ST. JOHNS COUNTY COUNCIL ON AGING, INC.
FINANCIAL REPORT

Year Ended December 31, 2025

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ABARE, KRESGE & ASSOCIATES CPAS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1200 Plantation Island Dr. S Suite 230
St. Augustine, FL 32080

(904) 460-0747
(904) 209-3000

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
St. Johns County Council on Aging, Inc.

Report on the Audit of the Financial Statements
Opinion

We have audited the accompanying financial statements of St. Johns County Council on Aging, Inc.(a Florida not-for-profit corporation), which comprise the statement of financial position as of December 31, 2025, 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 referred to above present fairly, in all material respects, the financial position of St. Johns County Council on Aging, Inc. as of December 31, 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 Financial Statements section of our report. We are required to be independent of the St. Johns County Council on Aging, 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 St. Johns County Council on Aging, Inc. 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 the St. Johns County Council on Aging, 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 the St. Johns County Council on Aging, 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 financial statements as a whole. 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 Chapter 10.650, *Rules of the Auditor General of the State of Florida*, 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 schedule of expenditures of federal awards 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 14, 2026, on our consideration of St. Johns County Council on Aging, 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 St. Johns County Council on Aging, Inc.'s internal control over financial reporting and compliance.

Ahern, Kruge & Associates CPAs, LLC

St. Augustine, FL
September 14, 2026

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

ASSETS	
Cash and cash equivalents	$ 252,983
Accounts receivable	18,753
Government grants and contracts receivable	886,676
Unconditional promises to give, net	94,122
Property and equipment, net	5,267,855
Right of use asset - operating lease	77,264
Other assets, net	36,457
TOTAL ASSETS	$ 6,634,110
LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	$ 353,265
Accrued expenses and other liabilities	300,118
Line of credit payable	376,512
Right of use liability - operating lease	77,264
Long-term debt, net	2,346,127
TOTAL LIABILITIES	3,453,286
NET ASSETS	
Without donor restrictions	3,086,702
With donor restrictions	94,122
TOTAL NET ASSETS	3,180,824
TOTAL LIABILITIES AND NET ASSETS	$ 6,634,110

See accompanying notes

ST. JOHNS COUNTY COUNCIL ON AGING, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2025

REVENUE AND SUPPORT	Unrestricted	Donor Restricted	Total
Government grants and contracts	$ -	$ 5,648,763	$ 5,648,763
Contributions	987,526	-	987,526
In-kind contributions		597,708	597,708
Program service fees	598,795	-	598,795
River House event income	477,670	-	477,670
Investment income	29,956	-	29,956
Loss on disposition of property and equipment	(47,321)	-	(47,321)
Other revenue	384,600	-	384,600
Total revenue and support	2,431,226	6,246,471	8,677,697
NET ASSETS RELEASED FROM RESTRICTIONS	6,246,673	(6,246,673)	-
EXPENSES			
Program services	8,253,481	-	8,253,481
Administrative, management and general	1,527,367	-	1,527,367
Fundraising	37,055	-	37,055
Total expenses	9,817,903	-	9,817,903
CHANGE IN NET ASSETS	(1,140,004)	(202)	(1,140,206)
NET ASSETS, BEGINNING	4,226,706	94,324	4,321,030
NET ASSETS, ENDING	$ 3,086,702	$ 94,122	$ 3,180,824

See accompanying notes

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services						
	Adult Day Care	Caregiver Support/ Training	Case Aide	Case Management	Companionship	Congregate Meals C1	Congregate Meals (Screening) C1
Salaries and wages	$ 317,017	$ 1,957	$ 2,287	$ 79,549	$ 65,659	$ 137,285	$ 15,399
Payroll taxes and benefits	17,009	416	273	59,503	8,144	20,781	2,038
Travel	1,006	-	11	56	312	101	14
Education/training	-	-	-	-	3	-	-
Communications and postage	1,564	67	29	959	793	334	24
Utilities	-	-	-	-	-	2,821	290
Printing and supplies	14,359	-	162	808	4,293	10,098	739
Insurance	10,971	1,530	94	11,437	3,585	7,006	469
Maintenance and repair	102	-	-	-	-	1,905	242
Professional fees/legal/audit	1,353	62	10	8,164	290	934	77
Sub-contractors	-	-	5,213	21,741	42,008	-	-
Interest	-	-	-	-	-	-	-
Program supplies	32,677	14,789	-	11,328	29,324	11,458	1,491
Food and food supplies	-	-	-	-	-	102,799	13,680
Other	640	-	1	7	531	11,989	1,499
Total expenses before depreciation and amortization and allocation of management and general expenses	396,698	18,821	8,080	193,552	154,942	307,511	35,962
Depreciation and amortization	-	-	-	-	-	-	-
Total expenses before allocation of management and general expenses	396,698	18,821	8,080	193,552	154,942	307,511	35,962
Allocation of management and general expenses	73,412	3,483	1,495	35,818	28,673	56,907	6,655
Total expenses after allocation of management and general expenses	$ 470,110	$ 22,304	$ 9,575	$ 229,370	$ 183,615	$ 364,418	$ 42,617

