

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Audited Financial Statements

Year Ended December 31, 2024

(With Summarized Totals for the
Year Ended December 31, 2023)

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Audited Financial Statements

Year Ended December 31, 2024

(With Summarized Totals for the
Year Ended December 31, 2023)

Table of Contents

	<u>Page(s)</u>
Independent Auditors' Report	1 - 2
Statements of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 19
Schedule of Program Revenues and Expenses	20
Guardianship Reserve Supplemental Schedule	21
Court Comprehensive Reserve Supplemental Schedule	22
Children's Long-Term Support Reserve Supplemental Schedule	23
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 and the Wisconsin Department of Health Services Audit Guide	24 - 25
Schedule of Expenditures of Federal and Other Awards	26
Notes to Schedule of Expenditures of Federal and Other Awards	27
Summary Schedule of Prior Audit Findings	28
Schedule of Findings and Responses	29 – 30



Independent Auditors' Report

To the Board of Directors
Life Navigators, Inc.
Wauwatosa, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Life Navigators, Inc. (a non profit organization) ("Organization"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 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 opinions.

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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of program revenues and expenses, schedule of expenditures of federal and other awards, and reserve supplemental schedules, as required by the *Wisconsin DHS Audit Guide*, are presented for purposes of additional analysis, and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 April 1, 2025 on our consideration of Life Navigators, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Life Navigators, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Life Navigators, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Life Navigators, Inc.'s financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated May 10, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Reilly, Penner & Benton LLP

April 1, 2025
Milwaukee, Wisconsin

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Statements of Financial Position
December 31, 2024 and 2023

ASSETS		<u>2024</u>	<u>2023</u>
Current Assets:			
Cash	\$	172,394	\$ 166,798
Investments		2,442,086	1,698,684
Trade receivables (net of allowance for credit loss of \$0)		256,372	135,727
Promises to give		118,800	7,115
Prepaid expenses		19,492	15,717
Total current assets		<u>3,009,144</u>	<u>2,024,041</u>
Property and Equipment:			
Land		44,400	44,400
Building and improvements		1,576,366	1,576,366
Furniture and equipment		197,935	197,935
Less: Accumulated depreciation		<u>(577,321)</u>	<u>(529,935)</u>
Net property and equipment		<u>1,241,380</u>	<u>1,288,766</u>
Other Assets:			
Finance lease right of use		5,313	8,893
Greater Milwaukee Foundation investments		669,856	613,040
Other asset held for sale		-	17,005
Waukesha County Community Foundation investments		31,224	28,257
Promises to give - noncurrent, net		<u>25,000</u>	<u>-</u>
Total other assets		<u>731,393</u>	<u>667,195</u>
Total assets	\$	<u><u>4,981,917</u></u>	\$ <u><u>3,980,002</u></u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts payable	\$	25,055	\$ 18,684
Accrued payroll and payroll taxes		82,381	68,576
Accrued vacation		67,298	50,541
Finance lease liability		<u>3,746</u>	<u>3,626</u>
Total current liabilities		<u>178,480</u>	<u>141,427</u>
Long-Term Liabilities:			
Finance lease liability, net of current portion		<u>1,562</u>	<u>5,308</u>
Total liabilities		<u>180,042</u>	<u>146,735</u>
Net Assets:			
Without donor restriction:			
Operating		3,956,995	3,184,855
Board designated		<u>701,080</u>	<u>641,297</u>
Total without donor restriction		<u>4,658,075</u>	<u>3,826,152</u>
With donor restriction:			
Time-restricted for future periods		<u>143,800</u>	<u>7,115</u>
Total net assets		<u><u>4,801,875</u></u>	<u><u>3,833,267</u></u>
Total liabilities and net assets	\$	<u><u>4,981,917</u></u>	\$ <u><u>3,980,002</u></u>

The accompanying notes to financial statements
are an integral part of these statements.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Statement of Activities

For the Year Ended December 31, 2024

With Summarized Totals For the Year Ended December 31, 2023

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total 2024</u>	<u>Total 2023</u>
Support and Revenue:				
Exchange transactions:				
Fee for service:				
My Choice Family Care - care management	\$ -	\$ -	\$ -	\$ 603,700
Milwaukee County - guardianship	177,329	-	177,329	152,044
Milwaukee County - ARPA	60,000	-	60,000	-
Milwaukee County Department of Aging - guardianship	139,055	-	139,055	113,450
Milwaukee County - court comprehensive evaluations	43,125	-	43,125	45,875
Milwaukee County - children's long-term support	604,171	-	604,171	56,645
Milwaukee County - Medicaid	71,720	-	71,720	-
Waukesha County - guardianship	52,120	-	52,120	33,905
Program service fees	376,289	-	376,289	265,813
Total exchange transactions	<u>1,523,809</u>	<u>-</u>	<u>1,523,809</u>	<u>1,271,432</u>
Non-exchange transactions:				
Contributions	392,950	143,800	536,750	231,473
Legacies and bequests	17,329	-	17,329	36,855
Federated fundraising	20,371	-	20,371	21,438
Milwaukee County Department of Aging grant	65,000	-	65,000	55,150
City of Wauwatosa CDBG grant	26,100	-	26,100	25,911
Pooled trust distributions	605,398	-	605,398	83,408
Contributed nonfinancial assets	26,309	-	26,309	46,766
Miscellaneous revenue	4,434	-	4,434	20,963
Total non-exchange transactions	<u>1,157,891</u>	<u>143,800</u>	<u>1,301,691</u>	<u>521,964</u>
Special Event revenue	508,394	-	508,394	414,972
Less: Direct benefit to donor	<u>(81,133)</u>	<u>-</u>	<u>(81,133)</u>	<u>(67,893)</u>
Net special events	427,261	-	427,261	347,079
Investment income	59,649	-	59,649	55,176
Less: Investment fees	<u>(23,355)</u>	<u>-</u>	<u>(23,355)</u>	<u>(22,507)</u>
Net investment income	36,294	-	36,294	32,669
Realized and unrealized gains (losses)	281,777	-	281,777	248,629
Satisfaction of restrictions	7,115	<u>(7,115)</u>	<u>-</u>	<u>-</u>
Net support and revenue	<u>3,434,147</u>	<u>136,685</u>	<u>3,570,832</u>	<u>2,421,773</u>
Expenses:				
Program Services:				
Advocacy	98,952	-	98,952	105,555
Self-Advocacy Independence Trust Pool	131,285	-	131,285	166,942
Trust Program	413,734	-	413,734	399,590
Guardianship	513,867	-	513,867	384,201
Intergenerational Family Support	202,171	-	202,171	211,779
Care Management Unit	-	-	-	619,110
Court Comprehensive Evaluations	49,612	-	49,612	101,552
Children's Long-Term Support	845,995	-	845,995	155,211
Medicaid	92,696	-	92,696	-
Total program services	<u>2,348,312</u>	<u>-</u>	<u>2,348,312</u>	<u>2,143,940</u>
Management and general	82,272	-	82,272	96,944
Fundraising	171,640	-	171,640	186,372
Total expenses	<u>2,602,224</u>	<u>-</u>	<u>2,602,224</u>	<u>2,427,256</u>
Net change in net assets	831,923	136,685	968,608	(5,483)
Net assets at beginning of year	<u>3,826,152</u>	<u>7,115</u>	<u>3,833,267</u>	<u>3,838,750</u>
Net assets at end of year	<u>\$ 4,658,075</u>	<u>\$ 143,800</u>	<u>\$ 4,801,875</u>	<u>\$ 3,833,267</u>

