COUNCIL ON AGING OF ST. LUCIE, INC.

FINANCIAL STATEMENTS AND
ACCOMPANYING INFORMATION

Year Ended June 30, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Council on Aging of St. Lucie, Inc.
Port St. Lucie, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Council on Aging of St. Lucie, Inc.(a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Council on Aging of St. Lucie, Inc. as of June 30, 2023, 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 Financial Statements section of our report. We are required to be independent of Council on Aging of St. Lucie, 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 Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council on Aging of St. Lucie, 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 financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Council on Aging of St. Lucie, 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.

Report on Summarized Comparative Information

We have previously audited Council on Aging of St. Lucie, Inc.'s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 5, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of unit costs on page 14 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state projects, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and rules of the Auditor General Chapter 10.650, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 24, 2023, on our consideration of Council on Aging of St. Lucie, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Council on Aging of St. Lucie, Inc.'s internal control over financial reporting and compliance.

DiBartolomeo, McBee, Hartley & Barnes

Certified Public Accountants
Fort Pierce, Florida
September 24, 2023

COUNCIL ON AGING OF ST. LUCIE, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2023

(With Comparative Totals for 2022)

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	$ 380,042	$ 77,509
Accounts Receivable	550,248	733,117
Employee Retention Tax Credit Receivable	846,318	-
Prepaid Expenses	1,546	415
TOTAL CURRENT ASSETS	1,778,154	811,041
PROPERTY AND EQUIPMENT		
Land	92,657	92,657
Buildings and Improvements	2,830,441	2,830,441
Equipment and Vehicles	3,827,296	3,881,105
	6,750,394	6,804,203
Less Accumulated Depreciation	4,658,978	4,363,772
NET PROPERTY AND EQUIPMENT	2,091,416	2,440,431
NONCURRENT ASSETS		
Due from Affiliate	-	112,656
	$ 3,869,570	$ 3,364,128
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	$ 426,760	$ 348,452
Line of Credit	126,098	237,383
Accrued Expenses	141,190	140,588
Deferred Revenue	104,470	74,676
TOTAL CURRENT LIABILITIES	798,518	801,099
NET ASSETS		
Without Donor Restrictions:		
Operating	979,635	135,147
Fixed Assets	2,091,417	2,427,882
TOTAL NET ASSETS	3,071,052	2,563,029
	$ 3,869,570	$ 3,364,128

Read Accompanying Notes to Financial Statements

COUNCIL ON AGING OF ST. LUCIE, INC.

STATEMENT OF ACTIVITIES

Year Ended June 30, 2023

(With Comparative Totals for 2022)

	Net Assets Without Donor Restictions		Totals	
	Operating	Fixed Assets	2023	2022
PUBLIC SUPPORT AND REVENUE				
Federal Grants	$ 1,731,922	$ -	$ 1,731,922	$ 1,766,035
State Grants	1,854,422	-	1,854,422	1,267,062
Local Grants & Contracts	133,232	-	133,232	197,024
Fundraising	20,776	-	20,776	896
Fees for Services	650,100	-	650,100	587,953
In-kind Contributions	192,125	-	192,125	-
Employee Retention Tax Credits	1,293,093	-	1,293,093	-
Payroll Protection Revenue	-		-	592,425
Contributions & Other	230,975	(2,747)	228,228	198,434
Net Assets Released				
From Restrictions	-	-	-	-
TOTAL PUBLIC SUPPORT AND REVENUE	6,106,645	(2,747)	6,103,898	4,609,829
EXPENSES				
Program Services				
Title III	1,402,392	13,842	1,416,234	1,203,931
Alzheimer Disease Initiative	492,507	1,706	494,213	293,142
Community Care for the Elderly	1,214,184	8,958	1,223,142	801,615
Community Transit	792,232	276,437	1,068,669	1,576,792
Home Care for the Elderly	73,404	301	73,705	50,279
Emergency Home Energy Assist.	158,886	-	158,886	100,047
Total Program Services	4,133,605	301,244	4,434,849	4,025,806
Supporting Services				
General and Administrative	1,116,003	45,023	1,161,026	1,158,630
TOTAL EXPENSES	5,249,608	346,267	5,595,875	5,184,436
CHANGE IN NET ASSETS	857,037	(349,014)	508,023	(574,607)
NET ASSETS				
Beginning of Year	122,598	2,440,431	2,563,029	3,137,636
End of Year	$ 979,635	$ 2,091,417	$ 3,071,052	$ 2,563,029

