

CDS Board of Directors Minutes

December 11, 2025, at 8:30 AM

Attending Board Members: Frank Williams, Daniel Crapps, Richard Mankin, Gil Levy, Becky Hunt, Yvette Jones, Christy Milligan, Darleen Morgan, Jason Shaw, Sr., Brenda Thornton

Attending Team Members: Philip Kabler, Cindy Starling-Hersey, Darla Morgan

Guest: Roby Thomas, CPA

CALL TO ORDER/QUORUM CHECK

A quorum was in attendance with 10 Board Members present.

CONSENT ITEMS

Following motion by D. Morgan, and second by B. Hunt, the following were unanimously approved and ratified: (a) Meeting Agenda; (b) November 20, 2025 Meeting Minutes and actions.

Following motion by D. Morgan, and second by B. Hunt, Curtis Peterson was elected as a Board Member.

Following motion by R. Mankin, and second by D. Morgan, the following were unanimously approved: (a) Annual Meeting (including Board Members/Directors elections) deferred pending Nominating Committee report, consistent with Article II (Directors), §6 (Annual Meeting and Chairperson of the Board) and §8 (Special and Emergency Meetings – the Nominating Committee will consist of President Williams and B. Hunt; (b) temporarily continue all terms, consistent with Bylaws Article II (Directors), §2 (Terms of Office and Election) and §5 (Vacancies), Article III (Officers), §2 (Election and Term of Office); (c) Employee/Volunteer-Intern Handbooks ratification deferred pending Krizner Group input.

FINANCIAL MATTERS

Report item – Fiscal activities (including accounts receivable/payable, Payroll, FY 25/26 budget update):

D. Morgan reviewed the attached October 2025 financial report and data, including income and expense activities and account balances.

She reported during October there was a \$23,164.66 deficit, largely due to three payroll/AP cycles during the month. For the month of November, she will review the actual amount SNAP for Youth Justice accrued receivables, which was questioned.

SouthState Bank and First Federal Bank, and the updated ERTC tracking spreadsheet, were included with the Meeting materials.

DEEP DIVE PRESENTATION

R. Thomas, CPA presented the FY 2024/2025 Audit Report. The result of the 'clean' Audit Opinion noted unmodified Financial Statements, which apply for Yellow Book and Single Audit purposes. Revenue for FY 24/25 (\$6,477,786) was less compared to FY 23/24 (\$9,350,195), substantially due to FY 23/24 state

payments related to IYP-Gainesville and receipt of an ERTC-related advance loan. Expenses in FY 24/25 (\$6,409,591) were also less than FY 23/24 (\$6,494,201), and included onboarding of the IYP-Gainesville shelter facility (largely capitalized) and payoff of the ERTC-related loan. Net Assets were positive at \$68,195, and better than the median for peer-size non-profit organizations, particularly given the inflationary and regulatory environments, with a suggestion to develop a 3%-5% return for reserve purposes. The FY 24/25 end-of-year Cash Balance (\$1,889,171) was less than the prior year's Cash Balance (\$2,175,798), again related to IYP-Gainesville construction-related state payments during FY 23/24. An increased FY 24/25 'spread' between Assets and Liabilities, as compared with FY 23/24, was identified as a positive finding. During FY 24/25 the Current Ratio was 3.17 (which exceeded the typical 1%-2% ratio for peer-size non-profit organizations, indicating a liquid ability to pay debts, and the Operating Margin was 1.05% (which is typically 1%-2% for peer-size non-profit organizations) with a suggestion to boost that Margin closer to 5%. No disagreements with management or difficulties during the audit process were identified. The Audit Report will be uploaded to the federal and state audit clearinghouses. Following motion by D. Morgan, and second by C. Milligan, the Audit Report was unanimously and approved.

The attached also applies to Community Alternative Services Foundation, Inc.

A copy of the underlying slide presentation is attached.

