

Holyfield & Thomas, LLC

Certified Public Accountants & Advisors

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January 15, 2026

To the Audit Committee of
211 Palm Beach/Treasure Coast, Inc.
Lantana, Florida

We have audited the consolidated financial statements of 211 Palm Beach/Treasure Coast, Inc. (the "Organization") for the year ended June 30, 2025, and intend to issue our report in January 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 26, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the consolidated financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year.

We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Estimates

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Estimates significant to the consolidated financial statements include the following:

- Collectibility of grants, allocations and accounts receivable
- Estimated fair value of beneficial interests in assets held by Community Foundation, and
- Useful life of property and equipment.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the consolidated financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the consolidated financial statements was:

- Allocation of functional expenses illustrated in the consolidated statement of functional expenses and described in Note 1 to the consolidated financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing our audit. However, we were delayed in ultimately completing and submitting the audit report and related correspondence due to an increase in the Organization's growth-oriented workload. This condition gave rise to certain workflow delays and scheduling conflicts.

Corrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. See the attached schedule of adjusting journal entries for the material misstatements detected as a result of audit procedures and corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's consolidated financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Information in Documents Containing Audited Consolidated Financial Statements

We are not aware of any documents that contain the audited consolidated financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited consolidated statements of 211 Palm Beach/Treasure Coast, Inc.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the consolidated financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the consolidated financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

Closing

We are pleased to respond to any questions you have about the audit or the contents of this letter. We appreciate the opportunity to be of service to you with respect to your audit and accounting needs.

This information is intended solely for the use of the Board of Directors, Audit Committee, and management of 211 Palm Beach/Treasure Coast, Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Holyfield & Thomas, LLC

West Palm Beach, Florida

Client: **01467.00 - 211 Palm Beach/Treasure Coast, Inc.**
Engagement: **AUD - 2025 - 211 Palm Beach/Treasure Coast, Inc.**
Period Ending: **6/30/2025**
Trial Balance: **TB - Consolidated TB**
Workpaper: **AJE - Adjusting Journal Entries Report**

Account	Description	V/P Ref	Debit	Credit
Adjusting Journal Entries JE # 2		I-01		
To true-up the lease expense				
308-50	Lease Liability		16,603.00	
518-50	Lease Cost		11,028.00	
208-50	ROU Assets			2,310.00
208-51	ROU Asset Accum. Amortization			14,293.00
518-00	Equipment Rental/Maint (211)			11,028.00
Total			27,631.00	27,631.00
Adjusting Journal Entries JE # 4		X-10.1		
To correct the entries posted to deferred revenue and expenses.				
316-00	Deferred Revenue		111,500.00	
521-00	Professional Fees (211)			55,750.00
521-00	Professional Fees (211)			55,750.00
Total			111,500.00	111,500.00
Adjusting Journal Entries JE # 5		N-13		
To adjust the ending balance the Mutual America on the 457(b).				
203-60	Mutual of America 457b Asset		21,288.00	
317-00	Mutual of America 457b Liab			21,288.00
Total			21,288.00	21,288.00
Adjusting Journal Entries JE # 6		WTB		
To adjust the payroll liability.				
2100	Payroll Liabilities		9,957.00	
510-00	Group Health Insurance			9,957.00
Total			9,957.00	9,957.00

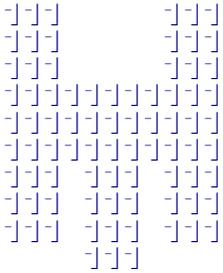
211 PALM BEACH/TREASURE COAST, INC.

**REPORT ON AUDIT OF
CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2025
(with comparable totals for 2024)**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
211 Palm Beach/Treasure Coast, Inc.
Lantana, Florida

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of 211 Palm Beach/Treasure Coast, Inc. (a Florida nonprofit corporation), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of 211 Palm Beach/Treasure Coast, Inc. as of June 30, 2025, 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of 211 Palm Beach/Treasure Coast, Inc. 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 211 Palm Beach/Treasure Coast, Inc.'s ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, Inc.'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about 211 Palm Beach/Treasure Coast, Inc.'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 consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. In addition, the consolidated schedule of program expenses on pages 31, state earnings on page 32, and actual revenues and expenses on pages 33-34 are presented for purposes of additional analysis, and are not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2026, on our consideration of 211 Palm Beach/Treasure Coast, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, 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 211 Palm Beach/Treasure Coast, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the 211 Palm Beach/Treasure Coast, Inc. 2024 consolidated financial statements, and our report dated January 24, 2025, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Holyfield & Thomas, LLC

West Palm Beach, Florida
January 29, 2026

*As of June 30, 2025**(with comparable totals for 2024)*

	Without Donor Restrictions	With Donor Restrictions	2025 Totals	2024 Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 4,220,350	\$ 1,034,652	\$ 5,255,002	\$ 4,757,716
Grants and allocations receivable	388,322	-	388,322	544,818
Pledges and other receivables	28,652	43,553	72,205	123,055
Prepaid expenses and other assets	197,608	-	197,608	84,044
Total current assets	4,834,932	1,078,205	5,913,137	5,509,633
Beneficial interest in assets held by Community Foundation:				
Designated fund	1,117,762	-	1,117,762	1,055,596
Capital campaign	-	104,305	104,305	101,658
Investment in deferred compensation plan	48,221	-	48,221	26,933
Property and equipment, net	338,709	249,360	588,069	487,828
Operating right-of-use asset, net	24,747	-	24,747	41,350
Total assets	<u>\$ 6,364,371</u>	<u>\$ 1,431,870</u>	<u>\$ 7,796,241</u>	<u>\$ 7,222,998</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 217,540	\$ -	\$ 217,540	\$ 239,798
Refundable advance	66,072	-	66,072	63,681
Current portion of mortgage payable	17,735	-	17,735	17,040
Current portion of obligation under operating lease	10,028	-	10,028	10,259
Total current liabilities	311,375	-	311,375	330,778
Mortgage payable, net of current portion	99,467	-	99,467	116,792
Obligation under operating lease	14,719	-	14,719	31,091
Obligation under deferred compensation plan	48,221	-	48,221	26,933
Total liabilities	<u>473,782</u>	<u>-</u>	<u>473,782</u>	<u>505,594</u>
Net assets:				
Without donor restrictions:				
Undesignated	2,890,589	-	2,890,589	2,466,845
Board designated	3,000,000	-	3,000,000	3,000,000
Total without donor restrictions	5,890,589	-	5,890,589	5,466,845
With donor restrictions	-	1,431,870	1,431,870	1,250,559
Total net assets	<u>5,890,589</u>	<u>1,431,870</u>	<u>7,322,459</u>	<u>6,717,404</u>
Total liabilities and net assets	<u>\$ 6,364,371</u>	<u>\$ 1,431,870</u>	<u>\$ 7,796,241</u>	<u>\$ 7,222,998</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended June 30, 2025**(with comparable totals for 2024)*

