REVENUE				
Grants and Contributions:				
Members	$ 52,586	$ -	$ 52,586	$ 42,373
Friends	643,006	-	643,006	532,954
Foundations, Corporations, Estates	1,083,544	155,000	1,238,544	1,255,870
Special Events	153,890	-	153,890	126,712
Townships	174,333	-	174,333	171,000
Municipalities	131,895	-	131,895	140,689
Government Grants	2,370,005	-	2,370,005	1,408,249
Program Fees and Contracts				
Registration and Membership Fees	630,203	-	630,203	572,538
Program Service Fees	689,996	-	689,996	588,105
State Contracts	4,015,730	-	4,015,730	3,792,036
Net Assets Released from Restrictions	61,085	(61,085)	-	-
Total Public Support and Other Revenue	10,006,273	93,915	10,100,188	8,630,526
EXPENSES				
Program Services	8,725,944	-	8,725,944	7,504,059
Management and General	849,195	-	849,195	1,080,256
Fundraising	699,122	-	699,122	687,197
Total Expenses	10,274,261	-	10,274,261	9,271,512
Change in Net Assets Before Investment Income	(267,988)	93,915	(174,073)	(640,986)
Investment Income				
Interest and Dividends	7,150	-	7,150	5,183
Change In Net Assets	(260,838)	93,915	(166,923)	(635,803)
Net Assets at Beginning of Year	(462,711)	243,586	(219,125)	416,678
Net Assets at End of Year	($ 723,549)	$ 337,501	($ 386,048)	($ 219,125)

See accompanying Independent Auditor's Report on supplemental information.

NSSC FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash	$ 26,986	$ 145,410
Total Current Assets	26,986	145,410
INVESTMENTS	16,442,965	15,654,695
Total Assets	$ 16,469,951	$ 15,800,105

LIABILITIES AND NET ASSETS

	2024	2023
CURRENT LIABILITIES		
Accounts Payable	$ -	$ 4,000
Charitable Gift Annuities	83,700	87,948
Total Current Liabilities	83,700	91,948
Total Liabilities	83,700	91,948
NET ASSETS		
Without Donor Restrictions		
Undesignated	2,651,263	2,259,842
Bond Covenant Reserve	7,700,000	7,700,000
	10,351,263	9,959,842
With Donor Restrictions		
Purpose and Time Restrictions	4,793,271	4,506,598
Perpetual in Nature	1,241,717	1,241,717
	6,034,988	5,748,315
Total Net Assets	16,386,251	15,708,157
Total Liabilities and Net Assets	$ 16,469,951	$ 15,800,105

See accompanying Independent Auditor's Report on supplemental information.

NSSC FOUNDATION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Total 2023
PUBLIC SUPPORT AND OTHER REVENUE				
Distributions from and change in value of Charitable Gift Annuities	($ 26,714)	$ -	($ 26,714)	($ 2,002)
Net Assets Released from Restrictions	390,197	(390,197)	-	-
Total Public Support and Other Revenue	363,483	(390,197)	(26,714)	(2,002)
EXPENSES				
Program Services	945,362	-	945,362	1,005,214
Management & General	112,600	-	112,600	113,262
Fundraising	-	-	-	-
Total Expenses	1,057,962	-	1,057,962	1,118,476
Change in Net Assets Before Investment Income	(694,479)	(390,197)	(1,084,676)	(1,120,478)
Investment Income				
Interest and Dividends	369,729	222,634	592,363	567,360
Realized Gain on Investments	29,232	17,602	46,834	78,788
Unrealized Gain on Investments	725,123	436,634	1,161,757	754,266
Investment Fees	(38,184)	-	(38,184)	(41,862)
Total Investment Income, Net	1,085,900	676,870	1,762,770	1,358,552
Change in Net Assets	391,421	286,673	678,094	238,074
Net Assets at Beginning of Year	9,959,842	5,748,315	15,708,157	15,470,083
Net Assets at End of Year	$ 10,351,263	$ 6,034,988	$ 16,386,251	$ 15,708,157

See accompanying Independent Auditor's Report on supplemental information.