Read Accompanying Notes to Financial Statements

COUNCIL ON AGING OF ST. LUCIE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2023

(With Comparative Totals for 2022)

	Title III	Alzheimer Disease Initiative	Community Care for the Elderly	Community Transit	Home Care for the Elderly	Emergency Home Energy Assist.	Total Program Services	Supporting Services	2023 Total Expenses	2022 Total Expenses
Salaries and wages	$ 289,009	$ 72,618	$ 224,285	$ 474,312	$ 29,848	$ 6,138	$ 1,096,210	$ 682,571	$ 1,778,781	$ 1,907,124
Employee related expenses	54,185	18,089	49,104	120,127	4,650	1,717	247,872	166,356	414,228	488,801
Total salaries & related	343,194	90,707	273,389	594,439	34,498	7,855	1,344,082	848,927	2,193,009	2,395,925
Accounting & legal	9,904	743	5,558	-	56	882	17,143	9,675	26,818	21,151
Advertising & marketing	889	24	177	4,284	2	27	5,403	451	5,854	9,815
Bad debt Expense		-	-	-	-	-	-	-	-	76,394
Dues & subscriptions	736	345	855	547	3	44	2,530	2,911	5,441	6,518
Equipment lease & service	3,782	284	2,123	-	21	337	6,547	3,694	10,241	8,260
Food management	428,199	-	-	-	-	-	428,199	77,373	505,572	477,427
Insurance	15,683	1,179	8,751	132,892	86	556	159,147	44,692	203,839	267,230
Maintenance & repairs	18,639	960	7,183	2,457	73	1,141	30,453	14,788	45,241	55,726
Miscellaneous	7,077	47	701	2,720	32	145,034	155,611	27,720	183,331	113,031
Postage, printing, & supplies	13,059	791	5,427	12,149	60	941	32,427	9,945	42,372	39,118
Rent	-	-		-	-	-	-	-	-	5,939
Security	1,026	76	604	-	6	42	1,754	990	2,744	5,940
Subcontract services	308,680	373,839	882,949	-	38,344	-	1,603,812	-	1,603,812	960,754
Community transit services *	193,879	-	-	(193,879)	-	-	-	-	-	-
Telephone & communications	4,882	364	2,729	26,648	27	431	35,081	4,903	39,984	38,251
Training	126	15	37		-	-	178	244	422	652
Transportation	12,405	21,139	6,044	-	-	-	39,588	32,451	72,039	48,506
Travel	20,175	465	5,649	6,570	65	2	32,926	18,711	51,637	56,185
Utilities	20,057	1,529	12,008	-	131	1,594	35,319	18,528	53,847	38,713
Vehicle service & fuel	-	-	-	203,405	-	-	203,405	-	203,405	212,929
Subtotal	1,402,392	492,507	1,214,184	792,232	73,404	158,886	4,133,605	1,116,003	5,249,608	4,838,464
Depreciation	13,842	1,706	8,958	276,437	301	-	301,244	45,023	346,267	345,972
Total expenses	$ 1,416,234	$ 494,213	$ 1,223,142	$ 1,068,669	$ 73,705	$ 158,886	$ 4,434,849	$ 1,161,026	$ 5,595,875	$ 5,184,436
2022 Total Expenses	$ 1,203,931	$ 293,142	$ 801,615	$ 1,576,792	$ 50,279	$ 100,047	$ 4,025,806	$ 1,158,630	$ 5,184,436	

* Community transit provides certain transportation services for Title III programs. The Title III program reimburses Community Transit for these costs.

