Treasure Coast Homeless Services Council, Inc.

Financial Statements
and Additional Information
For the Year Ended December 31, 2025

Treasure Coast Homeless Services Council, Inc.

Table of Contents

Independent Auditor's Report	1-3
Financial Statements	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8-16
Supplementary Information	
Schedule of Expenditures of Federal Awards and State Financial Assistance	17-18
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	19
Internal Controls and Compliance	
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*	20-21
Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act*	22-24
Schedule of Findings and Questioned Costs	25-26

Citrin Cooperman & Company, LLP
Certified Public Accountants

6550 N Federal Hwy, 4th Floor
Fort Lauderdale, FL 33308
T 954.771.0896 **F** 954.938.9353
citrincooperman.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Treasure Coast Homeless Services Council, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Treasure Coast Homeless Services Council, Inc. (the "Council"), 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 present fairly, in all material respects, the financial position of the Council 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 Council 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 opinion.

Responsibilities of Management for the Financial Statements

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

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

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

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 Council'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 Council'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.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

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 financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and State of Florida Chapter 10.650, *Rules of the Florida Auditor General*, contained in the schedules on pages 17 - 19 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 contained in the schedules on pages 17 - 19 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 29, 2026, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
September 29, 2026

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Treasure Coast Homeless Services Council, Inc.
Statement of Financial Position
December 31, 2025

Assets:		
Current assets:		
Cash and cash equivalents	$	1,208,944
Grants receivable		1,297,415
Rent receivable, net		16,622
Promises to give, donated facilities		56,241
Prepaid expenses		90,513
Total current assets		2,669,735
Noncurrent assets:		
Promises to give, donated facilities, net		168,588
Property and equipment, net		2,126,559
Right-of-use asset, operating lease		275,277
Total noncurrent assets		2,570,424
Total assets	$	5,240,159
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	$	434,800
Due to grantor		20,865
Refundable advances		67,316
Other current liabilities		27,960
Operating lease liability, current		61,157
Total current liabilities		612,098
Noncurrent liabilities:		
Operating lease liability, noncurrent		214,450
Total noncurrent liabilities		214,450
Total liabilities		826,548
Net Assets:		
Without donor restrictions		2,484,016
With donor restrictions		1,929,595
Total net assets		4,413,611
Total liabilities and net assets	$	5,240,159

See accompanying notes to financial statements.

Treasure Coast Homeless Services Council, Inc.
Statement of Activities
For the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenues:			
Grants	$ 6,686,274	$ -	$ 6,686,274
Contributions	41,839	229,594	271,433
Rental income	699,165	-	699,165
Other income	51,380	-	51,380
Interest income	506	-	506
Net assets released from restrictions	332,381	(332,381)	-
Total public support and revenues	7,811,545	(102,787)	7,708,758
Expenses:			
Program services:			
Homeless assistance	6,550,924	-	6,550,924
Neighborhood stabilization program	819,832	-	819,832
Grant writing, monitoring, and matching	299,507	-	299,507
Total program services	7,670,263	-	7,670,263
Supporting services:			
Management and general	277,924	-	277,924
Fundraising	13,345	-	13,345
Total supporting services	291,269	-	291,269
Total expenses	7,961,532	-	7,961,532
Change in net assets	(149,987)	(102,787)	(252,774)
Net assets, beginning of year	2,634,003	2,032,382	4,666,385
Net assets, end of year	$ 2,484,016	$ 1,929,595	$ 4,413,611

See accompanying notes to financial statements.