SCHEDULE 8

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

RECONCILIATION OF PROJECT REVENUE AND EXPENSES FOR

FEDERAL FUNDED PROGRAMS ADMINISTERED THROUGH AGEOPTIONS -THE AREA AGENCY

FOR THE YEAR ENDED JUNE 30, 2024

	10/1/2022 - 6/30/2023	7/1/2023 - 9/30/2023	10/1/2022 - 9/30/2023	10/1/2023 - 6/30/2024	7/1/2023- 6/30/2024
	Federal Program III B - Grants for Supportive Services and Senior Centers - CFDA 93.044, CSFA 402-01-0027				
Support & Revenue					
Federal IIIB	$ 291,254	$ 92,157	$ 383,411	$ 271,674	$ 363,831
Project Income	9,000	3,000	12,000	4,500	7,500
Agency Funding					
Cash Match	56,992	18,997	75,989	63,324	82,321
In-kind	4,500	1,500	6,000	4,500	6,000
	361,746	**115,654**	**477,400**	**343,998**	**459,652**
Expenses					
Personnel & Fringe	319,800	106,600	426,400	331,125	437,725
Other	41,946	9,054	51,000	12,873	21,927
	361,746	**115,654**	**477,400**	**343,998**	**459,652**
Total	$ -	$ -	$ -	$ -	$ -
	Federal Program III E - National Family Caregiver Support - CFDA 93.052, CSFA 402-01-0030				
Support & Revenue					
Federal IIIE	$ 284,100	$ 123,983	$ 408,083	$ 374,094	$ 498,077
Project Income	2,840	760	3,600	2,743	3,503
Agency Funding					
Cash Match	67,689	17,497	85,186	72,697	90,194
	354,629	**142,240**	**496,869**	**449,534**	**591,774**
Expenses					
Personnel & Fringe	273,984	71,476	345,460	331,520	402,996
Other	80,645	70,764	151,409	118,014	188,778
	354,629	**142,240**	**496,869**	**449,534**	**591,774**
Total	$ -	$ -	$ -	$ -	$ -
	Federal Program VII - Programs for Prevention of Elder Abuse, Neglect and Exploitation - CFDA 93.041, CSFA 402-01-0024				
Support & Revenue					
Federal VII	$ 3,305	$ 1,102	$ 4,407	$ 3,305	$ 4,407
	3,305	**1,102**	**4,407**	**3,305**	**4,407**
Expenses					
Other	3,305	1,102	4,407	3,305	4,407
	3,305	**1,102**	**4,407**	**3,305**	**4,407**
Total	$ -	$ -	$ -	$ -	$ -

See accompanying Independent Auditor's Report on supplemental information.

SCHEDULE 9

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

CONSOLIDATED YEAR-END FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

Program Expenses	Adult Protective Services 402-05-2084	Care Coordination Unit 402-04-1641	Operating Grant 444-30-3034	Capital Grant 420-00-1771	Emergency Senior Services 402-04-2556	ACL APS Covid 402-05-2550	American Rescue Plan for APS 402-05-2768	Other	Costs not allocated	Total costs
Salaries	$ 212,697	$ 2,049,819	$ 218,500	$ -	$ 27,000	$ 15,536	$ 33,470	$ 1,287,341	$ 2,148,985	$ 5,993,348
Fringe benefits and payroll tax	45,186	529,692	31,500	-	-	-	-	191,997	361,885	1,160,260
Travel	4,253	23,395	-	-	-	-	-	2,500	5,109	35,257
Equipment	-	63,505	-	-	-	1,989	-	1,800	113,050	180,344
Supplies	-	4,622	-	-	-	-	-	29	36,271	40,922
Professional services	5,359	345,430	-	-	-	-	-	26,684	240,549	618,022
Occupancy - rent, utilities, insurance	-	223,306	-	-	-	-	-	15,375	224,502	463,183
Telecommunications	3,490	24,688	-	-	-	-	-	6,984	16,910	52,072
Training and education	-	7,370	-	-	-	-	-	1,500	9,702	18,572
Direct administrative costs	-	40,565	-	-	-	-	-	14,000	123,685	178,250
Assistance and other direct costs	-	29,235	-	-	181,466	-	-	339,806	204,971	755,478
Total Direct Expenses	270,985	3,341,627	250,000	-	208,466	17,525	33,470	1,888,016	3,485,619	9,495,708
Indirect costs	-	298,490		-	-	-	-	63,421	529,242	891,153
Total Expenses	270,985	3,640,117	250,000	-	208,466	17,525	33,470	1,951,437	4,014,861	10,386,861
Capitalized Equipment Purchases	-	-		231,596	-	-	-	-	-	231,596
Total	$ 270,985	$ 3,640,117	$ 250,000	$ 231,596	$ 208,466	$ 17,525	$ 33,470	$ 1,951,437	$ 4,014,861	$ 10,618,457

CSFA #	Program Name	State	Federal	Other	Total
402-05-2084	Illinois Department on Aging: Adult Protective Services	270,985	-	-	270,985
402-04-1641	Illinois Department on Aging: Care Coordination Unit	3,640,117	-	-	3,640,117
444-30-3034	Department Of Human Services: Operating Grant	250,000	-	-	250,000
402-04-2556	Illinois Department on Aging: Emergency Senior Services	208,466	-	-	208,466
402-05-2550	Illinois Department on Aging: ACL APS Covid	-	17,525	-	17,525
402-05-2768	Illinois Department on Aging: American Rescue Plan for APS	-	33,470	-	33,470
	Other grant programs and activities	1,195,897	572,022	183,518	1,951,437
	All other costs not allocated	-	-	4,014,861	4,014,861
	Total Expenses	5,565,465	623,017	4,198,379	10,386,861
420-00-1771	Department Of Commerce And Economic Opportunity: Construction and/or Renovation to Buildings, Additions, or Structures				
	Capitalized Equipment Purchases	231,596	-	-	231,596
	Total	$ 5,797,061	$ 623,017	$ 4,198,379	$ 10,618,457

See accompanying Independent Auditor's Report on supplemental information.