Read Accompanying Notes to Financial Statements

COUNCIL ON AGING OF ST. LUCIE, INC.
STATEMENT OF CASH FLOWS
Year Ended June 30, 2023
(With Comparative Totals for 2022)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 508,023	$ (574,607)
Adjustments to Reconcile Net Cash Provided by Operating Activities		
Depreciation	346,267	345,972
Loss on Disposal	2,748	-
Changes in Operating Assets and Liabilities:		
Accounts Receivable	182,869	(383,125)
ERTC Recivable	(846,318)	-
Prepaid Expenses	(1,131)	157
Due from Affiliate	112,656	231,394
Accounts Payable and Accrued Expenses	78,910	138,918
Deferred Revenue	29,794	6,781
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	413,818	(234,510)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property & Equipment	-	(281,646)
NET CASH USED IN INVESTING ACTIVITIES	-	(281,646)
CASH FLOWS FROM FINANCING ACTIVITIES		
PPP Loan Foregiveness	-	(592,425)
Repayments on Notes Payable	-	-
Borrowings(repayments) on Line of Credit	(111,285)	192,132
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(111,285)	(400,293)
NET INCREASE (DECREASE) IN CASH	302,533	(916,449)
CASH		
Beginning of Year	77,509	993,958
End of Year	$ 380,042	$ 77,509
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid	$ 16,220	$ 3,695

Read Accompanying Notes to Financial Statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization-Council on Aging of St. Lucie, Inc. (COASL) was incorporated in 1973 to provide in-home services and other support services to the elderly and disabled citizens, and to provide public transportation to all ages in St. Lucie County, Florida. COASL is a not-for-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

COASL is the designated Lead Agency for St. Lucie County for Community Care for the Elderly (CCE) state funded programs. COASL contracts with the Florida Department of Elder Affair (DOEA) through the Treasure Coast Area Agency on Aging (AAA), to provide senior services within the county.

Community Transit, a division of COASL, provides transportation for seniors within the tri-county area for a myriad of senior programs.

Basis of Accounting and Presentation-COASL follows standards of accounting and financial reporting prescribed for voluntary health and welfare organizations. The organization uses the accrual basis of accounting, which recognizes revenue when earned and expenses as incurred.

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net Assets Without Donor Restriction: Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restriction: Net assets whose use is limited by donor-imposed and/or purpose restrictions.

Support and Revenue- COASL recognizes revenue upon transfer of promised goods or services to customers in an amount that reflects the expected consideration to be received in exchange for those goods or services. Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restriction on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Unconditional contributions (those that do not include a measurable performance-related or other barrier, or those in which the Organization has limited discretion over how the contribution should be spent) are recognized as revenues in the period received and are reported as increases in the appropriate categories of net assets in accordance with donor restrictions. Expirations of donor-imposed restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

reported as net assets released from restrictions. Contributions that include a measurable barrier or those for which the Organization has limited discretion over how the contributions should be spent are recorded as conditional contributions. Conditional contributions are not recognized until they have become unconditional; that is, when the conditions surrounding the indications of the barrier have been met.

COASL receives its grant and contract support primarily from the Area Agency on Aging, the Federal Transit Administration and other State and Local Agencies. Support received from those grants and contracts is recognized as grant services are rendered.

Promises to Give-Contributions are recognized when the donor makes a promise to give to COASL that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor imposed restrictions. When a restriction expires, net assets with donor imposed restrictions are reclassified to net assets without donor imposed restrictions. COASL uses that allowance method to determine uncollectible unconditional promises receivable.

COASL is actively involved in fundraising throughout the year. For the year ending June 30, 2023, costs associated with fundraising were immaterial.

Cash and Cash Equivalents-Cash and cash equivalents include cash in bank and money market funds.

