

Hood & Strong

Advisory, Tax
and Assurance

Samaritan House

June 30, 2024

Independent Auditors' Report and
Financial Statements

Samaritan House

Independent Auditors' Report and Financial Statements

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Independent Auditors' Report

THE BOARD OF DIRECTORS
SAMARITAN HOUSE
San Mateo, California

Opinion

We have audited the accompanying financial statements of **SAMARITAN HOUSE (the Organization)**, which comprise the statement of financial position as of June 30, 2024, the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the Organization's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 23, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hood & Strong LLP

San Francisco, California
October 22, 2024

Samaritan House

Statement of Financial Position

<i>June 30, 2024 (With comparative totals for 2023)</i>	2024	2023
Assets:		
Cash and equivalents	\$ 10,843,834	\$ 10,549,463
Investments	11,281,750	10,445,941
Funds held in trust	414,954	82,783
Bequests receivable	183,953	
Grants receivable	5,834,462	4,768,722
Prepaid expenses and other assets	367,562	360,269
Property and equipment, net	9,121,179	8,616,093
Total assets	\$ 38,047,694	\$ 34,823,271
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 781,299	\$ 583,330
Accrued payroll and paid time off	1,105,037	951,163
Funds held in trust	414,970	82,783
Notes payable		29,458
Total liabilities	2,301,306	1,646,734
Net Assets:		
Without donor restrictions:		
Undesignated	20,866,125	19,799,183
Board designated reserves	12,196,970	10,760,004
Total without donor restrictions	33,063,095	30,559,187
With donor restrictions	2,683,293	2,617,350
Total net assets	35,746,388	33,176,537
Total liabilities and net assets	\$ 38,047,694	\$ 34,823,271

The accompanying notes are an integral part of this statement.

Samaritan House

Statement of Activities and Changes in Net Assets

Year Ended June 30, 2024 (With comparative totals for 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Recurring Support and Revenue:				
Contributions	\$ 3,640,742	\$ 1,046,753	\$ 4,687,495	\$ 3,797,026
Bequests	187,693		187,693	290,874
Government grants	10,419,481	262,700	10,682,181	12,607,797
Healthcare district grants		1,766,579	1,766,579	1,609,100
Foundation grants	1,788,450	878,561	2,667,011	3,702,713
Business and corporate	290,265	648,079	938,344	1,195,464
Special event revenue	1,143,952	287	1,144,239	733,645
Special event direct expenses	(221,664)		(221,664)	(230,993)
Donated goods and services	11,542,829		11,542,829	10,712,576
Rental income	129,877		129,877	169,091
Net investment income	1,556,701		1,556,701	720,935
Miscellaneous income	86,936		86,936	182,395
Net assets released from restrictions	4,537,016	(4,537,016)	-	-
Total support and revenue	35,102,278	65,943	35,168,221	35,490,623
Expenses:				
Program services:				
Client services	2,646,981		2,646,981	2,364,669
Food services	9,265,325		9,265,325	9,090,674
Kids Closet	410,789		410,789	419,940
Homelessness prevention	2,176,190		2,176,190	5,982,370
Shelter Services	7,245,381		7,245,381	6,519,368
Holiday assistance	214,965		214,965	312,941
Medical and dental clinics	5,493,200		5,493,200	5,243,695
Worker resource center	346,470		346,470	370,047
Coordinated entry services	1,235,553		1,235,553	1,049,713
Total program expense	29,034,854	-	29,034,854	31,353,417
Supporting services:				
Management and general	2,533,722		2,533,722	2,031,665
Fundraising	2,123,434		2,123,434	1,775,618
Total expenses	33,692,010	-	33,692,010	35,160,700
Change in Net Assets from Operations	1,410,268	65,943	1,476,211	329,923
Other Changes in Net Assets:				
Employee retention credit	1,093,640		1,093,640	-
Total Change in Net Assets	2,503,908	65,943	2,569,851	329,923
Net Assets, Beginning of year	30,559,187	2,617,350	33,176,537	32,846,614
Net Assets, End of year	\$ 33,063,095	\$ 2,683,293	\$ 35,746,388	\$ 33,176,537

The accompanying notes are an integral part of this statement.