The accompanying notes to financial statements
are an integral part of these statements.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Statement of Functional Expenses
For the Year Ended December 31, 2024
With Summarized Information for the Year Ended December 31, 2023

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Cost of Direct Benefit to Donor</u>	<u>Total 2024</u>	<u>Total 2023</u>
Expenses:						
Salaries	\$ 1,528,379	\$ 57,284	\$ 77,024	\$ -	\$ 1,662,687	\$ 1,566,718
Employee benefits	178,909	3,007	6,120	-	188,036	195,103
Payroll tax expense	109,415	3,541	5,545	-	118,501	114,076
Amortization of right of use asset	3,434	51	95	-	3,580	3,580
Bank and investment fees	-	6,969	-	-	6,969	6,891
Client support	13,288	150	65	-	13,503	16,606
Credit loss expense	7,965	-	-	-	7,965	-
Conferences, conventions and meetings	23,547	148	2,206	-	25,901	21,732
Utilization of nonfinancial assets	21,593	-	4,716	-	26,309	29,761
Depreciation	45,451	671	1,264	-	47,386	47,385
Equipment rental and maintenance	45,519	618	1,481	-	47,618	42,309
Insurance	36,796	591	1,025	-	38,412	27,009
Interest expense	-	276	-	-	276	3,759
Interest on finance leases	-	218	-	-	218	334
Miscellaneous	10,965	850	425	-	12,240	24,026
Occupancy	66,697	998	1,846	-	69,541	72,012
Office supplies	8,761	79	497	-	9,337	4,516
Pooled trust distributions	102,701	-	-	-	102,701	63,713
Postage and shipping	3,361	55	2,581	-	5,997	5,925
Printing and publications	18,678	196	4,953	-	23,827	18,164
Professional fees	87,532	6,163	34,315	-	128,010	98,801
Special event expenses	-	-	26,652	81,133	107,785	97,115
Telephone	147	2	3	-	152	-
Travel	35,174	405	827	-	36,406	35,614
Total functional expenses	<u>2,348,312</u>	<u>82,272</u>	<u>171,640</u>	<u>81,133</u>	<u>2,683,357</u>	<u>2,495,149</u>
Less expenses included with revenues on the statement of activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(81,133)</u>	<u>(81,133)</u>	<u>(67,893)</u>
Total expenses included in the expense section of the statement of activities	<u>2,348,312</u>	<u>82,272</u>	<u>171,640</u>	<u>-</u>	<u>2,602,224</u>	<u>2,427,256</u>
Administrative allocation	80,067	(82,272)	2,205	-	-	-
Total expenses after allocation	<u>\$ 2,428,379</u>	<u>\$ -</u>	<u>\$ 173,845</u>	<u>\$ -</u>	<u>\$ 2,602,224</u>	<u>\$ 2,427,256</u>

The accompanying notes to financial statements
are an integral part of these statements.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 968,608	\$ (5,483)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	47,386	47,385
Amortization of right-of-use asset	3,580	3,580
Realized and unrealized (gains) losses	(281,777)	(248,629)
Donation of other asset held for sale	-	(17,005)
Donation of stock	(30,011)	(45,480)
Change in assets and liabilities:		
Trade receivables	(120,645)	56,597
Promises to give	(136,685)	(2,115)
Prepaid expenses	(3,775)	(2,036)
Accounts payable	6,371	2,478
Accrued payroll and payroll taxes	13,805	(20,480)
Accrued vacation	16,757	(6,439)
Net cash provided (used) by operating activities	<u>483,614</u>	<u>(237,627)</u>
Cash Flows from Investing Activities:		
Proceeds from investment sales	376,966	2,727,816
Purchases of investments	(868,363)	(2,311,417)
Proceeds from sale of other asset held for sale	17,005	-
Net cash provided (used) by investing activities	<u>(474,392)</u>	<u>416,399</u>
Cash Flows from Financing Activities:		
Proceeds from line of credit	50,000	352,800
Payments on line of credit	(50,000)	(427,800)
Principal payments of finance lease	(3,626)	(3,508)
Net cash used by financing activities	<u>(3,626)</u>	<u>(78,508)</u>
Change in cash	5,596	100,264
Cash at beginning of year	<u>166,798</u>	<u>66,534</u>
Cash at end of year	<u><u>\$ 172,394</u></u>	<u><u>\$ 166,798</u></u>
Supplementary Information:		
Interest paid	\$ <u>494</u>	\$ <u>4,093</u>
Donated other asset held for sale	\$ <u>-</u>	\$ <u>17,005</u>
Donated stock	\$ <u>30,011</u>	\$ <u>45,480</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from finance leases	\$ <u>228</u>	\$ <u>316</u>
Financing cash flows from finance leases	\$ <u>3,616</u>	\$ <u>3,309</u>
Right-of-use assets obtained in exchange for lease liabilities:		
Finance leases	\$ <u>-</u>	\$ <u>8,002</u>