Investments-Investments are stated at fair value based on current market prices. At June 30, 2023, COASL had no investments.

Financial Statement Presentation-The financial statements include certain prior-year summarized comparative information in total but not by net class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with COASL's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Income Taxes- COASL is a nonprofit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, therefore, no provision for income tax is made in these financial statements. COASL is not classified as a private foundation. The organization has no income tax returns under examination by the Internal Revenue Service. However, the Organization's federal income tax returns are subject to a possible audit by various taxing authorities for three years after the returns are filed.

Functional Allocation of Expenses-The costs of providing the various programs and other activities have been summarized on a functional cost basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and employee related expenses are allocated based on estimates of time of effort. Occupancy costs are allocated based on square footage.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Materials and Services-Donated facilities, materials and equipment are reflected as contributions in the accompanying statements at their estimated values on the date of receipt. COASL received certain food donations during 2023 reported in In-kind Contributions. Contributed services are recognized and recorded at fair value only to the extent they create and enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During 2023, certain legal services and marketing services have been reported in In-kind Contributions. A substantial number of volunteers have donated significant amounts of their time to the Organization during 2023, that did not meet the requirements to record.

Property, Equipment and Depreciation-Property and equipment are recorded at cost or fair market value on date of gift in the case of donated property. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, COASL reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. COASL reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment acquired with certain federal grant funds are restricted as to their disposition. Upon sale of these items, a proportional amount of the proceeds from disposal would be required to be remitted to the grantor agency. Depreciation is provided over the estimated useful lives ranging from 3 to 40 years on the straight-line basis.

Use of Estimates-The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Allowance for Doubtful Accounts-COASL uses the allowance method for recognizing bad debt expense by specifically identifying those accounts, which are doubtful for collection. The Allowance at June 30, 2023 is $0.

Recent Accounting Pronouncements-In June 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-05, *Revenue from Contracts with Customers (Topic 606)* and *Leases (Topic 842*): *Effective Dates for Certain Entities*, which, among other things, provided entities with an additional year to implement ASU 2016-02, Leases (Topic 842). As a result, for nonpublic companies the effective date for ASU 2016-02 was extended to be effective for annual reporting periods beginning after December 15, 2021, and interim reporting periods beginning after December 15, 2022. The Organization adopted FASB Accounting Standards Update (ASU) 2016-02 *Leases* during the year ended December 31, 2022 which requires the recognition of a "right to use" asset and a lease liability, initially measured at the present value of the lease payments, on all of the Organization's lease obligations.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Lease Accounting-The Organization determines whether to account for its leases as operating, capital or financing leases depending on the underlying terms of the lease agreement. This determination of classification is complex and requires significant judgement about the Organization's cost of funds, minimum future lease payments and other lease terms.

NOTE B – ACCOUNTS RECEIVABLE

Accounts Receivable at June 30, 2023 includes the following:

Grants	$	434,313
Fees for Services		124,622
	$	558,935

NOTE C – DEFERRED REVENUE

Deferred revenue consists of $104,470 in program advances for COASL's Title III programs.

NOTE D – NET ASSETS WITH DONOR RESTRICTIONS

Restrictions on assets result from contributions or grants that have been restricted by the donors. Restricted assets generally are contributions or grants that have been restricted by the donor or grantor for a specific purpose, such as support for certain programs and capital improvements. These restrictions are considered to expire when expenditures are recognized. Restricted assets also include otherwise unrestricted contributions that are restricted due to time and will not be paid to COASL until some future date. These restrictions are considered to expire when the time has elapsed and COASL receives the payment from the donor.

NOTE E - RETIREMENT PLAN

COASL has a defined contribution annuity plan. The plan's eligibility requirements are that a participant must have completed one year of service. The contributions made by COASL include elected deferral amounts of salary made by the employee, a matching amount paid by COASL, plus a discretionary non-matching amount determined by COASL on a yearly basis. The employer amounts totaled approximately $92,189 and are included in employee related expenses.