BUSINESS MATTERS

Report item – Program deliverables and monitorings:

Cindy Starling-Hersey presented the November programs performance, specifically underscoring the improved bed utilization rate, DCF relicensure of the Prevention Program, the IYP-Gainesville QI monitoring scheduled for December 17-18, 2025, the Basic Center Grant Site Monitoring planned for late February 2025, and the impending commencement of the Mentoring Services program. She reminded the Board December and January are traditionally lower shelter performance months. She also noted the IYP-Lake City RN position has been filled, and IYP-Lake City Residential Supervisor interviews are scheduled.

A copy of the November CINS/FINS deliverables report is attached.

Report item – Florida Network upcoming contract re-procurements – (a) CINS/FINS Call for Proposal; (b) SNAP RFP(s):

P. Kabler reported CDS submitted the only Response to the CINS/FINS Call for Proposal for the current service area and a contract for FY 25/26 is subject to negotiation. The SNAP programs request for proposal is pending issuance.

Report item – Legal case updates:

P. Kabler reported the wrongful termination case, presented as a whistleblower matter, was resolved to the satisfaction of all concerned.

Two workers' compensation cases remain open, with the employees remaining active.

A subpoena was received related to a non-CDS case. Matters involving subpoenas and document requests are each evaluated for potential CDS involvement.

Report/Action item – President/CEO search:

Chairman Williams reported numerous applications for the President/CEO position were received, and following initial review by the Search Committee six interviews were conducted. Patrick G. (PJ) Minzie, II recommended by the Search Committee for engagement as the next President/CEO of CDS and Community Alternative Services Foundation, Inc. President Williams offered Mr. Minzie the President/CEO position, which Mr. Minzie accepted, and is preparing a hiring letter on the terms they discussed (which are largely the same as currently in-place for the incumbent. Mr. Minzie plans to attend the January 15, 2025 Board Meeting and to start February 15, 2026. Following motion by D. Morgan, and second by B. Hunt, Mr. Minzie was approved for engagement.

Report item – Copies of 2025 Q4 Strategic Implementation Plan and related plans reviews attached (internal exercise per CARF suggestion):

Copies of the ongoing annotated review documents were included with the Meeting materials.

COMMITTEE MATTERS

Standing Development:

P. Kabler reviewed the two recent events: (a) Giving Tuesday (December 2, 2025); Kendra Scott Event (December 5, 2025). A repeat event with MidiCi The Neapolitan Pizza Company is planned to be held to correspond with Valentine's Day.

Ad Hoc Managed Investment:

There is no report except that the Ad Hoc Investment Committee (Chairman Williams, Vice Chairman Crapps) will meet to recommend for Board approval the investment product to be used for the Managed Investment Fund. The initial interest rate offers will have to be re-negotiated due to changed market conditions.

When an investment product is approved by the Board, G. Levy (who is conflicted from participating in the Ad Hoc Investment Committee) and P. Kabler will resume consideration of whether a separate non-profit entity should be created for liability mitigation purposes, and the law firm identified to form any entity, subject to Board approval.

Ad Hoc Baxter's Place Charter School:

There is no report for this meeting.

Ad Hoc Leave Balances Policy Review:

D. Morgan reported she will present a report a report during the January 15, 2026 Board Meeting.

Report item – Board Member terms and Committee structure:

President Williams and Secretary Mankin will review Board Member terms related to the updated Bylaws, Although Board Member terms are two-years (with available renewals), the initial allocation of terms may be staggered with the initial term of one cohort of Members being longer than two years.

President Williams will review the Committee structure and address memberships.

Following motion by D. Morgan, and second by B. Hunt, the meeting was unanimously adjourned at 9:32 AM.

Post-Meeting: President Williams read the attached Holiday Greetings letter from the youth resident at IYP-Gainesville, and presented gifts to the Board Members by the youth.

CDS FINANCE/EXECUTIVE COMMITTEE

NOTES TO STATEMENT – OCTOBER 2025

REVENUES

OCTOBER 2025 – Audit is complete. I will be making the final adjusting journal entries for Fiscal Year 2024-2025 then reprinting this year's financials to be final.

DONATIONS

- Donations Received for October 2025:
Thomas & Company, CPA, PA, Brenda Thornton, PA, Daniel Crapps Agency Inc, Gil Levy, Veita Carter, Frank Williams and Deferred Prosecution totaling \$ 3,220.65.
- Balance of Donation Account for Fiscal-Year-to-Date 2025 - 2026 is: \$ 23,280.65.

