



**Ronald
McDonald
House**[®]

Mountain West



FINANCIAL STATEMENTS

Years Ended December 31, 2025 and 2024

**RONALD MCDONALD HOUSE MOUNTAIN WEST
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YEARS ENDED DECEMBER 31, 2025 AND 2024**

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Independent Auditor's Report

To the Board of Directors
Ronald McDonald House Mountain West

Opinion

We have audited the accompanying financial statements of **Ronald McDonald House Charities of the Intermountain Area, Inc. dba Ronald McDonald House Mountain West** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Ronald McDonald House Charities of the Intermountain Area, Inc. dba Ronald McDonald House Mountain West** (the "Organization") as of December 31, 2025 and 2024, and the results of its operations 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.

A handwritten signature in black ink that reads "Larson Company P.C." in a cursive script.

Salt Lake City, Utah
May 26, 2026

**RONALD MCDONALD HOUSE MOUNTAIN WEST
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024**

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,222,894	\$ 565,863
Contributions and accounts receivable, net	688,371	788,529
Prepaid expenses	49,175	55,886
Total current assets	1,960,440	1,410,278
NONCURRENT ASSETS		
Cash and cash equivalents	1,168,577	1,467,803
Contributions and accounts receivable, net	942,955	441,928
Investments	19,144,050	17,826,968
Operating lease right-of-use asset	18,336	27,750
Property and equipment, net	12,008,448	12,067,960
Total noncurrent assets	33,282,366	31,832,409
Total assets	\$ 35,242,806	\$ 33,242,687
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 118,681	\$ 215,591
Accrued expenses	330,002	288,239
Operating lease liability, current portion	9,824	9,414
Total current liabilities	458,507	513,244
NONCURRENT LIABILITIES		
Operating lease liability, net of current portion	8,512	18,336
Total noncurrent liabilities	8,512	18,336
Total liabilities	467,019	531,580
NET ASSETS		
Without donor restrictions		
Undesignated	12,075,374	11,622,572
Board designated	12,806,213	11,457,808
With donor restrictions	9,894,200	9,630,727
Total net assets	34,775,787	32,711,107
Total liabilities and net assets	\$ 35,242,806	\$ 33,242,687

See accompanying notes to financial statements

**RONALD MCDONALD HOUSE MOUNTAIN WEST
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Public support			
Individual contributions	\$ 2,987,056	\$ -	\$ 2,987,056
In-kind contributions	1,304,763	-	1,304,763
Foundation contributions	512,023	-	512,023
Corporate contributions	261,539	-	261,539
Capital campaign contributions	209,815	1,254,296	1,464,111
Special events	1,473,510	486,000	1,959,510
Less: cost of direct benefit to donors	(423,297)	-	(423,297)
Net revenue from special events	<u>1,050,213</u>	<u>486,000</u>	<u>1,536,213</u>
Net assets released from restrictions	1,476,823	(1,476,823)	-
Total public support	<u>7,802,232</u>	<u>263,473</u>	<u>8,065,705</u>
Other revenues			
Third-party reimbursements	168,905	-	168,905
Other income	13,202	-	13,202
Total other revenues	<u>182,107</u>	<u>-</u>	<u>182,107</u>
Total public support and other revenues	<u>7,984,339</u>	<u>263,473</u>	<u>8,247,812</u>
EXPENSES			
Program services	6,544,391	-	6,544,391
Support services			
Management and general	804,876	-	804,876
Fundraising	1,053,507	-	1,053,507
Payments to RMHC Global	2,780	-	2,780
Total expenses	<u>8,405,554</u>	<u>-</u>	<u>8,405,554</u>
Change in net assets from operations	(421,215)	263,473	(157,742)
Investment income, net	<u>2,222,422</u>	<u>-</u>	<u>2,222,422</u>
Change in net assets	1,801,207	263,473	2,064,680
Net assets - beginning of year	<u>23,080,380</u>	<u>9,630,727</u>	<u>32,711,107</u>
Net assets - end of year	<u>\$ 24,881,587</u>	<u>\$ 9,894,200</u>	<u>\$ 34,775,787</u>