	Without Donor Restrictions	With Donor Restrictions	2025 Totals	2024 Totals
Support and Revenues:				
Support:				
Federal grants and contracts	\$ 1,877,747	\$ -	\$ 1,877,747	\$ 2,035,157
State, county, and other local grants	1,535,124	258,151	1,793,275	1,926,244
United Way allocations	385,630	-	385,630	426,333
Contributions	893,009	-	893,009	514,346
Capital campaign	-	164,100	164,100	315,778
Total support	<u>4,691,510</u>	<u>422,251</u>	<u>5,113,761</u>	<u>5,217,858</u>
Revenues:				
Fundraising revenue	343,850	-	343,850	536,019
Training and license	2,259	-	2,259	6,500
Interest income, net	180,081	-	180,081	152,389
Change in value of beneficial interest in assets	64,813	-	64,813	57,254
Other income	13,777	-	13,777	4,011
Total revenues	<u>604,780</u>	<u>-</u>	<u>604,780</u>	<u>756,173</u>
Total support and revenues	<u>5,296,290</u>	<u>422,251</u>	<u>5,718,541</u>	<u>5,974,031</u>
Net assets released from restrictions	<u>240,940</u>	<u>(240,940)</u>	<u>-</u>	<u>-</u>
	<u>5,537,230</u>	<u>181,311</u>	<u>5,718,541</u>	<u>5,974,031</u>
Expenses:				
Program services	4,303,891	-	4,303,891	4,539,643
Support services:				
Management and general	306,302	-	306,302	289,360
Growth and infrastructure	108,437	-	108,437	296,264
Building	27,433	-	27,433	30,685
Fundraising	367,423	-	367,423	300,507
Total expenses	<u>5,113,486</u>	<u>-</u>	<u>5,113,486</u>	<u>5,456,459</u>
Change in net assets	423,744	181,311	605,055	517,572
Net assets, beginning of year	<u>5,466,845</u>	<u>1,250,559</u>	<u>6,717,404</u>	<u>6,199,832</u>
Net assets, end of year	<u>\$ 5,890,589</u>	<u>\$ 1,431,870</u>	<u>\$ 7,322,459</u>	<u>\$ 6,717,404</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended June 30, 2025**(with comparable totals for 2024)*

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Cash received from contributors and grantors	\$ 5,325,757	\$ 4,863,577
Cash received from fundraising	343,850	536,019
Interest income, net	180,081	152,389
Other income	13,777	4,011
Cash paid to employees and suppliers for goods and services	(5,218,543)	(5,411,338)
Interest paid	<u>(5,567)</u>	<u>(6,250)</u>
Net cash provided by operating activities	<u>639,355</u>	<u>138,408</u>
Cash flows from investing activities:		
Purchase of property and equipment	(125,439)	(189,120)
Funds transferred to Community Foundation	<u>-</u>	<u>(100,000)</u>
Net cash used in investing activities	<u>(125,439)</u>	<u>(289,120)</u>
Cash flows from financing activities:		
Mortgage principal payments	<u>(16,630)</u>	<u>(15,946)</u>
Net cash used in financing activities	<u>(16,630)</u>	<u>(15,946)</u>
Change in cash and cash equivalents	497,286	(166,658)
Cash and cash equivalents, beginning of year	<u>4,757,716</u>	<u>4,924,374</u>
Cash and cash equivalents, end of year	<u>\$ 5,255,002</u>	<u>\$ 4,757,716</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended June 30, 2025**(with comparable totals for 2024)*

	<u>2025</u>	<u>2024</u>
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	\$ 605,055	\$ 517,572
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	25,198	31,083
Lease expense	14,293	11,509
Change in value of beneficial interest in assets	(64,813)	(57,254)
(Increase) decrease in:		
Grants and allocations receivable	156,496	(93,738)
Pledges and other receivables	50,850	35,605
Prepaid expenses and other assets	(113,564)	(27,001)
(Decrease) increase in:		
Accounts payable and accrued expenses	(22,258)	34,789
Refundable advance	2,391	(302,648)
Operating lease obligation	(14,293)	(11,509)
Net cash provided by operating activities	<u>\$ 639,355</u>	<u>\$ 138,408</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended June 30, 2025**(with comparable totals for 2024)*

	Support Services					2025 Totals	2024 Totals
	Program Services	Management and General	Growth and Infrastructure	Building	Fundraising		
Salaries and wages	\$ 2,960,076	\$ 215,196	\$ -	\$ -	\$ 125,690	\$ 3,300,962	\$ 3,405,475
Payroll taxes and employee benefits	579,722	34,860	-	-	22,733	637,315	659,401
Total salaries and related expenses	3,539,798	250,056	-	-	148,423	3,938,277	4,064,876
Advertising and promotion	6,894	664	22,532	-	417	30,507	37,648
Amortization	-	-	-	408	-	408	408
Bad debt expense	-	-	-	-	1,000	1,000	-
Bank charges	-	1,369	1,386	50	6,200	9,005	7,422
Computer software and support	89,161	4,667	7,052	-	5,956	106,836	124,387
Direct assistance to individuals	2,190	-	-	-	-	2,190	1,266
Equipment rental and maintenance	71,132	256	-	-	171	71,559	117,936
Insurance	58,830	4,079	-	-	2,762	65,671	72,156
Licenses, dues, and subscriptions	16,844	999	-	170	3,353	21,366	16,300
Miscellaneous	-	2,677	2,632	-	-	5,309	49,019
Mortgage interest	2,906	2,253	-	-	-	5,159	5,841
Occupancy	56,908	8,824	-	25	2,230	67,987	63,899
Operating supplies	24,364	1,269	-	-	480	26,113	36,019
Other	2,578	2,570	-	-	971	6,119	7,614
Payroll	4,846	332	-	-	220	5,398	5,825
Postage	7,567	130	-	-	287	7,984	5,466
Printing	4,202	-	-	-	-	4,202	-
Professional services	172,676	9,874	74,835	-	6,218	263,603	423,716
Property tax	-	-	-	4,147	-	4,147	3,096
Special events venue and other direct expenses	-	-	-	-	183,015	183,015	143,040
Staff training	11,980	4,975	-	-	51	17,006	20,397
Telephone	177,254	10,202	-	-	5,244	192,700	185,660
Travel	51,465	946	-	-	316	52,727	33,385
Total expenses before depreciation	4,301,595	306,142	108,437	4,800	367,314	5,088,288	5,425,376
Depreciation	2,296	160	-	22,633	109	25,198	31,083
Total functional expenses	\$ 4,303,891	\$ 306,302	\$ 108,437	\$ 27,433	\$ 367,423	\$ 5,113,486	\$ 5,456,459