EXPENSES

- Fiscal team is analyzing expenses on an in-depth level to identify cost savings opportunities.
- Payroll Expense (Wages \$492,593.71) includes 3 payrolls for the month of October 2025. This plays a huge role in the Net Revenue being negative. (-23,164.66)

ASSETS

1. The SouthState 2918 MM account is the main depository account for our grants, such as (CINS/FINS, Respite, LSF, PayPal, as well as any manual donation checks) with a balance of \$132,704.84.
2. The SouthState 3353 Operating account is where we conduct daily activity. The Balance of \$161,107.27, consists of outstanding transactions that will clear in the following months.
3. The SouthState 9577 account is the set aside funds for the New Shelter of \$152,693.13.
4. The SouthState 9586 account is the ERTC balance of \$1,738,903.05.
5. With adjusting journal entries, this will allow Fiscal to continue to reconcile the Accounts Receiving.

LIABILITIES

1. Accounts Payable accounts including credit cards and payroll liability accounts are being reconciled currently with Fiscals team. There is some training on these accounts that Fiscal has been working on.
2. With adjusting journal entries, this will allow Fiscal to continue to reconcile the Accounts Payables.

CDS Family and Behavioral Health Services, Inc.

Statement of Financial Position

As of October 31, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
2918 SouthState Money Market	132,704.84
3353 SouthState Operating	122,533.39
4 - SouthState 5844	0.00
5836 SouthState Cafeteria Plan	0.00
6565 First Federal Bank - Cash Management	101,362.71
8934 Truist Checking	0.00
9577 SouthState Money Market	152,693.13
9586 SouthState Money Market	1,738,903.05
9595 SouthState Money Market	0.00
Total Bank Accounts	\$2,248,197.12
Accounts Receivable	
Accounts Receivable	
10100 BCG Central	18,466.58
10110 BCG East	64,083.10
10120 CINS/FINS	1,235,860.85
10130 PFS/DCF NW, East, Ctrl	7,319.69
10140 Independent Living	0.00
10150 SAMH	201,080.66
10160 SNAP	185,517.67
10180 RESPITE	7,294.94
Total Accounts Receivable	1,719,623.49
Accounts Receivable Due To-From CASF	-495,043.38
Total Accounts Receivable	\$1,224,580.11
Other Current Assets	
10500 Prepaid Expense	169,537.79
10501 Prepaid Expense (SN3300 - SNAP Justice)	23,048.78
10510 Prepaid Insurance	-49,925.95
10600 Clearing Account	0.00
Grants Receivable	0.00
Payments to deposit	0.00
Total Other Current Assets	\$142,660.62
Total Current Assets	\$3,615,437.85

CDS Family and Behavioral Health Services, Inc.

Statement of Financial Position

As of October 31, 2025

	TOTAL
Fixed Assets	
12110 IYP-C Building in Progress	3,854,232.31
12120 Buildings	528,736.49
12121 - Building Renovations	2,980.43
12130 Furniture and Fixtures	27,320.71
12135 Vehicle Repairs	7,675.00
Accum Depreciation - Non-Restricted	-135,304.96
Accum Depreciation - Restricted	-14,568.00
Accumulated Amortization	-18,397.51
Finance Lease Amortization Expense - Ford Van	3,220.71
Finance Lease Asset (ROU) - Ford Van	114,614.90
Finance Lease Asset - Copier 1	16,512.26
Finance Lease Asset - Copier 2	3,247.74
Finance Lease Asset - Copier 3	3,736.54
Finance Lease Asset - Copier 4	310.21
Total Fixed Assets	\$4,394,316.83
TOTAL ASSETS	\$8,009,754.68
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	583,953.92
Total Accounts Payable	\$583,953.92
Credit Cards	
4449-0000 South State VISA	13,276.02
AMEX Credit Card	16,730.19
Capital One Credit Card	0.00
Lowe's Business Credit Card	322.41
Sam's Club Credit Card	4,628.87
Total Credit Cards	\$34,957.49
Other Current Liabilities	
24050 CoreBridge Payable - Exempt Fed W/H	0.00
A71+10 United Way Payable	385.00
A72+10 United Way Suwannee Valley	10.00
Accrued Accounts Payable	0.00
Accrued Compensated Absences	316,675.90
Child Support	1,025.03
Colonial	-6,290.82
Deferred Prosecution Liability	1,648.50
Direct Deposit Payable	0.00
ERTC Advance	0.00
Payroll Corrections	0.00

CDS Family and Behavioral Health Services, Inc.