See accompanying notes

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services							
	Counseling	Education/ Training	Health Support	Home Delivered Meals	Homemaker	Intake	Nutrition Education	Personal Care
Salaries and wages	$ 9,650	$ 19,493	$ 7,937	$ 254,959	$ 120,838	$ 102	$ 8,544	$ 51,715
Payroll taxes and benefits	1,240	2,535	1,020	33,312	15,088	13	1,131	6,429
Travel	45	89	37	356	572	-	8	245
Education/training	1	1	1	-	5	-	-	2
Communications and postage	110	230	90	769	1,444	1	13	622
Utilities	-	-	-	4,183	-	-	161	-
Printing and supplies	581	1,153	478	12,993	7,787	6	410	3,364
Insurance	650	1,564	534	8,115	6,882	7	260	2,866
Maintenance and repair	-	-	-	3,488	-	-	134	-
Professional fees/legal/audit	44	99	37	1,251	538	-	43	229
Sub-contractors	-	-	-	56,702	63,049	-	-	30,947
Interest	-	-	-	-	-	-	-	-
Program supplies	8,333	19,188	6,854	26,539	63,261	88	827	24,491
Food and food supplies	-	-	-	197,258	-	-	7,591	-
Other	145	288	119	22,040	1,132	2	834	441
Total expenses before depreciation and amortization and allocation of management and general expenses	20,799	44,640	17,107	621,965	280,596	219	19,956	121,351
Depreciation and amortization	-	-	-	-	-	-	-	-
Total expenses before allocation of management and general expenses	20,799	44,640	17,107	621,965	280,596	219	19,956	121,351
Allocation of management and general expenses	3,849	8,261	3,166	115,099	51,926	41	3,693	22,457
Total expenses after allocation of management and general expenses	$ 24,648	$ 52,901	$ 20,273	$ 737,064	$ 332,522	$ 260	$ 23,649	$ 143,808

See accompanying notes

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services					
	Pest Control (Initiation)	Pest Control (Maintenance)	Recreation	Respite (Facility Based)	Respite (In-Home)	Screening/Assessment
Salaries and wages	$ 291	$ 3,410	$ 68,061	$ 11,391	$ 141,561	$ 247
Payroll taxes and benefits	35	407	14,569	1,464	17,607	32
Travel	1	17	93	53	662	1
Education/training	-	-	1	1	3	-
Communications and postage	4	44	557	130	1,850	3
Utilities	-	-	1,418	-	-	-
Printing and supplies	21	242	10,952	686	9,347	15
Insurance	12	140	8,792	768	9,822	18
Maintenance and repair	-	-	241	-	-	-
Professional fees/legal/audit	1	14	856	53	724	1
Sub-contractors	386	4,519	4,183	47,408	376,278	-
Interest	-	-	-	-	-	-
Program supplies	-	-	18,215	9,844	63,256	227
Food and food supplies	-	-	-	-	-	-
Other	-	2	2,171	171	624	4
Total expenses before depreciation and amortization and allocation of management and general expenses	751	8,795	130,109	71,969	621,734	548
Depreciation and amortization	-	-	-	-	-	-
Total expenses before allocation of management and general expenses	751	8,795	130,109	71,969	621,734	548
Allocation of management and general expenses	139	1,628	24,078	13,318	115,056	101
Total expenses after allocation of management and general expenses	$ 890	$ 10,423	$ 154,187	$ 85,287	$ 736,790	$ 649

See accompanying notes

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services				Supporting Services			
	Telephone Reassurance	Specialized Medical Equipment	Non-DOEA Services and Activities	Total Program Costs	Management and general	Fund Raising	Total Supporting Services	Total
Salaries and wages	$ 2	$ 11,363	$ 2,787,651	$ 4,116,368	$ 34,539	$ 28,056	$ 62,595	$ 4,178,963
Payroll taxes and benefits	-	1,414	649,718	854,178	11,077	8,999	20,076	874,254
Travel	-	52	8,381	12,112	5,711	-	5,711	17,823
Education/training	-	-	1,912	1,930	708	-	708	2,638
Communications and postage	-	158	734	10,529	8,610	-	8,610	19,139
Utilities	-	-	91,404	100,277	51,355	-	51,355	151,632
Printing and supplies	-	759	41,454	120,707	43,891	-	43,891	164,598
Insurance	-	922	477,241	553,685	8,931	-	8,931	562,616
Maintenance and repair	-	-	291,687	297,799	112,151	-	112,151	409,950
Professional fees/legal/audit	-	65	16,038	30,884	57,490	-	57,490	88,374
Sub-contractors	-	20,820	55,233	728,487	-	-	-	728,487
Interest	-	-	-	-	110,552	-	110,552	110,552
Program supplies	1	5,062	593,886	941,139	329	-	329	941,468
Food and food supplies	-	-	-	321,328	-	-	-	321,328
Other	-	12	121,406	164,058	441,866	-	441,866	605,924
Total expenses before depreciation and amortization and allocation of management and general expenses	3	40,627	5,136,745	8,253,481	887,210	37,055	924,265	9,177,746
Depreciation and amortization	-	-	-	-	640,157	-	640,157	640,157
Total expenses before allocation of management and general expenses	3	40,627	5,136,745	8,253,481	1,527,367	37,055	1,564,422	9,817,903
Allocation of management and general expenses	1	7,518	950,592	1,527,367	(1,527,367)	-	(1,527,367)	-
Total expenses after allocation of management and general expenses	$ 4	$ 48,145	$ 6,087,337	$ 9,780,848	$ -	$ 37,055	$ 37,055	$ 9,817,903