See accompanying notes to financial statements

**RONALD MCDONALD HOUSE MOUNTAIN WEST
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Public support			
Individual contributions	\$ 2,658,323	\$ -	\$ 2,658,323
In-kind contributions	1,137,636	-	1,137,636
Foundation contributions	667,906	-	667,906
Corporate contributions	164,255	-	164,255
Capital campaign contributions	-	1,204,255	1,204,255
Special events	1,064,432	35,000	1,099,432
Less: cost of direct benefit to donors	(330,839)	-	(330,839)
Net revenue from special events	<u>733,593</u>	<u>35,000</u>	<u>768,593</u>
Net assets released from restrictions	1,707,925	(1,707,925)	-
Total public support	<u>7,069,638</u>	<u>(468,670)</u>	<u>6,600,968</u>
Other revenues			
Third-party reimbursements	139,420	-	139,420
Gain on sale of property and equipment	17,624	-	17,624
Other income	15,629	-	15,629
Total other revenues	<u>172,673</u>	<u>-</u>	<u>172,673</u>
Total public support and other revenues	<u>7,242,311</u>	<u>(468,670)</u>	<u>6,773,641</u>
EXPENSES			
Program services	5,758,180	-	5,758,180
Support services			
Management and general	730,560	-	730,560
Fundraising	955,560	-	955,560
Payments to RMHC Global	932	-	932
Total expenses	<u>7,445,232</u>	<u>-</u>	<u>7,445,232</u>
Change in net assets from operations	(202,921)	(468,670)	(671,591)
Investment income, net	1,582,421	-	1,582,421
Change in net assets	1,379,500	(468,670)	910,830
Net assets - beginning of year	21,700,880	10,099,397	31,800,277
Net assets - end of year	<u>\$ 23,080,380</u>	<u>\$ 9,630,727</u>	<u>\$ 32,711,107</u>

See accompanying notes to financial statements

**RONALD MCDONALD HOUSE MOUNTAIN WEST
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025**

	Program Services	Management and General	Fundraising	Payments to RMHC Global	Cost of Direct Benefits to Donors	Total
Salaries	\$ 2,856,364	\$ 433,058	\$ 589,121	\$ -	\$ -	\$ 3,878,543
Employee benefits	432,604	118,425	66,582	-	-	617,611
Payroll taxes	209,189	31,472	42,994	-	-	283,655
Total salaries and related expenses	<u>3,498,157</u>	<u>582,955</u>	<u>698,697</u>	<u>-</u>	<u>-</u>	<u>4,779,809</u>
Program supplies	1,103,221	-	-	-	-	1,103,221
Professional fees	177,389	101,820	32,203	-	-	311,412
Office	162,229	22,258	5,537	-	-	190,024
Food and facilities	10,517	13,216	137,282	-	379,577	540,592
Auction items and takeaw ays	-	-	-	-	43,720	43,720
Rent	411,762	-	-	-	-	411,762
Maintenance and repairs	126,605	-	-	-	-	126,605
Utilities	132,398	1,027	1,757	-	-	135,182
Insurance	149,507	1,160	1,984	-	-	152,651
Printing and postage	10,446	2,415	78,764	-	-	91,625
Communications	48,248	2,098	2,496	-	-	52,842
Bank fees	-	50,535	-	-	-	50,535
Public relations	7,524	2,554	43,880	-	-	53,958
Conferences and education	3,449	5,868	2,950	-	-	12,267
Travel	19,453	1,518	1,134	-	-	22,105
Emergency housing expenses	6,233	-	-	-	-	6,233
Miscellaneous	13,580	-	-	-	-	13,580
Dues and subscriptions	8,271	12,366	38,124	-	-	58,761
Total expenses before depreciation and amortization	<u>5,888,989</u>	<u>799,790</u>	<u>1,044,808</u>	<u>-</u>	<u>423,297</u>	<u>8,156,884</u>
Depreciation and amortization	655,402	5,086	8,699	-	-	669,187
Payments to RMHC Global, unallocated	-	-	-	2,780	-	2,780
Total functional expenses	<u>\$ 6,544,391</u>	<u>\$ 804,876</u>	<u>\$ 1,053,507</u>	<u>\$ 2,780</u>	<u>\$ 423,297</u>	<u>\$ 8,828,851</u>