Statement of Financial Position

As of October 31, 2025

	TOTAL
Payroll Liabilities	0.00
2023 Blue Options PPO 05774	0.00
2023 BlueCare HMO 71	16,888.71
2023 BlueOptions PPO	0.00
2023 Guardian Employer Paid Life/AD&D	1,052.35
2023 Guardian Employer Paid Short Term Disability	1,652.41
2023 Guardian VSP Vision	1,117.75
2023 PPO Choice Dental	5,341.35
2024 BlueCare HM071 - Payback	0.00
2024 BlueCare PPO 05901	95,960.74
2024 Guardian Basic Term Life Premium	-1,073.56
2024 Guardian Cancer Premium	-628.95
2024 Guardian Dental Premium	-5,227.18
2024 Guardian STD Premium	-1,297.67
2024 Guardian Vision Premium	-1,060.66
2024 Guardian Voluntary AD&D Premium	3,590.91
2024 Guardian Voluntary LTD Percent Benefit Premium	-2,171.16
2024 Guardian Voluntary Term Life Premium	-3,217.99
403(b)	1,340.00
Child Support	0.00
Colonial Life - Critical Illness	961.90
Colonial Life - Individual Medical Bridge	1,213.65
Colonial Life-Intensive Care	11.85
Federal Taxes (941/943/944)	-36,933.24
FL Unemployment Tax	42.00
Guardian Voluntary Cancer	621.90
Health Equity Dependent Care	560.35
Health Equity FSA	-1,400.51
NHP CRWF/NHIVY Base Plan 2022-2023	0.00
Retro Pay Reimbursement	0.00
United Way- SV	12.00
United Way-U1	17.00
Voluntary 2023 Guardian Long Term Disability Plan	2,312.26
Voluntary Life Plan 2023 Guardian Voluntary Life & AD&D	0.00
Wage Garnishment	0.00
Total Payroll Liabilities	79,686.21
Payroll wages and tax to pay	60,713.80
Retirement benefits to pay	0.00
Total Payroll wages and tax to pay	60,713.80
Sales tax to pay	1,113.87
South State Bank Term Loan	0.00
Term Life Insurance Payable	10,367.18
Total Other Current Liabilities	\$465,334.67

CDS Family and Behavioral Health Services, Inc.

Statement of Financial Position

As of October 31, 2025

	TOTAL
Total Current Liabilities	\$1,084,246.08
Long-Term Liabilities	
Finance Lease Liability	60,960.55
Total Long-Term Liabilities	\$60,960.55
Total Liabilities	\$1,145,206.63
Equity	
Donor restricted assets	84,439.00
Net Assets	
No donor restrictions, board designated for capital improvements	315,561.00
No donor restrictions, invested in property and equipment	763,296.00
No donor restrictions, undesignated	1,013,455.64
Operating Reserve	260,000.00
Total Net Assets	2,352,312.64
Opening balance equity	255,944.01
Retained Earnings	4,075,889.62
Net Revenue	95,962.78
Total Equity	\$6,864,548.05
TOTAL LIABILITIES AND EQUITY	\$8,009,754.68

CDS Family and Behavioral Health Services, Inc.