Treasure Coast Homeless Services Council, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2025

	Program Services				Supporting Services			
	Homeless Assistance	Neighborhood Stabilization Program	Grant Writing, Monitoring and Matching	Total Program Expenses	Management and General	Fundraising	Total Supporting Services Expenses	Total Expenses
Personnel Costs:								
Salaries and wages	$ 1,718,805	$ 107,425	$ 214,851	$ 2,041,081	$ 98,831	$ 8,594	$ 107,425	$ 2,148,506
Payroll taxes and employee benefits	419,960	26,247	52,495	498,702	24,148	2,100	26,248	524,950
Total personnel costs	2,138,765	133,672	267,346	2,539,783	122,979	10,694	133,673	2,673,456
Other Expenses:								
Direct assistance	3,650,394	346,392	-	3,996,786	-	-	-	3,996,786
Contract services	224,193	-	-	224,193	11,328	472	11,800	235,993
Occupancy rent	56,241	-	-	56,241	-	-	-	56,241
Professional services	195,669	12,229	-	207,898	98,461	-	98,461	306,359
Occupancy operating	-	-	-	-	23,736	-	23,736	23,736
Insurance	38,480	71,053	4,810	114,343	1,924	481	2,405	116,748
Dues and subscriptions	91,923	5,745	11,490	109,158	4,596	1,149	5,745	114,903
Supplies and postage	21,910	1,369	2,739	26,018	1,096	274	1,370	27,388
Telephone	21,975	1,373	2,747	26,095	1,099	275	1,374	27,469
Repairs and maintenance	23,796	88,280	2,974	115,050	1,487	-	1,487	116,537
Computer expense	59,206	3,700	7,401	70,307	3,700	-	3,700	74,007
Conferences and travel	16,162	-	-	16,162	-	-	-	16,162
Depreciation	12,210	156,019	-	168,229	7,518	-	7,518	175,747
Total expenses	$ 6,550,924	$ 819,832	$ 299,507	$ 7,670,263	$ 277,924	$ 13,345	$ 291,269	$ 7,961,532

See accompanying notes to financial statements.

Treasure Coast Homeless Services Council, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2025

Cash flows from operating activities:		
Change in net assets	$	(252,774)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Provision for credit losses		27,476
Depreciation		175,747
Amortization of operating lease right-of-use assets		49,196
Changes in operating assets and liabilities:		
Decrease (increase) in operating assets:		
Grants receivable		(336,594)
Rent receivable		24,258
Promises to give, donated facilities		36,647
Prepaid expenses		31,553
Deposits		74,369
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses		309,076
Due to grantor		(83,036)
Refundable advances		(5,652)
Other current liabilities		(44,726)
Operating lease liability, current and noncurrent		(48,866)
Net cash used in operating activities		(43,326)
Cash flows from investing activities:		
Purchases of property and equipment		(16,139)
Net cash used in investing activities		(16,139)
Net decrease in cash and cash equivalents		(59,465)
Cash and cash equivalents, beginning of year		1,268,409
Cash and cash equivalents, end of year	$	1,208,944
Supplemental cash flow disclosure		
Right-of-use asset in exchange for operating lease liability	$	43,901

See accompanying notes to financial statements.

Note 1 - Nature of Organization and Operations

The Treasure Coast Homeless Services Council, Inc. (the "Council") was incorporated on July 10, 2000, and is a tax-exempt organization under Internal Revenue Code Section 501(c)(3). The Council was formed for the purpose of implementing a continuum of care plan for the homeless of Indian River County, St. Lucie County, and Martin County. The Council's support comes primarily from federal, state, and local grants.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting: The accompanying financial statements of the Council have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis of presentation: The financial statement presentation follows U.S. GAAP, which requires the Council to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets: Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net assets without donor restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

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

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. All contributions are considered available for general use, unless specifically restricted by the donor or subject to other legal restrictions.

Cash and cash equivalents: The Council considers all cash and highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents.

Receivables and allowance for credit losses: Grants receivable at year-end primarily represent claims of allowable expenditures that have not yet been reimbursed by the granting agency. Management periodically reviews the grants receivable and provides an allowance for those which may be uncollectible. Gross grants receivable were approximately $ 1,297,000 and $ 961,000 at December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, management considers all the receivables to be collectible and, accordingly, no allowance was recorded.