See accompanying notes

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ (1,140,206)
Adjustments to reconcile change in net assets to	
net cash provided (used) by operating activities:	
Depreciation and amortization	640,157
Loss on disposition of property and equipment	47,321
In-kind contributions	(597,708)
Net change in:	
Accounts receivable	264,603
Government grants and contracts receivable	340,667
Unconditional promises to give	202
Right of use asset - operating lease	26,922
Other assets, net	6,177
Accounts payable	(47,498)
Accrued expenses and other liabilities	210,243
Right of use liability - operating lease	(26,922)
Net cash provided (used) by operating activities	(276,042)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(1,323,599)
Proceeds from sale of property and equipment	900
Net cash provided (used) by investing activities	(1,322,699)
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on long-term debt	(124,738)
Net cash provided (used) by financing activities	(124,738)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,723,479)
CASH AND CASH EQUIVALENTS, BEGINNING	1,976,462
CASH AND CASH EQUIVALENTS, ENDING	$ 252,983
SUPPLEMENTAL CASH FLOW INFORMATION	
Cash paid for interest	$ 110,552
Cash paid for taxes	$ -
NON-CASH INVESTING ACTIVITIES:	
Acquisition of property and equipment through in-kind donation	$ 597,708

See accompanying notes

NOTE 1 ORGANIZATION

St. Johns County Council on Aging, Inc. (the "Organization") is a Florida not-for-profit corporation located in St. Johns County, Florida. The Organization is committed to the purpose of providing congregate meals, home-delivered meals, transportation and supportive services to the elderly and disadvantaged.

The Organization's major revenue sources are grants and contracts from federal, state and county entities, public contributions, fundraising, program service fees and River House event income.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, accrued expenses, and other liabilities.

Classification of Net Assets

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Current Expected Credit Losses for Accounts Receivable and Grants Receivable

Accounts receivable and grants receivable ("receivables") are stated at the amount management expects to collect from outstanding balances. The Organization measures expected credit losses on financial assets carried at amortized cost, including accounts and retainages receivable, in accordance with ASC 326, Financial Instruments—Credit Losses. The provision for expected credit losses represents management's estimate of expected losses over the contractual life of the receivables, considering historical loss experience, current economic conditions, and reasonable and supportable forecasts.

Receivables are evaluated collectively when they share similar risk characteristics. When receivables no longer share similar risk characteristics or specific information indicates collectability concerns, they are evaluated individually. The Organization records a provision for expected credit losses on the statement of activities and statement of financial position. Accounts are written off when management determines that collection is no longer probable. Recoveries of amounts previously written off are recorded as a reduction to the provision for credit loss expense. As of December 31, 2025, management believes that all receivables are collectable. Consequently, no provision for expected credit losses has been provided in the accompanying financial statements. During the year ended December 31, 2025, the Organization recognized no bad debt expense related to receivables.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances and highly liquid investments with an original maturity of 90 days or less. Certificates of deposit are readily convertible to cash and are stated at cost plus accrued earnings, which approximate fair value.

Property and Equipment

Land, buildings and equipment that are purchased are carried at cost, or, if donated, at the approximate fair value at the date of donation. Donated property and equipment 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, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Expenditures for renewals or improvements that either materially add value or prolong the useful lives of assets are capitalized. Expenditures that are less than $1,000 are expensed as incurred.

Building and improvements are depreciated using the straight-line method over their estimated useful lives, which range from 5 to 40 years. Furniture and equipment and vehicles are depreciated using the straight-line method over their estimated useful lives, which range from 2 to 10 years. Depreciation expense for the year ended December 31, 2025 was $640,157.

Fair Value of Financial Instruments

All financial instruments are carried at amounts that approximate estimated fair value.

Financial Accounting Standards Board ASC 820, *Fair Value Measurement* (“ASC 820”), 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 the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Organization can access at the measurement date.

Level 2

Inputs to the valuation methodology are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as publicly available information about actual events or transactions, and that reflect the assumptions that market participants would use when pricing the asset or liability.

Level 3

Inputs to the valuation methodology are unobservable for the asset or liability. Unobservable inputs are defined as inputs for which market data are not available and that are developed using the best information available about the assumptions that market participants would use when pricing the asset or liability.

