

Return of Organization Exempt from Income Tax

2002

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2002 calendar year, or tax year beginning . 2002, and ending

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

VALLEY CITIES COUNSELING AND CONSUL 2704 "I" STREET N E AUBURN, WA 98002

D Employer Identification Number 91-6063183 E Telephone number 206-833-7444 F Accounting method Cash [X] Accrual

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

- H and I are not applicable to section 527 organizations H (a) Is this a group return for affiliates? H (b) If Yes enter number of affiliates H (c) Are all affiliates included? H (d) Is this a separate return filed by an organization covered by a group ruling? I Enter 4-digit GEN M Check if the organization is not required to attach Schedule B

G Web site N/A

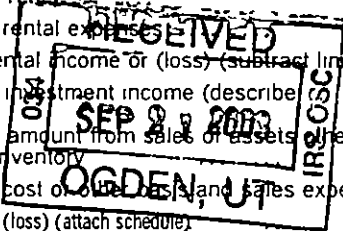
J Organization type (check only one) [X] 501(c) 3 (insert no) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 8,244,966

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with columns for Revenue/Expenses and Amount. Rows include: 1 Contributions, gifts, and similar amounts received; 2 Program service revenue; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets; 8b Less cost of other assets and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 10a Gross sales of inventory; 10b Less cost of goods sold; 10c Gross profit or (loss); 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.



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See Statement 1

P 2/1

Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____)	22			
23 Specific assistance to individuals (att sch)	23			
24 Benefits paid to or for members (att sch)	24			
25 Compensation of officers, directors, etc	25	344,240	69,625	274,615
26 Other salaries and wages	26	4,717,698	3,731,291	922,878
27 Pension plan contributions	27			63,529.
28 Other employee benefits	28	518,438	395,624	115,145
29 Payroll taxes	29	419,230	319,084	94,647
30 Professional fundraising fees	30			
31 Accounting fees	31			
32 Legal fees	32			
33 Supplies	33	107,128	81,499	21,672
34 Telephone	34	147,930	132,784	13,962
35 Postage and shipping	35	16,005	10,880	3,941
36 Occupancy	36	386,673	359,514	24,870
37 Equipment rental and maintenance	37	88,552	65,777	18,741
38 Printing and publications	38	31,541	25,654	3,182
39 Travel	39	98,951	91,101	6,486
40 Conferences, conventions, and meetings	40	31,966	15,804	14,106
41 Interest	41	210,099	143,581	60,929
42 Depreciation, depletion, etc (attach schedule)	42	187,454	134,225	49,847.
43 Other expenses not covered above (itemize)				
a See Statement 2	43a	645,776	494,095	142,985
b	43b			
c	43c			
d	43d			
e	43e			
44 Total functional expenses (add lines 22 - 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	7,951,681	6,070,538	1,768,006

Joint Costs Check if you are following SOP 98 2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes, enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to program services \$ _____, (iii) the amount allocated to management and general \$ _____, and (iv) the amount allocated to fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? <input checked="" type="checkbox"/> COUNSELING AND CONSULTATION SERVICES All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts but optional for others.)
a CHILD AND ADOLESCENT SERVICES APPROXIMATELY 1846 CLENTS SERVED - INDIVIDUAL, FAMILY, GROUP AND CASE MANAGEMENT SERVICES (Grants and allocations \$ _____)	3,429,749.
b OLDER ADULT SERVICES APPROXIMATELY 859 CLIENTS SERVED - INDIVIDUAL, FAMILY, GROUP AND CASE MANAGEMENT SERVICES (Grants and allocations \$ _____)	975,257.
c INTENSIVE SERVICES APPROXIMATELY 743 CLIENTS SERVED - INDIVIDUAL, FAMILY, GROUP AND CASE MANAGEMENT SERVICES (Grants and allocations \$ _____)	797,124
d ADULT SERVICES - APPROXIMATELY 1242 CLIENTS SERVED - INDIVIDUAL, FAMILY, GROUP AND CASE MANAGEMENT SERVICES (Grants and allocations \$ _____)	868,408
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	6,070,538

Part IV Balance Sheets (See Instructions)