Samaritan House

Statement of Functional Expenses

Year Ended June 30, 2024 (with comparative totals for 2023)

	Client Services	Food Services	Kids Closet	Homelessness Prevention	Shelter Services	Holiday Assistance	Medical and Dental Clinics	Worker Resource Center	Coordinated Entry Services	Total Program Expense	Management and General	Fundraising	Total Supporting Services	2024 Total Expenses	2023 Total Expenses
Salaries and related															
Payroll costs	\$ 1,275,506	\$ 906,847	\$ 16,265	\$ 131,783	\$ 2,952,248	\$ 16,109	\$ 1,622,538	\$ 167,177	\$ 754,364	\$ 7,842,837	\$ 1,729,471	\$ 1,330,065	\$ 3,059,536	\$ 10,902,373	\$ 9,160,316
Employee benefits	200,172	165,675	2,116	11,800	377,125	2,127	212,726	30,445	106,410	1,108,596	172,745	109,236	281,981	1,390,577	1,166,139
Temporary staffing	114,965	143,275		76	564,788	13,749	10,157	4,644	63,094	914,748	636	50,849	51,485	966,233	2,525,327
Donated services							1,382,678			1,382,678			-	1,382,678	1,276,071
Donated facilities					1,278,814			70,601		1,349,415			-	1,349,415	945,766
Employee training	39,291	12,835	709		60,015	1,053	25,481	2,241	10,171	151,796	5,812	3,360	9,172	160,968	84,839
Equipment rental	9,904	17,652	66	367	27,070	366	3,220	921	3,892	63,458	4,292	3,777	8,069	71,527	74,932
Client food, clothing, education and shelter	4,496	142,690	27,632		207,009	7,562	16,577	8,839	607	415,412	2,796	159	2,955	418,367	383,973
Client housing and emergency assistance	14,735			2,030,972	1,227				166,102	2,213,036			-	2,213,036	5,864,197
Client assistance of in-kind food, bus passes, medication and clothing	219,400	7,436,135	298,506			20,801	835,893			8,810,735			-	8,810,735	8,382,694
Insurance and taxes	17,658	20,679	14,697		25,780	911	37,164	1,861	5,336	124,086	26,865	1,243	28,108	152,194	121,331
Interest							204			204			-	204	3,517
Medical clinic supplies					51		165,684			165,735			-	165,735	193,147
Outreach and marketing	11,087	7,538	2,286		37,291	259	19,148	694	6,973	85,276	3,166	117,220	120,386	205,662	249,507
Outside services	481,715	54,657	8,248		818,405	12,246	345,569	28,245	76,832	1,825,917	396,306	372,547	768,853	2,594,770	2,296,447
Postage	368	232	3		233	82	249	45	37	1,249	1,714	40,104	41,818	43,067	14,588
Printing and mailing services				358						358	1,122	24,465	25,587	25,945	70,484
Professional fees	15,100				316		366,872			382,288	73,745	300	74,045	456,333	307,518
Supplies	26,629	59,554	1,009	506	206,188	126,419	61,085	6,735	5,680	493,805	25,256	25,214	50,470	544,275	359,312
Rent	26,484	22,795	7		16,365	7,788	133,614	817	92	207,962	98		98	208,060	212,497
Repairs and maintenance	55,649	77,723	17,939		472,206	799	76,129	9,076	9,274	718,795	23,090	4,031	27,121	745,916	601,161
Travel, meetings and conferences	12,365	17,816	145	266	17,682	1,588	7,737	1,741	1,641	60,981	16,491	12,066	28,557	89,538	78,428
Utilities and telephone	70,466	75,694	13,239	62	92,780	1,690	91,409	8,639	14,359	368,338	31,562	15,499	47,061	415,399	433,000
Total expenses before depreciation	2,595,990	9,161,797	402,867	2,176,190	7,155,593	213,549	5,414,134	342,721	1,224,864	28,687,705	2,515,167	2,110,135	4,625,302	33,313,007	34,805,191
Depreciation	50,991	103,528	7,922		89,788	1,416	79,066	3,749	10,689	347,149	18,555	13,299	31,854	379,003	355,509
Total expenses	\$ 2,646,981	\$ 9,265,325	\$ 410,789	\$ 2,176,190	\$ 7,245,381	\$ 214,965	\$ 5,493,200	\$ 346,470	\$ 1,235,553	\$ 29,034,854	\$ 2,533,722	\$ 2,123,434	\$ 4,657,156	\$ 33,692,010	\$ 35,160,700

