

**MISSOULA AGING SERVICES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**



# MISSOULA AGING SERVICES

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## INDEPENDENT AUDITORS' REPORT

Board of Directors and Management  
Missoula Aging Services  
Missoula, Montana

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the accompanying consolidated financial statements of Missoula Aging Services (a nonprofit organization), which comprise the consolidated statements of net position as of June 30, 2025 and 2024, and the related consolidated statements of revenues, expenses, and changes in net position, functional revenues and expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the net position of Missoula Aging Services, as of June 30, 2025 and 2024, and the changes in its net position 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Missoula Aging Services 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 Consolidated 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 Missoula Aging Services' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.



***Auditors' Responsibilities for the Audit of the Consolidated 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 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 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 Missoula Aging Services' 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 Missoula Aging Services' 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.

***Required Supplementary Information***

Management has omitted the management's discussion and analysis. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the omission of this information.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 schedule of expenditures of federal awards 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 November 13, 2025, on our consideration of Missoula Aging Services' 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 Missoula Aging Services' 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 Missoula Aging Services' internal control over financial reporting and compliance.

***Junkermier, Clark, Campanella, Stevens, P.C.***

Missoula, Montana  
November 13, 2025

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**CONSOLIDATED STATEMENTS OF NET POSITION**  
**June 30, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 1,357,681	\$ 1,670,470
Receivables	1,552,552	1,537,294
Prepaid expenses and other current assets	868	42,362
Agency funds	31,761	3,611,316
Total Current Assets	2,942,862	6,861,442
Investments	5,625,015	4,264,133
Capital Assets		
Land, property and equipment	2,442,582	2,466,569
Accumulated depreciation	(1,387,235)	(1,334,203)
Net Capital Assets	1,055,347	1,132,366
Total Assets	\$ 9,623,224	\$ 12,257,941
<b>Liabilities and Net Position</b>		
Current Liabilities		
Accounts payable	\$ 329,589	\$ 278,432
Accrued payroll liabilities	212,694	248,891
Agency funds payable	31,761	3,611,316
Total Current Liabilities	574,044	4,138,639
Net Position		
Net investment in capital assets	1,055,347	1,132,366
Unrestricted		
Board designated	787,462	707,895
Undesignated	5,217,724	4,483,802
Total Unrestricted	6,005,186	5,191,697
Restricted		
Expendable	1,112,045	954,486
Nonexpendable	876,602	840,753
Total Restricted	1,988,647	1,795,239
Total Net Position	9,049,180	8,119,302
Total Liabilities and Net Position	\$ 9,623,224	\$ 12,257,941

See the independent auditors' report and the accompanying notes to the consolidated financial statements.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**For the Years Ended June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Operating Revenues		
Program revenue	\$ 1,122,464	\$ 1,230,163
Operating Expenses		
Program		
Community programs	1,982,810	2,225,779
In-home services	1,224,387	1,132,748
Resource center	889,510	846,617
RCCOA pass through	565,069	564,483
406 Financial Services	<u>135,770</u>	<u>306,505</u>
Total Program	<u>4,797,546</u>	<u>5,076,132</u>
Supportive		
General and administrative	955,900	839,283
Fundraising	<u>393,889</u>	<u>369,614</u>
Total Supportive	<u>1,349,789</u>	<u>1,208,897</u>
Total Operating Expenses	<u>6,147,335</u>	<u>6,285,029</u>
Operating Income (Loss)	<u>(5,024,871)</u>	<u>(5,054,866)</u>
Nonoperating Revenues		
Grants and Levies		
Federal	1,420,912	1,758,760
State of Montana	750,099	714,721
Missoula County Grant	32,000	40,000
Missoula County Levy	1,854,756	1,873,521
City of Missoula	368,844	368,845
Contributions		
Fund development	1,001,058	1,184,391
Donated services and materials	29,992	27,878
Other		
Other income	81,000	161
Investment income (loss)	<u>380,239</u>	<u>427,992</u>
Total nonoperating revenues	<u>5,918,900</u>	<u>6,396,269</u>
Income before capital and endowment contributions	894,029	1,341,403
Additions to permanent endowment	<u>35,849</u>	<u>26,203</u>
Change in Net Position	929,878	1,367,606
Net Position at Beginning of the Year	<u>8,119,302</u>	<u>6,751,696</u>
Net Position at End of the Year	<u>\$ 9,049,180</u>	<u>\$ 8,119,302</u>

See the independent auditors' report and the accompanying notes to the consolidated financial statements.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES**  
**For the Year Ended June 30, 2025**

	<b>General &amp; Administrative</b>	<b>Fundraising</b>	<b>Endowment</b>	<b>RCCOA Pass Through</b>	<b>406 Financial Services</b>	<b>In-Home Services</b>	<b>Resource</b>	<b>Nutrition</b>	<b>SMP</b>	<b>Volunteer Services</b>	<b>Total 2025</b>
<b>Revenue</b>											
Older Americans Act	\$ 83,271	\$ -	\$ -	\$ 286,366	\$ -	\$ 8,147	\$ 188,117	\$ 300,331	\$ -	\$ -	\$ 866,232
Federal Grants	-	-	-	29,671	-	108,410	49,112	-	367,487	-	554,680
State of Montana	72,416	-	-	249,032	-	-	258,179	170,472	-	-	750,099
Missoula County	445,141	-	-	-	-	630,618	445,141	328,760	-	37,096	1,886,756
City Funding	88,523	-	-	-	-	125,407	88,522	59,015	-	7,377	368,844
Program Revenue	-	-	-	-	102,633	838,299	46,842	134,690	-	-	1,122,464
Endowment Gifts	-	-	35,849	-	-	-	-	-	-	-	35,849
Fund Development	26,212	408,466	-	-	33	102,316	45,406	393,984	-	24,641	1,001,058
Other Income	-	-	-	-	81,000	-	-	-	-	-	81,000
Investment Income (loss)	138,707	-	241,532	-	-	-	-	-	-	-	380,239
In-Kind	-	-	-	-	-	12,723	2,331	14,938	-	-	29,992
<b>Total Revenue</b>	<b>854,270</b>	<b>408,466</b>	<b>277,381</b>	<b>565,069</b>	<b>183,666</b>	<b>1,825,920</b>	<b>1,123,650</b>	<b>1,402,190</b>	<b>367,487</b>	<b>69,114</b>	<b>7,077,213</b>
<b>Expenses</b>											
Wage & Benefits	564,788	222,384	-	-	112,778	1,069,046	799,843	524,913	128,728	57,890	3,480,370
Operations Expense	102,203	117,714	-	-	10,914	67,708	44,213	23,854	79,460	14,084	460,150
Occupancy Expense	125,918	1,575	-	-	-	-	4,762	-	-	-	132,255
Specific Assistance	-	-	-	-	-	15,297	364	690,854	-	4,535	711,050
Program Expense	21,849	10,942	-	-	11,467	4,349	1,656	10,248	-	2,691	63,202
Professional Services	68,194	21,979	-	-	500	18,861	997	150	-	-	110,681
Contracts, Grants & Awards	-	-	-	565,069	-	-	-	234,567	162,650	-	962,286
Travel & Training Expense	21,092	8,650	-	-	111	24,204	10,870	6,730	4,772	2,024	78,453
In-Kind Donations	-	-	-	-	-	12,723	2,331	14,938	-	-	29,992
Fundraising Expense	-	-	-	-	-	-	-	4,378	-	-	4,378
Capital Costs	24,129	4,483	-	-	-	3,727	3,679	1,481	-	-	37,499
<b>Total Expenses before Depreciation</b>	<b>928,173</b>	<b>387,727</b>	<b>-</b>	<b>565,069</b>	<b>135,770</b>	<b>1,215,915</b>	<b>868,715</b>	<b>1,512,113</b>	<b>375,610</b>	<b>81,224</b>	<b>6,070,316</b>
<b>Depreciation</b>	<b>27,727</b>	<b>6,162</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,472</b>	<b>20,795</b>	<b>6,932</b>	<b>1,540</b>	<b>5,391</b>	<b>77,019</b>
<b>Total Expenses</b>	<b>955,900</b>	<b>393,889</b>	<b>-</b>	<b>565,069</b>	<b>135,770</b>	<b>1,224,387</b>	<b>889,510</b>	<b>1,519,045</b>	<b>377,150</b>	<b>86,615</b>	<b>6,147,335</b>
<b>Change in net position</b>	<b>\$(101,630)</b>	<b>\$ 14,577</b>	<b>\$ 277,381</b>	<b>\$ -</b>	<b>\$ 47,896</b>	<b>\$ 601,533</b>	<b>\$ 234,140</b>	<b>\$(116,855)</b>	<b>\$(9,663)</b>	<b>\$(17,501)</b>	<b>\$ 929,878</b>