NOTE F - CONCENTRATIONS OF CREDIT RISK

COASL maintains cash balances at two financial institutions located in Florida. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. At June 30, 2023, COASL's uninsured cash balances totaled approximately $135,300.

NOTE G – LEASES

In August 1994, COASL entered into a 99-year lease agreement with the City of Port St. Lucie for five acres of land located in Port St. Lucie on which COASL has constructed the Port St. Lucie Senior Campus. Rent for the entire term of the lease was $99.

In January of 2022 COASL entered into a 24 month lease for copier equipment. The lease expires in 2024. The lease expense for the year ended June 30, 2022 was approximately $6,900. Minimum future lease payments are as follows:

June 30, 2024	$ 4,472
	$ 4,472

NOTE H – LINE OF CREDIT

COASL maintains a $250,000 line of credit with a bank due in November, 2023. The outstanding balance at June 30, 2023 is $124,487. The current interest rate is 7.5%.

NOTE I - DEPENDENCY ON GOVERNMENTAL SUPPORT

COASL receives a substantial amount of support from federal, state, and local governmental agencies. A reduction in the level of future support from the federal, state, and local governmental agencies could have a substantial effect on COASL's programs and activities.

NOTE J – RELATED PARTY

COASL is providing management and accounting services to Better Life Home Care, Inc.(Better Life), a home healthcare company. For the year ended June 30, 2022, COASL provided services to Better Life costing approximately $148,000. At June 30, 2022, Better Life owed COASL $112,656 for the current and prior year services, and prior year start-up costs. Better Life paid off the balance in 2023.

NOTE K – SUBSEQUENT EVENTS

Management has performed an analysis of the activities and transactions subsequent to June 30, 2023 to determine the need for any adjustments to and/ or disclosures within the audited financial statements for the year ended June 30, 2023. Management has performed their analysis through September 24, 2023, the date the report was available for release.

NOTE L – LIQUIDITY

COASL's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash	$	380,042
Accounts Receivable		558,935
ERTC Recivable		796,938
	$	1,735,915

COASL has $1,735,915 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the balance sheet date. COASL has a goal to maintain financial assets, which consist of checking and money market accounts, on hand to meet 30 days of normal operating expenses, which are, on average, approximately $450,000. COASL has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management COASL invests cash in excess of daily requirements in various money market accounts. As more fully described in Note H, COASL also has an available line of credit balance of approximately $125,000, which it could draw upon in the event of an unanticipated liquidity need.

NOTE M – EMPLOYEE RETENTION TAX CREDIT

In March 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law, providing numerous tax provisions and other stimulus measures, including the Employee Retention Tax Credit (ERTC): a refundable tax credit against certain employment taxes for qualifying businesses keeping employees on their payroll during the COVID-19 pandemic. COASL applied for $1,220,983 and received a total of $424,044 of tax credits and $22,731 of interest under the ERTC program in 2023. Of the remaining receivable balance of $846,318 at June 30, 2023, $541,914 of tax credits and $49,380 of interest income was received in August 2023, leaving only $255,024 outstanding. COASL fully believes it has met the qualification requirements under the program; however, the ERTC filings remain open to examination by the IRS for five years.

COUNCIL ON AGING OF ST. LUCIE, INC.