The accompanying notes are an integral part of this statement.

Samaritan House

Statement of Cash Flows

<i>Year Ended June 30, 2024 (With comparative totals for 2023)</i>	2024	2023
Cash Flows from Operating Activities:		
Change in net assets	\$ 2,569,851	\$ 329,923
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	379,003	355,509
Net realized and unrealized loss (gain) on investments	(649,302)	(294,256)
Principal forgiven of CSBG loan		(100,000)
In-kind donation of property and equipment		(108,048)
Changes in operating assets and liabilities:		
Bequests receivable	(183,953)	60,000
Grants receivable	(1,065,740)	(448,481)
Prepaid expenses and other assets	(7,293)	283,069
Accounts payable and accrued expenses	197,969	69,552
Accrued payroll and paid time off	153,874	92,342
Funds held in trust	16	
Net cash provided by operating activities	1,394,425	239,610
Cash Flows from Investing Activities:		
Purchases of investments	(186,507)	(3,438,701)
Purchases of property and equipment	(884,089)	(465,528)
Net cash used by investing activities	(1,070,596)	(3,904,229)
Cash Flows from Financing Activities:		
Payments of principal on notes payable	(29,458)	(47,047)
Net cash used by financing activities	(29,458)	(47,047)
Net Increase (Decrease) in Cash and Cash Equivalents	294,371	(3,711,666)
Cash and Cash Equivalents, Beginning of Year	10,549,463	14,261,128
Cash and Cash Equivalents, End of Year	\$ 10,843,834	\$ 10,549,462
Supplemental Cash Flow Information:		
Interest paid	\$ 204	\$ 3,517

The accompanying notes are an integral part of this statement.

Samaritan House

Notes to the Financial Statements

Note 1 - Nature of Activities:

Samaritan House (the Organization) is a nonprofit public benefit corporation organized under the laws of the State of California to provide a comprehensive approach to meet the needs of the people in San Mateo County. These needs may include culturally specific case management, shelter, housing assistance, homelessness prevention services (i.e., rental assistance), health care, bilingual assistance, transportation, education, clothing, worker resources, household, food and emergency needs.

The Organization raises the funds necessary to provide program services to the community from individuals, organizations, foundations, government entities, local businesses, religious organizations, and through fundraising event activities.

The Organization acts as the lead agency with multiple grants in collaboration with six other non-profit organizations who cover unduplicated regions of San Mateo County providing safety net and homelessness prevention services. The Organization is also the fiscal sponsor with the San Francisco Chronicle's Season of Sharing emergency assistance fund for all of San Mateo County.

During the year ended June 30, 2024 the Organization continued to partner with the County of San Mateo to run three homeless shelters to meet the current needs of the homeless population in San Mateo County. This included a temporary transition from serving adults at the Pacific Shelter to serving families during the year ended June 30, 2024 as a response to the community need. The Organization continues to expand its food services as part of the Edible Food Recovery Program under CA SB 1383 to reduce food waste and increase redistribution of edible food in California.

The Organization Programs:

The following programs of the Organization are to provide for the needs of low-income neighbors in San Mateo County.