See the independent auditors' report and the accompanying notes to the consolidated financial statements.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES**  
**For the Year Ended June 30, 2024**

	<b>General &amp; Administrative</b>	<b>Fundraising</b>	<b>Endowment</b>	<b>RCCOA Pass Through</b>	<b>406 Financial Services</b>	<b>In-Home Services</b>	<b>Resource</b>	<b>Nutrition</b>	<b>SMP</b>	<b>Volunteer Services</b>	<b>Total 2024</b>
<b>Revenue</b>											
Older Americans Act	\$ 66,615	\$ -	\$ -	\$ 321,162	\$ -	\$ 25,000	\$ 156,387	\$ 359,061	\$ -	\$ 8,326	\$ 936,551
Federal Grants	8,711	-	-	18,343	-	380,412	44,778	-	369,965	-	822,209
State of Montana	78,093	-	-	224,978	-	-	270,212	131,438	-	10,000	714,721
Missoula County	468,380	-	-	-	-	281,028	393,440	508,380	-	262,293	1,913,521
City Funding	92,212	-	-	-	-	55,327	77,457	92,211	-	51,638	368,845
Program Revenue	-	-	-	-	339,487	680,699	41,934	166,814	-	1,229	1,230,163
Endowment Gifts	-	-	26,203	-	-	-	-	-	-	-	26,203
Fund Development	60,845	363,819	-	-	-	144,354	34,470	503,462	375	77,067	1,184,392
Other Income	-	-	-	-	161	-	-	-	-	-	161
Investment Income	106,532	-	321,460	-	-	-	-	-	-	-	427,992
In-Kind	-	-	-	-	-	12,339	7,665	7,873	-	-	27,877
<b>Total Revenue</b>	<b>881,388</b>	<b>363,819</b>	<b>347,663</b>	<b>564,483</b>	<b>339,648</b>	<b>1,579,159</b>	<b>1,026,343</b>	<b>1,769,239</b>	<b>370,340</b>	<b>410,553</b>	<b>7,652,635</b>
<b>Expenses</b>											
Wage & Benefits	501,205	215,109	-	-	253,976	953,356	706,336	358,977	123,450	311,576	3,423,985
Operations Expense	87,916	88,183	-	-	30,181	58,035	42,776	27,964	90,254	44,622	469,931
Occupancy Expense	61,819	16,967	-	-	2,480	25,049	49,207	14,961	3,922	10,236	184,641
Specific Assistance	12	-	-	-	-	23,662	-	797,732	-	10,798	832,204
Program Expense	22,737	7,006	-	-	18,150	1,601	11,358	29,778	1,862	6,059	98,551
Professional Services	74,937	26,340	-	-	-	31,725	109	-	-	-	133,111
Contracts, Grants & Awards	-	-	-	564,483	-	-	-	217,579	144,621	-	926,683
Travel & Training Expense	27,105	9,859	-	-	1,718	18,817	6,785	1,258	5,726	875	72,143
In-Kind Donations	-	-	-	-	-	12,339	7,665	7,873	-	-	27,877
Fundraising Expense	-	-	-	-	-	-	-	2,166	-	-	2,166
Capital Costs	35,689	-	-	-	-	50	1,417	-	173	-	37,329
<b>Total Expenses before Depreciation</b>	<b>811,420</b>	<b>363,464</b>	<b>-</b>	<b>564,483</b>	<b>306,505</b>	<b>1,124,634</b>	<b>825,653</b>	<b>1,458,288</b>	<b>370,008</b>	<b>384,166</b>	<b>6,208,621</b>
Depreciation	27,863	6,150	-	-	-	8,114	20,964	6,547	1,228	5,542	76,408
<b>Total Expenses</b>	<b>839,283</b>	<b>369,614</b>	<b>-</b>	<b>564,483</b>	<b>306,505</b>	<b>1,132,748</b>	<b>846,617</b>	<b>1,464,835</b>	<b>371,236</b>	<b>389,708</b>	<b>6,285,029</b>
Change in net position	\$ 42,105	\$ (5,795)	\$ 347,663	\$ -	\$ 33,143	\$ 446,411	\$ 179,726	\$ 304,404	\$ (896)	\$ 20,845	\$ 1,367,606

See the independent auditors' report and the accompanying notes to the consolidated financial statements.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Years Ended June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
<b>Cash Flows From Operating Activities</b>		
Receipts of program revenue	\$ 1,077,676	\$ 914,298
Payments to suppliers	(2,419,778)	(2,771,450)
Payments to employees	(3,511,320)	(3,400,828)
Payments to others	(82,764)	(112,373)
Net cash flows from operating activities	<u>(4,936,186)</u>	<u>(5,370,353)</u>
<b>Cash Flows From Non-Capital Financing Activities</b>		
Receipts from grants and levies	4,456,141	3,976,351
Receipts of contributions	1,036,907	1,210,594
Other receipts	110,992	28,039
Net cash flows from non-capital financing activities	<u>5,604,040</u>	<u>5,214,984</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Acquisition of capital assets	<u>-</u>	<u>(31,449)</u>
<b>Cash Flows From Investing Activities</b>		
Investment income received	185,233	143,098
Investment purchases and reinvestments	<u>(1,165,876)</u>	<u>(626,462)</u>
Net cash flows from investing activities	<u>(980,643)</u>	<u>(483,364)</u>
Net change in cash and cash equivalents	(312,789)	(670,182)
Cash and cash equivalents at beginning of year	<u>1,670,470</u>	<u>2,340,652</u>
Cash and cash equivalents at end of year	<u>\$ 1,357,681</u>	<u>\$ 1,670,470</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities:</b>		
Operating income (loss):	\$ (5,024,871)	\$ (5,054,866)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:		
Depreciation	77,019	76,408
Changes in operating assets and liabilities:		
Receivables	(44,788)	(315,865)
Prepaid expenses and other current assets	41,494	(41,058)
Accounts payable	51,157	(52,960)
Accrued payroll liabilities	(36,197)	17,988
Net cash flows from operating activities	<u>\$ (4,936,186)</u>	<u>\$ (5,370,353)</u>