SCHEDULE OF UNIT COSTS

For the year ended June 30, 2023

	Adult Day Care	Case Aide	Case Management	Congregate Meals	Home Delivered Meals	Nutrition Education	In-Home Services
Salaries and wages	$ 208,526	$ 35,806	$ 160,590	$ 85,637	$ 161,963	$ 1,666	$ 89,271
Employee related expenses	44,958	3,781	20,171	13,502	36,274	335	32,381
Total salaries & related	253,484	39,587	180,761	99,139	198,237	2,001	121,652
Accounting & legal	4,251	172	1,805	1,539	5,015	70	5,747
Advertising & marketing	135	5	59	315	575	9	183
Dues & subscriptions	1,274	13	111	129	285	4	313
Equipment lease & service	1,623	66	689	588	1,915	27	2,195
Food management	7,109	-	-	76,816	438,281	-	-
Insurance	6,789	273	2,860	2,437	7,962	115	9,107
Maintenance, repairs & misc.	5,157	222	2,333	4,907	9,400	90	7,430
Office expenses & supplies	11,143	1,960	13,557	29,191	39,518	329	104,614
Security	461	26	195	183	492	9	609
Subcontract services	-	-	-	-	-	585	1,250,815
Telephone & communications	2,091	85	890	770	2,466	35	2,820
Travel and Training	1,647	917	4,226	10,479	17,358	55	1,625
Utilities	9,041	506	3,829	3,592	9,644	178	11,954
Total	304,205	43,832	211,315	230,085	731,148	3,507	1,519,064
Units Reimbused Area Agency	9,091.25	487.50	2,526.50	12,855.00	73,586.00	1,553.00	56,640.25
Units Reimbused Private Insurance	-	-	-	-	-	-	-
Reimbursed Cost per unit	$ 33	$ 90	$ 84	$ 18	$ 10	$ 2	$ 27

	Transportation	Intake	Outreach	Screening & Assessment	Total
Salaries and wages	$ -	$ 759	$ 2,059	$ 4,121	$ 750,398
Employee related expenses	-	164	464	1,013	153,043
Total salaries & related	-	923	2,523	5,134	903,441
Accounting & legal	-	54	70	274	18,997
Advertising & marketing	-	2	14	31	1,328
Dues & subscriptions	-	3	4	14	2,150
Equipment lease & service	-	21	27	104	7,255
Food management	-	-	-	-	522,206
Insurance	-	74	108	431	30,156
Maintenance, repairs & misc.	-	69	90	354	30,052
Office expenses & supplies	6,000	61	190	1,007	207,570
Security	-	5	7	28	2,015
Subcontract services	193,879	-	-	-	1,445,279
Telephone & communications	-	26	35	135	9,353
Travel and Training	-	11	80	136	36,534
Utilities	-	102	140	544	39,530
Total	199,879	1,351	3,288	8,192	3,255,866
Units Reimbused Area Agency	9,015.00	-	71.50	659.00	166,485.00
Units Reimbused Private Insurance	-	-	-	-	-
Reimbursed Cost per unit	$ 22	$ -	$ 46	$ 12	$ 20

See Independent Auditors Report

COUNCIL ON AGING OF ST. LUCIE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE PROJECTS
June 30, 2023

Description	CFDA/ CSDA	Contract Number	Expenditures
Federal:			
U.S. Department of Health & Human Services			
Passed Through Florida Department of Elder Affairs Area Agency;			
Aging Cluster:			
Title IIIB - Grants for Supportive Services & Senior Centers	93.044	IA022-9200	$ 596,829
Title IIIC - Nutrition Services	93.045	IA022-9200	756,867
Nutrition Services Incentive Program	93.053	IA022-9200	68,594
Subtotal Aging Cluster			1,422,290
Title IIIE - National Family Caregiver Support	93.052	IA022-9200	81,735
Low-Income Home Energy Assistance	93.568	IA022-9200	152,896
Subtotal - U.S. Department of Health & Human Services			1,656,921
U.S. Department of Transportation			
Passed Through Florida Dept. of Transportation or St. Lucie County:			
Transit Services Programs Cluster:			
Enhanced Mobility of Seniors and Individuals W/Disabilities	20.513		75,000
Subtotal - U.S. Department of Transportation			75,000
Total Federal Expenditures			$ 1,731,921
State:			
Florida Department of Elder Affairs; Area Agency on Aging			
Home Care for the Elderly	65.001	IH021-9200	$ 73,987
Community Care for the Elderly	65.010	IC021-9200	1,063,705
Alzheimer Disease Initiative	65.004	IZ021-9200	716,731
Subtotal - Area Agency on Aging			1,854,423
Total State Expenditures			$ 1,854,423

See Notes to Schedule of Expenditures of Federal Awards and State Projects

COUNCIL ON AGING OF ST. LUCIE, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE PROJECTS
June 30, 2023

NOTE A – GENERAL

The Schedule of Expenditures of Federal Awards and State Projects present the activity of all federal and state awards of Council on Aging of St. Lucie, Inc. All Federal awards received directly from federal agencies, state pass-through grants containing a portion of federal financial assistance and state financial assistance, are included in the schedule.