Note		(A) Beginning of year		(B) End of year		
ASSETS	45	Cash – non interest bearing		45		
	46	Savings and temporary cash investments		148,464	599,644	
	47a	587,815.				
	47b	15,000	499,459	47c	572,815	
	48a					
	48b			48c		
	49	Grants receivable		49		
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50		
	51a					
	51b			51c		
	52	Inventories for sale or use		52		
	53	Prepaid expenses and deferred charges		57,557	114,949	
	54	Investments – securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54		
	55a					
	55b			55c		
	56	Investments – other (attach schedule)		56		
	57a	4,461,504				
	57b	667,723	3,735,869	57c	3,793,781	
	58	Other assets (describe <input type="checkbox"/> See Statement 4 <input type="checkbox"/> Statement 3)		350,000	58	350,000
59	Total assets (add lines 45 through 58) (must equal line 74)		4,791,349	59	5,431,189	
LIABILITIES	60	Accounts payable and accrued expenses.		656,957	562,341	
	61	Grants payable		61		
	62	Deferred revenue		2,459	66,937	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63		
	64a	Tax-exempt bond liabilities (attach schedule)		64a		
	64b	2,685,665		2,997,144		
	65	Other liabilities (describe <input type="checkbox"/>)		65		
66	Total liabilities (add lines 60 through 65)		3,345,081	66	3,626,422	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74					
	67	Unrestricted		1,049,649	1,390,971	
	68	Temporarily restricted		396,619	413,796.	
	69	Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74					
	70	Capital stock, trust principal, or current funds		70		
	71	Paid-in or capital surplus, or land, building, and equipment fund		71		
	72	Retained earnings, endowment, accumulated income, or other funds		72		
	73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		1,446,268	73	1,804,767
	74	Total liabilities and net assets/fund balances (add lines 66 and 73)		4,791,349	74	5,431,189

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BAA

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions)

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total revenue, gains, and other support per audited financial statements	a	8,244,966
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify)		
	----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	8,244,966
d	Amounts included on line 12, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	8,244,966

a	Total expenses and losses per audited financial statements	a	7,951,681.
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify)		
	----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	7,951,681
d	Amounts included on line 17, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	7,951,681

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
See Statement 5		344,240	34,518	0

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No

If 'Yes' attach schedule -- see instructions

Part VI Other Information (See instructions)

Yes No

76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity			X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes			X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			X
78b	If Yes, has it filed a tax return on Form 990-T for this year?		N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement			X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?			X
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	0	
81b	Did the organization file Form 1120-POL for this year?			X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?			X
82b	If 'Yes,' you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b	N/A	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?		X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?			X
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A	
85a	501(c)(4), (5), or (6) organizations Were substantially all dues nondeductible by members?		N/A	
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		N/A	
85c	Dues, assessments, and similar amounts from members	85c	N/A	
85d	Section 162(e) lobbying and political expenditures	85d	N/A	
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A	
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A	
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A	
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A	
86a	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A	
86b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A	
87a	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A	
87b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX			X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 0, section 4912 0, section 4955 0			
89b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction			X
89c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0	
89d	Enter Amount of tax on line 89c, above, reimbursed by the organization		0	
90a	List the states with which a copy of this return is filed None			
90b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90b	130	
91	The books are in care of CHERYL PENROD, CFO Telephone number 206-833-7444 Located at 2404 "I" STREET NE, AUBURN WA ZIP + 4 98002			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax exempt interest received or accrued during the tax year	92	N/A	

Part VII Analysis of Income-Producing Activities (See instructions)

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a MENTAL HEALTH SERVICE					621,690
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					6,857,603
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	10,626	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate					
a debt financed property					
b not debt financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b OTHER					124,550
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				10,626	7,603,843
105 Total (add line 104, columns (B), (D), and (E))					7,614,469

Note Line 105 plus line 1d Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
	See Statement 6

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note. If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)

Under penalties of perjury I declare that I have examined this return including accompanying schedules and statements and to the best of my knowledge and belief it is true correct and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Date 9/16/03

CFO

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Organization Exempt Under
Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information — (See separate instructions)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2002