See the independent auditors' report and the accompanying notes to the consolidated financial statements.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**Note 1. Summary of Significant Accounting Policies**

Organization

The Missoula Area Agency on Aging, Inc., doing business as Missoula Aging Services ("MAS"), is a governmental non-profit organization incorporated under the laws of Montana that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. 406 Financial Services, LLC was a wholly owned disregarded entity of MAS until it was sold effective November 30, 2024. See additional information on the sale in Note 14. Missoula Aging Services and 406 Financial Services, LLC are collectively referred to herein as the "Organization" or "MAS" through the sale date.

The Organization's Board of Directors is appointed, and may be removed at will, by the Board of County Commissioners of Missoula County. Missoula County appoints 14 board members. The Government Accounting Standards Board classifies organizations such as MAS and its subsidiary as "governmental non-profit organizations," because of the control over the Organization's governing board by the County. As a result of Missoula County appointing the Organization's board members, the Organization is considered a component unit of Missoula County.

Nature of Operations

MAS promotes the independence, dignity and health of older adults and those that care for them through advocacy, education, services and volunteer opportunities.

MAS is a multi-county, non-profit agency responsible for planning, coordinating, and delivering services which support the aging process. Programs for the elderly include nutrition and other programs under the Older Americans Act.

MAS received the majority of its revenue and support from federal, state and local grants, awards, and other support in 2025 and 2024. The loss of these grants or revenue could have a significant impact on operations.

406 Financial Services, LLC was established in January 2018 as a wholly owned limited liability company of Missoula Aging Services. 406 Financial Services, LLC acts as fiscal employer agent for the Veteran Directed Care Program by providing payroll services for veteran employers, contracts with Ravalli County Council on Aging to provide financial and accounting services, and provides money management services on a limited basis for older adults. 406 Financial Services, LLC was sold effective November 30, 2024. See additional information on the sale in Note 14.

Principles of Consolidation

The consolidated financial statements include the accounts of MAS and its disregarded wholly owned entity, 406 Financial Services, LLC. The activity of 406 Financial Services, LLC is included in the financial statements through the November 30, 2024 sale date. All significant intercompany accounts and transactions have been eliminated upon consolidation.

Basis of Presentation and Net Position

As a governmental non-profit, the Organization's consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units, and follow proprietary fund reporting. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through pronouncements (Statements and Interpretations).

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Basis of Presentation and Net Position

The Organization's consolidated financial statements are presented using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the statement of net position. The consolidated statement of revenues, expenses and changes in net position presents increases (revenues) and decreases (expenses) in total net position. The Organization classifies its net position as follows:

*Net investment in capital assets* reflects the net position of the Organization that is invested in capital assets, including restricted capital assets, net of accumulated depreciation and related debt. Net investment in capital assets was \$1,055,347 and \$1,132,366 as of June 30, 2025 and 2024, respectively.

*Unrestricted net position* represents resources that do not meet the definition of restricted or invested in capital assets, and are available for general use. The Organization had \$6,005,186 and \$5,191,697 unrestricted net position as of June 30, 2025 and 2024, respectively. Unrestricted net position includes board designated funds of \$787,462 and \$707,895 as of June 30, 2025 and 2024, respectively.

*Restricted net position* includes expendable and nonexpendable net position. Expendable net position represent gifts for which donor-imposed restrictions have not yet been met. Nonexpendable net position represents funds for which the ultimate purpose is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization. The Organization had \$1,988,647 and \$1,795,239 restricted net position as of June 30, 2025 and 2024, respectively.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Organization maintains various accounts at a local bank that are insured by the Federal Deposit Insurance Corporation (FDIC). From time to time, certain bank accounts that are subjected to limited FDIC coverage exceed their insured limits. The Organization believes it is not exposed to any significant risk related to its cash balances.

Management of Liquid Resources

The Organization is primarily funded by grant revenues. Additional funding is obtained from program participants, investment earnings, and donations. Some of the Organization's funds are placed in an endowment with restrictions on use. These restrictions require the Organization to use resources in a certain manner or for future time periods. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. As a result, the Organization must maintain adequate reserves. As part of the Organization's liquidity management, the financial assets are structured to be available as general expenditures, liabilities, and other obligations come due.

Receivables

The Organization uses the allowance method for uncollectible receivables. The collectability of an account is reviewed on a case by case basis. Accounts receivable are stated at unpaid balances less an allowance for uncollectible accounts. Accounts receivable, including donor promises to give, are considered impaired if payments are not received in accordance with contractual terms.

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**June 30, 2025 and 2024**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Receivables (Continued)

It is the Organization's policy to charge off uncollectible accounts when management determines they are uncollectible. During the years ended June 30, 2025 and 2024, the Organization had no bad debt expense. Interest is not charged on accounts receivable. There were no significant amounts over 90 days past due at June 30, 2025 or 2024. Management estimates the allowance to be zero as of June 30, 2025 and 2024.

Agency Funds

406 Financial Services, LLC holds agency funds for the Veteran Directed Care Program and money management services. MAS holds agency funds for money management services. Total agency funds and the associated liability were \$31,761 and \$3,611,316 as of June 30, 2025 and 2024, respectively. As of June 30, 2025 and 2024, zero and \$155,100, respectively, of agency funds were held for the Veteran Directed Care Program and zero and \$3,415,061, respectively, were held in trust or conservatorship for individuals by 406 Financial Services, LLC. As of June 30, 2025 and 2024, \$31,761 and \$41,155, respectively, of agency funds were representative payee funds held for individuals by MAS in cash accounts. Funds held for the Veteran Directed Care Program consist of cash accounts. Funds held in trust or conservatorship consist of investments measured at fair value using level 1 inputs (quoted market prices in active markets for identical assets or liabilities).

Prepaid Expenses

Expenditures made in the current year for costs attributable to future years are recorded as prepaid expenses. These expenditures are recognized when used (consumption method).

Investments

Investments are recorded at fair value based on quoted market prices, if available, or estimated using quoted market prices for similar securities. Interest, dividends, and realized and unrealized gains and losses are included in investment income.