RECONCILIATION TO STATEMENT OF ACTIVITIES

Cost of direct benefit to donors	-	-	-	-	(423,297)	(423,297)
Total expenses	<u>\$ 6,544,391</u>	<u>\$ 804,876</u>	<u>\$ 1,053,507</u>	<u>\$ 2,780</u>	<u>\$ -</u>	<u>\$ 8,405,554</u>

See accompanying notes to financial statements

**RONALD MCDONALD HOUSE MOUNTAIN WEST
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024**

	Program Services	Management and General	Fundraising	Payments to RMHC Global	Cost of Direct Benefits to Donors	Total
Salaries	\$ 2,427,667	\$ 382,620	\$ 549,156	\$ -	\$ -	\$ 3,359,443
Employee benefits	312,094	117,586	47,214	-	-	476,894
Payroll taxes	178,553	26,911	39,958	-	-	245,422
Total salaries and related expenses	<u>2,918,314</u>	<u>527,117</u>	<u>636,328</u>	<u>-</u>	<u>-</u>	<u>4,081,759</u>
Program supplies	1,056,254	-	-	-	-	1,056,254
Professional fees	171,699	98,825	12,232	-	-	282,756
Office	82,257	17,751	5,265	-	-	105,273
Food and facilities	41,060	11,616	111,729	-	278,526	442,931
Auction items and takeaw ays	-	-	-	-	52,313	52,313
Rent	360,865	-	-	-	-	360,865
Maintenance and repairs	155,853	-	-	-	-	155,853
Utilities	103,083	800	1,368	-	-	105,251
Insurance	119,615	928	1,588	-	-	122,131
Printing and postage	13,420	783	65,172	-	-	79,375
Communications	42,187	1,800	2,400	-	-	46,387
Bank fees	-	50,720	-	-	-	50,720
Public relations	6,379	523	69,077	-	-	75,979
Conferences and education	31,755	8,264	5,797	-	-	45,816
Travel	21,571	438	2,037	-	-	24,046
Emergency housing expenses	7,109	-	-	-	-	7,109
Miscellaneous	5,999	-	-	-	-	5,999
Dues and subscriptions	8,303	6,242	34,438	-	-	48,983
Total expenses before depreciation and amortization	<u>5,145,723</u>	<u>725,807</u>	<u>947,431</u>	<u>-</u>	<u>330,839</u>	<u>7,149,800</u>
Depreciation and amortization	612,457	4,753	8,129	-	-	625,339
Payments to RMHC Global, unallocated	-	-	-	932	-	932
Total functional expenses	<u>\$ 5,758,180</u>	<u>\$ 730,560</u>	<u>\$ 955,560</u>	<u>\$ 932</u>	<u>\$ 330,839</u>	<u>\$ 7,776,071</u>
RECONCILIATION TO STATEMENT OF ACTIVITIES						
Cost of direct benefit to donors	-	-	-	-	(330,839)	(330,839)
Total expenses	<u>\$ 5,758,180</u>	<u>\$ 730,560</u>	<u>\$ 955,560</u>	<u>\$ 932</u>	<u>\$ -</u>	<u>\$ 7,445,232</u>

See accompanying notes to financial statements

**RONALD MCDONALD HOUSE MOUNTAIN WEST
STATEMENTS OF CASH FLOWS
DECEMBER 31, 2025 AND 2024**

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,064,680	\$ 910,830
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	669,187	625,339
Noncash investment income, net	(1,800,617)	(1,268,557)
Amortization of discount on contributions receivable	66,305	(40,588)
In-kind contributions of investments	(42,642)	(118,706)
Loss on disposal of property and equipment	-	(17,624)
Changes in assets and liabilities		
Prepaid expenses	6,712	(35,886)
Accounts and contributions receivable, net	(467,174)	860,242
Operating lease right-of-use asset	9,414	9,021
Accounts payable	(96,910)	133,029
Accrued liabilities	41,763	(69,353)
Operating lease liability, current portion	(9,414)	(9,021)
Net cash provided by operating activities	441,304	978,726
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(609,675)	(893,148)
Proceeds from disposal of property and equipment	-	57,000
Proceeds from sale of investments	6,118,703	6,907,207
Purchase of investments	(5,592,527)	(6,890,592)
Net cash used in investing activities	(83,499)	(819,533)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Net increase in cash and cash equivalents	357,805	159,193
Cash and cash equivalents, beginning of year	2,033,666	1,874,473
Cash and cash equivalents, end of year	\$ 2,391,471	\$ 2,033,666
Cash and cash equivalents, current	\$ 1,222,894	\$ 565,863
Cash and cash equivalents, non-current	1,168,577	1,467,803
	\$ 2,391,471	\$ 2,033,666
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Ronald McDonald House Charities of the Intermountain area, Inc. dba Ronald McDonald House Mountain West (the "Organization") is a Utah nonprofit charitable corporation formed in May 1985. The mission of Ronald McDonald House Charities ("RMHC") is to create, find and support programs that directly improve the health and well-being of children and their families. Collectively, RMHC and the network of local Chapters ascribe to five core values: we are focused on the critical needs of children, we lead with compassion, we celebrate the diversity of our people and our programs, we value our heritage and we operate with accountability and transparency.