All financial instruments are considered to be Level 1 inputs in the fair value hierarchy.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts, and the variances are held to be immaterial.

Deferred Revenue

The Organization records grant revenue collected as deferred revenue until it is expensed for the purpose of the grant, at which time it is recognized as revenue.

Revenue Recognition

The Organization follows Financial Accounting Standards Board (FASB) ASC 606, Revenue from Contracts with Customers, when applicable. Under ASC 606, revenue recognition for customer contract related services is required when promised goods or services are transferred to customers in an amount that reflects the consideration to which an organization expects to be entitled in exchange for those goods and services. The Organization has adjusted the presentation of these statements accordingly.

A significant portion of the Organization's revenue is derived from reimbursable grants, which are conditional upon certain requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when expenditures have been incurred in compliance with specific contract/grant provisions, the time when performance obligations have been met. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. No amounts were received in advance at December 31, 2025 under the current contracts/grants. No significant judgements were required.

Contributions

In accordance with FASB ASC 958, *Financial Statements of Not-for-Profit Entities*, contributions received are recorded as donor unrestricted or donor restricted support depending on the existence and/or nature of donor restrictions. 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 restrictions depending on the nature of the restrictions. Under FASB ASC 958, contributions that are required to be reported as donor restricted support are then reclassified to net assets without donor restrictions upon expiration of time restrictions or satisfaction of donor restrictions.

Contributions, including unconditional promises to give, are recognized as revenues in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Pledges receivable are recorded when unconditional promises to pay are recorded. Unconditional promises to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectable contributions receivable would be provided, if necessary, based upon management's judgment, including such factors as prior collection history, type of contribution and nature of fundraising activity.

The Organization writes off specific pledges receivable as they become uncollectable. Use of the direct method did not result in a material departure from accounting principles generally accepted in the United States of America.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Materials and Services

The Organization records the value of donated goods or services at their estimated value at the date of donation when there is an objective basis available to measure their value. 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 contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

When a contributed facility is promised for several years, either in connection with a lease or a situation similar to a lease then the contribution is recognized at fair value and is recorded as an increase in temporarily restricted net assets. The present value is reported as an asset that is amortized over the term of the promise.

Donated services of a professional or skilled nature are presented at the estimated value of such services. Additionally, a number of volunteers periodically donate significant amounts of time to the Organization. No amounts have been reflected in the statements for these contributed services since the contribution of these services did not create or enhance non-financial assets or require specialized skills.

Functional Expense Allocation

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and benefits	Time and effort
Project cost	Direct or time and effort
Education and training	Time and effort
Sub-contractors	Time and effort
Occupancy	Square footage
Utilities	Square footage
Repairs and maintenance	Time and effort or direct cost
Professional services	Full time equivalent
Depreciation	Square footage or direct cost
Other	Time and effort

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). In accordance with the applicable provisions of the Internal Revenue Code, the Organization is subject to an excise tax on unrelated business income.

Accounting for uncertainty in income taxes

The Organization has adopted FASB ASC 740-10, *Accounting for Income Taxes*, which clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Based on analyses of various federal and state filing positions of the Organization, management believes that its income tax filing positions and deductions are well documented and supported.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting for uncertainty in income taxes (Continued)

As of December 31, 2025, the Organization had no temporary differences relating to the recognition of income and expenses for financial and tax reporting purposes. Accordingly, no deferred tax assets or liabilities are recorded. Additionally, as of December 31, 2025, the Organization had no uncertain tax positions that would qualify for either recognition or disclosure in the financial statements. Therefore, no reserves for uncertain income tax positions have been recorded pursuant to FASB ASC 740-10. In addition, no cumulative effect adjustment related to the adoption of FASB ASC 740-10 was recorded.

There have been no increases or decreases in unrecognized tax benefits for current or prior years since the date of adoption. Furthermore, no interest or penalties have been included since no reserves were recorded and no significant increases or decreases are expected to occur within the next 12 months. When applicable, such interest and penalties will be reported as income tax expense.

Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge. At December 31, 2025, the periods that remain open to examination under federal statute are for the years ended December 31, 2022 through 2024.

Compensated Absences

All full-time employees accrue vacation pay at a rate based on their length of service according to the following schedule.

Length of Service	Days Annually
0– 60 months	10 days
61–120 months	15 days
121- plus months	20 days

Vacation pay is fully vested when earned. Employees may carry 160 hours of earned annual leave to the following year; any hours exceeding 160 are forfeited unless the Executive Director approves a written waiver. Accordingly, the liability recorded has been computed using the total number of unpaid hours earned as of December 31, 2025. Accrued vacation totaled $107,605 at December 31, 2025 and is included in accrued expenses and other liabilities on the statement of financial position.

In addition, all full-time employees earn nonvesting sick pay benefits at the rate of four hours per pay period or thirteen days annually. The unused sick leave is not compensated in cash upon termination of the employee's service. Therefore, an accrual for accumulated nonvesting sick pay benefits is not required.