Capital Assets

Capital assets consist of property and equipment and are stated at cost and depreciated on the straight-line method over estimated useful lives. Equipment is depreciated over estimated useful lives of 3 years. Building and building improvements are depreciated over 30 years. Repairs, maintenance, and purchases of minor equipment (equipment costing less than \$5,000) are not capitalized.

Accrued Leave

Employees earn paid leave based on years of service and may accumulate a maximum of 228 hours.

Advertising

The Organization expenses advertising costs as incurred. Advertising expense totaled \$104,071 and \$94,340 for the years ended June 30, 2025 and 2024, respectively.

Leases

GASB Statement No. 87, *Leases* establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right-of-use leased assets and liabilities for leases that previously were classified as operating leases and recognized as expenses based on the payment provisions of the contract. Management believes that remaining lease payments for lease agreements in effect as of June 30, 2025 and 2024, are not material to the financial statements. As such, the present value of future minimum lease payments have not been recorded as a lease liability. See Note 12 for further information.

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**Note 1. Summary of Significant Accounting Policies (Continued)**

Subscription-Based Information Technology Arrangements

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs) defines SBITAs as contracts that convey the right to use another party's information technology software, alone or in combination with tangible capital assets, for a specified period of time in an exchange transaction. The standard requires recognition of a right-of-use subscription asset and a corresponding subscription liability for long-term (contract period greater than one year) SBITAs. Management believes that remaining SBITA payments for SBITA agreements in effect as of June 30, 2025 and 2024, are not material to the financial statements. As such, the present value of future minimum SBITA payments have not been recorded as a subscription liability. See Note 12 for further information.

Revenue Recognition

Grant revenue is recognized when earned, generally when related expenses are incurred. Unearned grant revenue and unearned program advances are reported as unearned revenues. Grant revenue from Missoula County is primarily from a five mill tax levy and approximately five mill tax levy approved by the voters for Missoula County senior residents for the year ended June 30, 2025 and 2024, respectively. All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as restricted net position and increases in the respective class of net position. Contributions received with donor restrictions that are met in the same reporting period are reported as unrestricted support.

Investment income that is limited to specific uses by donor restrictions is reported as increases in unrestricted net position if the restrictions are met in the same reporting period as the income is recognized.

Program revenue consists primarily of contractual fees for the Veteran Directed Care Program, program fees and donations from program participants, and consulting income. Revenue is recognized at the time the underlying service is provided.

Contributed Nonfinancial Assets and Services

The Organization received the following gifts in-kind for years ended June 30:

	2025	2024
Professional fees	\$ 29,992	\$ 23,153
Office space	-	4,725
Total	\$ 29,992	\$ 27,878

MAS's policy related to contributed nonfinancial assets and services is to utilize the assets to carry out the mission of the Organization. If an asset is provided that cannot be utilized the Organization will attempt to monetize the contribution. All contributed nonfinancial assets and services were utilized during the years ended June 30, 2025 and 2024.

The Organization was provided professional services at no cost. Based on current market rates for these services, the Organization would have paid \$29,992 and \$23,153 for the years ended June 30, 2025 and 2024, respectively. The Organization requires the use of an office space in Seeley Lake. The office space was provided at no cost to the Organization during the year ended June 30, 2024, but based on current market rates for rental office space, the Organization would have paid \$4,725.

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**Note 1. Summary of Significant Accounting Policies (Continued)**

Contributed Nonfinancial Assets and Services (Continued)

All gifts in-kind received by the Organization for the years ended June 30, 2025 and 2024 were considered unrestricted and able to be used by the Organization as determined by the board of directors and management.

Risks and Uncertainties

The Organization invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, credit, and market risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of net position.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. This code section enables the Organization to accept donations that qualify as charitable contributions to the donor. Income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. No provision for income taxes has been recorded in the accompanying financial statements as the Organization did not have any significant unrelated business income in 2025 and 2024. 406 Financial Services, LLC is treated as a disregarded entity of MAS for income tax reporting purposes.

Use of Estimates

Preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of income and expense. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing various programs and activities are summarized on a functional basis in the statement of activities. The primary activity groups and their related purposes are summarized as follows:

Administrative Expenses - Expenses which allow the Organization to operate and provide services to clients, but are not directly attributable to client services.

Program Services - Expenses which are associated with the Organization's objectives and purpose.

Fundraising Expenses - Expenses for fundraising activities.

Specifically identifiable expenses are allocated to the program benefited. Non-specifically identifiable expenses that are allocated and the method of allocation are as follows:

<u>Expense</u>	<u>Method of Allocation</u>
Wages & benefits	Time and effort
Occupancy expense	Purpose and location
Operations expense	Purpose

**MISSOULA AGING SERVICES**  
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**Note 2. Program Services**

MAS serves a vulnerable and growing population. Montana is among the ten oldest states in the nation as defined by the number of older adults per capita. Twenty-five percent of Missoula County's population is aged 60 or over, as is 37% of neighboring Ravalli County. Approximately 1 in 3 Missoula households includes an older adult. Using the Elder Index™, which takes into account income, household size, home ownership, and health status, about half of older Montanans are economically insecure, meaning they do not have enough income to meet their basic needs and age in place with dignity.

As noted in years past, health, social and financial stressors common for older adults prior to the pandemic were exponentially exacerbated by Covid and its economic aftermath – a trend that has continued in fiscal year 2025, leaving many older adults isolated, in need of assistance and struggling to make ends meet on fixed incomes, which in turn strains both formal and informal support systems. Additionally, many have complex health needs and conditions, like dementia, which make navigating the system, and daily life, difficult. Family caregivers are more likely to need support as well as their loved ones' needs increase and the health and social care systems become more complicated.

Wages are a particular concern, especially for direct care workers, which combined with a severe local housing crisis, continue to constrain the availability and affordability of support to age in place, putting older adults' health, safety, and independence at risk. In fiscal year 2024, MAS took steps to increase successful recruitment and retention of their direct care staff by restructuring the in-home services program from a traditional shift-based model to one in which direct care workers are permanent employees with increased compensation, eligible for full benefits based on full-time employee (FTE) status, and integrated into program teams. This has increased staff satisfaction and stability, and is in line with MAS's values and vision, but the associated costs allow MAS to maintain only a few staff in these critical roles at this time.

MAS provides many services to mitigate clients' growing and increasingly complex needs. However, some older adults are in crises that we can't adequately address or are headed to crises MAS can't prevent, including homelessness. More comprehensive and long-term solutions require the community as a whole to center on aging in a sustained and coordinated way. MAS continues to actively engage with stakeholders and partners on these issues to strengthen and deepen collective efforts.

MAS also focuses on uplifting older adults and highlighting their many achievements and contributions (paid and unpaid) and supporting their continued engagement in community and civic life, including providing volunteer opportunities.

