



**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Community Services Agency of Mountain View,
Los Altos, and Los Altos Hills
Mountain View, California

Opinion

We have audited the financial statements of Community Services Agency of Mountain View, Los Altos, and Los Altos Hills (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Services Agency of Mountain View, Los Altos, and Los Altos Hills as of June 30, 2025 and 2024, 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 (GAAS). 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 Community Services Agency of Mountain View, Los Altos, and Los Altos Hills and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Services Agency of Mountain View, Los Altos, and Los Altos Hills' ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Services Agency of Mountain View, Los Altos, and Los Altos Hills' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Services Agency of Mountain View, Los Altos, and Los Altos Hills' 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.

Abbott, Stringham & Lynch

October 27, 2025

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

STATEMENTS OF FINANCIAL POSITION

Assets

	June 30,	
	2025	2024
Current assets:		
Cash and cash equivalents	\$ 4,545,545	\$ 7,071,605
Grants receivable	348,913	408,994
Contributions receivable	319,175	312,336
Inventory	12,176	28,724
Investments	324,012	413,842
Prepaid expenses	78,004	44,860
Total current assets	5,627,825	8,280,361
Long term investments	7,494,244	6,647,529
Property and equipment, net of accumulated depreciation and amortization	3,177,236	989,999
Contributions receivable, net of current portion	304,500	-
Deposits	63,445	70,136
Operating lease right-of-use asset	13,406	34,422
	<u>\$ 16,680,656</u>	<u>\$ 16,022,447</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable	\$ 32,742	\$ 26,963
Construction liabilities:		
Contracts payable	82,691	401,642
Retainage payable	117,309	28,767
Accrued expenses	229,823	349,137
Contract liabilities	5,000	87,556
Deferred grant income	-	1,718,496
Operating lease liability	13,406	21,016
Total current liabilities	480,971	2,633,577
Operating lease liability, less current portion	-	13,406
Net assets:		
Without donor restrictions:		
Undesignated	6,598,158	4,833,441
Board designated reserves	4,427,740	3,726,152
Property and equipment fund	3,177,236	989,999
Total net assets without donor restrictions	14,203,134	9,549,592
With donor restrictions	1,996,551	3,825,872
Total net assets	<u>16,199,685</u>	<u>13,375,464</u>
	<u>\$ 16,680,656</u>	<u>\$ 16,022,447</u>

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

STATEMENTS OF ACTIVITIES

	Year Ended June 30,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support:						
Contributions	\$ 2,796,378	\$ 938,500	\$ 3,734,878	\$ 1,162,849	\$ 1,377,807	\$ 2,540,656
Government grants	1,912,753	-	1,912,753	3,152,447	-	3,152,447
Capital campaign	1,718,496	-	1,718,496	-	1,781,504	1,781,504
Contributions from United Way	-	-	-	20,000	-	20,000
Special events, net of direct benefit to donors of \$1,530 and \$800, respectively	55,155	-	55,155	51,260	-	51,260
In-kind contributions	1,450,550	-	1,450,550	1,451,939	-	1,451,939
Total support	7,933,332	938,500	8,871,832	5,838,495	3,159,311	8,997,806
Revenues:						
Net investment income	851,563	-	851,563	687,791	-	687,791
Miscellaneous income	46,487	-	46,487	38,756	-	38,756
Total revenues	898,050	-	898,050	726,547	-	726,547
Net assets released from donor restrictions	2,767,821	(2,767,821)	-	1,793,882	(1,793,882)	-
Total support and revenues	11,599,203	(1,829,321)	9,769,882	8,358,924	1,365,429	9,724,353
Functional expenses:						
Program services:						
Emergency Assistance	3,473,573	-	3,473,573	3,523,670	-	3,523,670
Senior Nutrition	565,814	-	565,814	490,121	-	490,121
Senior Case Management	919,311	-	919,311	723,960	-	723,960
Alpha Omega	366,586	-	366,586	381,934	-	381,934
Guaranteed Basic Income	246,182	-	246,182	1,196,771	-	1,196,771
Total program services	5,571,466	-	5,571,466	6,316,456	-	6,316,456
Supporting services:						
Management and general	863,885	-	863,885	1,123,256	-	1,123,256
Fundraising	510,310	-	510,310	447,022	-	447,022
Total supporting services	1,374,195	-	1,374,195	1,570,278	-	1,570,278
Total functional expenses	6,945,661	-	6,945,661	7,886,734	-	7,886,734
Change in net assets	4,653,542	(1,829,321)	2,824,221	472,190	1,365,429	1,837,619
Net assets, beginning of year	9,549,592	3,825,872	13,375,464	9,077,402	2,460,443	11,537,845
Net assets, end of year	\$ 14,203,134	\$ 1,996,551	\$ 16,199,685	\$ 9,549,592	\$ 3,825,872	\$ 13,375,464