Note 2 - Summary of Significant Accounting Policies (continued)

Receivables and allowance for credit losses (continued): Rent receivable is stated at the amount management expects to collect from outstanding balances. Management estimates an allowance for expected credit losses based on the amount it expects to collect from customers and tenants, based on the length of time the receivables have been outstanding, historical collection experience, current market conditions and forecasted economic and business environments. At December 31, 2025, and 2024, respectively, gross rent receivable was approximately $32,000 and $103,000 and the allowance for credit losses was $ 15,000 and $ 35,000.

Promises to give: Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give expected to be realized in future periods are recorded at the present value of estimated future benefits. Management evaluates promises to give for collectability and records an allowance, if necessary. The Council's promises to give relate to the future donated use of facilities under a long-term lease arrangement described in Note 4.

Property and equipment: Property and equipment acquisitions greater than $5,000 are capitalized and carried at cost, or, if donated, at estimated fair value at the date of donation. If donors of property stipulate how long the assets must be used, the contributions are recorded as support with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions. The Council’s policy is to provide for depreciation using the straight-line or accelerated methods over the estimated useful life of the asset. Leasehold improvements are amortized on a straight-line basis over the shorter of their estimated useful lives or the remaining lease term, including renewal periods that are reasonably certain to be exercised. Estimated useful lives for assets are as follows:

Building and improvements	5-30 years
Leasehold improvements	3-15 years
Furniture and equipment	3-15 years

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized.

The Council reviews long-lived assets, including property and equipment and right-of-use assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such indicators are present, recoverability is evaluated based on estimated future undiscounted cash flows attributable to the asset. An impairment loss is recognized to the extent the carrying amount exceeds the asset's estimated fair value.

Revenue and revenue recognition: The Council recognizes grants and contributions upon receipt of cash, securities, other assets, unconditional promises to give, or notifications of beneficial interests. Conditional promises, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met or explicitly waived.

The Council’s grants consist mainly of cost-reimbursable contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Council has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

Note 2 - Summary of Significant Accounting Policies (continued)

Revenue and revenue recognition (continued): Rental income is recognized according to U.S. GAAP, which requires rental income from operating leases to be recognized over the term of the lease as the rental income is earned ratably throughout the lease term. Rental payments received prior to the beginning of the lease period are recorded as deferred revenue in the accompanying statement of financial position.

Functional allocation of expenses: The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Expenses that can be directly identified with a program or supporting service are charged accordingly. The financial statements report certain categories of expenses that are attributed to more than one function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Allocated expenses include personnel and overhead costs, among other expenses. Personnel-related costs are allocated based on estimates of time and effort, while occupancy-related costs are allocated based on square footage.

Leases: The Council determines if an arrangement is a lease at the inception of the contract. At the lease commencement date, each lease is evaluated to determine whether it will be classified as an operating or finance lease. For leases with a lease term of 12 months or less (a "short-term" lease), any fixed lease payments are recognized on a straight-line basis over such term and are not recognized on the statement of financial position.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most of the Council's leases do not provide an implicit rate, the Council uses the risk free rate based on the information available at commencement date in determining the present value of future payments. The operating lease ROU asset also includes any lease payments made and initial direct costs incurred and excludes lease incentives.

The Council's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Council will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

The Council has lease agreements with lease and non-lease components, which are generally accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices. The Council uses the risk-free discount rate when the rate implicit in the lease is not readily determinable at the commencement date in determining the present value of lease payments.

Income taxes: The Council is registered with the Internal Revenue Service as a nonprofit organization under Internal Revenue Code Section 501(c)(3) and as such, is only subject to federal income taxes on unrelated business income. Management has evaluated the unrelated business income tax implications and believes that the effects, if any, are immaterial to the Council’s financial statements during the year ended December 31, 2025. Accordingly, no provision has been made for income taxes in the accompanying financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. It is reasonably possible that these estimates will change in the near future. Accordingly, actual results could differ from those estimates.