We fulfill our mission through operation of sustainable programs that enable family-centered care, bridge access to quality health care, are a vital part of the health care continuum and strengthen families during difficult times. The following programs, operated by the Organization, represent the core functions of Ronald McDonald House:

Ronald McDonald House

When children must travel long distances to access top medical care, accommodations and support for families can be expensive or not readily available. The Organization helps families stay close to their ill or injured child through the Ronald McDonald House program located in Salt Lake City, Utah, which provide temporary lodging, meals and other support to children and their families. The program provides families with emotional and physical comfort and increases the caregivers' ability to spend more time with their child, to interact with their clinical care team and to participate in critical medical care decisions.

Ronald McDonald Family Room

When a child is critically ill, parents may be reluctant to leave the hospital. In order to provide comfort and support to their child, it is important that parents have an opportunity to rest, have a meal or have a moment of quiet. Located inside medical care facilities, the Ronald McDonald Family Room programs serve as a place of respite, relaxation and privacy for family members, often just steps away from where their child is being treated. The Ronald McDonald Family Room program provides parents with an opportunity to remain close to their hospitalized child and to be an active member of their child's health care team.

Ronald McDonald Hospitality Carts

The Ronald McDonald Hospitality Carts program offers comfort items for pediatric families within Ogden Regional Medical Center. These mobile carts are stocked with needed comfort items for child patients, and their siblings and caregivers, including healthy snacks, hygiene items, family games, notebooks, and other comfort and respite items.

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

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) and are presented on the basis of net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are created only by donor-imposed restrictions on their use. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. All other net assets, including board-designated or appropriated amounts, are net assets without donor restrictions and are reported as part of the net assets without donor restrictions.

Measure of Operations

The Organization's change in net assets from operations on the statements of activities includes all operating revenues and expenses that are an integral part of its program and supporting activities, net assets released from donor restrictions to support operating expenditures and other non-operating funds to support current operating activities. The measure of operations excludes investment return on investments.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management of the Organization to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents include money market funds and all highly liquid investments with a maturity date of less than three months from the date of purchase. The Organization's cash balances may exceed Federal Deposit Insurance Corporation limits from time to time. As of December 31, 2025, the uninsured balance was \$43,756. The Organization has not experienced any losses in such accounts and management believes that it is not exposed to any significant credit risk on cash.

Contributions Receivable

Contributions receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Contributions receivable are written off when deemed uncollectible. The Organization considers all contributions receivable to be collectible; therefore, no allowance for uncollectible receivables has been recorded as of December 31, 2025 and 2024, respectively.

The Organization is the beneficiary under various wills and trust agreements of which the total realizable amount is not presently determinable. Such amounts are recorded when a will is declared valid by probate court and the proceeds are measurable.

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Realized and unrealized gains and losses and income are included in the statements of activities.

The Organization maintains master investment accounts for its donor-restricted and board-designated endowments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of each endowment to the total fair value of the master investment accounts, as adjusted for additions to or deductions from those accounts.

Property and Equipment

Property and equipment are stated at cost, if purchased, or estimated fair value, if donated, at the date of donation. Additions of \$5,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	15 - 39 Years
Furniture and equipment	3 - 10 Years
Vehicles	10 Years

Impairment of Long-Lived Assets

The Organization evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amount of such assets may not be fully recoverable. The Organization evaluates the recoverability of long-lived assets by measuring the carrying amount of such assets against the estimated undiscounted future cash flows associated with them. At the time such evaluation indicates that the future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying value of such assets, the assets are adjusted to their fair values.