See accompanying independent auditor's report and notes to financial statements

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2025

	Program Services						Supporting Services			
	Emergency Assistance	Senior Nutrition	Senior Case Management	Alpha Omega	Guaranteed Basic Income	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries and wages	\$ 761,604	\$ 201,352	\$ 559,709	\$ 132,545	\$ 55,850	\$1,711,060	\$ 399,833	\$ 308,085	\$ 707,918	\$2,418,978
Employee benefits	88,326	49,062	100,123	9,103	5,775	252,389	130,242	45,109	175,351	427,740
Payroll taxes	57,427	15,270	42,716	9,864	4,345	129,622	48,899	23,274	72,173	201,795
Total salaries and related expenses	907,357	265,684	702,548	151,512	65,970	2,093,071	578,974	376,468	955,442	3,048,513
Program assistance	2,222,456	196,627	57,672	150,788	132,688	2,760,231	601	-	601	2,760,832
Professional fees	94,691	25,136	59,358	33,190	31,448	243,823	91,051	54,116	145,167	388,990
Office operations and support	74,101	32,840	6,622	1,060	459	115,082	62,813	23,843	86,656	201,738
Occupancy	54,860	15,567	30,845	9,854	5,996	117,122	25,427	13,989	39,416	156,538
Repair and maintenance	35,939	8,679	18,601	9,693	3,770	76,682	16,778	8,326	25,104	101,786
Insurance	34,767	13,678	15,470	4,706	2,446	71,067	18,548	7,135	25,683	96,750
Depreciation	19,752	5,679	11,982	3,880	921	42,214	21,047	5,448	26,495	68,709
Staff and volunteer recognition	1,279	197	78	101	-	1,655	15,943	1,207	17,150	18,805
Auto and travel	7,330	-	11,101	274	-	18,705	74	-	74	18,779
Equipment rental	6,290	1,727	3,696	1,180	731	13,624	3,046	1,656	4,702	18,326
Taxes and licenses	818	-	573	164	-	1,555	13,153	87	13,240	14,795
Training and conferences	1,064	-	510	-	1,695	3,269	4,027	4,928	8,955	12,224
Rent	12,000	-	-	-	-	12,000	-	-	-	12,000
Marketing and advertising	540	-	239	125	-	904	5,356	4,801	10,157	11,061
Bank fees	173	-	-	-	-	173	3,619	6,076	9,695	9,868
Dues and subscriptions	156	-	16	59	58	289	3,428	2,230	5,658	5,947
Total functional expenses	<u>\$3,473,573</u>	<u>\$ 565,814</u>	<u>\$ 919,311</u>	<u>\$ 366,586</u>	<u>\$ 246,182</u>	<u>\$5,571,466</u>	<u>\$ 863,885</u>	<u>\$ 510,310</u>	<u>\$1,374,195</u>	<u>\$6,945,661</u>
						80%	13%	7%	20%	