Statement of Activity

October 2025

	TOTAL
Revenue	
40105 Earned Inc -FLNet/DJJ	318,696.12
40108 Earned Inc - FLNet/SNAP Justice	34,035.04
40120 Earned Inc - FLNet/SNAP U12	37,002.94
40121 Earned Inc - FLNet/SNAP In Schools	34,452.00
40127 Earned Inc - Domestic Violence Respite	5,805.44
40130 Earned Inc - SAMH	64,478.90
40135 Earned Inc - Federal BCG Central	30,379.00
40140 Earned Inc - Federal BCG East	29,826.00
40145 Earned Inc - PSF	2,457.14
40150 Interest Income	5,045.92
40155 Other Income - Donations Received	3,220.65
40165 Other Income - Miscellaneous	78.42
Total Revenue	\$565,477.57
GROSS PROFIT	\$565,477.57
Expenditures	
50000 Payroll Expenses	
Company Contributions	
Health Insurance	31,758.51
Total Company Contributions	31,758.51
Taxes	32,191.81
Wages	428,643.39
Total 50000 Payroll Expenses	492,593.71
50004 Group Health Insurance	29,414.98
50020 Employee Appreciation	29.99
50030 Food - Programs	6,107.58
50035 Food - Programs (Non-Food)	173.43
50040 Client Clothing/Supply Expenses	394.66
50050 Client Hygiene Supplies	142.12
50070 Contractual	135.00
50090 Advertising, Promotion & Marketing	2,140.26
50100 Annual Meeting	1,075.00
50110 Auto Operating Expense	42.09
50115 Gas/Fuel	1,380.65
50120 Auto Insurance	3,474.21
50130 Background Screening	12.39
50140 Drug Screen Testing	53.50
50150 Bank Fees	24.57
50160 Board and Staff Meetings	127.97
50180 Dues & Licenses	3,357.58
50200 General Liability Insurance	4,910.20
50205 Commercial Property Insurance	-311.67

CDS Family and Behavioral Health Services, Inc.

Statement of Activity

October 2025

	TOTAL
50210 Worker's Compensation	1,853.82
50220 Janitorial	2,036.03
50230 Lease Expenses	1,489.44
50240 Office Supplies	3,030.92
50245 IT Office Supplies	3,240.72
50250 Postage - Freight	156.00
50280 Subscriptions	50.66
50285 Software Subscriptions	2,983.95
50330 Repair & Maintenance	7,148.00
50340 Utilities	10,096.81
50350 Telephone	2,269.50
50355 Training, Hotel, & Per Diem Reimbursement	4,202.52
50360 Mileage/Parking Reimbursement	807.63
50380 Charitable Contributions	304.17
Total Expenditures	\$584,948.39
NET OPERATING REVENUE	\$ -19,470.82
Other Expenditures	
Depreciation - Non-Restricted	3,693.84
Total Other Expenditures	\$3,693.84
NET OTHER REVENUE	\$ -3,693.84
NET REVENUE	\$ -23,164.66

CDS Family and Behavioral Health Services, Inc.