NOTE 3 LINE OF CREDIT

At December 31, 2025, the Organization had a line of credit agreement with a local financial institution, bearing an interest rate at 6.75%. The line of credit was originally scheduled to mature in September 2026 and was subsequently extended by the financial institution for additional 90 days. Borrowings under the line are limited to $376,512 and are unsecured. At December 31, 2025, there was $223,488 available to borrow.

NOTE 4 GOVERNMENT GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable consisted of the following at December 31, 2025:

St. Johns County Commissioners	$ 355,961
Northeast Florida Area Agency on Aging, Inc.	343,149
Florida Transportation Disadvantaged Commission	59,859
Florida Department of Transportation	127,707
Total	$ 886,676

NOTE 5 UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are expected to be received as follows at December 31, 2025:

Less than one year	$ 4,000
One to five years	19,859
More than five years	185,177
Total	209,036
Unamortized discount (4.25%)	(114,914)
Unconditional promises to give, net	$ 94,122

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31, 2025:

Buildings and improvements	$ 5,923,308
Furniture and equipment	313,796
Vehicles	4,369,901
Total property and equipment	10,607,005
Less, accumulated depreciation	(5,339,150)
Property and equipment, net	$ 5,267,855

To support public transportation and paratransit services, St Johns County has donated vehicles to the Organization. Each vehicle has a lien restricting the use of the vehicle to eligible uses. Provided the vehicles are used for these purposes, the Organization retains ownership. The Organization has capitalized the vehicles since it is highly likely that it will be allowed to keep the vehicles.

During the year ended December 31, 2025, St. Johns County donated vehicles to the Organization totaling $597,708. These donated vehicles are included in vehicles in the schedule above.

NOTE 7 CONTINGENCIES

Federal, State and County funded programs are subject to special audits. Such audits could result in claims against the resources of the Organization for disallowed costs or noncompliance with grantor restrictions. 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.

NOTE 8 LONG-TERM DEBT

At December 31, 2025, long-term debt consisted of the following:

Note payable in monthly installments of $15,044 including Interest at 4.11% per annum until July 2034. Collateralized by real property.	$2,359,277
Note payable in monthly installments of $1,349 including Interest until May 2026. Collateralized by personal property.	6,662
Note payable in monthly installments of $1,485 including Interest until September 2026. Collateralized by personal property.	11,579
Total long-term debt	2,377,518
Less, unamortized debt issuance costs	(31,391)
Long-term debt, net of unamortized debt issuance costs	$2,346,127

At December 31, 2025, maturities of the note payable were as follows:

2026	$ 104,727
2027	90,109
2028	93,883
2029	97,815
2030	101,912
Thereafter	1,889,072
Total	2,377,518
Less, loan costs, net	(31,391)
Long-term debt, net	$ 2,346,127

At December 31, 2025, the Organization was in compliance with all loan covenants.

NOTE 9 NET ASSETS WITHOUT DONOR RESTRICTIONS

The Organization's net assets without donor restrictions consisted of the following at December 31, 2025:

Subject to the Organization's spending policy and appropriation	$ 3,086,702
Total	$ 3,086,702

NOTE 10 NET ASSETS WITH DONOR RESTRICTIONS

The Organization's net assets with donor restrictions consisted of the following at December 31, 2025:

Subject to expenditure for specific purpose:	
Unconditional promises to give	$ 94,122
Total	$ 94,122

NOTE 11 NET ASSETS RELEASED FROM RESTRICTIONS

Net assets with donor restrictions are released based on donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors. Net assets with donor restrictions released during 2025 totaled $6,246,673 and were utilized for acquiring property and equipment and for program services.

NOTE 12 GOVERNMENT GRANTS AND CONTRACTS

Government grants and contracts consisted of the following at December 31, 2025:

St. Johns County Commissioners	$ 2,593,011
Northeast Florida Area Agency on Aging, Inc. (HHS)	858,308
Northeast Florida Area Agency on Aging, Inc. (Elder Affairs)	1,006,163
Florida Transportation Disadvantaged Commission	724,671
Florida Department of Transportation	466,610
Total	$ 5,648,763

NOTE 13 OPERATING LEASES

In October of 2020, the Organization entered into a five-year agreement with St. Johns County to lease space for the purpose of providing daily structured programs, activities, and health-related and rehabilitative services to older adults suffering from dementia or Alzheimer's disease. Upon expiration of the initial term, the Organization has the option to renew the lease for up to five additional terms of one year each. During October 2025, the initial term of the lease ended and was automatically extended for one year, the first of five additional terms. The lease requires annual payments of $1. Both parties may terminate the lease upon 90 days' written notice.