Donated Assets, Property and Equipment, and Services

Donated marketable securities, property and equipment, and other noncash donations are recorded as contributions at their fair values at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization also receives donated services from other contributors and volunteers that are not measurable, and therefore, are excluded from the financial statements.

Net Assets

The Organization's net assets and changes therein are classified and reported as follows:

Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions or law. The governing board has designated, from net assets without donor restrictions, net assets for board designated endowment.

With Donor Restrictions

Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition

Contributions and Grants

Unconditional promises to give are recognized as revenue in the period the promise was made. Contributions, grants, and bequests are recognized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

Conditional grants and contract funds are recorded as revenue when earned. Revenue is earned when eligible expenditures or deliverables, as defined in each contract, are met. Funds received but not yet earned are shown as deferred revenue. Expenditures under contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Organization will record such disallowance at the time the final assessment is made.

Functional Expenses

The statements of functional expenses report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, payroll taxes and employee benefits, which are allocated on the basis of estimated time and effort, and depreciation, insurance, utilities, and communications, which are allocated on a square footage basis.

RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income, if any, from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Lease Agreements

The Organization leases facilities and equipment for various terms under long-term, noncancelable operating lease and finance lease agreements. The Organization determines if an arrangement is a lease at inception and begins recording lease activity at the commencement date, which is generally the date in which the Organization takes possession of or controls the physical use of the asset. Right-of-use ("ROU") assets and lease liabilities are recognized based on the present value of lease payments over the lease term. Operating lease expenses are recognized on a straight-line basis over the life of the lease and are typically recognized as lease or rent expense. Finance lease expenses are recognized as interest expense and amortization expense over the life of the lease.

The weighted-average discount rate is based on the discount rate implicit in the lease, or if the implicit rate is not readily determinable from the lease, then the Foundation estimates an applicable incremental borrowing rate. The incremental borrowing rate is estimated using a risk-free rate.

ROU assets include amounts for scheduled rent increases and are reduced by the amount of lease incentives. The lease term includes the non-cancellable period of the lease and options to extend or terminate the lease when it is reasonably certain the Organization will exercise those options.

The Organization has elected to account for lease and non-lease components together as a single lease component in the measurement of ROU assets and lease liabilities. Variable lease payments are not included in the measurement of ROU assets and lease liabilities.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Reclassifications

Certain amounts have been reclassified for the year ended December 31, 2024 to conform to the presentation for the year ended December 31, 2025. The reclassifications had no impact on previously reported total net assets.

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
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NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date consisted of the following:

	2025	2024
Cash and cash equivalents	\$ 1,222,894	\$ 565,863
Current portion of accounts and contributions receivable	688,371	788,529
	\$ 1,911,265	\$ 1,354,392

As part of its liquidity management plan, the Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in savings and investments. To help manage unanticipated liquidity needs, the Organization has credit cards with an aggregate credit limit of \$200,000, which it could draw upon. Although the Organization does not intend to spend from its board-designated funds, the following funds could be made available for general expenditure through board appropriation, if necessary.

	Cash and cash equivalents	Investments
Board -designated		
Maintenance fund	\$ 733	\$ 44,017
Legacy endowment	761,430	12,000,033
	\$ 762,163	\$ 12,044,050

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 3 ACCOUNTS AND CONTRIBUTIONS RECEIVABLE

Accounts and contributions receivable consist primarily of pledges as of December 31:

	2025	2024
Accounts and contributions receivable		
Less than one year	\$ 688,371	\$ 788,528
One to five years	1,036,500	469,168
More than five years	-	-
	1,724,871	1,257,696
Less: unamortized discount	(93,545)	(27,540)
	1,631,326	1,230,156
Less: current portion of accounts and contributions receivable, net	(688,371)	(788,528)
	\$ 942,955	\$ 441,628
Total long-term accounts and contributions receivable		

The discount rate used for the years ended December 31, 2025 and 2024 ranged from 1.50% to 5.00%.