The accompanying notes to financial statements
are an integral part of these statements.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023

1. Nature of Organization

The mission of Life Navigators, Inc., ("Organization") a nonprofit organization, is to improve the quality of life for individuals with developmental and related disabilities, their families and the community through information, education, advocacy and life planning programs. Life Navigators, Inc. is supported primarily through donor contributions, program fees and contracts. The Organization's main activities consist of the following:

- **Information, Education and Advocacy** – Offers a variety of services that impact children, adults, and families with disabilities, including our helpline, education events, and community outreach.
- **Self-Advocacy and Independence** – Organizing opportunities for kids and adults to participate in community outings, education, trainings and volunteer opportunities.
- **Trust Program** – Offers planning assistance for the financial and service needs of individuals with disabilities to create bright futures.
- **Guardianship** – Securing the health, safety and happiness of individuals with disabilities who may not have a family member to provide this essential monitoring and support.
- **Integrated Family Support** – Connect families of kids and adults with disabilities to community resources and programs
- **Care Management Unit** – Coordinate long-term care services for individuals with disabilities through a partnership with My Choice Wisconsin's Family Care Program. This program ended May 31, 2023.
- **Court Comprehensive Evaluations** – Providing an independent evaluation and court report to determine if an individual meets the standard for Chapter 55 protective placement. Contracted through Milwaukee County Aging and Disabilities Services.
- **Children's Long-Term Support** – Connects kids with disabilities and their families with the services they need to live a happy and healthy life.
- **Medicaid** – This one-year program provides information, assistance, and direct support to individuals with disabilities and their families or care team to navigate Medicaid Reenrollment. This program ended on December 31, 2024.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of Life Navigators, Inc. have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under these principles, the Organization is required to report information regarding its financial position and activities according to classes of net assets as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment fund.

Net assets with donor restrictions – Net assets subject to donor- (or certain grantor-) 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 donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization has no net assets to be maintained in perpetuity.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

Cash

The Organization considers all checking and savings accounts and all other highly liquid debt instruments purchased with an original maturity of three months or less to be cash, excluding amounts whose use is limited or restricted, and amounts held in the investment accounts.

Trade Receivables and Allowance for Credit Losses

Trade receivables are recorded at contract value.

The Organization estimates expected credit losses on trade receivables based on historical credit loss experience, current economic conditions, and reasonable and supportable forecasts that affect the collectability of the trade receivables. The Organization has determined that no allowance for credit loss on trade receivables is necessary for the years ending December 31, 2024 and 2023, based on management's review of outstanding receivables, historical collection information, and existing economic conditions.

The credit risk profile of trade receivables is categorized based on credit quality indicators. The Organization uses this information to determine appropriate allowances for expected credit losses. The determination of expected credit losses involves significant judgments and estimates. Changes in economic conditions or customer payment behavior may impact the allowance for credit losses.

The Organization writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with the Organization's accounting policy election. The Organization wrote off \$7,695 and \$0 in trade receivables for the years ending December 31, 2024 and 2023, respectively.

The Organization had trade receivable balances as follows:

	<u>January 1, 2022</u>		<u>December 31, 2022</u>		<u>December 31, 2023</u>
Trade Receivables	\$ 182,313	\$	135,727	\$	256,372

Promises to Give

Promises to give are recorded at their estimated fair value, less an appropriate present value discount. Management has determined all to be fully collectible; therefore, no allowance for doubtful accounts is considered necessary. The Organization determined a present value discount would be immaterial and is not recorded on balances to be received in greater than one year.

Investments

Under U.S. GAAP, investments in marketable securities with readily determinable fair value and all investments in debt securities are valued at their fair value in the statements of financial position. Unrealized gains and losses are included in the change of net assets on the statement of activities.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

Investments (Continued)

U.S. GAAP defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This clarifies that the exchange price is the price in an orderly transaction between market participants to sell an asset or transfer a liability at the measurement date. It emphasizes that fair value is a market-based measurement and not an entity-specific measurement. U.S. GAAP establishes a fair value hierarchy that prioritizes the inputs, which are summarized as follows:

Level 1 – Quoted prices in active markets, e.g. NYSE, NASDAQ, etc. for assets identical to the securities to be valued. If a Level 1 input is available, it must be used.

Level 2 – Inputs other than quoted prices that are observable for securities, either directly or indirectly. Examples include matrix pricing utilizing yield curves, prepayment speeds, credit risks, etc.; quoted prices for similar assets in active markets; and inputs derived from observable market data by correlation or other means.

Level 3 – Unobservable inputs, which contain assumptions by the party valuing those assets. For level 3 inputs, there is no market data or correlation with market assumptions. Examples would include limited partnership interests, closely held stock, etc.

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

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

Mutual funds: Valued at net asset value of shares held by the Organization at year-end

Held by the Greater Milwaukee Foundation and Waukesha County Community Foundation: Valued at the net asset value provided by the trust for investments held by the trust at year-end.

Property and Equipment

The Organization's policy is to capitalize all property and equipment costing over \$5,000. Property and equipment are capitalized at cost or at fair value if donated and depreciated over their estimated useful lives using the straight-line method. The cost and related accumulated depreciation of property and equipment are removed from asset accounts upon disposal. Expenditures for maintenance and repairs are charged to operations as incurred. Depreciation expense for 2024 and 2023 was \$47,386 and \$47,385, respectively.

Leases

The Organization determines if an arrangement is a lease at inception. Finance leases are included in finance lease right of use assets, finance lease liabilities, and finance lease liability, net of current portion on the Organization's statement of financial position.

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 leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a short-term basis.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

Leases (Continued)

The weighted-average discount rate is based on the discount rate implicit in the lease. The Organization has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Organization has applied the risk-free rate option to its leases.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Finance lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The finance lease ROU asset also includes any lease payments made and excludes lease incentives. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Estimates

The preparation of the accompanying financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that directly affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates.