See accompanying notes to consolidated financial statements.

For the Year Ended June 30, 2025

1. Organization and Summary of Significant Accounting Policies

Organization and Nature of Activities

211 Palm Beach/Treasure Coast, Inc. ("211") is a non-profit corporation organized in November 1971 under the laws of the State of Florida. 211 provides information to the public about available health and human service resources, telephone counseling to individuals with personal or family problems, and services to special populations, such as older adults and adolescents. 415 Gator Drive, Inc., was formed in August 1999 to hold title to real property utilized by 211. The Board of Directors is the same for both organizations, and 211 utilizes the real property of 415 Gator Drive, Inc. Therefore, the financial information for both organizations (the "Organization") is consolidated in these financial statements and all inter-company transactions have been eliminated.

Consolidated Financial Statement Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with the disclosure and display requirements of the Financial Accounting Standards Board (FASB) as set forth under FASB Accounting Standards Codification (FASB ASC) 958-205 *Not-for-Profit Entities, Presentation of Financial Statements*. Accordingly, the net assets of the Organization are reported in each of the following classes:

Net assets without donor restrictions: are those currently available for use in the current operations of the Organization under the direction of the Board of Directors.

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

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, which recognizes revenue when earned, and expenses as incurred. Grants are recorded as support when performance occurs under the terms of the grant agreement.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

For the Year Ended June 30, 2025

1. Organization and Summary of Significant Accounting Policies, continued

Fair Value Measurements

FASB ASC 820-10 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described below:

For assets and liabilities measured at fair value on a recurring basis, entities should disclose information that allows financial statement users to assess (1) the inputs used to develop such measurements, such as Level 1 (i.e., quoted price in an active market for an identical asset or liability), Level 2 (i.e., quoted price for similar assets or liabilities in active markets), or Level 3 (i.e., unobservable inputs); and (2) the effect on changes in net assets of recurring measurements that use significant unobservable (Level 3) inputs.

The fair value measurement of an asset or liability 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.

Fair Value of Financial Instruments: The carrying amounts of financial instruments including cash and cash equivalents, accounts payable, and accrued liabilities approximate their fair value because of the relatively short maturity of these instruments. Additionally, mortgage payable, line of credit, and lease obligations approximate their fair value as stated interest rates approximate current market rates.

Items Measured at Fair Value on a Recurring Basis

The following methods and assumptions were used by the Organization in estimating the fair value of financial instruments that are measured at fair value on a recurring basis under FASB ASC 820-10:

- *Beneficial interest in assets held by Community Foundation* – valued based on the Organization's proportionate share of the fair value of the underlying pooled investment reported by the Community Foundation. These assets are measured according to Level 3.
- *Investments in and obligations under deferred compensation plan* – consists of balanced mutual funds measured at net asset value (NAV) quoted by the custodian as of the close of business. These investments are all measured according to Level 1.

The table below sets forth a summary of changes in the fair value of the Organization's Level 3 asset, beneficial interest in assets held by Community Foundation, for the year ended June 30, 2025.

*For the Year Ended June 30, 2025***1. Organization and Summary of Significant Accounting Policies, continued***Fair Value Measurements, continued*

Balance, beginning of year	\$ 1,157,254
Funds transferred to Community Foundation	-
Funds received from Community Foundation	-
Change in value	<u>64,813</u>
Balance, end of year	<u>\$ 1,222,067</u>

FASB ASC 820-10 requires disclosure of quantitative information about the unobservable inputs used to measure Level 3 assets and liabilities. The following table provides information about Level 3 assets:

	<u>Fair Value</u>	<u>Valuation Techniques</u>	<u>Unobservable Inputs</u>
Beneficial interest in assets held by Community Foundation	<u>\$ 1,222,067</u>	3 rd party valuation pricing	Underlying securities

Cash and Cash Equivalents

For purposes of the consolidated statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, other than those held with the investment portfolio and are classified as such. During the fiscal year, deposits were maintained in commercial bank checking accounts, money market, and certificate of deposit accounts.

Grants and Allocations Receivable

Grants receivable are recognized as the reimbursable expense is incurred. Allocations receivable arise from various grantors, all of which share a similar fiscal year as the Organization and are treated as promises to give. When there is conditional language within the allocation agreements, or there is an absence of clearly unconditional terms, income is recognized from such allocations as conditions are satisfied.

Grants and allocations receivable are considered to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Pledges and Other Receivables

Pledges and other receivables in the accompanying statement of financial position consist of donors' unconditional promises to give and contributions from others made at the Organization's spring event. The amounts are recognized as revenue and as receivable in the period the contributions and promise are received. Receivables are evaluated for collectability in accordance with ASC 958-310, *Not-for-Profit Entities - Receivables*. Management also evaluated the applicability of ASC 326, *Financial Instruments – Credit Losses*, and determined these balances represent non-exchange transactions and therefore outside the scope of that standard. Based on this assessment, Management believes the amounts recorded for pledges and other receivables are fully realizable and therefore has not recorded any allowance for uncollectible receivables.