NOTE 4 FAIR VALUE MEASUREMENTS

In determining fair value, the Organization uses various valuation approaches within the fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability. A hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Levels within the hierarchy are based on the reliability of inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;

Level 2 - Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and

Level 3 - Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The fair values of assets and liabilities measured on a recurring basis as of December 31, 2025 and 2024 are as follows:

Assets at Fair Value as of December 31, 2025				
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 3,816,813	\$ -	\$ -	\$ 3,816,813
Exchange-traded funds:				
Equity	-	10,691,041	-	10,691,041
Debt securities:				
Government bonds	-	1,890,711	-	1,890,711
Corporate bonds	-	727,747	-	727,747
Asset-backed securities	-	457,495	-	457,495
Alternative investments	-	1,560,243	-	1,560,243
	<u>\$ 3,816,813</u>	<u>\$ 15,327,237</u>	<u>\$ -</u>	<u>\$ 19,144,050</u>

Assets at Fair Value as of December 31, 2024				
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 3,465,282	\$ -	\$ -	\$ 3,465,282
Certificates of deposit	750,018	-	-	750,018
Exchange-traded funds:				
Equity	-	9,225,771	-	9,225,771
Debt securities:				
Government bonds	-	1,800,435	-	1,800,435
Corporate bonds	-	641,847	-	641,847
Asset-backed securities	-	409,952	-	409,952
Alternative investments	-	1,533,663	-	1,533,663
	<u>\$ 4,215,300</u>	<u>\$ 13,611,668</u>	<u>\$ -</u>	<u>\$ 17,826,968</u>

Fair values for Level 1 investments are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair values of Level 2 investments are determined by reference to quoted prices for similar assets in less active markets. Fair values of Level 3 investments are determined from valuation techniques in which one or more inputs are unobservable. The Organization reviewed and evaluated the values and assumptions used in determining the fair value of Level 3 financial instruments. The carrying amounts of all other assets and liabilities reflected in the statements of financial position for the Organization's financial instruments approximates their respective fair value due to the short-term maturities of those instruments.

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

There have been no changes in valuation techniques and related inputs. The Organization's policy is to recognize transfers into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer.

Certain of the Organization's investments classified as exchange-traded funds and hedge funds are recorded at net asset value in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Fair value represents the net asset value (NAV) of shares or units held by the Organization at year end. The financial statements of these investments are prepared in accordance with U.S. GAAP and are audited annually by independent auditors. As of December 31, 2024 and 2023, the Organization had no unfunded commitments to invest in these funds. Redemptions, at NAV, of shares in these investments are immediate with one-day notice.

Components of investment return for the years ended December 31, 2025 and 2024 are summarized as follows:

	<u>2025</u>	<u>2024</u>
Investment return:		
Interest and dividends	\$ 548,465	\$ 445,618
Net unrealized/realized gains and losses	1,800,618	1,268,557
Investment fees	<u>(126,661)</u>	<u>(131,754)</u>
	<u>\$ 2,222,422</u>	<u>\$ 1,582,421</u>

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	<u>2025</u>	<u>2024</u>
Land	\$ 1,898,214	\$ 1,898,214
Buildings and improvements	14,031,200	13,809,964
Furniture and fixtures	2,849,180	2,570,364
Vehicles	190,555	190,555
Construction in process	<u>279,730</u>	<u>170,107</u>
Total cost of property and equipment	19,248,879	18,639,204
Less: accumulated depreciation	<u>(7,240,431)</u>	<u>(6,571,244)</u>
Total property and equipment, net	<u>\$ 12,008,448</u>	<u>\$ 12,067,960</u>

Depreciation expense was \$669,187 and \$625,339 for the years ended December 31, 2025 and 2024, respectively.

RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 6 ENDOWMENT FUNDS

The Organization's endowment consists of two funds established by donors to provide annual funding for specific activities and general operations. The endowments consist of donor-restricted and board-designated endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization's endowment funds consist of the Kroc endowment, Family Support Services (FSS) endowment, and the Legacy endowment. The Kroc endowment consists of donor-restricted funds of \$500,000, which are restricted in perpetuity. The Family Support Services endowment consist of donor-restricted funds of \$1,750,000, which are restricted in perpetuity. The Legacy endowment consists of board-designated funds designated to support ongoing operations.

Interpretation of Relevant Law

The Organization has interpreted 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. At December 31, 2025, there were no such donor stipulations. As a result of this interpretation, the organization retains in perpetuity:

- The original value of gifts donated to the endowment, and
- Any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added.

Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner that is intended to produce returns that are 2% to 3% higher than the rate of inflation, while assuming a moderate level of investment risk.

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 6 ENDOWMENT FUNDS (CONTINUED)

Spending Policy

The Organization has a policy which allows all portions of the endowment fund that are not donor-restricted in perpetuity to be appropriated for expenditure at the discretion of the board of directors.

Strategies Employed for Achieving Objectives

The Organization relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The organization targets a diversified asset allocation that emphasizes common stocks and fixed income securities to achieve its long-term objectives within prudent risk constraints.

Endowment net assets composition by fund type as of December 31, 2025 was as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted Kroc endowment fund:			
Original donor-restricted gift required to be maintained in perpetuity by donor	\$ -	\$ 500,000	\$ 500,000
Donor-restricted FSS endowment fund:			
Original donor-restricted gift required to be maintained in perpetuity by donor	-	2,750,000	2,750,000
Total donor-restricted endowment fund	-	3,250,000	3,250,000
Board-designated <i>Legacy</i> endowment fund	12,806,213	-	12,806,213
Total endowment funds	<u>\$ 12,806,213</u>	<u>\$ 3,250,000</u>	<u>\$ 16,056,213</u>

RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 6 ENDOWMENT FUNDS (CONTINUED)

Endowment net assets composition by fund type as of December 31, 2024 was as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted Kroc endowment fund:			
Original donor-restricted gift required to be maintained in perpetuity by donor	\$ -	\$ 500,000	\$ 500,000
Donor-restricted FSS endowment fund:			
Original donor-restricted gifts required to be maintained in perpetuity by donor	-	1,750,000	1,750,000
Total donor-restricted endowment fund	-	2,250,000	2,250,000
Board-designated <i>Legacy</i> endowment fund	<u>11,457,808</u>	<u>-</u>	<u>11,457,808</u>
Total endowment funds	<u>\$ 11,457,808</u>	<u>\$ 2,250,000</u>	<u>\$ 13,707,808</u>

Changes in endowment net assets for the years ended December 31, 2025 and 2024 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Net assets, December 31, 2023:	\$ 10,713,827	\$ 1,750,000	\$ 12,463,827
Reclassification to endowment	218,706	500,000	718,706
Investment income, net	1,573,075	-	1,573,075
Appropriation of endowment assets for expenditure	<u>(1,047,800)</u>	<u>-</u>	<u>(1,047,800)</u>
Net asset, December 31, 2024	11,457,808	2,250,000	13,707,808
Reclassification to endowment	153,058	1,000,000	1,153,058
Investment income, net	2,195,347	-	2,195,347
Appropriation of endowment assets for expenditure	<u>(1,000,000)</u>	<u>-</u>	<u>(1,000,000)</u>
Net asset, December 31, 2025	<u>\$ 12,806,213</u>	<u>\$ 3,250,000</u>	<u>\$ 16,056,213</u>

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
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NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2025 and 2024 consisted of the following:

	2025	2024
Subject to expenditure for specified purpose:		
Capital campaign - Legacy of Love	\$ 5,732,577	\$ 6,117,803
Promises to give, proceeds which are restricted by donors for emergency housing and respite	-	58,962
Promises to give, proceeds which are restricted by donors for capital campaign - Legacy of Love	425,623	1,168,962
Total subject to expenditure for specified purpose	6,158,200	7,345,727
Subject to specified future event		
Special events scheduled in subsequent year	486,000	35,000
Total subject specified future event	486,000	35,000
Not subject to appropriation or expenditure		
Donor-restricted endowment held in perpetuity	3,250,000	2,250,000
Total not subject of appropriation or expenditure	3,250,000	2,250,000
Total net assets with donor restrictions	\$ 9,894,200	\$ 9,630,727

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as following for the years ended December 31, 2025 and 2024:

	2025	2024
Satisfaction of purpose restrictions:		
Capital campaign - Legacy of Love	\$ 1,382,860	\$ 1,608,962
Special events	35,000	40,000
Expiration of time restrictions	58,963	58,963
Total net assets released from donor restrictions	\$ 1,476,823	\$ 1,707,925

RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
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NOTE 8 BOARD-DESIGNATED NET ASSETS