Operating Leases Following ASC 842

At December 31, 2025, the Organization was subject to an operating lease arrangement for equipment under which it is the lessee. The amount recognized as a right-of-use asset and related current and long-term liabilities for this operating lease is included in the accompanying balance sheet. Because management did not have access to the rate implicit in the lease, they used the Organization's incremental borrowing rate as its discount rate. A description of the terms of the operating lease is as follows:

Description	Terms
Type	Operating
Term (months)	60
Monthly lease payment amount	$ 2,985
Annual rate increases	0.00%
Fixed/Variable	Fixed
Discount rate	9.99%
Maturity Date	5/31/2028
Determination of discount rate	Incremental borrowing rate
Renewal option?	Yes
Purchase option?	No
Purchase option amount	n/a

The components of operating lease expenses that are included in printing and supplies on the statement of functional expenses for the year ended December 31, 2025 were as follows:

Operating lease cost:	
Fixed rent expense	$ 35,819
Net lease cost	$ 35,819
Lease cost - operating (rent)	$ 35,819
Net lease cost	$ 35,819

NOTE 13 OPERATING LEASES (Continued)

Operating Leases Following ASC 842 (Continued)

Cash flow information components related to operating leases for the year ended December 31, 2025 were as follows:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	$	(35,819)

Weighted average of operating lease term and discount rate as of December 31, 2025 were as follows:

Weighted Average Remaining Term (years)	2.42
Weighted Average Discount Rate	9.99%

Future maturities due under its operating lease liabilities as of December 31, 2025 are as follows:

Year ending December 31,		
2026	$	35,820
2027		35,820
2028		14,925
Total future minimum payments required		86,565
Less, effects of discounting		(9,301)
Operating lease liability, total	$	77,264
Reconciliation of total operating lease liability		
Operating lease liability, current	$	12,032
Operating lease liability, noncurrent		65,232
Operating lease liability, total	$	77,264

Operating Leases Following ASC 840

During the year ended December 31, 2025, the Organization leased office equipment under operating leases, with expiration dates ranging from 2026 to 2028. The leases provide for total minimum monthly rental fees ranging from $38 to $199. Because the impact of not implementing ASC 842 to these leases is not material to the financial statements as a whole, the Organization has elected to follow the previous lease accounting guidance under ASC 840. As such, rent expense under these operating leases was $2,244 for the year ended December 31, 2025 and included in printing and supplies on the statement of functional expenses. Future amounts due under these lease commitments at December 31, 2025 are as follows:

Year ending December 31,		
2026	$	2,838
2027		2,838
2028		1,599
Total future minimum payments required	$	7,275

NOTE 14 CONCENTRATIONS OF RISK

The Organization received $2,593,011 from the St. Johns County Commission (the “County”) in direct funding and pass-through monies for the year ended December 31, 2025. This represents approximately 30% of the Organization’s total revenue and support for the year ended December 31, 2025. At December 31, 2025, the Organization was owed a total of $355,961 from the County.

The Organization received $1,864,471 from the Northeast Florida Area Agency on Aging, Inc. (“NEFAAA”) for the year ended December 31, 2025. This represents approximately 21.5% of the Organization’s total revenue and support for the year ended December 31, 2025. At December 31, 2025, the Organization was owed $343,149 from NEFAAA.

The Organization has a discounted lease agreement with the County for the use of facilities on Marine Street in St. Augustine, Florida. The lease is for ninety-five (95) years and requires the Organization to pay $350 in years 2037 and 2067 for total lease payments of $700, which was paid in 2007.

On July 26, 2007, the Organization entered into a discounted lease agreement with the County for the use of land and the use of maintenance facilities commencing in 2010 on Old Moultrie Drive in St. Augustine, Florida. The lease is for thirty (30) years with two additional terms of thirty (30) years requiring the Organization to pay one (1) dollar per term. The Organization is responsible for all operating costs including property insurance, maintenance and repairs, and utilities.

NOTE 15 CORRECTIONS OF PRIOR PERIOD ERROR

During the year ended December 31, 2025, management discovered that certain capital assets acquired in prior years had been expensed instead of being capitalized in the Organization's accounting records. As a result, the related depreciation expense and accumulated depreciation associated with those assets had not been recognized in prior periods. To correct this error, the Organization recorded a prior period adjustment to beginning net assets as of January 1, 2025. The adjustment increased fixed assets by $526,124, increased accumulated depreciation by $373,929, and increased beginning net assets by $152,195. The correction had no effect on the current year's change in net assets other than the recognition of current-year depreciation expense on the corrected asset balances. The correction also did not have any impact on the reporting of federal grants.

The effect of the prior period adjustment on the January 1, 2025 balances is summarized below:

	As Previously Stated	As Adjusted	Effect of Adjustment
Property and equipment	$ 9,346,211	$ 9,872,335	$ 526,124
Accumulated depreciation	$ 5,463,480	$ 5,837,409	$ 373,929
Net assets	$ 4,168,835	$ 4,321,030	$ 152,195

NOTE 16 CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances with high-quality financial institutions. Interest bearing accounts at these institutions currently are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to $250,000. At times, such balances may be in excess of FDIC insurance limits. At December 31, 2025, the Organization’s uninsured cash balances totaled approximately $45,263.