For the Year Ended June 30, 2025

1. Organization and Summary of Significant Accounting Policies, continued

Prepaid Expenses and Other Assets

Prepaid expenses and other assets are principally comprised of insurance premiums related to future coverage, consulting services, deposits for special events that are to be held subsequent to the date of the consolidated financial statements, and a gift annuity under a split-interest agreement.

Property and Equipment

Property and equipment in excess of \$5,000 is recorded at cost, or if donated, at the estimated fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from 3 to 30 years. Expenditures for repairs and maintenance are charged to expense as incurred. Major improvements are capitalized.

Leases

The Organization follows FASB Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842), which requires leases longer than 12 months to be recognized on the balance sheet as liabilities, with corresponding right-of-use (ROU) assets. At lease commencement, the ROU asset and liability are recognized, with the asset measured at the lease liability amount, lease payments made, direct costs, and estimated removal costs. After initial recognition, ROU assets are amortized on a straight-line basis over the shorter of the lease term or asset life and are reduced by any accumulated amortization or impairment. The lease term includes noncancelable periods and options to extend or terminate, if the lessee is likely to exercise those options.

Contributions

Gifts of cash and other donated assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restriction. Furthermore, restricted contributions that are initially restricted as to time or use are required to be reported as net assets with donor restrictions and are later reclassified to net assets without donor restrictions upon expiration of the time or use restriction.

Refundable Advance

The Organization occasionally receives advances to cover certain reimbursable program expenses. Pursuant to the agreement, funds received by the Organization which were not spent are subject to be returned to the funder. As of June 30, 2025, the Organization had approximately \$66,000 in advances from Children's Services Council to cover certain program expenses for the period July 2025 through September 2025.

For the Year Ended June 30, 2025

1. Organization and Summary of Significant Accounting Policies, continued*Functional Allocation of Expenses*

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and in the consolidated statement of functional expenses. Accordingly, direct costs have been charged to the specific program or supporting service as incurred and indirect costs have been allocated among the programs and supporting services benefited. Salaries and other related expenses are allocated based on studies of personnel. Occupancy and related costs are allocated based on studies of relative space utilization and the benefit provided.

Advertising

Advertising costs are expensed as incurred. Total advertising cost for the year ended June 30, 2025 was approximately \$30,500.

Income Taxes

211 is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. 415 Gator Drive, Inc. is exempt under Section 501(c)(2), and files a consolidated tax return with 211 as an affiliate. Income from certain activities not directly related to 211's tax-exempt purpose is subject to taxation as unrelated business income. In addition, 211 qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). Based upon an analysis of its net unrelated business income for the current year and the net operating loss carryovers available from earlier years, 211 does not believe any income tax is owed for the period and no tax liability is recognized in these consolidated financial statements.

The Organization has adopted FASB ASC Topic 740-10, *Accounting for Uncertainty in Income Taxes*. This pronouncement seeks to reduce the diversity in practice associated with certain aspects of measurement and recognition in accounting for income taxes. It prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position that an entity takes or expects to take in a tax return. An entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold. The Organization assesses its income tax positions based on management's evaluation of the facts, circumstances and information available at the reporting date. The Organization uses the prescribed more likely than not threshold when making its assessment, and has not accrued any interest expense or penalties related to tax positions. In addition, there are currently no open Federal or State tax years under audit.

Prior Year Summarized Information

The consolidated 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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2024, from which the summarized information was derived. Certain reclassifications may have been made to the 2024 consolidated financial statements to conform to the current year presentation. Such reclassifications would have no effect on net assets as previously reported.

For the Year Ended June 30, 2025

2. Program Services and Initiatives

211 Palm Beach/Treasure Coast delivers a comprehensive network of programs designed to support individuals and families through crisis intervention, emotional support, resource navigation, and care coordination. The following provides an overview of our major services and initiatives.

Resource Center/HelpLine Palm Beach County – Palm Beach County Resource Center provides 24/7 information and referral, assessment, crisis intervention, emotional support, and suicide prevention through phone, text, chat, email, and our online database. This free, confidential community and crisis helpline serves residents of Palm Beach County. Caregiver and First Responder calls received in this region are also integrated directly into the Resource Center for referral and support.

Resource Center/HelpLine Treasure Coast – Serving Indian River, Martin, St. Lucie, and Okeechobee counties, the Treasure Coast Resource Center delivers the same comprehensive 24/7 services—information and referral, assessment, crisis intervention, emotional support, and suicide intervention—via multiple contact methods. Caregiver and First Responder calls received in this region are also integrated directly into the Resource Center for referral and support.

Lifeline (988) – 211 PBTC functions as a designated 988 Lifeline provider, delivering 24/7 suicide and emotional crisis intervention and de-escalation. Calls originating from our service area are routed directly to our trained crisis staff, who provide immediate, compassionate, and safety-focused support.

Elder Crisis Outreach – Elder Crisis Outreach provides telephone and in-home crisis intervention to Palm Beach County residents age 60+ experiencing emotional, financial, or social distress. The program focuses on early intervention to help older adults maintain stability, safety, and independence.

Special Needs – This program assists parents and caregivers of children with special needs (birth–22 years) by helping them navigate healthcare options, financial assistance, educational resources, support groups, respite care, and community-based services.

Help Me Grow – Help Me Grow offers developmental screenings, guidance, and care coordination for families concerned about their child’s physical, emotional, or behavioral development. The program links families to appropriate community support services to promote healthy growth and early intervention.

My Florida Veteran – The Florida Veterans Support Line provides veterans, former military members, and their families with emotional support, information and referral, and peer-led care coordination. Veteran peer specialists connect callers to a broad network of community services and provide a supportive, understanding point of contact.

Sunshine Services – Sunshine Services offers daily reassurance calls to elders and homebound individuals in Palm Beach, Martin, St. Lucie, Okeechobee, and Indian River counties. These friendly check-ins reduce isolation and can prevent medical crises. When a client does not answer or is believed to be in danger, emergency help is contacted immediately.

For the Year Ended June 30, 2025

2. Program Services and Initiatives, continued

Caregiver Project – The Caregiver Project supports adults age 18+ who provide care to another adult. Services include supportive crisis counseling, comprehensive needs assessment, service navigation, advocacy with family or providers, and follow-up to ensure stability and access to needed resources.