The board of directors has designated certain net assets without donor restrictions for specific purposes, including the maintenance fund and Legacy endowment. The maintenance fund is designated for capital improvements and projects. The Legacy endowment is designated for ongoing house operations. Board-designated net assets consisted of the following at December 31, 2025 and 2024:

	2025	2024
Maintenance fund	\$ 44,750	\$ 191,558
Legacy endowment	12,761,463	11,266,250
Total board-designated net assets	\$ 12,806,213	\$ 11,457,808

NOTE 9 DONATED GOODS AND SERVICES

The fair value of donated goods and services included as contributions in the financial statements and the corresponding expense categories for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024	Utilization in Programs or Other	Valuation Techniques and Inputs
Use of facilities	\$ 411,759	\$ 360,863	Donated program space	Contributed facilities are valued using rates for space of similar size and quality
Specialized services	131,149	79,924	Professional services	Contributed services are valued at the estimated fair value for similar services
Food	567,745	466,215	Food for guest families	Food is valued at the estimated fair value based on values of similar products
Supplies and other goods	517,986	386,753	Supplies for programs	Goods are valued at the estimated fair value based on values of similar products
	1,628,639	1,293,755		
Less amounts included in special events revenue	(323,876)	(156,119)		
Total in-kind contributions on the statement of activities	\$ 1,304,763	\$ 1,137,636		

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
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NOTE 10 RETIREMENT PLAN

The Organization established a 401(k)-retirement plan that covers employees who meet certain eligibility requirements. The Organization's contributions to the retirement plan for the years ending December 31, 2025 and 2024 was \$164,857 and \$109,553, respectively.

NOTE 11 OPERATING LEASES

The Organization leases office equipment and family room facilities under various operating leasing arrangements. The leases expire at various dates through 2030. The Organization includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised.

Lease expense was \$422,178 and \$371,281 for the years ended December 31, 2025 and 2024, respectively, which included donated rent of \$411,759 and \$360,865 for the years ended December 31, 2025 and 2024, respectively.

The following table summarizes the supplemental cash flow information for the years ended December 31, 2025 and 2024:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 10,419	\$ 10,419
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	\$ -	\$ -

The following table summarizes the weighted-average remaining lease term and weighted-average discount rate used:

	2025	2024
Weighted-average remaining lease term:		
Operating leases	1.8 years	2.8 years
Weighted-average discount rate:		
Operating leases	4.27%	4.27%

**RONALD MCDONALD HOUSE MOUNTAIN WEST
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NOTE 11 OPERATING LEASES (CONTINUED)

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of December 31, 2025:

Year ending December 31,	
2025	8,660
2026	8,308
2027	8,307
2028	8,306
Thereafter	9,690
	<hr/>
	\$ 43,271
	<hr/> <hr/>

The future minimum payments above include amounts for leases entered into subsequent to year end that have not yet been recognized as right-of-use assets and lease liabilities. Amounts have been included to reflect future payments under agreements entered into as of the date the financial statements were available to be issued.

NOTE 12 RELATED PARTY TRANSACTIONS

Ronald McDonald House is a system of independent, separately registered public charity organizations, referred to as “Chapters” within the global organization. The Organization is an independent operating Chapter within the Ronald McDonald House system. Each Chapter is licensed by Ronald McDonald House Global to use Ronald McDonald House related trademarks in conjunction with fundraising activities and the operation of its programs; the License Agreement also sets standards of operations for programs, governance, finance, branding and reporting.

Ronald McDonald House Global, a separately registered nonprofit organization, ensures delivery of the mission across the globe. As a center of excellence, Ronald McDonald House Global builds and sustains a robust infrastructure of support to the network of Chapters, including operations, licensing and compliance, finance, risk management, communications, marketing and development. The Organization receives a portion of net revenues from all McDonald’s national fundraising efforts facilitated by Ronald McDonald House Global. During the years ended December 31, 2025 and 2024, the Organization received \$1,118,296 and \$916,564, respectively, from these revenue streams.

The Organization receives contributions from Ronald McDonald House Global and board members to support general operations and capital campaigns. During the years ended December 31, 2025 and 2024, the Organization received contributions of \$309,571 and \$491,095 respectively, from related parties.

**RONALD MCDONALD HOUSE MOUNTAIN WEST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024**

NOTE 13 SUBSEQUENT EVENTS

Subsequent events were evaluated through May 26, 2026, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.