Concentrations of risk: Financial instruments that potentially subject the Council to concentration of credit risk consist primarily of receivables and cash. The concentration of credit risk with respect to receivables is primarily due to the economic dependency on federal, state, and local agencies and the ability to obtain authorization, process and collect balances in a timely manner. The Council does not require collateral or other security to support receivables. The Council has cash and cash equivalents in financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC"). At various times throughout the year, the Council may have cash balances at financial institutions that exceed the insured amount. At December 31, 2025, the Council had cash balances of approximately $588,000 that exceeded FDIC covered amounts. Deposit accounts are maintained with what management believes to be quality financial institutions.

The concentration of credit risk with respect to receivables is considered limited, by management, due to the number and creditworthiness of the entities and individuals who comprise the contributor/customer base. Approximately 63% of total public support and revenues were derived from three agencies for the year ended December 31, 2025. In addition, 84% of the Council's total grant receivables at December 31, 2025, are due from three grantor agencies.

Date of management review: Subsequent events have been evaluated by management through September 29, 2026, which is the date the financial statements were issued.

Note 3 - Liquidity and Availability of Resources

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

Financial Assets:		
Cash and cash equivalents	$	1,208,944
Grants receivable		1,297,415
Rent receivable		16,622
Financial assets, at year-end		2,522,981
Less: those unavailable for general expenditures within one year, due to:		
Board designated		(100,000)
Purpose restrictions by donor		(171,375)
Financial assets available to meet cash needs for general expenditures within one year	$	2,251,606

Note 3 - Liquidity and Availability of Resources (continued)

The Council primarily funds operations through government grants, contributions, and program service revenues. The Council manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that other obligations can be met.

Note 4 - Promises to Give

Unconditional promises to give at year end consisted of donated facilities the Council receives from Indian River County under a 30-year lease, expiring November 2030, comprised as follows:

Receivable in one year or less	$	56,241
Receivable in two to five years		215,590
Total unconditional promises to give		271,831
Less: discount to net present value		(47,002)
Net unconditional promise to give	$	224,829

Promises to give are reflected at the present value of estimated future cash flows at an 8.00% discount rate.

Note 5 - Property and Equipment

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

Buildings and improvements	$	3,425,148
Leasehold improvements		96,314
Furniture and equipment		31,793
		3,553,255
Less: accumulated depreciation		(1,833,991)
		1,719,264
Land		391,155
Construction in progress		16,140
	$	2,126,559

Depreciation expense was $175,747 for the year ended December 31, 2025.

Note 6 - Leases

Previously, the Council received a donation of a 30-year lease from Indian River County (see Note 4). A donated facility amount of approximately $56,000 is expensed annually (see Note 11). A promise to give, donated facilities, was recorded based on the estimated market value of the agreement. As of December 31, 2025, the promise to give, donated facilities, net of discount to present value, totaled approximately $ 225,000.

The Council has an operating lease for apartments used in its program services. The lease contains no significant restrictions and provides for monthly payments of $4,800, increasing by 4% annually, over the lease term from November 1, 2023 through October 31, 2026. The lease has an option to extend for an additional three-year period through October 31, 2029, which management determined is reasonably certain to be exercised.

During 2025, the Council entered a lease for space to be used as its St. Lucie Hub to provide transitional housing and supportive services for adult men. The lease contains no significant restrictions and provides for monthly payments of $800 over the lease term from November 18, 2025 through November 18, 2030.

Total operating lease costs related to operating leases for the year ended December 31, 2025, were approximately $65,000, and included with direct assistance expense on the Statement of Functional Expenses.