Growth and Infrastructure/Capital Campaign – The Growth and Infrastructure/Capital Campaign supports long-term agency expansion and strengthens the organizational framework needed to sustain critical social services. This initiative includes a multi-year capital campaign focused on constructing a new 12,000-square-foot, hurricane-rated headquarters facility at our current location. The project, estimated at \$6 million, will provide the secure, modern infrastructure required to accommodate growing operational needs and enhance service delivery for years to come.

3. Liquidity and Availability of Resources

Financial assets available for general expenditure within one year of the statement of financial position, that is, without donor restrictions or other restrictions limiting their use are comprised of the following:

Cash and cash equivalents	\$ 5,255,002
Grants and allocations receivable	388,322
Accounts and pledges receivable	<u>72,205</u>
	5,715,529
Less capital campaign (cash and receivables)	<u>1,078,205</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 4,637,324</u>

The Organization is substantially supported by contracts, grants, allocations, and contributions without donor and with donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Some of the Organization's net assets with donor restrictions are available for general expenditure within one year of June 30, 2025 because the restrictions on the net assets are expected to be met by conducting the normal program activities of the Organization in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year. Furthermore, management believes the Organization has sufficient cash designated by the Board for contingencies in the event of unanticipated financial distress or an immediate liquidity need.

For the Year Ended June 30, 2025**4. Receivables**

The Organization receives and records grants, contracts, and accounts receivable in the course of providing its programs and activities. The balance of the Organization's receivables consists of the following as of June 30, 2025:

Palm Beach County ECO & TAS	\$ 66,604
Children's Forum	50,050
Quantum Foundation	50,000
Children's Services Council – Palm Beach County	46,222
Board of County Commissioners	44,364
Department of Children and Family – Palm Beach County	37,742
Children's Services Council – St Lucie County	28,315
The Crisis Center of Tampa Bay, Inc.	15,042
DCF Circuit 19	13,096
Indian River County BOCC	12,872
Victim Services and Support	11,265
Hobe Sound Community Chest	10,000
Martin County	<u>2,750</u>
Total grants and allocations receivable	<u>388,322</u>
Other receivables	28,652
Pledges receivable	<u>43,553</u>
Total pledges and other receivables	<u>72,205</u>
Total receivables	<u>\$ 460,527</u>

5. Property and Equipment

Property and equipment consist of the following as of June 30, 2025:

Office furniture and equipment	\$ 201,820
Computers and software	183,500
Buildings and improvements	647,499
Leasehold improvements	244,122
Land	<u>160,000</u>
	1,436,941
Less accumulated depreciation	(1,098,232)
Construction in progress	<u>249,360</u>
	<u>\$ 588,069</u>

Construction in progress as of June 30, 2025, consisted of accumulated costs related to the construction of a new headquarters facility. During the year, the Organization incurred costs for site preparation, architectural design, and engineering services associated with the development of the new building. Upon completion and placement into service, the balance of construction in progress will be reclassified to the appropriate property and equipment categories.

For the Year Ended June 30, 2025**6. Mortgage Payable and Line of Credit***Mortgage Payable*

The mortgage for the property owned by 415 Gator Drive, Inc. was refinanced in July 2016. The principal amount of the mortgage was \$250,000 payable over 15 years with a maturity date of July 2031. Monthly payments are approximately \$1,850 at an interest rate of 4%, which approximates the effective interest rate, for the first 60 months. The scheduled payment amount may then change and continue to change every 60 payments thereafter. The mortgage is collateralized by the property at 415 Gator Drive, Inc. together with future rents and leases. The balance of the mortgage payable as of June 30, 2025 was \$119,674. The closing costs of \$6,114 are being amortized over the term of the mortgage, fifteen years. Current amortization expense was \$408 and is reported as part of mortgage interest expense in the consolidated statement of activities.

Future maturities of the mortgage payable at June 30, 2025 are approximately:

2026	\$ 17,735
2027	18,457
2028	19,209
2029	19,992
2030	20,806
Thereafter	<u>23,475</u>
	119,674
Less debt issuance costs, net	<u>2,472</u>
	117,202
Less current portion of mortgage payable	<u>17,735</u>
Long-term mortgage payable	<u>\$ 99,467</u>

Revolving Line of Credit

The Organization has a \$100,000 working capital revolving line of credit secured by the real estate, and payable at an interest rate equal to the Wall Street Journal Prime Rate plus 0.50% (7.75% as of June 30, 2025). The line of credit was unused as of June 30, 2025. However, on July 15, 2025, the line of credit was temporarily frozen by the financial institution due to the planning phase of the construction of the new building.

For the Year Ended June 30, 2025

7. Net Assets

In addition to reporting net assets that have donor restrictions, the Organization designates net assets from time to time to provide funding for future programs and initiatives. As of June 30, 2025, the Organization's classification of net assets was as follows:

Net assets with donor restrictions:

Capital Campaign – building funds	\$ 1,269,099
Elder Crisis Outreach Funds	102,807
Veterans support	33,930
Veterans Grant	14,141
Special Needs funds	6,900
Other	<u>4,993</u>
Total net assets with donor restrictions	<u>1,431,870</u>
Net assets without donor restrictions:	
Undesignated	2,890,589
Board designated:	
Building	1,000,000
Operating reserve	<u>2,000,000</u>
Total net asset without donor restrictions	<u>5,890,589</u>
Total net assets	<u>\$ 7,322,459</u>

Amounts restricted for capital campaign – building are released from donor restriction when qualifying construction expenditures are incurred for non-capitalizable costs and when the related long-lived assets are placed in service for capitalizable costs.

8. Beneficial Interest in Assets Held at the Community Foundation***Designated fund***

In June 2023, 211 Palm Beach/Treasure Coast, Inc. entered into a funding agreement and contributed \$1,000,000 to the Community Foundation for Palm Beach and Martin Counties (the "Community Foundation") to establish a charitable fund, the 211 Palm Beach Treasure Coast Reserve Fund (the "Designated Fund"). This fund will invest in a diversified portfolio having a target asset allocation of 50% money market and 50% long-term growth portfolio.