MAS engages in extensive planning efforts to identify older adult's needs and interests, stakeholder priorities, community challenges, and opportunities for collaborative solution-building. In fiscal year 2023, MAS completed the current Area Plan on Aging, effective October 2023-September 2027. In fiscal year 2024, MAS engaged in an ambitious long-range strategic planning process using a Theory of Change model where MAS asked more than 130 diverse stakeholders, from clients to decision-makers, to help imagine what the community served by MAS would look like 20-30 years in the future if people were empowered to age with confidence and without fear. The resulting Plan defined MAS's transformative impact: "When we shift how we see and value older adults and understand aging as a vital part of living that we all experience, we are empowered to improve the well-being of everyone as we age." It identified five strategic pathways to change and establishes five goals within each pathway: Accessibility, Autonomy, Culture, Security, and Well-being. The Plan represents a bold and proactive commitment to creating an inclusive, supportive, and vibrant community for all. MAS operationalizes the Plan annually to guide their efforts, in sync with the Area Plan, and report progress to funders and stakeholders.

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**Note 2. Program Services (Continued)**

Other notable changes during the year ended June 30, 2025, included the following:

In partnership with a local geriatrician, MAS completed preparation to launch the CMS GUIDE pilot program on July 1, 2025 (fiscal year 2026) to provide comprehensive care management to Medicare beneficiaries living with dementia in the community, either alone or supported by family caregivers.

MAS completed a restructuring of their Information and Assistance department to improve customer service, including “one-call” access to Resource Specialists.

As part of a final winding down of their Covid response, MAS completed a Meals on Wheels compliance review and re-assessed client eligibility, which resulted in a reduction in enrollment. MAS Ended the Liquid Supplement Program as vendor changes made the program no longer viable. MAS prepared to transition the congregate meal program on August 1, 2025 (fiscal year 2026) to a “restaurant model” in which clients can use vouchers to dine at senior centers or participating local restaurants. This change allows for client choice and will hopefully increase program uptake across the community. MAS now performs all intakes and manages client contributions. The new program is called the Community Table.

MAS continued to focus on providing an aging perspective on community planning activities and supporting older adults to participate in civic engagement on multiple topics of interest. Examples include City of Missoula Code Reform Project, Parks and Rec Master Plan, and the Transportation and Public Transit Strategic Plans. MAS extended the Community Conversations on Aging pilot to provide additional forums for older adults to share their aging experience and launched a Steering Committee of older adult volunteers to explore the feasibility of launching a “Village” in Missoula based on the national village-to-village peer support model that empowers older adults to help each other age in place and stay socially connected.

MAS completed the sale of 406 Financial Services, LLC, a wholly owned limited liability company of Missoula Aging Services. Its purpose is to 1) act as fiscal employer agent (FMS) for the Veteran Directed Care Program (VDC) by providing payroll services for veteran employers, 2) contract with organizations in the Aging Network to provide financial and accounting services, and 3) provide money management services on a limited basis for older adults in need of financial services through bill pay, organizational support, and trust management. Following the sale, MAS continues to contract with 406 Financial Services, LLC for VDC FMS Services. See Note 14 for additional information on the sale of 406 Financial Services, LLC.

Community Programs

**Meals on Wheels** serves housebound older adults and people with disabilities throughout all of Missoula County. Liquid Nutrition (Ensure®) is provided at cost. A total of 103,560 home delivered meals were provided to 641 individuals in fiscal year 2025, compared to 123,637 meals provided to 691 individuals in fiscal year 2024.

**Congregate Dining Programs (also known as Community Lunch Programs)** provide older adults the opportunity to share weekday meals in a social atmosphere at the Senior Centers and other meal sites in Missoula County (Missoula, Seeley Lake, Bonner and Lolo). A total of 26,521 meals were served to 738 individuals in fiscal year 2025, compared to 31,833 meals served to 990 individuals in fiscal year 2024.

**MISSOULA AGING SERVICES**  
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**Note 2. Program Services (Continued)**

Community Programs (Continued)

The **Volunteer Services Program** offers older adults a wide range of volunteer opportunities within MAS, including Meals on Wheels drivers, Caring Companions, and Resource Volunteers, and also helps older adults connect with community partners to find the volunteer experience that best fits their interests and skills. In fiscal year 2025, approximately 182 volunteers supported the MAS mission, providing 21,882 hours of service.

**Education and Community Engagement Programs** offered 16 classes for 104 participants in fiscal year 2025. Three Community Conversations on Aging, in which a total of 50 people participated, were also held in fiscal year 2025.

In-Home Services

**In-Home Support Services** staff, called Client Support Specialists, help older adults age at home safely and comfortably and give primary caregivers the opportunity to take time for themselves. In fiscal year 2025, MAS provided 2,444 hours of In-Home Support Services to 66 clients. This compares to 2,626 hours of care for 46 clients in fiscal year 2024.

The **Caring Companion Program** matches volunteers with older adult clients to reduce social isolation and loneliness. Thirty-two (32) clients were matched with companions, and volunteers served 1,757 hours in fiscal year 2025.

The **Veteran Directed Care Program** empowers qualifying veterans to hire, employ and supervise Personal Care Attendants to help with daily needs in support of independence. MAS Care Coordinators assist veterans to develop and implement care plans to meet their personal needs. In fiscal year 2025, 112 veterans were served compared to 102 veterans in fiscal year 2024.

**Care Management Program** staff assist older adults with complex needs to navigate and access health and social care systems to support safety, independence, and quality of life. In fiscal year 2025, the program served 52 clients, the majority of which are individuals living with memory loss or dementia. This compares to 64 clients served in fiscal year 2024.

The **Family Caregiver Support Program** assists adult family members and other informal providers of in-home care to older adults. Staff connect caregivers and their loved ones to MAS services, such In-Home Services, Caring Companions, and Respite (which provides caregivers temporary relief from caregiving responsibilities). Caregivers can also participate in ongoing support groups or take a Powerful Tools for Caregivers class. In fiscal year 2025, MAS supported 75 family caregivers compared to 82 in fiscal year 2024.

The **Home Modification Program** provides older adults (homeowners and renters) with affordable assistance with minor home modifications and repairs to improve accessibility and address safety concerns. Projects include installation of grab bars and accessible bathroom fixtures, safety latches and accessible handles, hand railings, smoke/O2 detectors, weatherization, light fixture replacements, drywall patching, etc.

**MISSOULA AGING SERVICES**  
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**Note 2. Program Services (Continued)**

Information and Assistance

The **Resource Center** provides information, assistance, and one-on-one consultation regarding aging services to older adults and their caregivers, including adult children seeking local referrals from a distance. Common topics include long-term care, estate planning, Medicare and Medicaid, and homeowner/renter tax credits. Resource staff also provide older adults with free Benefits Screenings to determine what cost-saving benefits they may be eligible for, and then assist individuals to complete, submit, and track applications. In fiscal year 2025, staff answered 27,481 calls and helped 4,098 clients, compared to 22,705 calls and 4,230 clients in fiscal year 2024.

The **Money Management Program** helps older adults and other at-risk individuals manage their personal financial affairs through serving as a representative payee, providing bill payment services, helping with budgets, and advocating to prevent financial exploitation or abuse. In fiscal year 2025, this program served 40 clients compared to 40 in fiscal year 2024.