Revenue Recognition

The Organization recognizes revenue based on the existence or absence of an exchange transaction. The Organization recognizes revenue from exchange transactions when it satisfies a performance obligation by providing a service to a customer or member or by transferring control over a product to a customer or member. Revenue from performance obligations satisfied at a point in time consists of the following:

- **Fee for service contracts and program service fees** – recognized as performance obligations are met

Revenue from non-exchange transactions consists of the following:

- **Contributions of cash, legacies and bequests, pooled trust distributions and promises to give** - received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue and net assets without donor restriction. Unconditional contributions expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized at prime interest rate and is reported as contribution revenue.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

- **Federal and state contracts** – Federal and state contracts are conditional upon the incurrence of allowable qualifying expenses. Revenue is recorded as allowable qualifying expenses are incurred.
- **Contributed nonfinancial assets** – contributed tangible assets are recognized at fair market value when received or when a gift of in-kind service is performed on behalf of the Organization

Revenue that has characteristics of both exchange and non-exchange transactions consist of the following:

- **Special event revenue** – The direct benefit to donors is recognized as revenue as an exchange transaction, while the remaining is recognized as a non-exchange contribution.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on the functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimate of appropriate level of employee full-time equivalents worked within that program.

Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed (April 1, 2025). There were no subsequent events that required recognition or disclosure.

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded in the financial statements. Life Navigators, Inc. is not considered to be a private foundation by the IRS.

The Organization has implemented accounting for uncertainty in income taxes in accordance with accounting principles generally accepted in the United States of America. This standard prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on various related matters such as derecognizing, interest, penalties and disclosures required. The Organization recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

3. Liquidity and Availability

Financial assets available for general expenditure and other current contractual obligations, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprised of the following at December 31:

	<u>2024</u>	<u>2023</u>
Cash	\$ 172,394	\$ 166,798
Investments	2,442,086	1,698,684
Greater Milwaukee Foundation investments	669,856	613,040
Waukesha County Community Foundation investments	31,224	28,257
Promises to give	143,800	7,115
Trade receivables	<u>256,372</u>	<u>135,727</u>
Total financial assets	3,715,732	2,649,621
Less amounts not available to be used within one year for general expenditures:		
Restricted by donor with time restrictions beyond one year	(25,000)	-
Board designation – endowment fund for long-term investing	<u>(701,080)</u>	<u>(641,297)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>2,989,652</u>	\$ <u>2,008,324</u>

The Organization's endowment funds consist of funds designated by the board. The Organization does not intend to take distributions from the funds. Time restrictions included above are those that will not be collected within the next 12 months.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statements of cash flows which identifies the sources and uses of the Organization's cash for the years ended December 31, 2024 and 2023.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

4. Investments

The following summarizes the classification of investments by classification and method of valuation in accordance with U.S. GAAP:

<u>Description</u>	<u>Fair Value Measurement at Reporting Date Using</u>			
	<u>Total</u> <u>12/31/24</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Cash held in investment account	\$ 27,641	\$ 27,641	\$ -	\$ -
Exchange traded funds:				
Intermediate govt bond	216,541	216,541	-	-
Large blend	193,795	193,795	-	-
Large growth	184,687	184,687	-	-
Large value	131,224	131,224	-	-
Mid-cap growth	101,116	101,116	-	-
Mid-cap value	214,697	214,697	-	-
Small blend	33,718	33,718	-	-
Mutual funds:				
Large blend	158,719	158,719	-	-
Large growth	225,693	225,693	-	-
Large value	204,590	204,590	-	-
Mid-cap growth	20,395	20,395	-	-
Mid-cap value	81,977	81,977	-	-
Small blend	26,711	26,711	-	-
Ultrashort bond	118,666	118,666	-	-
Intermediate Core Bond	417,121	417,121	-	-
Short-term bond	84,795	84,795	-	-
Total	\$ 2,442,086	\$ 2,442,086	\$ -	\$ -
Investments held by the Greater Milwaukee Foundation	\$ 669,856	\$ -	\$ 669,856	\$ -
Investments held by the Waukesha Community Foundation	\$ 31,224	\$ -	\$ 31,224	\$ -

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

4. Investments (continued)

<u>Description</u>	<u>Fair Value Measurement at Reporting Date Using</u>			
	<u>Total</u> <u>12/31/23</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Cash held in investment account	\$ 20,093	\$ 20,093	\$ -	\$ -
Exchange traded funds:				
Intermediate govt bond	86,676	86,676	-	-
Large blend	144,557	144,557	-	-
Large growth	87,610	87,610	-	-
Large value	168,057	168,057	-	-
Mid-cap growth	17,340	17,340	-	-
Mid-cap value	53,493	53,493	-	-
Short-term govt bond	57,747	57,747	-	-
Small blend	46,475	46,475	-	-
Mutual funds:				
Large blend	169,956	169,956	-	-
Large growth	214,393	214,393	-	-
Large value	108,581	108,581	-	-
Mid-cap growth	43,953	43,953	-	-
Mid-cap value	43,840	43,840	-	-
Ultrashort bond	118,431	118,431	-	-
Intermediate Core Bond	172,833	172,833	-	-
Short-term bond	144,649	144,649	-	-
Total	\$ 1,698,684	\$ 1,698,684	\$ -	\$ -
Investments held by the Greater Milwaukee Foundation	\$ 613,040	\$ -	\$ 613,040	\$ -
Investments held by the Waukesha Community Foundation	\$ 28,257	\$ -	\$ 28,257	\$ -

The statement of activities includes realized and unrealized gains of \$281,777 and \$248,629 for the years ended December 31, 2024 and 2023, respectively.

The investment objective of the Organization is to meet or exceed an absolute total annualized rate of return of 8-10%. On an annual basis, approximately 5% of the market value of the investment trust, as determined on June 30 of the previous year, is budgeted toward operating support. This is an internally imposed restriction; the full investment balance is available for use.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

4. Investments (continued)

The Organization's investments are exposed to various risks of loss, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the values of investments, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the financial statements.