For the Year Ended June 30, 2025**8. Beneficial Interest in Assets Held at the Community Foundation, continued**

The funding agreement releases all rights, title and interest to the assets and grants variance power to the Community Foundation. Distributions from the charitable fund are to be in accordance with the Community Foundation's spending policy, at the request of 211 Palm Beach/Treasure Coast, Inc. The total cumulative contributions made to the Designated Fund amounted to \$1,000,000 as of June 30, 2025. 211 Palm Beach/Treasure Coast Inc.'s beneficial interest in funds held by the Community Foundation is based on the Organization's proportionate share of the fair value of the underlying investments reported by the Community Foundation. 211 Palm Beach/Treasure Coast inc.'s beneficial interest in the Designated Fund assets held by the Community Foundation was \$1,117,762 as of June 30, 2025.

Capital campaign fund

In March 2024, 211 Palm Beach/Treasure Coast, Inc. entered into another funding agreement and directed \$100,000 to the Community Foundation for Palm Beach and Martin Counties (the "Community Foundation") to establish a charitable fund, the 211 Palm Beach Treasure Coast Capital Campaign Fund (the "Capital Campaign Fund"). This fund will invest 100% in money market accounts. 211 Palm Beach/Treasure Coast Inc.'s beneficial interest in Capital Campaign Fund assets held by the Community Foundation was \$104,305 as of June 30, 2025.

9. Lease*Operating Lease*

The Organization leases office equipment (including service contracts), under a noncancelable operating lease arrangement that extends through May 2028. The lease requires minimum payments of \$919 per month.

Operating right-of-use asset as of June 30, 2025, consisted of the following:

Office equipment	\$ 52,973
Less accumulated amortization	<u>28,226</u>
Net operating right-of-use asset	<u>\$ 24,747</u>

Operating lease obligation as of June 30, 2025, consisted of the following:

Office equipment	\$ 24,747
Less current portion	<u>10,028</u>
Non-current portion	<u>\$ 14,719</u>

Operating lease expense for the year ended June 30, 2025 consisted of the following:

	<u>Amortization</u>	<u>Finance</u> <u>Charges</u>	<u>Total</u>
Lease expense - office equipment	<u>\$ 10,003</u>	<u>\$ 1,025</u>	<u>\$ 11,028</u>

For the Year Ended June 30, 2025

9. Lease, continued

Discounted future lease payments under operating leases as of June 30, 2025 for each of the next five years include:

2026	\$ 11,028
2027	11,028
2028	<u>3,676</u>
	25,732
Less discount to present value	<u>985</u>
	24,747
Present value of future lease payments	<u>10,028</u>
Less current portion	<u>10,028</u>
	\$ <u>14,719</u>
Non-current portion	

The discount has been calculated using an interest of 3.5% for the office equipment, which approximates the incremental borrowing rate of the Organization for the acquisition of the related asset at the time the lease was signed.

Operating lease expense for the year ended June 30, 2025, is included within the equipment rental and maintenance category in the consolidated statement of functional expenses.

10. Commitments and Contingencies*Compliance Audits*

Financial awards from federal, state, and local governmental entities, in the form of grants, are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. Management is not aware of any instances of material noncompliance and does not believe the Organization owes any funds with respect to disallowed costs or noncompliance with grantor restrictions. Accordingly, no provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

11. Employee Benefit Plans*Defined Contribution Plan*

The Organization established a retirement plan under Section 403(b) of the Internal Revenue Code, effective January 1, 1995. Employees become eligible when they attain age 21 and work more than 1,000 hours during the year. During the year ended June 30, 2025, the Organization's employer match contribution was equal to the employee's deferral to the plan, up to a maximum of 3% of employee compensation. Total employer expense for the year ended June 30, 2025 was \$49,688, and is included in payroll taxes and employee benefits in the consolidated schedule of program expenses.

For the Year Ended June 30, 2025

11. Employee Benefit Plans, continued

The Organization offered an executive employee selected by the Board of Directors a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b). The plan permits the Board of Directors to approve additional compensation for the executive employee and to defer it on their behalf under the plan. In addition, the executive employee may defer additional amounts through salary reduction agreements. Both the Organization's contributions and executive employee contributions are subject to statutory limits. All deferred compensation under the plan is not available to the covered employee until termination, retirement, death or an unforeseeable emergency. All amounts of compensation deferred under the plan, all property, and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the covered employee or other beneficiary) solely the property and rights of the Organization, subject to the claims of the Organization's creditors.

During the year ending June 30, 2025, the Organization made contributions to the plan totaling \$16,800. Funds of the plan are invested in mutual funds as directed by the employee. These funds have a fair value of approximately \$48,200 as of June 30, 2025, and are presented as investment in deferred compensation plan with an offsetting obligation under deferred compensation plan in the consolidated statement of financial position.

12. Concentration and Credit Risk

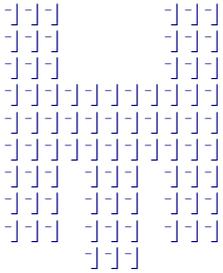
At various times during the year, the Organization may have more funds on deposit at financial institutions than the \$250,000 insured by the Federal Deposit Insurance Corporation and/or the National Credit Union Administration. Management believes its deposits are kept at high quality, regional banking and credit institutions. In Management's opinion, its cash balance does not represent unusual risk. As of June 30, 2025, there were approximately \$5,032,000 in uninsured cash balances.

The Organization receives the majority of its funding from public sources and is, therefore, dependent upon the availability of federal, state, and county grants and awards for its continued existence. The Organization currently receives approximately 7% of its cash funding from Palm Beach County, 34% from the Southeast Florida Behavioral Health Network, 12% collectively from six local Children's Services Councils, 7% collectively from four local United Way chapters, and approximately 40% from various other agencies. Any significant reduction in the level of one of the support sources described above, if it were to occur, could have a material effect on the Organization's programs and activities.

13. Subsequent Event

Management has evaluated subsequent events through January 29, 2026, the date on which these consolidated financial statements were available to be issued.

In September 2025, the Organization selected the general contractor for its new two-story, 12,000 square foot, hurricane-rated headquarters facility after a publicly advertised bidding process. The Organization expects demolition of the existing building followed by the new construction to commence in early 2026. The process is expected to take approximately 12 to 18 months to complete.