Name of the organization

VALLEY CITIES COUNSELING AND CONSUL

Employer identification number

91-6063183

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See instructions List each one If there are none, enter 'None')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
ROBERT W LOVELL MD ----- 2401 I ST NE	MD 20	68,139	0	0
BRIAN D COLEMAN M D ----- 2401 I ST NE	MD 20	76,160	0	0
CYNTHIA GREER ----- 2401 I ST NE	MD 20	59,919	8,000	0.
NAGAVEDU RAGHUNATH ----- 2401 I ST NE	MD 25	84,160	0	0
SUSAN WOYNA ----- 2401 I ST NE	MD 20	66,906	0	0
Total number of other employees paid over \$50,000 ▶	2			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See instructions List each one (whether individuals or firms) If there are none, enter 'None')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None -----		

Total number of others receiving over \$50 000 for professional services ▶	0	

Part III Statements About Activities (See instructions)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes' enter the total expenses paid or incurred in connection with the lobbying activities. ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI B)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.) See Statement 7		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X
Note. Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs 'qualify' to receive payments.		

Part IV Reason for Non-Private Foundation Status (See instructions)

The organization is not a private foundation because it is (Please check only ONE applicable box)

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV A)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV A)
- 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV A)
- 12 An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions — subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the Support Schedule in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting.

Note You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	451,414	558,723	1,208,899	948,089	3,167,125
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc, purpose	6,168,068	5,738,387	4,386,162	3,686,932	19,979,549
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	20,904	35,527	20,266	38,981	115,678
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets See Stmt 8	52,394				52,394
23 Total of lines 15 through 22	6,692,780	6,332,637	5,615,327	4,674,002	23,314,746
24 Line 23 minus line 17	524,712	594,250	1,229,165	987,070	3,335,197
25 Enter 1% of line 23	66,928	63,326	56,153	46,740	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 66,704
	b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a Do not file this list with your return Enter the total of all these excess amounts				26b
	c Total support for section 509(a)(1) test Enter line 24, column (e)				26c 3,335,197
	d Add Amounts from column (e) for lines	18 115,678	19		26d 168,072
		22 52,394	26b		26e 3,167,125
	e Public support (line 26c minus line 26d total)				26f 94.96 %
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				
27 Organizations described on line 12	N/A				
a	For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of and total amounts received in each year from, each 'disqualified person' Do not file this list with your return Enter the sum of such amounts for each year				
	(2001)	(2000)	(1999)	(1998)	
b	For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) Do not file this list with your return After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year				
	(2001)	(2000)	(1999)	(1998)	
c	Add Amounts from column (e) for lines	15	16		27c
		17	20	21	27d
d	Add Line 27a total		and line 27b total		27e
e	Public support (line 27c total minus line 27d total)				27f
f	Total support for section 509(a)(2) test Enter amount from line 23, column (e)				27g %
g	Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27h %
h	Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				

28 Unusual Grants. For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not file this list with your return Do not include these grants in line 15

Part V Private School Questionnaire (See instructions)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A	Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?			
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?			
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If Yes, please describe, if 'No,' please explain (If you need more space, attach a separate statement) ----- ----- -----			
32	Does the organization maintain the following			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement) ----- -----	32d		
33	Does the organization discriminate by race in any way with respect to			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement) ----- -----	33h		
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement	34b		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75 50, 1975 2 C B 587, covering racial nondiscrimination? If No, attach an explanation	35		

Client VALLEYCI

VALLEY CITIES COUNSELING AND CONSUL

91-6063183

9/15/03

09 36AM

Statement 1
Form 990, Part I, Line 20
Other Changes in Net Assets or Fund Balances

NET ASSET CONTRIBUTION

Total \$ 65,214
\$ 65,214

Statement 2
Form 990, Part II, Line 43
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
ADVERTISING	44,136	35,982	4,955	3,199
BAD DEBT	29,668	29,668		
DUES AND MEMBERSHIPS	33,919	28,130	3,408	2,381
INSURANCE	81,319	61,149	19,241	929
LOSS ON EQUIPMENT	11,437	8,572	2,711	154
MISCELLANEOUS	90,890	81,088	8,426	1,376
PROFESSIONAL FEES	273,460	168,559	104,244	657
SPECIFIC ASSISTANCE	80,947	80,947		
Total	<u>\$ 645,776</u>	<u>\$ 494,095</u>	<u>\$ 142,985</u>	<u>\$ 8,696</u>