See accompanying independent auditor's report and notes to financial statements

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2024

	Program Services					Supporting Services				
	Emergency Assistance	Senior Nutrition	Senior Case Management	Alpha Omega	Guaranteed Basic Income	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries and wages	\$ 680,175	\$ 200,677	\$ 437,712	\$ 130,789	\$ 117,665	\$1,567,018	\$ 538,882	\$ 283,489	\$ 822,371	\$2,389,389
Employee benefits	93,269	42,032	93,447	13,258	12,904	254,910	230,455	32,272	262,727	517,637
Payroll taxes	51,329	14,902	33,015	9,730	8,716	117,692	36,060	21,505	57,565	175,257
Total salaries and related expenses	824,773	257,611	564,174	153,777	139,285	1,939,620	805,397	337,266	1,142,663	3,082,283
Program assistance	2,399,064	161,844	56,374	180,723	996,517	3,794,522	-	-	-	3,794,522
Professional fees	32,466	7,056	19,665	24,604	43,021	126,812	83,502	44,804	128,306	255,118
Office operations and support	121,364	26,277	8,196	1,818	1,800	159,455	8,691	13,532	22,223	181,678
Occupancy	46,054	13,303	26,119	8,131	6,150	99,757	20,919	11,545	32,464	132,221
Repair and maintenance	29,604	6,739	14,747	4,603	3,789	59,482	108,861	6,464	115,325	174,807
Insurance	30,395	12,869	12,358	3,694	2,895	62,211	24,393	5,711	30,104	92,315
Depreciation	8,924	2,388	5,238	1,631	1,280	19,461	4,199	2,291	6,490	25,951
Staff and volunteer recognition	442	57	160	5	-	664	14,351	5,668	20,019	20,683
Auto and travel	6,132	-	10,825	327	-	17,284	389	-	389	17,673
Equipment rental	7,280	1,922	4,216	1,313	1,039	15,770	3,381	1,844	5,225	20,995
Taxes and licenses	2,665	-	1,696	485	692	5,538	2,891	-	2,891	8,429
Training and conferences	1,872	-	100	740	-	2,712	-	6,226	6,226	8,938
Rent	12,000	-	-	-	-	12,000	-	-	-	12,000
Marketing and advertising	415	-	84	33	253	785	3,193	2,805	5,998	6,783
Bank fees	-	-	-	-	-	-	8,749	6,466	15,215	15,215
Dues and subscriptions	220	55	8	50	50	383	4,140	2,400	6,540	6,923
Temporary services	-	-	-	-	-	-	30,200	-	30,200	30,200
Total functional expenses	\$3,523,670	\$ 490,121	\$ 723,960	\$ 381,934	\$1,196,771	\$6,316,456	\$1,123,256	\$ 447,022	\$1,570,278	\$7,886,734
						80%	14%	6%	20%	

See accompanying independent auditor's report and notes to financial statements.

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

STATEMENTS OF CASH FLOWS

	Year Ended June 30,	
	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ 2,824,221	\$ 1,837,619
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	68,709	25,951
Non-cash operating lease expense	21,967	30,733
Net unrealized and realized gain on investments	(622,829)	(462,277)
Changes in assets and liabilities:		
Grants receivable	60,081	(206,778)
Contributions receivable	(311,339)	341,160
Inventory	16,548	76,812
Prepaid expenses	(33,144)	5,794
Deposits	6,691	(18,641)
Accounts payable	5,779	67
Contracts payable	(111,458)	-
Retainage payable	(318,951)	-
Accrued expenses	(119,314)	45,850
Contract liabilities	(82,556)	(364,580)
Deferred grant income	(1,718,496)	1,718,496
Operating lease liability	(21,967)	(30,733)
Net cash (used in) provided by operating activities	(336,058)	2,999,473
Cash flows from investing activities:		
Purchases of property and equipment	(2,055,946)	(242,675)
Reinvestment of interest and dividends, net of fees	(228,734)	(225,514)
Proceeds from sales of investments	3,429,572	1,331,827
Purchases of investments	(3,334,894)	(1,273,538)
Net cash used in investing activities	(2,190,002)	(409,900)
Net (decrease) increase in cash and cash equivalents	(2,526,060)	2,589,573
Cash and cash equivalents, beginning of year	7,071,605	4,482,032
Cash and cash equivalents, end of year	<u>\$ 4,545,545</u>	<u>\$ 7,071,605</u>
Non-cash investing and financing activities:		
Fixed asset purchases included in contracts and retainage payable	<u>\$ 200,000</u>	<u>\$ 430,409</u>

COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW, LOS ALTOS, AND LOS ALTOS HILLS

Notes to Financial Statements

June 30, 2025 and 2024

Note 1 - Nature of operations

Community Services Agency of Mountain View, Los Altos, and Los Altos Hills (the "Organization") is a California nonprofit public benefit corporation, which has provided a variety of vital services to the residents of Mountain View, Los Altos, and Los Altos Hills since 1957. The Organization solicits donations from a network of sources, including local businesses and grocers, foundations, churches, individuals, and government agencies. The Organization provides the following five major programs:

1. *Emergency Assistance* - The Organization's Emergency Assistance program offers food, access to medical care, and financial support to families and individuals in crisis in order to provide immediate needs. The Organization provides this assistance with its own Food and Nutrition Center, through in-kind donations of school supplies and gift cards, and with the help of partnering medical care providers in the local community.
2. *Senior Nutrition* - The Organization provides subsidized hot lunches to individuals over age 60 at a local senior center and provides education and classes promoting nutrition and a healthy lifestyle.
3. *Senior Case Management* - The Organization's caseworkers are trained in geriatric care to assist low-income seniors with access to medical and mental health care, counseling, in-home needs assessments, and community resource referrals.
4. *Alpha Omega* - The Organization partners with other county service providers to reach and assist homeless individuals and families, with the goal of helping to meet immediate needs and to assist in transition to permanent housing.
5. *Guaranteed Basic Income* - The Organization partners with the City of Mountain View to provide monthly direct cash payments to selected eligible extremely low income residents of the City to elevate their basic income and provide more financial security.