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INDEPENDENT AUDITOR'S 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

To the Board of Directors of
211 Palm Beach/Treasure Coast, Inc.
Lantana, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of 211 Palm Beach/Treasure Coast, Inc. (a non-profit organization), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 29, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered 211 Palm Beach/Treasure Coast, Inc.'s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, Inc.'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 consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

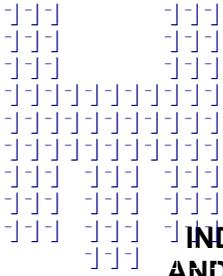
As part of obtaining reasonable assurance about whether 211 Palm Beach/Treasure Coast, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering 211 Palm Beach/Treasure Coast, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Holyfield & Thomas, LLC

West Palm Beach, Florida
January 29, 2026



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To the Board of Directors of
211 Palm Beach/Treasure Coast, Inc.
Lantana, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited 211 Palm Beach/Treasure Coast, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of 211 Palm Beach/Treasure Coast, Inc.'s major federal programs for the year ended June 30, 2025. 211 Palm Beach/Treasure Coast, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 211 Palm Beach/Treasure Coast, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of 211 Palm Beach/Treasure Coast, Inc. and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of 211 Palm Beach/Treasure Coast, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to 211 Palm Beach/Treasure Coast, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on 211 Palm Beach/Treasure Coast, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about 211 Palm Beach/Treasure Coast, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 211 Palm Beach/Treasure Coast, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of 211 Palm Beach/Treasure Coast, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Holyfield & Thomas, LLC

West Palm Beach, Florida
January 29, 2026

For The Year Ended June 30, 2025

SECTION I – SUMMARY OF AUDITOR’S RESULTS*Consolidated Financial Statements*

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to consolidated financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor’s report issued on compliance on major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Major programs:

Federal Grantor

U.S. Department of Health and
Human Services

ALN Number

93.958

Name of Federal Program or Cluster:

Block Grants for Community
Mental Health ServicesDollar Threshold used to distinguish between
type A and type B programs:

\$ 750,000

Auditee qualified as a low-risk auditee?

Yes

For The Year Ended June 30, 2025

SECTION II – CONSOLIDATED FINANCIAL STATEMENT FINDINGS

There are no findings or questioned costs reported for the year ended June 30, 2025, relative to financial reporting for 211 Palm Beach/Treasure Coast, Inc.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no findings or questioned costs reported for the year ended June 30, 2025, relative to federal awards for the major federal program for 211 Palm Beach/Treasure Coast, Inc.

CORRECTIVE ACTION PLAN

There is no corrective action plan required, as there are no findings or question costs reported for the year ended June 30, 2025, with respect to federal awards.

PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior audit findings or questioned costs for the year ended June 30, 2024, relative to federal awards for the major federal program requiring action on the part of the auditee for that fiscal year.

SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor Program or Cluster Title	ALN / Award Number	Federal Expenditures
US Department of Health and Human Services Passed through from Southeast Florida Behavioral Health Network Block Grants for Community Mental Health Services	93.958 LTF09	\$ 807,580
Passed through from First Call for Help of Broward, Inc. Block Grants for Community Mental Health Services First Call for Help of Broward, Inc.	93.958 LH868	94,305
Passed through from The Crisis Center of Tampa Bay, Inc. Block Grants for Community Mental Health Services The Crisis Center of Tampa Bay, Inc.	93.958 LD994/LD211	<u>56,772</u>
		958,657
US Department of Health and Human Services Passed through from Southeast Florida Behavioral Health Network Substance Abuse and Mental Health Services Administration SA&MH Services -Projects of Regional & National Significance	93.243 LTF09	659,590
Passed through from Southeast Florida Behavioral Health Network Substance Abuse and Mental Health Services Administration Block Grants for Prevention and Treatment of Substance Abuse	93.959 LTF09	<u>259,500</u>
Total federal expenditures		<u><u>\$ 1,877,747</u></u>

See independent auditor's report and accompanying notes to schedule of expenditures of federal awards

For The Year Ended June 30, 2025

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of 211 Palm Beach/Treasure Coast, Inc. under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of 211 Palm Beach/Treasure Coast, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of 211 Palm Beach/Treasure Coast, Inc..

2. Summary of Significant Accounting Policies

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

3. Indirect Cost Rate

211 Palm Beach/Treasure Coast, Inc. has elected not to use the 10% de minimis indirect cost allowed under the Uniform Guidance.

See independent auditor's report.

211 PALM BEACH/TREASURE COAST, INC.

CONSOLIDATED SCHEDULE OF
PROGRAM EXPENSES

For the Year Ended June 30, 2025

	Resource Center		First Responder	Elder Crisis Outreach	Special Needs	Sunshine Services	Help Me Grow	My Florida Veteran	Total
	Palm Beach County	Treasure Coast							
Salaries and wages	\$ 1,266,162	\$ 635,802	\$ 99,855	\$ 173,736	\$ 116,563	\$ 131,606	\$ 447,127	\$ 89,225	\$ 2,960,076
Payroll taxes and employee benefits	249,586	95,731	16,261	43,232	26,120	22,794	106,160	19,838	579,722
Total salaries and related expenses	1,515,748	731,533	116,116	216,968	142,683	154,400	553,287	109,063	3,539,798
Advertising and promotion	1,069	513	339	353	234	592	3,625	169	6,894
Computer software and support	39,252	33,940	3,056	3,476	2,306	5,462	-	1,669	89,161
Direct assistance to individuals	-	-	-	2,190	-	-	-	-	2,190
Equipment rental and maintenance	12,479	56,376	1,047	199	137	234	562	98	71,132
Insurance	26,405	10,608	2,794	3,176	2,107	3,403	8,812	1,525	58,830
Licenses, dues, and subscriptions	7,414	3,873	640	891	384	747	2,608	287	16,844
Mortgage interest	2,073	833	-	-	-	-	-	-	2,906
Occupancy	21,577	8,635	2,285	2,589	1,713	2,774	16,072	1,263	56,908
Operating supplies	9,939	6,614	463	549	349	564	5,633	253	24,364
Other	931	626	15	17	11	18	952	8	2,578
Payroll	2,175	864	231	260	172	278	736	130	4,846
Postage	971	245	259	294	202	715	4,740	141	7,567
Printing	2,101	2,101	-	-	-	-	-	-	4,202
Professional services	59,200	92,850	2,313	3,120	2,320	4,310	7,298	1,265	172,676
Staff training	6,336	4,997	43	61	41	66	407	29	11,980
Telephone	82,139	33,899	8,691	7,860	5,214	11,392	24,285	3,774	177,254
Travel	36,716	2,253	5	356	609	150	10,778	598	51,465
Total expenses before depreciation	1,826,525	990,760	138,297	242,359	158,482	185,105	639,795	120,272	4,301,595
Depreciation	1,030	414	108	126	82	133	343	60	2,296
Total functional expenses	<u>\$ 1,827,555</u>	<u>\$ 991,174</u>	<u>\$ 138,405</u>	<u>\$ 242,485</u>	<u>\$ 158,564</u>	<u>\$ 185,238</u>	<u>\$ 640,138</u>	<u>\$ 120,332</u>	<u>\$ 4,303,891</u>