NOTE 17 LIQUIDITY OF CURRENT ASSETS

The Organization is substantially supported by unrestricted and restricted funding. 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. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following reflects the Organization's financial assets as of December 31, 2025, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the financial position date:

Cash and cash equivalents	$ 252,983
Accounts, grants and contracts receivable	905,429
Unconditional promises to give, net	94,122
Other assets	36,457
Financial assets, at year end	1,288,991
Less, those unavailable for general expenditures within one year, due to:	
Contractual or donor imposed restrictions:	
Restrictions by donor with purpose restrictions	(94,122)
	(94,122)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,194,869

NOTE 18 LITIGATION AND LEGAL MATTERS

The Organization is involved in various legal proceedings arising in the ordinary course of its operations, primarily related to transportation liability and workers' compensation matters. These matters are being handled through the Organization's insurance company. Management believes that insurance coverage is available for the applicable claims and that the ultimate outcome of the remaining matters is not expected to have a material adverse effect on the Organization's financial position or changes in net assets. Accordingly, no liability has been recorded in the accompanying financial statements.

NOTE 19 SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 14, 2026. No other events were identified as necessary to be disclosed to keep these financial statements from being misleading or that provide additional evidence about conditions that existed at December 31, 2025, including estimates inherent in the process of preparing these financial statements.

SUPPLEMENTAL INFORMATION

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECTS
YEAR ENDED DECEMBER 31, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Period	CFDA/ CSFA Number	Contract/ Grant Number	ISPS Number	Award Amount	Federal/State Expenditures
FEDERAL AWARDS						
U.S. Department of Health and Human Services						
Pass-through programs from:						
Northeast Florida Area Agency on Aging						
Aging Cluster						
Title III B - Support Services	1/1/25-12/31/25	93.044	A025-STJ		$ 285,564	$ 285,528
Title III C 1 - Congregate Meals	1/1/25-12/31/25	93.045	A025-STJ		297,300	294,857
Title III C 2 - Home Delivered Meals	1/1/25-12/31/25	93.045	A025-STJ		169,011	169,011
Title III E - Family Caregiver Program	1/1/25-12/31/25	93.052	A025-STJ		96,522	89,349
Nutritional Services Incentive Program	1/1/25-12/31/25	93.053	A025-STJ		19,563	19,563
Total Northeast Florida Area Agency on Aging						858,308
State of Florida, Department of Transportation						
Formula Grants for Rural Areas	4/1/25-9/30/27	20.509	G3B26		533,704	352,357
Enhanced Mobility of Seniors and Individuals with Disabilities	5/29/24-5/30/27	20.513	G2Y84		335,388	114,253
Total State of Florida, Department of Transportation						466,610
U.S. Department of Transportation						
Pass-through program from:						
St. Johns County, Florida						
Urbanized Area Formula Grants	7/16/25-3/30/32	20.507	FL-2025-044		1,556,643	689,054
Total Expenditures of Federal Awards						$ 2,013,972

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECTS
YEAR ENDED DECEMBER 31, 2025

State Grantor/Pass-Through Grantor/Program Title	Period	CFDA/ CSFA Number	Contract/ Grant Number	ISPS Number	Award Amount	Federal/State Expenditures
STATE PROJECTS						
Florida Department of Elder Affairs						
Pass-through programs from:						
Northeast Florida Area Agency on Aging						
Community Care for the Elderly	7/1/24-6/30/25	65.010	C024-STJ		$ 628,023	$ 236,817
Community Care for the Elderly	7/1/25-6/30/26	65.010	C025-STJ		661,208	240,628
Alzheimer's Disease Initiative	7/1/24-6/30/25	65.004	Z024-STJ		572,957	275,329
Alzheimer's Disease Initiative	7/1/25-6/30/26	65.004	Z025-STJ		564,841	222,994
Home Care for the Elderly	7/1/24-6/30/25	65.001	H024-STJ		73,341	12,822
Home Care for the Elderly	7/1/25-6/30/26	65.001	H025-STJ		98,996	17,573
						1,006,163
Commission for the Transportation Disadvantaged						
Florida Department of Transportation						
Trip & Equipment Grant Agreement	7/1/24-6/30/25	55.001	G2Z47		713,814	365,231
Trip & Equipment Grant Agreement	7/1/25-6/30/26	55.001	G3E20		718,594	359,440
						724,671
State of Florida Department of Transportation						
Public Transit Block Grant Program	5/1/24-5/31/27	55.010	G2X46		636,098	517,669
Public Transit Block Grant Program	6/6/25 - 3/31/27	55.010	G3C80		684,217	103,696
						621,365
Total Expenditures of State Projects						$ 2,352,199

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECTS
YEAR ENDED DECEMBER 31, 2025

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state projects (the "Schedule") includes the federal grant and state assistance activity of the Organization under programs of the federal and state government for the year ended December 31, 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) and Chapter 10.650, *Rules of the Auditor General of the State of Florida*. Because the Schedule presents only a selected portion of the operations of St. Johns County Council on Aging, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of St. Johns County Council on Aging, Inc.