Note 2 - Summary of significant accounting policies

Basis of accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Financial statement presentation

Under GAAP, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories and the types of transactions affecting each category are as follows:

Without donor restrictions - net assets that are not subject to donor-imposed restrictions. Includes the operating fund (undesignated) and board designated reserves. These funds record the net assets over which the Board of Directors has discretionary control, and which are used to carry out operations of the Organization in accordance with its bylaws.

COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW, LOS ALTOS, AND LOS ALTOS HILLS

Notes to Financial Statements

June 30, 2025 and 2024

Note 2 - Summary of significant accounting policies (continued)

Financial statement presentation (continued)

With donor restrictions - net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time. Includes resources currently available for use, but expendable only for those operating purposes specified by the donor or funding source. Resources of this fund originate from gifts, grants, and bequests.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates used in preparing these financial statements include the value of donated assets and functional expense allocations. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include cash on deposit and investments with financial institutions with an original maturity of three months or less at the time of purchase.

Grants receivable and allowance for credit losses

The Organization measures and records credit losses in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 326, *Financial Instruments - Credit Losses*. The standard was adopted on July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new and enhanced disclosures.

Grants receivable consist of accounts billed to local governmental agencies for services provided under the grant reimbursement agreements, as well as grant contributions received but not yet funded at year end. At July 1, 2023, grants receivable were \$202,216.

Contributions receivable

Contributions are recognized as receivables when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional promises to give that are expected to be collected in future years are recognized at fair value based on discounted cash flows. The discount on these amounts is computed using the rate applicable in the year the promises were received. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the original contribution. There were \$304,500 of unconditional promises to give expected to be received in future years as of June 30, 2025. No discount on long-term promises to give was recorded as the amount is immaterial to these financial statements. There were no unconditional promises to give expected to be received in future years as of June 30, 2024.

Contributions received or unconditionally promised are recorded as support without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Such contributions and grants required to be reported as support with donor restrictions are then reclassified to net assets without donor restrictions upon expiration of the restriction.

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 2 - Summary of significant accounting policies (continued)

Contributions receivable (continued)

Conditional contributions are recorded as support in the period the condition is met. As of June 30, 2025, the Organization has \$1,000,000 of contributions from one donor identified as having donor imposed conditions that have not yet been met and, as such, will be recognized in future years as the Organization fulfills the conditions of the contribution. As of June 30, 2024, the Organization had \$1,718,496 of contributions from two donors identified as having donor imposed conditions that had not yet been met and, as such, were recognized as deferred grant income because the funds had been received by the Organization.

Contributions received related to the construction of long-lived assets are recorded as with donor restrictions until the long-lived asset is placed into service.

The Organization provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Management has determined the allowance for doubtful accounts was insignificant and no allowance for doubtful accounts was recognized at June 30, 2025 and 2024.

Capital Campaign

During the year ended June 30, 2024, the Organization launched a capital campaign to raise funds for facility improvements and expansion. The campaign raised a total of \$3,520,750 through June 30, 2025, which was recognized as capital campaign support in the accompanying statements of activities. During the years ended June 30, 2025 and 2024, the Organization incurred qualifying construction costs totaling \$2,611,090 and \$781,504, respectively. Donor restrictions associated with the capital campaign were released when the related facility was placed in service. As of June 30, 2025, the Organization had \$128,156 of remaining funds received for the capital campaign, which are recorded in net assets with donor restrictions.

Fair value measurements

The Organization has adopted fair value accounting guidance for all applicable assets and liabilities to define fair value, establish a framework for measuring fair value, and enhance fair value measurement disclosure.

Inventory

Inventory consists of food, homeless kits, and gift cards, the majority of which is donated to the Organization. The inventory is stated at the cost of the items purchased or at an estimated fair value at the time of donation.

COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW, LOS ALTOS, AND LOS ALTOS HILLS

Notes to Financial Statements

June 30, 2025 and 2024

Note 2 - Summary of significant accounting policies (continued)

Property, equipment, depreciation and amortization

The Organization capitalizes property and equipment acquisitions over \$5,000. Purchased property and equipment are stated at cost less accumulated depreciation. Donated property and equipment are recorded at their estimated fair value at the time of the donation. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

Furniture and equipment	5 to 10 years
Computer equipment and software	3 to 5 years
Vehicles	5 years
Building and improvements	3 to 30 years

Impairment of long-lived assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell. No asset impairment was recognized during the years ended June 30, 2025 and 2024.