5. Promises to Give

Unconditional promises are expected to be realized in the following periods:

	<u>2024</u>	<u>2023</u>
In one year or less	\$ 118,800	\$ 7,115
Between one year and five years	25,000	-
Total promises to give	<u>\$ 143,800</u>	<u>\$ 7,115</u>

6. Leases

The Organization has finance leases for a mailing machine and a copy machine. As of December 31, 2024 and 2023, assets recorded as finance lease right of use assets were \$13,591 and \$13,591, respectively and accumulated amortization of \$8,278 and \$4,698, respectively.

The components of finance lease expense were as follows for the years ended December 31:

Finance lease cost:	<u>2024</u>	<u>2023</u>
Amortization of right of use assets	\$ 3,580	\$ 3,580
Interest on lease liabilities	218	334
Total	<u>\$ 3,798</u>	<u>\$ 3,914</u>

The following summarizes the weighted average remaining lease term and discount rate for the finance lease as of December 31:

	<u>2024</u>	<u>2023</u>
Weighted Average Remaining Lease Term	1.55 years	2.53 years
Weighted Average Discount Rate	3.08%	3.16%

The maturities of finance lease liabilities were as follows for years ending December 31:

2025	\$ 3,844
2026	1,569
Total future minimum lease payments	<u>5,413</u>
Less: present value discount	(105)
Total lease liabilities	<u>\$ 5,308</u>

7. State Unemployment Reserve

The Organization has an irrevocable standby letter of credit as a reserve for state unemployment. The letter of credit expires on December 31, 2026 and has an available balance of \$19,852. As of December 31, 2024 and 2023, there was no outstanding balance on the letter of credit.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

8. Employee Retirement Plan

The Organization sponsors a 403(b) savings plan in which Life Navigators, Inc. will match one-half of the employee's voluntary contribution up to six percent of annual compensation for all eligible employees. The Organization's contribution in 2024 and 2023 was \$27,345 and \$31,252, respectively.

9. Line of Credit

The Organization has a variable interest rate line of credit in the amount of \$200,000 from Associated Bank to enable it to meet expenses while awaiting grant disbursements. The Organization agreed to secure this line of credit with the Organization's assets. The line matures on June 12, 2028 and accrues interest at 1.95 percentage points above index with a minimum of 9.10%. The interest rate was 9.45% and 10.45% at December 31, 2024 and 2023, respectively. The line had an outstanding balance of \$0 at December 31, 2024 and 2023 and interest expense of \$276 and \$3,579 for the years ended December 31, 2024 and 2023, respectively.

10. Net Assets with Donor Restriction

Net assets with donor restriction are restricted for the following purposes or periods:

	<u>2024</u>	<u>2023</u>
Restricted for passage of time:		
Promises to give	\$ 143,800	\$ 7,115

The Organization's governing board has designated from net assets without donor restrictions, net assets for the following purposes:

	<u>2024</u>	<u>2023</u>
Life Navigators Endowment Fund	\$ 189,099	\$ 163,307
Schaus Family Fund	480,757	449,733
Life Navigators Fund	31,224	28,257
Total board designated net assets	<u>\$ 701,080</u>	<u>\$ 641,297</u>

11. Quasi-Endowment Funds

The Organization's endowment funds consist of three individual funds established to support the mission of the Organization for years to come. The three funds resulted from an internal designation and are not donor-restricted, therefore, they are classified and reported as board designated without donor restriction.

The Life Navigators Endowment Fund and Schaus Family Fund are being held at the Greater Milwaukee Foundation. The Life Navigators Fund is held at the Waukesha County Community Foundation. The Organization utilizes the investment policies described in Note 4 when managing these endowment funds. The Organization has no current plans to take a distribution from the endowment funds.

A reconciliation of the Organization's board designated, without donor restriction endowment activities are as follows:

Balance, December 31, 2022	\$ 598,051
Investment activity, net	49,327
Administration fees	(6,081)
Balance, December 31, 2023	\$ 641,297
Investment activity, net	66,309
Administration fees	(6,526)
Balance, December 31, 2024	<u>\$ 701,080</u>

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

12. Greater Milwaukee Foundation Investments

U.S. GAAP requires that if a community foundation accepts a contribution from an Agency and agrees to transfer those assets, the return on investment of those assets or both back to the Agency, then these contributions are presented as a liability (instead of as a net asset) on the financial statements of the community foundation and as an asset on the financial statements of the donor. As a result, assets transferred by the Organization to the Greater Milwaukee Foundation, a community foundation, for which the Organization, as donor, is the beneficiary of the transferred assets, have been reflected on the Organization's statement of financial position as an asset entitled "Greater Milwaukee Foundation Investments". The Board of Trustees of the Greater Milwaukee Foundation shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served.

13. Life Navigators Fund at Waukesha County Community Foundation

The Organization entered into an agreement with the Waukesha County Community Foundation, Inc. (the "Foundation") to form an endowment fund to be known as the Life Navigators Fund ("Fund"). This endowment fund started with an initial investment of \$25,000. The terms of the agreement state that the fund must maintain a \$10,000 balance at all times. The assets of the Fund are assets of the Foundation and not a separate trust. Funds are available for distribution to the Organization in accordance with the Foundation's distribution policies in order that the principal is maintained and preserved. The use of distributions is at the discretion of the Organization and is therefore unrestricted.