NOTE 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 and Chapter 10.650, *Rules of the Auditor General of the State of Florida,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability to the Organization.

NOTE 4 PASS-THROUGH AWARDS

The Organization received certain federal awards from pass-through awards from state and other funding agencies. The total amount of such pass-through awards is included in the Schedule of Expenditures of Federal Awards.

ABARE, KRESGE & ASSOCIATES CPAS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1200 Plantation Island Dr. S Suite 230
St. Augustine, FL 32080

(904) 460-0747
(904) 209-3000

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
St. Johns County Council on Aging, 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 St. Johns County Council on Aging, Inc. (the "Organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 14, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Organization'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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Abare, Kresge & Associates CPAs, LLC

St. Augustine, FL
September 14, 2026

ABARE, KRESGE & ASSOCIATES CPAS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1200 Plantation Island Dr. S Suite 230
St. Augustine, FL 32080

(904) 460-0747
(904) 209-3000

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

To the Board of Directors of
St. Johns County Council on Aging, Inc.

Report on Compliance for Each Major Federal Program and State Award
Opinion on Each Major Federal Program and State Award

We have audited St. Johns County Council on Aging, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Executive Office of the Florida Governor's State Projects Compliance Supplement, that could have a direct and material effect on each of the Organization's major federal programs and state awards for the year ended December 31, 2025. The Organization's major federal programs and state awards are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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 awards for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program and State Award
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 Auditor General of the State of Florida.* 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 St. Johns County Council on Aging, 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 and state award. Our audit does not provide a legal determination of St. Johns County Council on Aging, 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 the St. Johns County Council on Aging, Inc.'s federal programs and state awards.

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 St. Johns County Council on Aging, 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*, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General of the State of Florida* 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 St. Johns County Council on Aging, Inc.'s compliance with the requirements of each major federal program and state awards as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General of the State of Florida,* 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 St. Johns County Council on Aging, 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 the St. Johns County Council on Aging, 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 and Chapter 10.650, *Rules of the Auditor General of the State of Florida,* but not for the purpose of expressing an opinion on the effectiveness of the St. Johns County Council on Aging, 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 or a state award 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 and Chapter 10.650, *Rules of the Auditor General of the State of Florida*. Accordingly, this report is not suitable for any other purpose.

Ahern, Kruge & Associates CPAs, LLC

St. Augustine, FL
September 14, 2026

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	*Unmodified*		
Internal control over financial reporting:			
Material weakness(es) identified?	____ Yes	**X** No	
Significant deficiency(ies) identified?	____ Yes	**X** None reported	
Noncompliance material to financial statements noted?	____ Yes	**X** No	

Federal and State Awards

Internal Control over major programs:			
Material weakness(es) identified?	____ Yes	**X** No	
Significant deficiency(ies) identified?	____ Yes	**X** None reported	
Type of auditors' report issued on compliance for major programs:	*Unmodified*		
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance and Chapter 10.650 Rules of the Auditor General of the state of Florida	____ Yes	**X** No	

Identification of major programs and projects:

CFDA Number(s)	Name of Federal Program
93.044	Title III B - Support Services
93.045	Title III C1 - Congregate Meals
93.045	Title III C2 - Home Delivered Meals
93.052	Title III E - Family Caregiver Program
93.053	Nutritional Services Incentive Program
20.507	Urbanized Area Formula Grants
20.509	Formula Grants for Rural Areas

CSFA Number(s)	Name of State Program
65.010	Community Care for the Elderly
65.004	Alzheimer's Disease Initiative
55.001	Trip & Equipment Grant Agreement
55.010	Public Transit Block Grant Program

Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	$ 1,000,000
State	$ 705,659

Auditee qualified as low-risk auditee? ____ Yes **X** No

SECTION II - FINANCIAL STATEMENT FINDINGS

None.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

ST. JOHNS COUNTY COUNCIL ON AGING, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2025

There are no prior audit findings.

ABARE, KRESGE & ASSOCIATES CPAS, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1200 Plantation Island Drive South, Ste 230 (904) 460-0747
St. Augustine, FL 32080 Fax (904) 209-3000

To the Board of Directors
St. Johns County Council on Aging, Inc.
Saint Augustine, FL

Report on the Financial Statements

We have audited the financial statements of St. Johns County Council on Aging, Inc., as of and for the fiscal year ended December 31, 2025 and have issued our report thereon dated September 14, 2026.

Auditor's Responsibility

We conducted our audit 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 requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; and Schedule of Findings and Questioned Costs in accordance with Uniform Guidance and Chapter 10.650, Rules of the Florida Auditor General. Disclosures in those reports and schedule, which are dated September 14, 2026, should be considered in conjunction with this management letter.

Additional Matters

Section 10.654(1)(e), *Rules of the Auditor General,* requires that we communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements or State project amounts that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Abare, Kresge & Associates CPAs, LLC

St. Augustine, FL
September 14, 2026