Investments

Investments in marketable securities with readily determinable fair value are reported at their fair value. Realized and unrealized gain and losses are reflected as an increase or decrease in net assets without donor restrictions unless their use has been restricted by the donor.

In-kind support and services

Donated property and equipment and other tangible goods are recorded at their estimated fair market value as of the date of the donation. Contributed professional services are recognized if the services received a) create or enhance long-lived assets or b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation and are recorded at the estimated fair market value at the time the services are rendered. The amounts reflected in the accompanying financial statements as in-kind support are offset by like amounts included in expenses, or in the case of long-term assets, over the period benefited. The Organization may also receive donated volunteer services that do not require specific expertise but are nonetheless central to the Organization's operations. These contributed volunteer services are not reflected in the financial statements as they do not meet the requirement for recognition under GAAP.

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 2 - Summary of significant accounting policies (continued)

Revenue recognition - contracts with customers

Grant revenue

The Organization reports grant revenue at the amounts that reflect the consideration to which the Organization expects to be entitled in exchange for services provided. These amounts are due from third-party payers, with the majority of the grant revenue coming from local governmental agencies in which the residents receiving the services reside. The grant revenue is recognized when invoices are issued for reimbursement of costs incurred during the period the services are performed. The transaction prices for the services provided are dependent upon the terms provided by or negotiated with the third-party payers.

The Organization determines performance obligations based on the nature of the services the Organization provides and recognizes revenues for performance obligations satisfied over time based on the actual services provided. The Organization believes that this method provides a faithful depiction of the transfer of services based on the inputs needed to satisfy the obligations.

All program services are delivered to the residents of Mountain View, Los Altos and Los Altos Hills. All of these revenue streams are short-term in nature and do not have any significant financing components as payments are generally received shortly after the services are provided.

Contract liabilities

Contract liabilities represents the amount received in advance from government grants for which the services have not yet been performed. Contract liabilities totaled \$452,136 at July 1, 2023.

Tax-exempt status

The Organization has been granted tax-exempt status by the Internal Revenue Service (Section 501(c)(3)) and the California Franchise Tax Board (Section 23701d). Accordingly, no provision for income taxes or related credits is included in these financial statements. The Organization is subject to a tax on income earned from any unrelated business activity. The Organization does not believe it has any unrelated business taxable income that should have been reported for tax purposes.

The Organization has adopted the accounting standard related to uncertainties in income taxes. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination; therefore, no liability for unrecognized income tax benefits has been recorded as of June 30, 2025 and 2024. The Organization is subject to examination by a major tax jurisdiction back to 2021.

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 2 - Summary of significant accounting policies (continued)

Leases

The Organization measures and records lease transactions using ASC Topic 842, *Leases*.

The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use assets and operating lease liabilities on the statement of financial position. Right-of-use assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Organization's lease does not provide an implicit rate, management uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Functional allocation of expenses

The costs of providing various program services and general and administrative expenses have been summarized on a functional basis in the statements of activities. Directly identifiable expenses are charged to the related program or supporting services benefited. Accordingly, certain costs have been allocated among program services and supporting services benefited based on the headcount of employees in each department. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Advertising

Costs associated with advertising are expensed when incurred. Advertising expenses were \$11,061 and \$6,783 for the years ended June 30, 2025 and 2024, respectively.

Subsequent events

In preparing its financial statements, the Organization has evaluated subsequent events through October 27, 2025, which is the date the financial statements were available to be issued.

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 3 - Liquidity and availability of resources

The following table reflects the Organization's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general expenditure within one year from this date. Financial assets are considered to be unavailable when illiquid or not readily convertible to cash within one year.

Financial assets available to meet cash needs for general expenditures within one year as of June 30, 2025 and 2024 are as follows:

	June 30,	
	2025	2024
Financial assets:		
Cash and cash equivalents	\$ 4,545,545	\$ 7,071,605
Investments	7,818,256	7,061,371
Grants receivable, current portion	348,913	408,994
Contributions receivable, current portion	319,175	312,336
Total financial assets	13,031,889	14,854,306
Less:		
Accounts payable and accrued expenses	(262,565)	(376,100)
Contracts payable	(82,691)	(401,642)
Retainage payable	(117,309)	(28,767)
Donor restricted bequest held in investments	(1,251,395)	(1,781,504)
	(1,713,960)	(2,588,013)
Total financial assets available within one year	11,317,929	12,266,293
Liquidity resources:		
Amounts unavailable to management without Board approval (Note 8)	(4,427,740)	(3,726,152)
Total financial assets and liquidity resources available within one year	<u>\$ 6,890,189</u>	<u>\$ 8,540,141</u>

During the fiscal year ended June 30, 2018, the Organization received a \$2,000,000 bequest to support the senior case management program. Management has elected to invest the original gift amount with the strategy of long-term growth using the funds to support the Senior Case Management over 20 years.

COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW, LOS ALTOS, AND LOS ALTOS HILLS

Notes to Financial Statements

June 30, 2025 and 2024

Note 4 - Investments

The Organization holds five separate investment accounts at a brokerage firm. The investments are recorded at fair value and are invested in mutual funds, exchange traded funds, and certificates of deposit. The underlying investments include domestic and foreign securities primarily focusing on financial services, technology, industrial, and real estate sectors.

The table below summarizes restrictions and designations of investments:

	June 30,			
	2025		2024	
	Short term	Long term	Short term	Long term
Investments - undesignated	\$ -	\$ 2,139,121	\$ -	\$ 2,031,784
Investments - donor restricted	47,000	1,204,395	30,000	1,273,435
Investments - Board designated	277,012	4,150,728	383,842	3,342,310
	<u>\$ 324,012</u>	<u>\$ 7,494,244</u>	<u>\$ 413,842</u>	<u>\$ 6,647,529</u>

Net investment income consisted of the following:

	June 30,	
	2025	2024
Interest and dividends	\$ 270,822	\$ 254,982
Net realized and unrealized gains	622,829	462,277
Investment management fees	(42,088)	(29,468)
	<u>\$ 851,563</u>	<u>\$ 687,791</u>

Note 5 - Fair value measurements

The Organization adopted fair value accounting for all applicable assets and liabilities. This guidance clarifies that fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability. The fair value hierarchy requires the Organization to use observable inputs and minimize the use of unobservable inputs when measuring fair value. As a basis for considering such assumptions, the standards establish a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Other inputs that are directly or indirectly observable in the marketplace. Included in this category are certificates of deposit that are valued at amortized cost, which approximates fair value.
- Level 3: Unobservable inputs which are supported by little or no market activity.

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 5 - Fair value measurements (continued)

The following are the major categories of assets measured at fair value on a recurring basis:

Assets at Fair Value as of June 30, 2025				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Money market fund	\$ 486,131	\$ -	\$ -	\$ 486,131
Stock funds	222,309	-	-	222,309
Total mutual funds	708,440	-	-	708,440
Exchange traded funds	6,805,275	-	-	6,805,275
Certificates of deposit	-	304,541	-	304,541
Total investments at fair value	<u>\$ 7,513,715</u>	<u>\$ 304,541</u>	<u>\$ -</u>	<u>\$ 7,818,256</u>
Assets at Fair Value as of June 30, 2024				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Money market fund	\$ 614,746	\$ -	\$ -	\$ 614,746
Stock funds	2,892,692	-	-	2,892,692
Bond funds	1,673,818	-	-	1,673,818
Total mutual funds	5,181,256	-	-	5,181,256
Exchange traded funds	1,454,727	-	-	1,454,727
Certificates of deposit	-	425,388	-	425,388
Total investments at fair value	<u>\$ 6,635,983</u>	<u>\$ 425,388</u>	<u>\$ -</u>	<u>\$ 7,061,371</u>

The carrying amounts of the Organization's other assets and liabilities on its statements of financial position approximates fair value because of their short maturities.

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 6 - Property and equipment

Property and equipment consisted of the following:

	June 30,	
	2025	2024
Land	\$ 80,000	\$ 80,000
Buildings and improvements	4,063,871	1,417,795
Furniture and equipment	200,003	80,880
Vehicles	140,014	140,014
Computer equipment and software	46,317	143,512
Construction in progress	-	712,311
	4,530,205	2,574,512
Less accumulated depreciation and amortization	(1,352,969)	(1,584,513)
	<u>\$ 3,177,236</u>	<u>\$ 989,999</u>

Construction in progress consisted of the construction on facilities to improve the Organization's ability to serve the community, funded in part by donor restricted net assets for the capital campaign. These donor restricted net assets were released from restriction upon completion of construction.

Depreciation and amortization expense for the years ended June 30, 2025 and 2024 was \$68,709 and \$25,951, respectively.