NOTE B – BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards and State Projects is presented using the same basis of accounting as the financial statements. 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), and Chapter 10.650 Rules of the Auditor General.

NOTE C-INDIRECT COST RATE

COASL has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

COUNCIL ON AGING OF ST. LUCIE, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS-
FEDERAL AWARDS PROGRAMS AND STATE PROJECTS
June 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	___ Yes	x No
Significant deficiencies identified that are not considered to be material weaknesses?	___ Yes	x None Reported
Noncompliance material to financial statements noted?	___ Yes	x No

Federal Awards and State Financial Assistance

Internal control over major programs/projects:		
Material weakness(es) identified?	___ Yes	x No
Significant deficiencies identified that are not considered to be material weaknesses?	___ Yes	x None Reported
Type of auditor's report issued on compliance for major programs/projects:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a) or Chapter 10.656 Rules of the Auditor General?	___ Yes	x No

Identification of Major Programs/Projects:

Federal Program

CFDA Number (s):	Name of Federal Program or Cluster:
93.044	Aging Cluster

State Projects

CSDA Number (s):	Name of State Project:
65.010	Community Care for the Elderly

Dollar threshold used to distinguish between type A and type B Federal Programs:	$750,000
Dollar threshold used to distinguish between type A and type B State Projects:	$556,327

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance? x Yes ___ No

See Independent Auditors Report

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no findings relating to the financial statements which are required to be reported in accordance with *Government Auditing Standards.*

SECTION III - FEDERAL AWARDS AND STATE ASSISTANCE FINDINGS AND QUESTIONED COSTS

There are no findings and questioned costs for Federal Awards as defined in Section 510 or State Assistance as defined in Rule 10.654(1)(g)4.

There were no findings in the current year that are required to be reported under State of Florida Rule Section 10.653(3)(e), and accordingly, no management letter is presented.

SECTION IV - SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no audit findings reported in the prior audit.

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*

September 24, 2023

Board of Directors
Council on Aging of St. Lucie, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Council on Aging of St. Lucie, Inc.(a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 24, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Council on Aging of St. Lucie, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Council on Aging of St. Lucie, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Council on Aging of St. Lucie, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DiBartolomeo, McBee, Hartley & Barnes

Certified Public Accountants
Fort Pierce, Florida

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AWARD PROGRAM AND STATE PROJECT, AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

September 24, 2023

Board of Directors
Council on Aging of St. Lucie, Inc.

Opinion on Each Major Federal Program and State Project

We have audited Council on Aging of St. Lucie, Inc.'s compliance with the types of compliance requirements described in the OMB Compliance Supplement and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of Council on Aging of St. Lucie, Inc.'s major federal programs and state projects for the year ended June 30, 2023. Council on Aging of St. Lucie, Inc.'s major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Council on Aging of St. Lucie, 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 and state projects for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program and State Project

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) and Chapter 10.650 Rules of the State of Florida Auditor General. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.650 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 and state project. Our audit does not provide a legal determination of the Organization'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 the Organization's federal programs and state projects.

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 the Organization'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 and Chapter 10.650 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 the Organization's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, and Chapter 10.650 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 the Organization'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 the Organization'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 and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 or state project 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 or state project 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 or state project 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 and Chapter 10.650. Accordingly, this report is not suitable for any other purpose.

DiBartolomeo, McBee, Hartley & Barnes

Certified Public Accountants
Fort Pierce, Florida