14. Special Events

Special event activities are reported by their natural classification in the statements of activities. Gross special event revenues and expenses are as follows for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Revenue:		
Non-exchange contributions	\$ 427,261	\$ 347,079
Exchange direct benefit to donor	81,133	67,893
Total revenue	<u>508,394</u>	<u>414,972</u>
Expenses:		
Direct benefit to donors	(81,133)	(67,893)
Incidental benefits	(26,652)	(29,222)
Total expense	<u>(107,785)</u>	<u>(97,115)</u>
Special events, net	<u>\$ 400,609</u>	<u>\$ 317,857</u>

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2024 and 2023
(Continued)

15. Contributed Nonfinancial Assets

Contributed nonfinancial assets of goods and services are recorded as revenue and expenses at their fair value. Contributed services are reported in the financial statements for voluntary donations of professional services when those services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and typically would be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as contributed nonfinancial assets are offset by like amounts included as contributed nonfinancial asset expense. The statement of activities includes the following contributed nonfinancial services recognized by category for the year ended December 31, 2024:

<u>Type</u>	<u>2024</u>	<u>2023</u>	<u>Utilization in Activities</u>	<u>Donor Restrictions</u>
Donated goods	\$ 20,665	\$ 13,549	Self-advocacy independence trust pool	None
Donated goods	143	12,000	Fundraising	None
Advertising	1,914	-	Fundraising	None
Advertising	-	1,914	Self-advocacy independence trust pool	None
Museum artifacts	-	17,005	Fundraising	None
Printing services	2,659	-	Fundraising	None
Printing services	928	2,190	Self-advocacy independence trust pool	None
Printing services	-	108	Advocacy	None
Total	\$ 26,309	\$ 46,766		

During the year ended December 31, 2023, the Organization received all remaining assets from the Eisner Museum of Advertising with the intention to sell the assets to raise funds for the benefit of the Organization. The museum was shown as an asset on the statement of financial position as other asset held for sale. The assets were sold during 2024.

The Organization used the following valuation techniques and inputs to recognize contributed nonfinancial assets:

Advertising and printing services – Valued at the estimated fair value based on retail rates for similar services.

Donated goods – Valued at the estimated fair value based on retail rates for similar items.

Museum artifacts – Valued at the estimated fair value based on anticipated proceeds to be received on sale of the items.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization in the furtherance of its exempt purpose. The values of these services are not recorded in the financial statements.

16. Concentrations

Cash is maintained at financial institutions and, at times, balances may exceed federally insured limits. The Organization's bank accounts were insured by the Federal Deposit Insurance Corporation up to \$250,000 as of December 31, 2024 and 2023. The Organization has never experienced any losses related to these balances.

Approximately 17% of the Organization's support for the year ended December 31, 2024 came from the Milwaukee County – Children's Long-Term Support program. Approximately 24% of the Organization's support for the year ended December 31, 2023 came from the My Choice Family Care – Care Management program. This program ended May 31, 2023.

LIFE NAVIGATORS, INC.

Wauwatosa, Wisconsin

Notes to the Financial Statements

Years Ended December 31, 2024 and 2023

(Continued)

17. Commitments and Contingencies

The Organization has received government grants for specific purposes that are subject to review and audit by the funding agencies. Such audits could lead to requests for reimbursement to the funding agency for expenditures disallowed under terms of the grants. Management believes any such disallowances, if any, would be immaterial.

18. Reclassification

Certain reclassifications have been made to the 2023 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Schedule of Program Revenues and Expenses
For the Year Ended December 31, 2024
With Summarized Information for the Year Ended December 31, 2023