**Montana SMP (Senior Medicare Patrol)** funded by the Administration on Aging, is a statewide program which utilizes trained volunteers to help reduce Medicare and Medicaid waste, fraud, and abuse. In fiscal year 2025, Montana SMP educated approximately 13,000 Medicare beneficiaries compared to 14,044 beneficiaries in fiscal year 2024.

The **Ombudsman Program** advocates for residents living in long-term care facilities by helping them understand and exercise their right to good care. Ombudsmen are impartial mediators who investigate resident concerns and provide information, suggest solutions, and press for improvements on behalf of residents. In fiscal year 2025, Ombudsman made 2,809 contacts with residents in nursing homes and assisted living facilities compared to 2,750 contacts made in fiscal year 2024.

**Note 3. Receivables**

Receivables consisted of the following at June 30:

	<b>2025</b>	<b>2024</b>
Grants	\$ 1,020,156	\$ 1,043,456
Contributions	-	6,230
Other	532,396	487,608
Total	\$ 1,552,552	\$ 1,537,294

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**Note 4. Financial Assets**

The following table reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts that are not available for general use due to board, contractual, or donor imposed restrictions within one year of the statement of financial position date:

	<u>2025</u>	<u>2024</u>
Financial assets as of June 30:		
Cash and cash equivalents	\$ 1,357,681	\$ 1,670,470
Receivables	1,552,552	1,537,294
Agency funds	31,761	3,611,316
Investments	<u>5,625,015</u>	<u>4,264,133</u>
Total financial assets	8,567,009	11,083,213
Less financial assets unavailable for general expenditures within one year:		
Agency funds	31,761	3,611,316
Receivables	1,548,175	1,520,916
Endowment funds	1,988,647	1,795,239
Board designated funds	<u>787,462</u>	<u>707,895</u>
Total financial assets unavailable for general expenditure within one year:	<u>4,356,045</u>	<u>7,635,366</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,210,964</u>	<u>\$ 3,447,847</u>

**Note 5. Risk Management**

The Organization faces a number of risks including (a) loss or damage to property, (b) general liability, (c) workers' compensation, and (d) employee medical insurance. There were no significant changes in how the Organization covered its risks in 2025 or 2024.

Commercial insurance policies are purchased for loss or damage to property, general liability, and directors and officers liability.

Workers' compensation insurance is purchased through the Missoula County Workers' Compensation Group Insurance Authority. The Organization is jointly and severally liable with other members of the plan for the full amount of any claims applicable to the plan.

The Organization provides medical insurance for employees through the Missoula County Employee Benefits Plan, the County's medical self-insurance program. Information about these plans, the amount of claims liabilities, changes in claims liability, amount of claims paid, operating results, and other information on the programs administered by Missoula County is available from the County at 200 West Broadway, Missoula, Montana 59802.

**MISSOULA AGING SERVICES**  
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**Note 6. Investments**

Investments are presented in the financial statements at fair value. Investments are maintained in custodial accounts with investment firms and are primarily composed of cash instruments and mutual funds at their listed prices (Level 1 inputs based on GASB Statement No. 72, *Fair Value Measurement and Application*).

A summary of the cost and fair value of investments follows at June 30:

	<b>2025</b>		
	<b>Cost</b>	<b>Unrealized Gain (Loss)</b>	<b>Fair Value</b>
Cash and money markets	\$ 243,406	\$ -	\$ 243,406
Fixed income	3,410,008	35,483	3,445,491
Other investments	32,731	(47)	32,684
Equities	<u>1,550,642</u>	<u>352,792</u>	<u>1,903,434</u>
Total	<u>\$ 5,236,787</u>	<u>\$ 388,228</u>	<u>\$ 5,625,015</u>
	<b>2024</b>		
	<b>Cost</b>	<b>Unrealized Gain (Loss)</b>	<b>Fair Value</b>
Cash and money markets	\$ 109,082	\$ -	\$ 109,082
Fixed income	2,399,496	17,136	2,416,632
Other investments	29,886	(1,376)	28,510
Equities	<u>1,367,330</u>	<u>342,579</u>	<u>1,709,909</u>
Total	<u>\$ 3,905,794</u>	<u>\$ 358,339</u>	<u>\$ 4,264,133</u>

The Organization has an investment policy approved by its board of directors utilizing guidance from the Internal Revenue Service and the prudent expert principle. The investment policy allows investments in cash, cash equivalents, certificates of deposit, and equity investments in mutual funds, corporate stocks and corporate bonds, providing the company is listed on a principal U.S. stock exchange or traded on NASDAQ. Bond investments require investment grade ratings with Standard and Poor's or Moody's. The Organization does not have significant custodial risk nor does the Organization believe it is exposed to any significant credit risk or interest rate risk.

The calculation of realized gains is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in fair value of investments reported in the prior year. Investment expenses are waived by the investment custodian.

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**Note 6. Investments (Continued)**

Components of investment income for the year ended June 30, 2025 and 2024 consist of the following:

	<b>2025</b>	<b>2024</b>
Interest income	\$ 185,233	\$ 143,098
Unrealized gains (losses)	195,006	284,894
Total	\$ 380,239	\$ 427,992

**Note 7. Endowment**

Although the Organization follows GAAP as set forth by GASB, the following expanded disclosures are made regarding MAS' endowment. MAS' endowment consists of individual funds established for a variety of purposes. Its endowment includes donor-restricted endowment funds. As required by GAAP, net position associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

MAS's Board of Directors has interpreted the 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, MAS classifies as restricted net position - nonexpendable (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund not classified as restricted net position - nonexpendable is classified as restricted net position - expendable until those amounts are appropriated for expenditure by MAS in a manner consistent with the standard of prudence prescribed by UPMIFA.

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

- 1) The duration and preservation of the fund
- 2) The purposes of the organization and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the organization
- 7) The investment policies of the organization

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**Note 7. Endowment (Continued)**

Return Objectives and Risk Parameters

MAS has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that MAS must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to achieve favorable returns when compared to inflation as measured by the Consumer Price Index (CPI). Actual returns in any given year may vary from this amount.