Note 7 - Accrued expenses

Accrued expenses consisted of the following:

	June 30,	
	2025	2024
Accrued retirement payments	\$ -	\$ 147,847
Accrued vacation	96,538	98,813
Accrued payroll and related taxes	94,337	85,712
Other accrued expenses	38,948	16,765
	<u>\$ 229,823</u>	<u>\$ 349,137</u>

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 8 - Board designated net assets

The Board designated reserves consisted of the following:

	June 30,	
	2025	2024
Operating reserve	\$ 2,256,612	\$ 2,022,262
Capital reserve	821,125	752,416
Investments designated for programs	1,350,003	951,474
	<u>\$ 4,427,740</u>	<u>\$ 3,726,152</u>

The operating reserve is calculated at the beginning of each year based on four months of the annual operating budget, excluding any one-time expenditures, plus projected cash flow needs and any budgeted deficit for the ensuing year's budget. The reserve is established to sustain operations for a set period of time in the case of any unanticipated decline in available funds. The capital reserve is calculated based off each year's budgeted depreciation expense and is established to replace specific capital items. The board designated investments are to be used to support the Organization's programs with the main focus on services provided to seniors.

Note 9 - Net assets with donor restrictions

Net assets with donor restrictions consisted of the following:

	June 30,	
	2025	2024
Contributions designated for specific programs:		
Senior Case Management	\$ 1,251,395	\$ 1,303,436
Capital Campaign	128,156	1,781,504
Elevate Pilot Program	-	250,000
Career Success	-	155,932
Emergency Assistance	-	95,000
Total contributions designated for specific programs	1,379,551	3,585,872
Contributions with timing restrictions	617,000	-
Contributions designated for specific programs and with timing restrictions:		
Senior Case Management	-	240,000
	<u>\$ 1,996,551</u>	<u>\$ 3,825,872</u>

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 9 - Net assets with donor restrictions (continued)

Net assets released from donor restrictions by incurring expenses satisfying donor restricted purposes or by the passage of time are as follows:

	Year Ended June 30,	
	2025	2024
Passage of time	\$ -	\$ 85,000
Purpose restrictions fulfilled	2,767,821	1,708,882
	<u>\$ 2,767,821</u>	<u>\$ 1,793,882</u>

Note 10 - In-kind contributions

The Organization adopted Accounting Standards Update (ASU) 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The guidance requires nonprofit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The following table summarizes the categories of contributed nonfinancial assets and other required qualitative disclosures:

	Utilization in Programs/Activities	Valuation Techniques and Inputs	Revenue Recognized Year Ended June 30,	
			2025	2024
Food and gift cards	Program support	Valuation is provided by the donor and is based on the federaly established rates by FEMA or Feeding America and approximates the fair value that the Organization would pay for similar products in the market.	\$ 1,293,050	\$ 1,294,439
Rent	Program support	Valuation is provided annually by the donor and is based on comparable rental prices in the San Francisco Bay Area real estate market.	157,500	157,500
			<u>\$ 1,450,550</u>	<u>\$ 1,451,939</u>

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 11 - Leases

The Organization has various leases for office space and equipment expiring through June 2026. The payments for the leases range from \$183 to \$1,099 per month. The total operating lease expense for the years ended June 30, 2025 and 2024 amounted to \$30,326 and \$32,995, respectively.

Other information related to the operating leases is as follows:

	Year Ended June 30,	
	2025	2024
Operating cash flows from operating leases	\$ 21,967	\$ 30,733
ROU assets obtained in exchange for operating lease liability	\$ -	\$ -
Weighted-average remaining lease term in years for operating leases	0.92	1.63
Weighted-average discount rate for operating leases	4.32%	4.03%

Future minimum lease payments required under the Organization's leases are as follows:

Year Ending June 30,	
2026	\$ 13,697
Total future minimum lease payments	13,697
Less: present value discount	(291)
Total operating lease liability, current portion	<u>\$ 13,406</u>

COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW, LOS ALTOS, AND LOS ALTOS HILLS

Notes to Financial Statements

June 30, 2025 and 2024

Note 12 - Retirement plans

The Organization maintains two defined contribution plans with one plan allowing employer contributions only and the other allowing employee contributions only. Both plans operate under Internal Revenue Code Section 403(b). All eligible employees can defer a percentage of their gross salary into the employee contribution only plan, not to exceed the annual IRS limit. The employer participatory plan requires the Organization to contribute 7% of participants' compensation per year. Participants fully vest upon the earlier of three years of employment, attainment of age 55, permanent disability or death. During the years ended June 30, 2025 and 2024, the Organization made contributions of \$104,981 and \$173,611, respectively.

Note 13 - Concentrations and contingencies

Concentrations

The Organization maintains its cash accounts with credit-worthy financial institutions. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the level insured by the Federal Deposit Insurance Corporation. As of June 30, 2025, the Organization has not experienced any losses on such accounts. Management believes it is not exposed to any significant risk on cash accounts.