Client Services

The client services program includes case management, counseling, housing and transportation assistance, financial asset building, coaching, and referrals to resources, all of which assist clients to move towards self-sufficiency through an individual service plan. The organization managed the Transportation Equity Program (TEP) and distributed more than 2,150 transportation payment devices to low-income community members throughout San Mateo County valued at \$219,400.

Samaritan House

Notes to the Financial Statements

Food Services

The Food Services program prepares and serves hot and boxed meals for its community dining room distribution, mobile meals, kids' summer lunch and snacks program, senior centers, three homeless shelters, and other community centers. The Food Pantry program distributes bags of groceries and food items in the pantry daily. Food distributions in collaboration with the Second Harvest Food Bank provide fresh produce and other food items with the Produce Mobile and Family Harvest distributions at various sites in San Mateo County. The number of clients receiving food bags have continued to increase beyond the response to the pandemic. The Organization has continued to expand grocery rescue operations in response to the CA SB 1383 law which requires grocery stores to reduce food waste and increase redistribution of edible food to the community. Samaritan House is collaborating with the County of San Mateo and Second Harvest Food Bank to provide grocery rescue services to participating stores to get the edible food to those who need it.

Kids Closet and Holiday Assistance

The Kids Closet program provides quality new and used children's clothing to client families. In addition, back-to-school drives provided more than 3,200 backpacks full of school essential supplies for kids to begin the school year. The Holiday Assistance program provides low-income families with food, toys and gift cards during the Thanksgiving and Christmas holiday season.

Homelessness Prevention Assistance

The Organization receives and distributes emergency assistance funds for housing and critical family needs. Sources of funding are through the Community Service Block Grant (CSBG), local County Measure K funds, private funds, and the San Francisco Chronicle's Season of Sharing fund for the homelessness prevention services. The Organization acts as the lead agency in collaboration with six other non-profit service providers covering unduplicated service areas in San Mateo County to distribute funds on behalf of clients throughout San Mateo County.

Shelter Services

Samaritan House operates three shelters: Safe Harbor Shelter, Pacific Emergency Shelter and the El Camino House. The three shelters have capacity for emergency shelter and supportive services for more than 223 men and women each night. In addition, the Pacific Emergency Shelter temporarily moved from single adults to serving families during the year ended June 30, 2024. This temporary shift was implemented in response to the immediate surge of community need for families on the wait list. Shelter services include meals, bathing facilities, life management skills training, health education, access to healthcare, budgeting education, on-site case management, substance abuse support meetings, housing assistance and other supportive services. Residents work with their case manager to develop a case plan to work towards self-sufficiency and permanent housing.

Samaritan House

Notes to the Financial Statements

Medical and Dental Clinics

The San Mateo and Redwood City Free Clinics provide primary and specialty medical care to low-income residents of San Mateo County. Specialty services offered at one or both of the Free Clinics includes dentistry, gynecology, breast cancer screenings, dermatology, diabetic care, endocrinology, neurology, orthopedics, ophthalmology, pediatrics, optometry, podiatry, pulmonology, rheumatology, nutritional counseling, psychology, and psychiatry. In addition to the 21 full and part-time employees, the two Free Clinics are staffed by 86 professional and administrative volunteers who provided more than 4,000 hours of service during the year ended June 30, 2024. The Food Pharmacy at each clinic provides patients with access to nutritious foods to help them prevent or manage health conditions. The organizations Food Pharmacies are part of the growing “food is medicine” movement in healthcare.

Worker Resource Center

The Worker Resource Center (WRC), established in 2003, provides a location for temporary laborers and potential employers to meet. In addition, workers receive language training, referrals and other supportive services. The WRC is managed by the Organization and is primarily funded by the City of San Mateo.

Coordinated Entry System

The Organization manages the Coordinated Entry System (CES) program in partnership with the County of San Mateo. The CES program provides assessments, case management and other services to families and individuals seeking emergency shelter within San Mateo County so they may return to permanent housing as quickly as possible. Clients are assessed and prioritized so that they may access emergency shelter services quickly.