Statement of Activity by Class

October 2025

October 2023

	BC2100- 2526	BC2300- 2526	CF1100	CF101	CF110 - NEW	CF1200	CF1300	CF1201	CF1301	FA1400	RP7100	SAMH752	SAMH762	SN3100	SN3200	SN3300	TOTAL	
ADM900	3,307.56	33.35															3,357.56	
50160 Dues & Licenses																	4,910.20	
50200 General Liability Insurance	1,083.30	2,377.94	126.37	-1,492.66	394.42	589.95	189.87	498.34	128.57	148.81	637.95	227.54					-311.67	
50205 Commercial Property Insurance	-311.67																	
50210 Worker's Compensation	311.08	958.62	50.94	-601.82	159.00	237.83	76.54	200.90	51.83	59.99	257.18	91.73					1,863.82	
50220 Janitorial	1,647.00	181.20				171.78	36.05										2,036.03	
50230 Lease Expenses	263.04					154.99	154.99	154.99	286.47			154.99	154.99				1,489.44	
50240 Office Supplies	844.59	525.00				121.30	-19.45	355.88	714.51	310.61		92.14	86.34				3,030.92	
50245 IT Office Supplies	3,098.75								140.97								3,240.72	
50250 Postage - Freight									156.00								156.00	
50280 Subscriptions						29.85	20.71										50.66	
50285 Software Subscriptions	2,983.95							322.32	108.00								2,983.95	
50330 Repair & Maintenance	4,092.90	820.68						-249.82	1,737.60								7,148.00	
50340 Utilities	3,040.06	3,815.00								1,804.10							10,998.81	
50350 Telephone	2,286.50									1,654.07							2,286.50	
50355 Training, Hotel, & Per Diem Reimbursement	1,736.41	165.00				483.82	-86.70	63.80	22.21	346.09	14.97	17.41	127.25	169.29	471.20	671.77	4,202.52	
50360 Mileage/Parking Reimbursement	199.02	50.00	45.58				-50.00	92.53	374.16					96.34			807.63	
50380 Charitable Contributions	304.17																304.17	
Total Expenditures	\$ 94,181.81	\$ 22,955.99	\$ 4,924.76	-\$ 3,223.80	\$ 30,261.21	\$ 87,380.87	\$ 84,933.85	\$ 16,160.90	\$ 102,023.58	\$ 10,451.57	\$ 9,468.70	\$ 0.00	\$ 5,093.78	\$ 48,863.04	\$ 21,774.03	\$ 15,813.44	\$ 33,998.66	\$ 58,434.39
Net Operating Revenue	-\$ 85,876.82	\$ 7,423.01	\$ 25,001.24	\$ 3,223.80	\$ 1,905.43	\$ 1,818.67	-\$ 26,903.09	\$ 9,979.37	\$ 7,554.10	\$ 4,419.20	-\$ 9,468.70	\$ 5,805.44	\$ 5,093.78	\$ 15,615.86	\$ 6,236.35	\$ 27,631.12	\$ 96.38	\$ 19,470.82
Other Expenditures																		
Depreciation - Non-Restricted	3,693.84																	
Total Other Expenditures	\$ 3,693.84	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 3,693.84						
Net Other Revenue	\$ 3,693.84	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 3,693.84						
Net Revenue	\$ 89,570.66	\$ 7,423.01	\$ 25,001.24	\$ 3,223.80	\$ 1,905.43	\$ 1,818.67	-\$ 26,903.09	\$ 9,979.37	\$ 7,554.10	\$ 4,419.20	-\$ 9,468.70	\$ 5,805.44	\$ 5,093.78	\$ 15,615.86	\$ 6,236.35	\$ 27,631.12	\$ 96.38	\$ 23,164.66



**CDS FAMILY & BEHAVIORAL HEALTH SERVICES, INC.
AND AFFILIATE**

GAINESVILLE, FLORIDA

AUDIT PRESENTATION



Thomas & Company, CPA, PA
Certified Public Accountants and Business Consultants



AUDIT SCOPE

1

Audited the Financial statements in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*

2

Reviewed Internal Controls over Governing, Financial, and Compliance Operations

3

Tested Compliance of Major Federal Awards

4

Detailed Testing of Major Programs



**CDS FAMILY & BEHAVIORAL HEALTH SERVICES, INC., AND AFFILIATE
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2025**

Schedule I

	Community Alternative Services	CDS Family & Behavioral Health Services, Inc.	Foundation, Inc.	Eliminations	Consolidated
ASSETS					
Current Assets					
Cash & Cash Equivalents	\$ 1,494,137	\$ 50,595	\$ -	\$ 1,544,732	
Grants and Other Receivables, Net	1,227,214	600	-	1,227,814	
Prepaid Expenses and Other Due To / Due From	193,471	-	-	193,471	
Restricted Cash					
Capital Campaign	84,439	-	-	84,439	
Operating Reserve	260,000	-	260,000	-	
Total Current Assets	3,259,261	818,881	(767,686)	3,310,456	
Long-Term Assets					
Property and Equipment, Net Finance Lease Asset (ROU)	4,298,478	635,667	-	4,934,145	
	3,065	-	-	3,065	
Total Long-Term Assets	4,301,543	635,667	-	4,937,210	
TOTAL ASSETS	7,560,804	1,454,548	(767,686)	8,247,666	
LIABILITIES AND NET ASSETS					
LIABILITIES					
Current Liabilities					
Accounts Payable & Accrued Expenses Due To / Due From	674,207	-	-	674,207	
Accrued Compensated Absences	767,686	-	(767,686)	-	
Payroll Liabilities	316,676	-	-	316,676	
Current Portion of Finance Lease Liability	48,949	-	-	48,949	
Total Current Liabilities	1,810,620	-	(767,686)	1,042,934	
Non-Current Liabilities					
Deferred Prosecution Liability	1,649	-	-	1,649	
Total Non-Current Liabilities	1,649	-	-	1,649	
TOTAL LIABILITIES	1,812,269	-	(767,686)	1,044,583	
NET ASSETS					
Without Donor Restrictions					
Undesignated	790,057	818,881	-	1,608,938	
Board Designated for Capital Improvements	315,561	-	-	315,561	
Invested in Property and Equipment	4,298,478	635,667	-	4,934,145	
Board Designated for Reserve	260,000	-	-	260,000	
Total Net Assets Without Donor Restrictions	5,664,096	1,454,548	-	7,118,644	
Net Assets With Donor Restrictions	84,439	-	-	84,439	
TOTAL NET ASSETS	5,748,535	1,454,548	-	7,203,083	
TOTAL LIABILITIES AND NET ASSETS	\$ 7,560,804	\$ 1,454,548	\$ (767,686)	\$ 8,247,666	