	Self-Advocacy Independence Trust Pool	Trust Program	Intergenerational Guardianship	Family Support	Court Comprehensive Evaluations	Children's Long-Term Support	Medicaid	Total Program	Management and General	Fundraising	Cost of Direct Benefit to Donor	2024 Total	2023 Total
Support and revenue:													
Contributions	\$ 5,000	\$ 41,150	\$ 48,200	\$ 23,000	\$ 25,000	\$ -	\$ 6,000	\$ -	\$ 148,350	\$ -	\$ 388,400	\$ 536,750	\$ 231,473
Contributed nonfinancial assets	-	21,593	-	-	-	-	-	21,593	-	4,716	-	26,309	46,766
Legacies and bequests	-	-	-	-	-	-	-	-	-	17,329	-	17,329	36,855
Federated fund-raising	-	-	-	-	-	-	-	-	-	20,371	-	20,371	21,438
Milwaukee County - ARPA	-	-	-	-	-	-	60,000	60,000	-	-	-	60,000	-
Milwaukee County Department of Aging grant	-	-	-	65,000	-	-	-	65,000	-	-	-	65,000	55,150
Milwaukee County - guardianship	-	-	177,329	-	-	-	-	177,329	-	-	-	177,329	152,044
Milwaukee County Department of Aging - guardianship	-	-	139,055	-	-	-	-	139,055	-	-	-	139,055	113,450
My Choice Family Care - care management	-	-	-	-	-	-	-	-	-	-	-	-	603,700
Milwaukee County - court comprehensive evaluations	-	-	-	-	43,125	-	-	43,125	-	-	-	43,125	45,875
Milwaukee County - children's long-term support	-	-	-	-	-	604,171	-	604,171	-	-	-	604,171	56,645
Milwaukee County - Medicaid	-	-	-	-	-	-	71,720	71,720	-	-	-	71,720	-
Waukesha County - guardianship	-	-	52,120	-	-	-	-	52,120	-	-	-	52,120	33,905
City of Wauwatosa CDGB grant	-	26,100	-	-	-	-	-	26,100	-	-	-	26,100	25,911
Special event revenue	-	-	-	-	-	-	-	-	-	508,394	-	508,394	414,972
Less: Direct benefit to donor	-	-	-	-	-	-	-	-	-	(81,133)	-	(81,133)	(67,893)
Program service fees	-	-	295,989	79,500	-	-	-	375,489	-	800	-	376,289	265,813
Pooled trust distributions	95,172	48,773	372,127	-	89,326	-	-	605,398	-	-	-	605,398	83,408
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	4,434	-	4,434	20,963
Investment Income	-	-	-	-	-	-	-	-	-	59,649	-	59,649	55,176
Less: Investment fees	-	-	-	-	-	-	-	-	-	(23,355)	-	(23,355)	(22,507)
Realized and unrealized gains (losses)	-	-	-	-	-	-	-	-	-	281,777	-	281,777	248,629
Total support and revenue	100,172	137,616	716,316	471,004	179,326	43,125	670,171	71,720	2,389,450	1,181,382	-	3,570,832	2,421,773
Expenses:													
Salaries	62,961	71,151	223,855	347,398	142,343	26,106	589,620	64,945	1,528,379	57,284	77,024	1,662,687	1,566,718
Employee benefits	8,095	8,692	21,616	43,314	15,729	7,070	66,695	7,698	178,909	3,007	6,120	188,036	195,103
Payroll tax expense	4,542	5,175	16,288	24,827	10,275	1,896	41,838	4,574	109,415	3,541	5,545	118,501	114,076
Amortization of right of use asset	153	161	400	850	292	131	1,301	146	3,434	51	95	3,580	3,580
Bank fees	-	-	-	-	-	-	-	-	-	6,969	-	6,969	6,891
Client support	1,102	6,320	1,098	2,587	635	113	1,323	110	13,288	150	65	13,503	16,606
Conferences, conventions and meetings	7,039	439	4,170	4,816	2,436	430	3,811	406	23,547	148	2,206	25,901	21,732
Utilization of nonfinancial assets	-	21,593	-	-	-	-	-	-	21,593	-	4,716	26,309	29,761
Credit loss expense	-	-	-	1,782	-	600	5,583	-	7,965	-	-	7,965	-
Depreciation	2,014	2,132	5,292	11,254	3,870	1,738	17,216	1,935	45,451	671	1,264	47,386	47,385
Equipment rental and maintenance	1,975	2,075	4,993	11,361	4,321	1,701	17,121	1,972	45,519	618	1,481	47,618	42,309
Insurance	1,671	1,733	4,316	9,214	3,111	1,483	13,727	1,541	36,796	591	1,025	38,412	27,009
Interest expense	-	-	-	-	-	-	-	-	-	276	-	276	3,759
Interest on finance leases	-	-	-	-	-	-	-	-	-	218	-	218	334
Miscellaneous	200	518	1,270	2,830	993	483	4,222	449	10,965	850	425	12,240	24,026
Occupancy	2,970	3,122	7,748	16,449	5,657	2,562	25,355	2,834	66,697	998	1,846	69,541	72,012
Office supplies	313	289	751	1,601	560	240	4,732	275	8,761	79	497	9,337	4,516
Pooled trust distributions	-	-	102,701	-	-	-	-	-	102,701	-	-	102,701	63,713
Postage and shipping	152	161	411	821	283	132	1,262	139	3,361	55	2,581	5,997	5,925
Printing and publications	575	2,149	5,321	3,340	1,397	496	4,853	547	18,678	196	4,953	23,827	18,164
Professional fees	3,741	3,933	9,888	21,852	7,239	3,131	34,083	3,665	87,532	6,163	34,315	128,010	98,801
Special event expenses	-	-	-	-	-	-	-	-	-	26,652	81,133	107,785	97,115
Telephone	6	6	14	38	14	6	57	6	147	2	3	152	-
Travel	1,443	1,636	3,602	9,533	3,016	1,294	13,196	1,454	35,174	405	827	36,406	35,614
Total functional expenses	98,952	131,285	413,734	513,867	202,171	49,612	845,995	92,696	2,348,312	82,272	171,640	2,683,357	2,495,149
Administrative allocation	3,584	3,685	9,118	19,843	6,766	3,090	30,489	3,492	80,067	(82,272)	2,205	-	-
Total expenses after allocation	102,536	134,970	422,852	533,710	208,937	52,702	876,484	96,188	2,428,379	-	173,845	2,683,357	2,495,149
Less expenses included with revenues on the statement of activities	-	-	-	-	-	-	-	-	-	-	(81,133)	(81,133)	(67,893)
Total expenses included in the expense section of the statement of activities	102,536	134,970	422,852	533,710	208,937	52,702	876,484	96,188	2,428,379	-	173,845	2,602,224	2,427,256
Change in net assets	\$ (2,364)	\$ 2,646	\$ 293,464	\$ (62,706)	\$ (29,611)	\$ (9,577)	\$ (206,313)	\$ (24,468)	\$ (38,929)	\$ -	\$ 1,007,537	\$ 968,608	\$ (5,483)

See Independent Auditors' Report.

LIFE NAVIGATORS, INC.

Wauwatosa, Wisconsin

GUARDIANSHIP RESERVE SUPPLEMENTAL SCHEDULE

For the Year Ended December 31, 2024

1. Total Units of Service	<u>22,615</u>
2. Allowable Expenses for Rate-based Service	<u>\$ 533,710</u>
3. Total Revenue for Rate-based Service	<u>\$ 448,004</u>
4. Excess Revenue (Deficiency) over Expenses to be applied to Reserve (Line 3 less line 2)	<u>\$ (85,706)</u>

Purchaser	Revenue from Purchaser	Purchaser's Share of Total Revenue	Purchaser's Share of Excess Revenue (Deficiency)	5% Cap on Excess Reserves	Amount due to Purchaser
(5a)	(5b)	(5c)	(5d)	(5e)	(5f)
Milw County DHHS - Guardianship	\$ 177,329	39.58%	\$ (33,924)	\$ 8,866	\$ -
Milw County Dept of Aging - Guardianship	139,055	31.04%	(26,602)	6,953	-
Waukesha County - Guardianship	52,120	11.63%	(9,971)	2,606	-
Private Pay	79,500	17.75%	(15,209)	3,975	-
Totals	\$ 448,004	100%	\$ (85,706)	\$ 22,400	\$ -

See Independent Auditors' Report.

LIFE NAVIGATORS, INC.

Wauwatosa, Wisconsin

COURT COMPREHENSIVE RESERVE SUPPLEMENTAL SCHEDULE

For the Year Ended December 31, 2024

1. Total Units of Service	<u>70</u>
2. Allowable Expenses for Rate-based Service	<u>\$ 52,702</u>
3. Total Revenue for Rate-based Service	<u>\$ 43,125</u>
4. Excess Revenue (Deficiency) over Expenses to be applied to Reserve (Line 3 less line 2)	<u>\$ (9,577)</u>

Purchaser (5a)	Revenue from Purchaser (5b)	Purchaser's Share of Total Revenue (5c)	Purchaser's Share of Excess Revenue (Deficiency) (5d)	5% Cap on Excess Reserves (5e)	Amount due to Purchaser (5f)
Milw County DSD - Court Comprehensive Evaluations	\$ 43,125	100.00%	\$ (9,577)	\$ 2,156	\$ -
Totals	\$ 43,125	100.00%	\$ (9,577)	\$ 2,156	\$ -

See Independent Auditors' Report.