The Organization Supporting Services:

Management and General

These expenses include non-program related expenses essential for operating the administrative functions of the Organization. These functions include accounting, governance, strategic planning, legal, human resources, and all fiscal responsibilities of the Organization.

Fundraising

Provides the structure necessary to encourage and secure financial support from individuals, government and community agencies, foundations and corporations.

Samaritan House

Notes to the Financial Statements

Note 2 - Summary of Significant Accounting Policies:

Basis of Presentation and 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 (U.S. GAAP). Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization classifies its net assets and changes in net assets as follows:

Net Assets Without Donor Restriction

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. The governing board has designated, from net assets without donor restrictions, an operating and board-designated reserve totaling \$12,196,970 as of June 30, 2024.

Net Assets with Donor Restrictions

Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by passage of time. Other donor restrictions may be perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization does not hold funds in perpetuity as of June 30, 2024.

Recognition of Revenue

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Government grant revenue is recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts due at June 30, 2024, are included in grants receivable and are expected to be collected in fiscal year 2025. Amounts billed or received in advance are recorded as refundable advances until the related services are performed.

Contributions are recognized at their fair value when the donor makes an unconditional promise to give to the Organization. Donor-restricted contributions are reported as increases in net assets with restrictions. When a restriction expires, restricted net assets are reclassified to net assets without restrictions.

Pledges which are conditional are recognized as revenue when conditions are substantially met. Unconditional pledges expected to be collected within one year are recorded as revenue and receivable at net realizable value. Pledges expected to be collected in future years are recorded as revenue and receivable at the present value of the expected future cash flows.

Samaritan House

Notes to the Financial Statements

Bequests are recorded as revenue when the Organization receives notification that the court declares the will is valid and an estimate is determinable.

Donated Services, Materials and Facilities

Donated services are reported at fair value in the financial statements when those services create or enhance non-financial assets or require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. Contributions of food, transportation, equipment, medication, and clothing are recorded based on estimated fair value of identical or similar products at the time of the contribution. Contributions of professional medical services provided by qualified medical personnel are recorded based on estimated wage rates paid in the local area for the respective medical personnel in the area. The use of facilities provided by the City of San Mateo and the County of San Mateo is valued on the basis of rental rates for similar facilities.

The Organization received more than 32,400 hours of donated services that do not meet the criteria for recording contributed services but are nonetheless central to the organization's operations. The value of these services is not reflected in the financial statements.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the estimated fair value at the date of donation. Depreciation is calculated using the estimated useful life of the related asset, which is generally from three to forty years.

Functional Allocation of Expenses

Expenses are allocated directly to program activities if they can be specifically identified with a program. If not specifically identifiable, expenses are allocated to programs based on estimated usage by each program. These allocation ratios are reviewed periodically by management.

Management and general expenses by function have been allocated among program and supporting services classifications based upon time and usage.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Any cash in money market funds managed by the investment advisor is included in investments – see Note 3.

Investments

Investments are reported at fair value with realized and unrealized gains and losses recognized in the Statement of Activities and Changes in Net Assets in the period in which they occur.

Samaritan House

Notes to the Financial Statements

Fair Value Measurements

The Organization classifies its financial assets and liabilities measured at fair value on a recurring basis based on a fair value hierarchy with three levels of inputs. Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. Level 1 values are based on unadjusted quoted prices in active markets for identical securities. Level 2 values are based on significant observable market inputs, such as quoted prices for similar securities and quoted prices in inactive markets. Level 3 values are based on significant unobservable inputs that reflect the Organization's determination of assumptions that market participants might reasonably use in valuing the securities. The valuation levels are not necessarily an indication of the risk or liquidity associated with the assets and liabilities measured at fair value.