The following table summarizes other information related to the Council's operating leases during the year ended December 31, 2025:

Weighted-average remaining lease term (in years)		3.85
Weighted-average discount rate (%)		4.60
Variable lease payments	$	-
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$	61,400

Note 6 - Leases (continued)

Maturities of these lease liabilities as of December 31, 2025, are as follows:

Year Ending December 31,	
2026	$ 72,416
2027	74,928
2028	77,538
2029	73,939
2030	8,800
Total minimum lease payments	307,621
Less: imputed interest	(32,014)
Present value of lease liabilities	275,607
Less: current portion	(61,157)
Lease liabilities, net of current portion	$ 214,450

Note 7 - Net Assets with Donor Restrictions

At December 31, 2025, net assets with donor restrictions consisted of the following purpose restrictions:

Neighborhood Stabilization Program	$ 1,533,391
Donated rent	224,829
Emergency shelter	129,747
Naomi's House	39,554
Veteran housing	2,074
	$ 1,929,595

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by donors or grantors during the year ended December 31, 2025, as follows:

Neighborhood Stabilization Program	$ 95,592
Donated rent	56,241
Veteran housing	147,927
Naomi's House	32,621
	$ 332,381

Note 8 - Net Assets without Donor Restrictions – Board Designated

As of December 31, 2025, the Board of Directors has designated $100,000 of net assets without donor restrictions for the purpose of maintaining sufficient matching funds for various grant requirements, as may be determined by the Council's board of directors.

Note 9 - Rental Income

The Council leases various rental properties to qualified households and tenants as part of its mission in alignment with Indian River County, St. Lucie County, and other contracts. Rental income is recognized on a straight-line basis over the lease term. The Council leases these rental properties under short-term operating leases, as the leases do not transfer ownership of the leased assets and do not provide an option for the lessees to purchase the assets. Rental income totaled approximately $ 699,000 for the year ended December 31, 2025.

The following is a schedule of the Council's property and equipment related to operating leases as of year end:

Land	$ 342,150
Buildings and improvements	2,467,830
	2,809,980
Less: accumulated depreciation	(1,268,789)
	$ 1,541,191

Note 10 - Grants

Grants include support received under federal grant awards as well as state and local grant revenues. The following schedule provides the breakdown of federal, state and local grant revenues for the year ended December 31, 2025:

Federal grants	$ 3,411,736
State grants	1,666,054
Local grants	1,608,484
	$ 6,686,274

Note 11 - Contribution of Nonfinancial Assets

The Council pays for most services requiring specific expertise. However, the Council receives donated services from unpaid volunteers who assist in fundraising, administration and program services. These amounts have not been recognized in the accompanying financial statements because the criteria for recognition of such volunteer effort have not been satisfied.

In addition, the Council recorded, at fair value, approximately $56,000 of rental expense (see Notes 4 and 6) related to the use of a donated facility for the year ended December 31, 2025. This amount was restricted by the donor for use in the Council's programs. The Council uses the space as a service center for intake, assessment, referral, and emergency services to individuals experiencing homelessness. The donated use of the facility is valued based on the estimated fair rental value of comparable space.

Note 12 - Commitments and Contingencies

Real estate: A significant portion of the Council's real property was originally acquired and/or improved under contracts/agreements with government grants and other funders. Certain special provisions of these contracts/agreements require that the real property be used for specified purposes during a period of time. If these properties are no longer necessary for regular operations, the Council must obtain approval from the grantor and/or other funders to use these properties for other purposes. Claims to these properties are generally evidenced by recorded mortgages/agreements/declaration of covenants.

Litigation: In the normal course of business, the Council is, from time to time, subject to allegations that may or do result in litigation. The Council evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of the amount of the ultimate expected loss, if any. Events could occur that would cause the estimate of the ultimate loss to differ materially in the near term.