See Independent auditor's report

For the Year Ended June 30, 2025

Total Expenditures	\$ 5,237,128
Less Other State and Federal Funds	(440,737)
Less Non-Match SAMH Funds	-
Less Unallowable Costs per 65E-14, F.A.C.	<u>-</u>
Total Allowable Expenditures	4,796,391
	<u> x 75%</u>
Maximum Available Earnings	3,597,293
Amount of State Funds Requiring Match	<u>1,917,641</u>
Amount (Due) to Department	<u><u>\$ 1,679,652</u></u>

See independent auditor's report.

For the Year Ended June 30, 2025

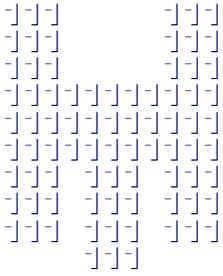
	State-Designated SAMH Covered Center				Total SAMH Funding	Non-State Funded	Non- SAMH	Total
	Circuit 15		Circuit 19					
	Mental Health	Substance Abuse	Mental Health	Substance Abuse				
Government funding:								
State funding	\$ 110,911	\$ -	\$ 80,060	\$ -	\$ 190,971	\$ -	\$ 289,660	\$ 480,631
Local government	-	-	-	-	-	685,686	429,123	1,114,809
Federal grants and contracts	745,883	129,750	721,287	129,750	1,726,670	-	151,077	1,877,747
Total government funding	856,794	129,750	801,347	129,750	1,917,641	685,686	869,860	3,473,187
All other revenues:								
Contributions and donations	-	-	-	-	-	90,122	1,312,761	1,402,883
Other grants and contracts	-	-	-	-	-	520,040	334,573	854,613
Total all other revenues	-	-	-	-	-	610,162	1,647,334	2,257,496
Total funding sources and revenues	\$ 856,794	\$ 129,750	\$ 801,347	\$ 129,750	\$1,917,641	\$1,295,848	\$2,517,194	\$5,730,683

See independent auditor's report.

For the Year Ended June 30, 2025

	Mental Health	Substance Abuse	Total SAMH Funding	Non-State Funded	Total Services	Non- SAMH	Other Support Cost	Administration	Total Expenses
Personnel expenses:									
Salaries and wages	\$ 1,046,088	\$ 163,713	\$ 1,209,801	\$ 692,163	\$ 1,901,964	\$ 1,058,112	\$ 125,690	\$ 215,196	\$ 3,300,962
Fringe benefits	214,406	33,555	247,961	97,357	345,318	234,405	22,733	34,860	637,316
Total personnel expenses	1,260,494	197,268	1,457,762	789,520	2,247,282	1,292,517	148,423	250,056	3,938,278
Operating expenses:									
Building occupancy	14,911	2,334	17,245	12,966	30,211	26,696	6,403	8,824	72,134
Professional services	176,224	27,579	203,803	62,786	266,589	97,268	6,438	10,206	380,501
Travel	3,948	617	4,565	34,403	38,968	12,496	317	946	52,727
Equipment	101,209	15,839	117,048	24,999	142,047	25,298	6,126	4,923	178,394
Subcontracted services	10,919	1,709	12,628	10,907	23,535	1,777	-	-	25,312
Insurance	18,358	2,873	21,231	15,782	37,013	21,816	2,762	4,079	65,670
Interest paid	1,442	226	1,668	1,239	2,907	-	408	2,253	5,568
Operating supplies and expense	72,886	11,407	84,293	55,940	140,233	114,879	200,239	36,997	492,348
Other bad debt	-	-	-	1,444	1,444	851	23,741	160	26,196
Total operating expenses	399,897	62,584	462,481	220,466	682,947	301,081	246,434	68,388	1,298,850
Total expenses	1,660,391	259,852	1,920,243	1,009,986	2,930,229	1,593,598	394,857	318,444	5,237,128
Less distributed indirect cost									
Other support cost	-	-	-	-	-	394,857	(394,857)	-	-
Administration	-	-	-	-	-	318,444	-	(318,444)	-
Total distributed indirect cost	-	-	-	-	-	713,301	(394,857)	(318,444)	-
Total actual expenses	\$ 1,660,391	\$ 259,852	\$ 1,920,243	\$ 1,009,986	\$ 2,930,229	\$ 2,306,899	\$ -	\$ -	\$ 5,237,128

See independent auditor's report.



Holyfield & Thomas, LLC

Certified Public Accountants & Advisors

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To the Board of Directors and Management of
211 Palm Beach/Treasure Coast, Inc.
Lantana, Florida

Dear Members of the Board and Management:

In planning and performing our audit of the consolidated financial statements of 211 Palm Beach/Treasure Coast, Inc., as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we considered 211 Palm Beach/Treasure Coast, Inc.'s internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the 211 Palm Beach/Treasure Coast, Inc.'s internal control.

Definitions Related to Internal Control Deficiencies

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 organization's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis.

Our Responsibilities

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

This communication is intended solely for the information and use of management, the Board of Directors, and others within 211 Palm Beach/Treasure Coast, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Holyfield & Thomas, LLC

West Palm Beach, FL

January 29, 2026