LIFE NAVIGATORS, INC.

Wauwatosa, Wisconsin

CHILDREN'S LONG-TERM SUPPORT RESERVE SUPPLEMENTAL SCHEDULE

For the Year Ended December 31, 2024

1. Total Units of Service	<u>29,047</u>
2. Allowable Expenses for Rate-based Service	<u>\$ 876,484</u>
3. Total Revenue for Rate-based Service	<u>\$ 664,171</u>
4. Excess Revenue (Deficiency) over Expenses to be applied to Reserve (Line 3 less line 2)	<u>\$ (212,313)</u>

Purchaser (5a)	Revenue from Purchaser (5b)	Purchaser's Share of Total Revenue (5c)	Purchaser's Share of Excess Revenue (Deficiency) (5d)	5% Cap on Excess Reserves (5e)	Amount due to Purchaser (5f)
Milwaukee County - ARPA	\$ 60,000	9.03%	\$ (19,180)	\$ 3,000	\$ -
Milwaukee County - children's long-term support	604,171	90.97%	-193,133	30,209	-
Totals	\$ 664,171	100.00%	\$ (212,313)	\$ 33,209	\$ -

See Independent Auditors' Report.



**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 AND THE WISCONSIN
DEPARTMENT OF HEALTH SERVICES AUDIT GUIDE**

To the Board of Directors of
Life Navigators, Inc.

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, and the Wisconsin DHS Audit Guide, the financial statements of Life Navigators, Inc. ("Organization") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 1, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's 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* or the *Wisconsin DHS Audit Guide*.

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* and the Wisconsin DHS Audit Guide in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Reilly, Penner & Bent LLP

April 1, 2025
Milwaukee, Wisconsin

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Schedule of Expenditures of Federal and Other Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	State CARS Number	Contract Number	Expenditures			Payments to Subrecipients
				Federal	Other	Total	
U.S. Department of Health & Human Services:							
Passed through Wisconsin Department of Health Services:							
Passed through Milwaukee County Department of Health and Human Services:							
Guardianship	N/A	N/A	ADS-FFS24-466	\$ -	\$ 177,329	\$ 177,329	\$ -
Children's Long-Term Support Waivers	N/A	N/A	CYFS-FFS24-466	-	604,171	604,171	-
COVID-19 - Milwaukee County - Medicaid	N/A	N/A	40-24466-100	-	71,720	71,720	-
COVID-19 - Milwaukee County - ARPA	N/A	N/A	40-24466-100A	-	60,000	60,000	-
Total passed through Milwaukee County Department Health and Human Services				-	913,220	913,220	-
Passed through Milwaukee County Department on Disability Services:							
Court Comprehensive Evaluations	N/A	N/A	---	-	43,125	43,125	-
Passed through Milwaukee County Department on Aging:							
Family Support for Aging and Persons with Developmental Disabilities	N/A	N/A	2826	-	65,000	65,000	-
Guardianship	N/A	N/A	---	-	139,055	139,055	-
Total passed through Milwaukee County Department of Aging				-	204,055	204,055	-
Passed through Waukesha County Department of Health and Human Services:							
Guardianship	N/A	N/A	---	-	52,120	52,120	-
Total U.S. Department of Health & Human Services				-	1,212,520	1,212,520	-
U.S. Department of Housing and Urban Development:							
Passed through City of Wauwatosa:							
CDBG Entitlement Grants Cluster:							
Community Development Block Grant	14.218	N/A	---	26,100	-	26,100	-
Total CDBG Entitlement Grants Cluster				26,100	-	26,100	-
Total expenditures				\$ 26,100	\$ 1,212,520	\$ 1,238,620	\$ -

See Independent Auditors' Report and
Notes to Schedule of Expenditures of Federal and Other Awards

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to Schedule of Expenditures of Federal and Other Awards
December 31, 2024

1. Basis of Presentation

The accompanying "Schedule of Expenditures of Federal and Other Awards" ("the Schedule") includes the federal award and fee-for-service activity of the Organization under programs of the federal and state government for the year ended December 31, 2024. The information in this schedule is presented in accordance with the requirements of the Wisconsin DHS Audit Guide. Fee-for-service revenue is shown on the Schedule in the "Other" column.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2024

Reference Number: 2023-001
Program: Guardianship
Description: Allocation of Expenses

Criteria: The Organization charges expenses to contracts based on allocation plans that are updated when necessary throughout the year.

Condition: During our testing of 3 payroll periods, we noted 3 instances where an employee was charged to the program but per the allocation plan the employee was not allocated to that program. In addition, during our 3 payroll periods, there were 13 additional instances where the percentage the employee was allocated did not agree to the Organization's allocation plan.

Status: Organization ensured that employees were accurately charged to programs based on the allocation plan.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Schedule of Findings and Responses
Year Ended December 31, 2024

Section I. Summary of Auditors' Results

Financial Statements

- | | |
|----------------------------------------------------------------------------------------------------------------------------|---------------|
| 1. Type of auditors' report issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: | Unmodified |
| 2. Internal control over financial reporting: | |
| A. Significant deficiency(ies) identified? | None Reported |
| B. Material weaknesses identified? | No |
| 3. Noncompliance material to financial statements? | No |

DHS Awards

- | | |
|-------------------------------------------------------------------|---------------|
| 4. Internal control over major program: | |
| A. Significant deficiency(ies) identified? | None Reported |
| B. Material weaknesses identified? | No |
| 5. Any audit findings disclosed that are required to be reported? | No |
| 6. Identification of major DHS program(s): | |

Name of DHS Program

Guardianship

Section II. Financial Statement Findings

No matters were reported.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Schedule of Findings and Responses
Year Ended December 31, 2024
(Continued)

Section III. DHS Award Findings

No matters were reported.

Section IV. Other Issues

1. Does the auditors' report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No

2. Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *Wisconsin DHS Audit Guide*:

Wisconsin Department of Health Services

No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? Yes

4. Name and signature of partner


Carrie A. Gindt

5. Date of Report

April 1, 2025