Treasure Coast Homeless Services Council, Inc.
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended December 31, 2025

Federal/State Grantor/Pass-through Grantor, Program or Cluster Title	Assistance Listing No./CSFA No.	Pass-Through Entity Identifying Number	Expenditures	Provided to Sub-recipients
Federal Agency Name:				
U.S. Department of Housing and Urban Development				
Pass through State of Florida, Department of Children and Families -				
Emergency Solutions Grants Program	14.231	ZP003	$ 204,035	$ -
Emergency Solutions Grants Program	14.231	LP044	207,822	-
		Total 14.231	411,857	-
U.S. Department of Housing and Urban Development				
Pass through from Indian River County, Florida				
Continuum of Care Program	14.267	IRC Admin S+C	14,188	-
U.S. Department of Housing and Urban Development				
Continuum of Care Program	14.267	FL1017L4H092300	74,764	-
Continuum of Care Program	14.267	FL1077L4H092400	23,852	-
Continuum of Care Program	14.267	FL1018D4H092300	164,723	-
Continuum of Care Program	14.267	FL1018D4H092401	142,788	-
Continuum of Care Program	14.267	FL1019L4H092300	75,600	-
Continuum of Care Program	14.267	FL1019L4H092401	146,525	
Continuum of Care Program	14.267	FL0116L4H092316	28,374	-
Continuum of Care Program	14.267	FL0418L4H092311	27,840	-
Continuum of Care Program	14.267	FL0688L4H092306	21,728	-
Continuum of Care Program	14.267	FL0688L4H092406	41,150	-
Continuum of Care Program	14.267	FL0310L4H092315	284,400	-
Continuum of Care Program	14.267	FL0310L4H092416	173,157	-
Continuum of Care Program	14.267	FL0114L4H092417	370,592	-
		Total 14.267	1,589,681	-
Total U.S. Department of Housing and Urban Development			2,001,538	-

See notes to schedule of expenditures of federal awards and state financial assistance.

Treasure Coast Homeless Services Council, Inc.
Schedule of Expenditures of Federal Awards and State Financial Assistance
(continued)
For the Year Ended December 31, 2025

Federal/State Grantor/Pass-through Grantor, Program or Cluster Title	Assistance Listing No./CSFA No.	Pass-Through Entity Identifying Number	Expenditures	Provided to Sub-recipients
Federal Agency Name (continued):				
U.S. Department of Treasury				
Pass through from City of Port St. Lucie, Florida				
Emergency Rental Assistance Program				
	21.023	20231027	$ 206,433	$ -
Total U.S. Department of Treasury			206,433	-
U.S. Department of Veterans Affairs				
VA Supportive Services for Veteran Families Program	64.033	14-FL-322-FY24	11,325	-
VA Supportive Services for Veteran Families Program	64.033	14-FL-322-FY25	1,130,962	-
VA Supportive Services for Veteran Families Program	64.033	14-FL-322-LT	61,478	-
Total U.S. Department of Veterans Affairs		Total 64.033	1,203,765	-
Total expenditures of federal awards			$ 3,411,736	$ -
State Financial Assistance:				
Florida Department of Children and Families -				
Homeless Challenge Grant	60.014	ZP003	$ 650,344	$ -
Homeless Challenge Grant	60.014	ZP004	83,566	-
Homeless Challenge Grant	60.014	ZP005	295,188	-
Homeless Challenge Grant	60.014	LP044	442,133	-
		Total 60.014	1,471,231	-
Homelessness Staffing Grant	60.021	ZP003	96,419	-
Homelessness Staffing Grant	60.021	LP044	98,404	
		Total 60.021	194,823	-
Total expenditures of state financial assistance			$ 1,666,054	$ -

See notes to schedule of expenditures of federal awards and state financial assistance.

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance (the "Schedule") includes the award activity of all federal awards and state financial assistance of Treasure Coast Homeless Services Council, Inc. (the "Council") 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, *Rules of the Florida Auditor General.* Therefore, some amounts presented in the Schedule may differ from amounts presented in or used in the preparation of the financial statements. Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Council.

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 Florida Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, as applicable.

Note 3 - Indirect Cost Rate

The Council did not elect to use the de minimis indirect cost rate allowed under the Uniform Guidance.