Use of Estimates

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

Income Taxes

The Organization is a tax-exempt organization under the provisions of the Internal Revenue Code, Section 501(c)(3), and the California Revenue and Taxation Code, Section 23701(d). Accordingly, no provision for federal and state income taxes has been reflected in these financial statements.

Management evaluated the Organization's tax positions and concluded that the Organization had maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

Comparative Financial Statements

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Subsequent Events

The Organization evaluated subsequent events on October 22, 2024, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

Samaritan House

Notes to the Financial Statements

Note 3 - Investments and Fair Value Measurement:

Investments consisted of the following as of June 30, 2024:

Money market funds	\$ 189,752
Certificate of deposits	3,340,362
Mutual funds and ETFs	7,751,636
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Total investments	\$ 11,281,750

All investments are measured at Level 1.

Net investment income consisted of the following for the year ended June 30, 2024:

Interest and dividends	\$ 955,036
Net realized and unrealized gains	649,302
Investment fees	(47,637)
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Total net investment income	\$ 1,556,701

Note 4 - Property and Equipment:

Property and equipment at June 30, 2024 were as follows:

Land	\$ 2,692,459
Building and building improvements	9,573,261
Furniture and equipment	916,050
Computer equipment and software	347,334
Vehicles	344,428
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	13,873,532
Less: accumulated depreciation	(4,752,353)
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Total	\$ 9,121,179

Depreciation expense for the year ended June 30, 2024 was \$379,003.

Samaritan House

Notes to the Financial Statements

Note 5 - Notes Payable:

During the fiscal year ended June 30, 2019, the County of San Mateo forgave the note payable secured by the San Mateo Clinic property in the amount of \$178,808 plus accrued interest in the amount of \$91,042. In return, the Organization agreed that the use of the property shall be restricted from the date it was recorded until December 31, 2030 (the maturity date of the original promissory note) to serve as a Free Clinic and a site where Homelessness Prevention Services are provided, or for similar eligible use, in accordance with Community Development Block Grant requirements. The Organization was in compliance with all requirements as of June 30, 2024.

Note 6 - Commitments and Contingencies:

The Organization leases office space for the Redwood City Medical Clinic under a five-year lease term expiring April 2025. In June 2020, the Organization also entered into a 9-month lease that ended February 2021 for parking lot space adjacent to their existing property. The parking lot lease was subsequently renewed through January 31, 2022 and is currently on a month-to-month basis. Total rent expense for the year ended June 30, 2024 was \$ 208,060. The Organization leases office equipment at its various sites.

The future minimum lease payments are as follows:

Year Ending June 30,	
2025	\$ 131,891
2026	14,991
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Total	\$ 146,882

Note 7 - Retirement Plan:

The Organization has a 403(b)-retirement plan. The plan covers all employees meeting certain eligibility requirements. Employees voluntarily make contributions to the plan based upon limits established under the Internal Revenue Code. Effective November 1, 2018, the Organization implemented a new plan with a matching component that provides an employer contribution of up to 4% of employees' eligible wages when employees contribute up to 5% as described in the plan documents. The Organization made matching contributions totaling \$ 180,575 for the year ended June 30, 2024.

Samaritan House

Notes to the Financial Statements

Note 8 - Net Assets with Donor Restrictions:

As of June 30, 2024, net assets with donor restrictions are available for the following purposes:

Homelessness prevention	\$ 202,748
Medical clinics	946,940
Client services	784,100
General operating	639,068
Kids Closet	43,513
Worker Resource Center	1,367
Shelter services	65,557
<hr/>	
Total	\$ 2,683,293

During the year ended June 30, 2024, net assets were released from donor restrictions by incurring expenses satisfying the time and purpose restriction specified by donors as follows:

Homelessness prevention	\$ 520,132
Medical clinics	2,613,908
Client services	587,990
General operating	541,381
Kids Closet	61,838
Holiday Program	153,505
Shelter services	56,505
Worker Resource Center	1,757
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Total restrictions released	\$ 4,537,016