During the year ended June 30, 2025, the Organization generated approximately 17% of its total contribution revenue from one donor, and approximately 98% of its grant revenue from four granting agencies. During the year ended June 30, 2024, the Organization generated approximately 24% of its total contribution revenue from five donors, and approximately 48% of its grant revenue from one granting agency. Receivables from two donors amounted to approximately 91% of the contributions receivable and four granting agencies amounted to 89% of the grants receivable at June 30, 2025. Receivables from the donors and the granting agency amounted to approximately 57% of total grants and contributions receivable at June 30, 2024.

Contingencies

Conditions and restrictions contained within various contracts, grants, and donations awarded to the Organization are subject to the funding agencies' criteria and regulations and donors restrictions under which expenditures may be charged against, and are subject to audit under such regulations, criteria, and restrictions. Occasionally, funders may determine that certain costs incurred against the grants may not comply with the established criteria that govern them, or the Organization may not be able to spend all the funds for the intended purpose in the specified period. In such cases, the Organization could be held responsible for repayments to the funding source for the costs or be subject to the reductions of future funding in the amount of the costs.

The Organization is self-insured for unemployment insurance. Management believes that the current unemployment insurance reserve is sufficient, and the future claims will not exceed the existing reserve amount.

COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW, LOS ALTOS, AND LOS ALTOS HILLS

Notes to Financial Statements

June 30, 2025 and 2024

Note 14 - Line of credit

In December 2023, the Organization was granted a revolving line of credit which is secured by a deed of trust security agreement on the real property located on Stierlin Road, as well as all assets, including accounts receivable, equipment and fixtures, policies and certificates of insurance, deposit accounts, investments, interest and dividends on deposit accounts and investments. The unpaid principal balance will bear interest at the at the Prime Rate less 0.75%. In no event and at no time shall the interest rate be less than the greater of (i) the sum of the Daily Adjusting Term Secured Overnight Financing Rate for such day plus 2.50% per annum, or (ii) two and one-half percent (2.50%) per annum. The loan agreement has a maximum borrowing limit of \$2,000,000. As of June 30, 2025 and 2024, there were no outstanding borrowings. For the year ended June 30, 2025 and 2024, there were no draws on the line of credit.

The line of credit agreement includes certain reporting covenants. Reporting covenants include a requirement for audited financial statements to be provided to the bank within 210 days of fiscal year end. Affirmative covenants include requirements for the Organization to maintain a Debt Service Coverage Ratio of not less than 1.20 to 1.00, maintain net income of greater than \$1, and maintain a quotient of the outstanding principal balance divided by the value of the property of greater than 65%. All covenants were either met or waived for the fiscal years ended June 30, 2025 and 2024.

Note 15 - Related parties

During the years ended June 30, 2025 and 2024, certain members of the Organization's Board of Directors and members of management made contributions to help fund the Organization's mission. This contribution revenue totaled approximately \$53,976 and \$43,500 for the years ended June 30, 2025 and 2024, respectively.

Note 16 - Risks and uncertainties

The Organization depends on contributions and grants for a significant portion of its revenue. The ability of certain of the Organization's contributors and grantors to continue giving amounts comparable with prior years may be dependent upon current and future economic conditions. While the Board of Directors believe the Organization has the resources to continue current and future programs, its ability to do so, and the extent to which it does continue, may be dependent on the above factors.

The Organization holds investments in various investment vehicles outlined above. These securities are exposed to various risks such as interest rate and market risks. Due to the level of risk associated with these securities and the level of uncertainty related to changes in value, it is at least reasonably possible that changes in the risk factors will occur in the near term that could materially affect the value of the investments reported in the accompanying financial statements.

Various uncertainties exist in the current global, economic, and political environment. Domestic and international economies continue to face uncertainty related to geopolitical tensions, economic instability, and changes in international trade policies, including the imposition of new tariffs. The extent of the impact of these uncertainties on the Company's operational and financial performance and on its employees and vendors, many of which are exposed to foreign activities, will depend on future developments that cannot be predicted. At this point, the extent to which such uncertainties may impact the Organization's financial condition or results of operations is uncertain.

**COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW,
LOS ALTOS, AND LOS ALTOS HILLS**

Notes to Financial Statements

June 30, 2025 and 2024

Note 17 - Reclassifications

Certain reclassifications have been made to the June 30, 2024 financial statement to conform to the June 30, 2025 financial statement presentation. Such reclassification had no effect on the change in net assets.