Endowment Net Position

Changes in endowment net position is as follows:

	<u>Unrestricted</u>	<u>Restricted Expendable</u>	<u>Restricted Non- Expendable</u>	<u>Total</u>
Endowment net position, June 30, 2023	\$ -	\$ 703,560	\$ 814,550	\$ 1,518,110
Investment return				
Investment income	-	32,929	-	32,929
Net appreciation (depreciation)	-	217,997	-	217,997
Total	-	250,926	-	250,926
Contributions	-	-	26,203	26,203
Endowment net position, June 30, 2024	-	954,486	840,753	1,795,239
Investment return				
Investment income	-	37,359	-	37,359
Net appreciation (depreciation)	-	120,200	-	120,200
Total	-	157,559	-	157,559
Contributions	-	-	35,849	35,849
Endowment net position, June 30, 2025	<u>\$ -</u>	<u>\$ 1,112,045</u>	<u>\$ 876,602</u>	<u>\$ 1,988,647</u>

The portion of perpetual endowment funds that is required to be retained in perpetuity either by explicit donor stipulation or by UPMIFA at June 30, 2025 and 2024 was \$876,602 and \$840,753, respectively. There were \$1,112,045 and \$954,486 expendable net position with donor restriction within the endowment fund that were subject to a time, but not purpose, restriction under UPMIFA at June 30, 2025 and 2024, respectively.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**Note 7. Endowment (Continued)**

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires MAS to retain as a fund of perpetual duration. In accordance with GAAP, there were no deficiencies of this nature reported restricted net position as of June 30, 2025 and 2024.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, MAS relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). MAS targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

MAS has a policy where the organization may appropriate for distribution each year 4 percent of its endowment fund's average fair value over the prior 8 quarters. In establishing this policy, MAS considered the long-term expected return on its endowment. Accordingly, over the long term, MAS expects the current spending policy to allow its endowment to grow at an average consistent with inflation. This is consistent with MAS' objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

**Note 8. Contractual Commitments**

The Organization contracts with other organizations to provide meals and other services under Title III of the Older Americans Act nutrition programs. The Organization also subcontracts with other Area Agencies on Aging for its statewide effort, SMP, a direct grant from the Administration on Aging. These contracts are renewed annually subject to the terms of MAS' grant funding.

**Note 9. Retirement Plan**

The Organization has a voluntary, tax sheltered annuity retirement plan under Section 403(b) of the Internal Revenue Code. The plan covers substantially all employees who have been employed one year and work at least one-half time. Section 403(b) plans are individual plans owned by each employee; in effect, contributions immediately vest with the employee. The Organization contributes up to 6-8% of the employee's compensation depending on the employee's years of service. Employees may contribute additional amounts as permitted by law. The amount contributed to the retirement plan by the Organization was \$137,659 and \$108,671 for the years ended June 30, 2025 and 2024, respectively.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**Note 10. Capital Assets**

Changes in capital assets and accumulated depreciation is as follows for the year ended June 30, 2025:

	<u>2024</u>	<u>Additions</u>	<u>Removals</u>	<u>2025</u>
Capital asset not being depreciated:				
Land	\$ 132,000	\$ -	\$ -	\$ 132,000
Capital assets being depreciated:				
Buildings	2,310,581	-	-	2,310,581
Equipment	23,988	-	(23,988)	-
	<u>2,334,569</u>	<u>-</u>	<u>(23,988)</u>	<u>2,310,581</u>
Less accumulated depreciation	(1,334,203)	(77,019)	23,988	(1,387,234)
Net capital assets being depreciated	<u>\$ 1,000,366</u>			<u>923,347</u>
Net investment in capital assets				<u>\$ 1,055,347</u>

Changes in capital assets and accumulated depreciation is as follows for the year ended June 30, 2024:

	<u>2023</u>	<u>Additions</u>	<u>Removals</u>	<u>2024</u>
Capital asset not being depreciated:				
Land	\$ 132,000	\$ -	\$ -	\$ 132,000
Capital assets being depreciated:				
Buildings	2,279,132	31,449	-	2,310,581
Equipment	51,431	-	(27,443)	23,988
	<u>2,330,563</u>	<u>31,449</u>	<u>(27,443)</u>	<u>2,334,569</u>
Less accumulated depreciation	(1,285,238)	(76,408)	27,443	(1,334,203)
Net capital assets being depreciated	<u>\$ 1,045,325</u>			<u>1,000,366</u>
Net investment in capital assets				<u>\$ 1,132,366</u>

**Note 11. Related Parties**

As described in Note 1, the Organization's Board of Directors is appointed, and may be removed at will, by the Board of County Commissioners of Missoula County. The County provides funds to the Organization from a tax levy under Montana Code Annotated (MCA) Section 7-16-101 totaling \$1,886,756 and \$1,913,521 in 2025 and 2024, respectively.

**Note 12. Leases and Subscription Agreements**

The Organization has entered into various lease agreements for copiers and a postage machine. Copier leases in effect as of June 30, 2025 and 2024 are for five years and do not contain options to renew upon maturity. Upon maturity, the leases convert to month-to-month unless control of the copiers is returned to the lessor. Per the copier lease agreements, the Organization is required to pay a fixed fee along with a monthly usage fee based off the volume of copies created on the machines. The postage machine lease term is five years. Total minimum lease payments for these leases for the years ended June 30, 2025 and 2024, were \$5,681 and \$5,291, respectively.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**Note 12. Leases and Subscription Agreements (Continued)**

Future minimum lease payments for copier and postage machine leases are as follows for the years ended June 30:

2026	\$	5,681
2027		5,681
2028		3,253
2029		<u>1,150</u>
Total future minimum lease payments	\$	<u><u>15,765</u></u>

The Organization has also entered in to a subscription-based information technology arrangement (SBITA) for an office-wide phone software and support subscription. The phone software subscription has a three year term and expires on June 30, 2027. The term may be extended with the written consent of both parties. Total minimum payments for this subscription for the years ended June 30, 2025 and 2024, were \$16,320 and zero, respectively.

Future minimum payments for the phone software subscription are as follows for the years ended June 30:

2026	\$	16,320
2027		<u>16,320</u>
Total future minimum payments	\$	<u><u>32,640</u></u>

**Note 13. Other Post-Employment Benefits**

The Organization participates in the Missoula County Employee Benefits Plan, a self-insured multiple-employer plan, by providing medical insurance to its employees via this plan. Benefits are established and may be amended by Missoula County. The plan issues stand-alone financial statements which may be obtained from Missoula County Risks & Benefits, 200 West Broadway, Missoula, Montana 59802.

The Organization has reviewed the provisions of GASB Statement 75, "Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions" (GASB 75). Because the health plan premium for retirees is not fully age adjusted to consider higher benefits costs for retired plan participants, an implicit rate subsidy is built into active employees' premiums which keep the retirees' portion lower. GASB 75 recognizes that active employees are actually earning this implicit rate subsidy currently and suggests that the related expense should be recognized when the subsidy is earned.

In complying with GASB 75, the Organization has estimated the value of the implicit rate subsidy for active employees. That estimation resulted in an immaterial amount, and therefore, no liability for post-employment benefits has been recorded.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2025 and 2024**

**Note 14. Sale of 406 Financial Services, LLC**

406 Financial Services, LLC ( a wholly owned disregarded entity) was sold effective November 30, 2024. The \$81,0000 gain on the sale is included as other income in the consolidated statement of functional revenues and expenses for the year ended June 30, 2025. The activity of 406 Financial Services, LLC from June 1, 2024 to November 30, 2024 is included in the consolidated statement of functional revenues and expenses for the year ended June 30, 2025 with intercompany transactions eliminated.

**Note 15. Subsequent Events**

Subsequent to yearend in July 2025, MAS created a new entity, MAS Care Solutions, LLC. MAS Care Solutions, LLC is a wholly owned disregarded entity and will be used as a fiscal employer agent for the Veteran Directed Care Program.