CITRINCOOPERMAN®

Citrin Cooperman & Company, LLP
Certified Public Accountants

6550 N Federal Hwy, 4th Floor
Fort Lauderdale, FL 33308
T 954.771.0896 **F** 954.938.9353
citrincooperman.com

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

To the Board of Directors
Treasure Coast Homeless Services Council, 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 Treasure Coast Homeless Services Council, Inc. (the "Council"), 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 29, 2026.

Report on Internal Control over Financial Reporting

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

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

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

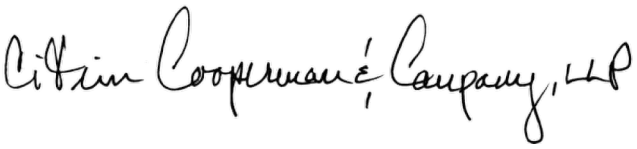
"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Report on Compliance and Other Matters

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

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 Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Fort Lauderdale, Florida
September 29, 2026

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

CITRINCOOPERMAN®

Citrin Cooperman & Company, LLP
Certified Public Accountants

6550 N Federal Hwy, 4th Floor
Fort Lauderdale, FL 33308
T 954.771.0896 **F** 954.938.9353
citrincooperman.com

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

To the Board of Directors
Treasure Coast Homeless Services Council, Inc.

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Treasure Coast Homeless Services Council, Inc.'s (the "Council") compliance with the types of compliance requirements identified as subject to the audit in the *OMB Compliance Supplement* and the compliance requirements identified as subject to audit in the Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the Council's major federal programs and state projects for the year ended December 31, 2025. The Council's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Council 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 December 31, 2025.

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; 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 Florida Auditor General* ("Chapter 10.650"). Our responsibilities under those standards, 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 Council 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 Council's compliance with the compliance requirements referred to above.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

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 controls over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Council'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 Council'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*,* 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 Council'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*, 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 Council'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 Council'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 Council'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.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

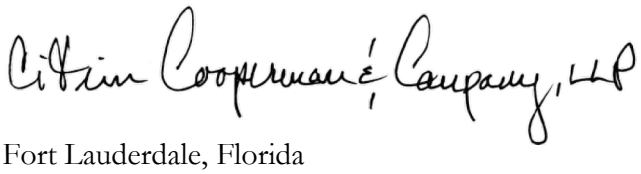
Report on Internal Control Over Compliance

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 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.



Fort Lauderdale, Florida
September 29, 2026

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Treasure Coast Homeless Services Council, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

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 deficiency(ies) identified?	____ yes	X none reported
Noncompliance material to financial statements noted?	____ yes	X no

Federal Programs and State Projects

Internal control over major federal programs and state projects:		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified?	____ yes	X none reported
Type of auditor's report issued on compliance for major federal programs and state projects:	*Unmodified*	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act?*	____ yes	X no

Identification of major federal program and state projects:

Assistance Listing Number	Federal Program(s)
14.267	Continuum of Care Program

CSFA No.	State Project(s)
60.014	Homeless Challenge Grant

Dollar threshold used to distinguish between Type A and Type B programs/projects:	$1,000,000 for federal programs and $750,000 for state projects
Auditee qualified as low-risk auditee?	____ yes X no

SECTION II - FINANCIAL STATEMENTS FINDINGS

None Reported.

SECTION III - FEDERAL PROGRAMS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

None Reported.

SECTION IV – PRIOR YEAR AUDIT FINDINGS

2024-001 – Internal Control Over Financial Reporting

Prior Year Finding: A material weakness was reported in 2024 related to the financial reporting process, including material audit adjustments and deficiencies in the review and reconciliation of financial records.

Corrective Action Taken: The Council engaged an outsourced accounting service to provide enhanced oversight of the financial reporting process and implemented new accounting software to improve reconciliations, period-end close procedures, and financial reporting capabilities.

Status: *Resolved.* Management's corrective actions strengthened the Council's financial reporting and reconciliation processes. Based on the results of the audit for the year ended December 31, 2025, the material weakness was not repeated.