Statement 3
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum Deprec.	Book Value
Automobiles / Transportation Equipment	\$ 16,983	\$ 16,983	\$ 0
Machinery and Equipment	921,965	482,027	439,938
Improvements	3,162,523	168,713	2,993,810
Land	360,033		360,033
Total	<u>\$ 4,461,504</u>	<u>\$ 667,723</u>	<u>\$ 3,793,781</u>

Statement 4
Form 990, Part IV, Line 58
Other Assets

Board designated cash

Total \$ 350,000
\$ 350,000

Client VALLEYCI

VALLEY CITIES COUNSELING AND CONSUL

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Statement 5
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
CURT AUBERT 2704 "I" ST NE AUBURN, WA 98002	Director 1 HOUR	\$ 0	\$ 0	\$ 0
JEAN ASPLUND 2704 "I" ST NE AUBURN, WA 98002	Director 1 HOUR	0	0	0
WALTER BISHOP 2704 "I" ST NE AUBURN, WA 98002	Treasurer 1 HOUR	0	0.	0.
CONNIE EPPERSON 2704 "I" ST NE AUBURN, WA 98002	Vice Chairman 1 HOUR	0	0.	0
BARBARA MUCZYNSKI 2704 "I" ST NE AUBURN, WA 98002	Director 1 HOUR	0	0.	0
DARWIN NORBY 2704 "I" ST NE AUBURN, WA 98002	Director 1 HOUR	0	0.	0.
CHARLES WOODE 2704 "I" ST NE AUBURN, WA 98002	Director 1 HOUR	0	0.	0
KENNETH SENG 2704 "I" ST NE AUBURN, WA 98002	Chairman 1 HOUR	0	0.	0
SAUCE SHIMOJIMA 2704 "I" ST NE AUBURN, WA 98002	Director 1 HOUR	0	0	0
GARY MORGAN 2704 "I" ST NE AUBURN, WA 98002	Secretary 1 HOUR	0.	0.	0
MARC AVERY MD 2704 "I" ST N E AUBURN, WA 98002	Chief Med Offic 40	139,249	10,923	0
MARILYN LA CELLE 2704 "I" ST NE AUBURN, WA 98002	CEO 40	89,281	9,997	0

Client VALLEYCI

VALLEY CITIES COUNSELING AND CONSUL

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Statement 5 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compensation</u>	<u>Contribution to EBP & DC</u>	<u>Expense Account/Other</u>
CHERYL PENROD 2704 "I" ST NE AUBURN, WA 98002	CFO 40	\$ 61,205	\$ 2,600	\$ 0
THEODORE SCHWARZ 2704 "I" ST NE AUBURN, WA 98002	COO 40	54,505	10,998	0
RAY BOTTI 2704 I ST NE AUBURN, WA 98002	Director 1 HOUR	0	0	0
CHUCK BOOTH 2704 I ST NE AUBURN, WA 98002	Director 1 HOUR	0	0.	0
BRIAN WILSON 2704 I ST NE AUBURN, WA 98002	President 1 HOUR	0	0.	0
		Total \$ 344,240	\$ 34,518.	\$ 0.

Statement 6
Form 990, Part VIII
Relationship of Activities to the Accomplishment of Exempt Purposes

<u>Line #</u>	<u>Explanation of Activities</u>
93a	FEES CHARGED TO PRIVATE PAYERS AND THEIR INSURANCE COMPANIES ARE BASED ON A SLIDING SCALE BASED ON GROSS INCOME AND THE NUMBER OF DEPENDENTS SUPPORTED IN ORDER TO INCREASE ACCESS TO MENTAL HEALTH SERVICES
93g	FEES CHARGED TO GOVERNMENTAL AGENCIES TO PROVIDE FOR VARIOUS TREATMENT MODALITIES FOR LOW-INCOME OR MEDICARE ELIGIBLE ADULTS AND CHILDREN.
103b	ALL INCOME RECEIVED IS USED TO PROVIDE PREVENTIVE, RESTORATIVE, AND EDUCATIONAL MENTAL HEALTH SERVICES TO INDIVIDUALS AND FAMILIES IN KING COUNTY

Statement 7
Schedule A, Part III, Line 2
Transactions with Trustees, Directors, Etc.