Management has evaluated subsequent events through November 13, 2025, the date which the consolidated financial statements were available to be issued.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2025**

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Contract Number</u>	<u>Total Expenditures</u>	<u>Passed Through to Subrecipient</u>
U.S. Department of Health and Human Services				
Federally Administered				
Montana SMP Project	93.048	90MPPG009502	\$ 367,487	\$ 162,650
ACL-ADP-Alzheimer's	93.470	90ADPI0059-01-00	52,061	-
ACL-CDRI-Alzheimer's Association	93.470	90ADPI0117-01-00	56,349	-
Total Federally Administered			<u>475,897</u>	<u>162,650</u>
Passed through Montana DPHHS				
Special Programs for the Aging, Title VII- Chapter 2				
Long Term Care Ombudsman Services for Older Individuals				
	93.042	24-221-13007-0 VII OMB	12,215	-
Elder Abuse	93.042	24-221-13007-0 VII EA	3,700	-
Total			<u>15,915</u>	<u>-</u>
Special Programs for the Aging, Title III, Part D				
Disease Prevention and Health Promotion Services				
	93.043	24-221-13007-0 IIID	15,648	5,893
Aging Cluster				
Special Programs for the Aging, Title III, Part B				
Grants for Supportive Services and Senior Centers				
	93.044	24-221-13007-0 IIIB	150,323	49,223
Grants for Supportive Services and Senior Centers - Ombudsman	93.044	24-221-13007-0 IIIB OMB	25,286	-
Program Income	93.044		19,600	-
Total			<u>195,209</u>	<u>49,223</u>
Special Programs for the Aging, Title III, Part C				
Nutrition Services				
	93.045	24-221-13007-0 IIIC1	279,172	92,897
Nutrition Services	93.045	24-221-13007-0 IIIC2	204,669	85,499
Program Income	93.045		115,034	-
Total			<u>598,875</u>	<u>178,396</u>
Nutrition Services Incentive Program				
Cash -in-lieu of Commodities	93.053	24-221-13007-0	62,518	14,653
Total Aging Cluster			<u>856,602</u>	<u>242,272</u>

See accompanying notes to the schedule of expenditures of federal awards.

**MISSOULA AGING SERVICES**  
**A COMPONENT UNIT OF MISSOULA COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**For the Year Ended June 30, 2025**

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Contract Number</u>	<u>Total Expenditures</u>	<u>Passed Through to Subrecipient</u>
U.S. Department of Health and Human Services (Continued)				
National Family Caregiver Support	93.052	24-221-13007-0 IIIIE	\$ 112,700	\$ 38,201
Center for Medicare and Medicaid Services Research, Demonstrations and Evaluations	93.779	24-221-13007-0 SHIP	48,294	18,189
Medicare Improvements for Patients and Providers Outreach Research, Demonstrations and Evaluations	93.071	24-221-13007-0 MIPPA	30,489	11,482
Total Passed Through MT DPHHS			<u>1,079,648</u>	<u>316,037</u>
Total U.S. Department of Health and Human Services			<u>1,555,545</u>	<u>478,687</u>
Total Federal Expenditures			<u>\$ 1,555,545</u>	<u>\$ 478,687</u>

See accompanying notes to the schedule of expenditures of federal awards.

**MISSOULA AGING SERVICES  
A COMPONENT UNIT OF MISSOULA COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2025**

**Note 1. Basis of Accounting**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Missoula Aging Services under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Missoula Aging Services, it is not intended to and does not present the consolidated financial position, changes in net position, or cash flows of Missoula Aging Services.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3. Indirect Cost Rate**

The Organization has elected not to use the 15 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4. Programs**

The Organization receives a significant portion of funding from the Department of Health and Human Services and the Corporation for National and Community Service. The major program for the year ended June 30, 2025, was the Aging Cluster comprised of ALN 93.044, 93.045, and 93.053.

**Note 5. Subrecipients**

Expenditures of federal awards presented in the above schedule include federal awards passed-through to subrecipients as follows:

<u>Program</u>	<u>Assistance Listing Number</u>	<u>Amount to Subrecipient</u>
Special Programs for the Aging, Title III, Part D	93.043	\$ 5,893
Special Programs for the Aging, Title III, Part B	93.044	49,223
Special Programs for the Aging, Title III, Part C	93.045	178,396
National Family Caregiver Support	93.052	38,201
Cash-in-lieu Commodities	93.053	14,653
Montana SMP Project	93.048	162,650
Center for Medicare and Medicaid Services	93.779	18,189
Medicare Improvements for Patients and Providers Outreach	93.071	<u>11,482</u>
Total		<u>\$ 478,687</u>

**INDEPENDENT AUDITORS' 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***

Board of Directors and Management  
Missoula Aging Services  
Missoula, Montana

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 Missoula Aging Services (a nonprofit organization), which comprise the consolidated statement of net position as of June 30, 2025, and the related consolidated statements of revenues, expenses and changes in net position, functional revenues and expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 13, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Missoula Aging Services' 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Missoula Aging Services' internal control. Accordingly, we do not express an opinion on the effectiveness of Missoula Aging Services' 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 may exist that have not been identified.

Board of Directors and Management  
Missoula Aging Services

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Missoula Aging Services' 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 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.

***Junkermier, Clark, Campanella, Stevens, P.C.***

Missoula, Montana  
November 13, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors and Management  
Missoula Aging Services  
Missoula, Montana

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Program**

We have audited Missoula Aging Services' compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Missoula Aging Services' major federal programs for the year ended June 30, 2025. Missoula Aging Services' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Missoula Aging Services complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Missoula Aging Services and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Missoula Aging Services' compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Missoula Aging Services' federal programs.



### **Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Missoula Aging Services' compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Missoula Aging Services' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Missoula Aging Services' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Missoula Aging Services' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Missoula Aging Services' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Board of Directors and Management  
Missoula Aging Services

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

***Junkermier, Clark, Campanella, Stevens, P.C.***

Missoula, Montana  
November 13, 2025

**MISSOULA AGING SERVICES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2025**

**I. Summary of Auditors' Results**

1. The independent auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Missoula Aging Services were prepared in accordance with U.S. GAAP.
2. No material weaknesses or significant deficiencies relating to the audit of the consolidated financial statements are reported in the Independent Auditors' 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*.
3. No instances of noncompliance material to the consolidated financial statements of Missoula Aging Services, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses or significant deficiencies in internal control over major federal award programs disclosed during the audit are reported in the Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The independent auditors' report on compliance for the major federal award programs for Missoula Aging Services expresses an unmodified opinion on all major federal programs.
6. There are no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a).
7. The program tested as a major program included the following: U.S Department of Health and Human Services: Aging Cluster ALN 93.044, 93.045, and 93.053.
8. The threshold for distinguishing Types A and B programs was \$750,000 in expenditures.
9. The Organization was determined to be a low-risk auditee.

**II. Findings - Consolidated Financial Statements Audit**

No matters were reported.

**III. Findings and Questioned Costs - Major Federal Award Programs**

No matters were reported.

**IV. Status of Prior Year Findings**

No matters were reported.