Note 9 - Cash Held in Trust/Amounts Held for Others:

The Organization acts as a fiscal agent on behalf of the San Francisco Chronicle's Season of Sharing Fund for a group of seven San Mateo County Community nonprofit organizations. The Organization has agreed to receive and remit grant assistance to eligible individuals. All grants must be submitted by the participating agency and are for a one-time, non-recurring need. Grants are typically used for housing assistance and critical family needs as defined by the founder. The maximum grant amount per household was raised to \$5,000 in March 2021 in response to those impacted by the COVID-19 pandemic. During the year ended June 30, 2024, the Organization received \$1,435,175 and expended a total of \$1,080,503. Last quarter distribution of \$322,075 for the year ended June 30, 2023 was received and recorded during the beginning of the year ended June 30, 2024. Since the Organization is acting as a fiscal agent, these amounts are not recorded as revenue and expenses of the Organization.

Samaritan House

Notes to the Financial Statements

The Organization encourages shelter clients at Safe Harbor Shelter, Pacific Emergency Shelter, and El Camino House Shelter to save money for transitioning back into the community. The Organization deposits and tracks account balances for individual residents. Funds are disbursed to clients as they exit the shelter or as approved by their case manager.

Amounts held as of June 30, 2024 for the above programs were as follows:

San Francisco Chronicle's Season of Sharing Fund	\$ 371,111
Shelter Clients	43,859
Total	\$ 414,970

Note 10 - Availability and Liquidity:

As of June 30, 2024, the Organization's financial assets available within one year for general expenditures were as follows:

Cash and cash equivalents	\$ 10,843,834
Investments	11,281,750
Receivables	5,834,462
Sub-total	27,960,046
Less:	
Board-designated reserves	12,196,970
Funds with donor restriction	2,683,293
Total available for general expenditures	\$ 13,079,783

The Organization aims to maintain financial assets to meet 180 days of operating expenses and for support and repair of its facilities. Additionally, the Board-designated reserves can be made available for specific purposes subject to Board approval. The Organization expects to continue delivering services at an increased rate to those impacted by the COVID-19 pandemic and other hardships as resources allow.

Note 11 - Funds Held by Others:

The Silicon Valley Community Foundation received a bequest to be used for the benefit of the Organization. These funds are being held by the Foundation and are used "to benefit Samaritan House" as it was specified by the donor. The balance of the funds as of June 30, 2024 was \$ 102,908 and is not included in the accompanying Statement of Financial Position.

Samaritan House

Notes to the Financial Statements

Note 12 - In-kind Contributions:

The Organization's in-kind contributions that were utilized in its program services consisted of the following for the year ended June 30, 2024:

Services:	
Medical	\$ 1,382,677
Goods:	
Food (a)	7,422,171
Transportation passes	219,400
Equipment/vehicle	13,964
Medication	835,893
Clothing/backpacks/diapers	319,309
Total goods	8,810,737
Facilities:	
Safe Harbor Shelter	403,183
El Camino House	404,336
Pacific Emergency Shelter	471,295
Worker Resource Center	70,601
Total facilities	1,349,415
Total in-kind contributions	\$ 11,542,829

- (a) The valuation of food provided by Second Harvest Food Bank is on a per pound basis and values are derived directly from Feeding America, the national network of food banks. The value of purchased food donated from Second Harvest Food Bank is based on actual cost.

Note 13 - Employee Retention Tax Credit:

During the year ended June 30, 2024 the Organization recognized proceeds of \$1,093,640 from the Employee Retention Tax Credit ("ERC"), a refundable tax credit against certain employment taxes allowed to an eligible employer for qualifying wages, which was established by the Coronavirus Aid, Relief and Economic Security Act "(CARES)". The tax credit is provided for qualified wages paid by employers whose operations had been financially impacted by COVID-19 pays to employees after March 12, 2020 and before January 1, 2022. The proceeds are recognized in the accompanying Statement of Activities and Changes in Net Assets.