See Form 990, Part V

Client VALLEYCI

VALLEY CITIES COUNSELING AND CONSUL

91-6063183

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Statement 8
Schedule A, Part IV-A, Line 22
Other Income

Description	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
Other	\$ 52,394	\$ 0	\$ 0	\$ 0	\$ 52,394
Total	<u>\$ 52,394</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 52,394</u>

Application for Extension of Time to File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868**

Part I Automatic 3-Month Extension of Time — Only submit original (no copies needed)
Note: Form 990-T corporations requesting an automatic 6-month extension — check this box and complete Part I only

All other corporations (including Form 990 C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization	Employer identification number
	VALLEY CITIES COUNSELING AND CONSUL	91-6063183
	Number, street, and room or suite number. If a P.O. box, see instructions.	
	2704 "I" STREET N.E.	
	City, town, or post office. For a foreign address, see instructions.	state ZIP code
	AUBURN, WA 98002	

Check type of return to be filed (file a separate application for each return)

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990 T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990 BL	<input type="checkbox"/> Form 990 T (Section 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990 PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole** group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 month, for **990-T corporation**) extension of time until 8/15, 20 03, to file the exempt organization return for the organization named above. The extension is for the organization's return for

▶ calendar year 20 02 or

▶ tax year beginning _____, 20 _____, and ending _____, 20 _____

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3a If this application is for Form 990 BL, 990 PF, 990 T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____ 0

b If this application is for Form 990 PF or 990 T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____ 0

c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____ 0

Signature and Verification

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature [Signature] Title CPA Date 5/13/03

BAA For Paperwork Reduction Act Notice, see instructions

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Name of Exempt Organization: VALLEY CITIES COUNSELING AND CONSUL
Employer identification number: 91-6063183
Number street and room or suite number: 2704 "I" STREET N E
City town or post office state and ZIP code: AUBURN, WA 98002

Check type of return to be filed (file a separate application for each return)
[X] Form 990 [] Form 990-EZ [] Form 990-T (Section 401(a) or 408(a) trust) [] Form 1041-A [] Form 5227 [] Form 8870
[] Form 990-BL [] Form 990-PF [] Form 990-T (trust other than above) [] Form 4720 [] Form 6069

Stop Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868

If the organization does not have an office or place of business in the United States, check this box
If this is for a Group Return, enter the organizations four digit Group Exemption Number (GEN)
whole group, check this box If it is part of the group, check this box and attach a list with the names and EINs of all members the extension is for

I request an additional 3-month extension of time until 11/15, 2003
For calendar year 2002, or other tax year beginning 20 and ending 20
If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period
State in detail why you need the extension Taxpayer respectfully requests additional time to gather information necessary to file a complete and accurate tax return

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868
8c Balance due. Subtract line 8b from line 8a Include your payment with this form, or, if required, deposit with FTD coupon or if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.

Signature and Verification

Under penalties of perjury I declare that I have examined this form, including accompanying schedules and statements and to the best of my knowledge and belief, it is true correct and complete and that I am authorized to prepare this form

Signature: [Signature] Title: CPA Date: 8/14/03

Notice to Applicant - To be Completed by the IRS

- We have approved this application Please attach this form to the organization's return
We have not approved this application However, we have granted a 10 day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions) This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely filed return Please attach this form to the organization's return
We have not approved this application After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file We are not granting a 10 day grace period
We cannot consider this application because it was filed after the due date of the return for which an extension was requested
Other

Director By

EXTENSION APPROVED

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month address different than the one entered above

Name: Branch, Richards & Co, P S
Number and street (include suite, room, or apartment number) or a P O box number: 155 NE 100th St, Suite 410
City or town, province or state and country (including postal or ZIP code): Seattle, WA 98125

AUG 27 2003

LINDA WEISKOPF, FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

RE AUG 17 2003 OGDEN, UT