**CDS FAMILY & BEHAVIORAL HEALTH SERVICES, INC., AND AFFILIATE
CONSOLIDATING STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

Schedule II

	Community Alternative Services	Foundation, Inc.	Eliminations	Consolidated
SUPPORT AND REVENUE				
SUPPORT				
Grants and Contracts	\$ 5,058,210	\$ -	\$ -	\$ 5,058,210
Contributed Facilities, Materials and Supplies	165,764	-	-	165,764
TOTAL SUPPORT	<u>5,223,974</u>	<u>-</u>	<u>-</u>	<u>5,223,974</u>
REVENUE				
Other Income	1,253,217	595	-	1,253,812
TOTAL REVENUE	<u>1,253,217</u>	<u>595</u>	<u>-</u>	<u>1,253,812</u>
TOTAL REVENUE AND SUPPORT	<u>6,477,191</u>	<u>595</u>	<u>-</u>	<u>6,477,786</u>
EXPENSES:				
Administration	1,696,096	30,597	-	1,726,693
Interface/Runaway	3,179,152	-	-	3,179,152
Prevention	1,503,746	-	-	1,503,746
TOTAL EXPENSES	<u>6,378,994</u>	<u>30,597</u>	<u>-</u>	<u>6,409,591</u>
CHANGE IN NET ASSETS				
NET ASSETS AT THE BEGINNING OF THE YEAR	98,197	(30,002)	-	68,195
NET ASSETS AT END OF YEAR	<u>\$ 5,650,338</u>	<u>\$ 1,484,550</u>	<u>\$ -</u>	<u>7,134,888</u>
	<u>\$ 5,748,535</u>	<u>\$ 1,454,548</u>	<u>\$ -</u>	<u>\$ 7,203,083</u>



CDS FAMILY & BEHAVIORAL HEALTH SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025

Schedule III

	<u>CDS Family & Behavioral Health Services, Inc.</u>	<u>Community Alternative Services Foundation, Inc.</u>	<u>Eliminations</u>	<u>Consolidated</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in Net Assets	\$ 98,197	\$ (30,002)	\$ -	\$ 68,195
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:				
Depreciation	118,201	27,118	-	145,319
Interest Expenses	178,079	-	-	178,079
Amortization Expenses	5,565	(272,643)	-	5,565
Due To / Due From	272,643	-	-	-
Decrease / (Increase) in Grants and Other Receivables, Net	1,075,522	-	-	1,075,522
Decrease / (Increase) in Prepaid Expenses and Other	(114,534)	-	-	(114,534)
(Decrease) / Increase in Accounts Payable & Accrued Expenses	(121,962)	-	-	(121,962)
(Decrease) / Increase in Accrued Compensated Absences	156,760	-	-	156,760
(Decrease) / Increase in Deferred Prosecution Liability	453	-	-	453
(Decrease) / Increase in Payroll Liability	(47,685)	-	-	(47,685)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1,621,239	(275,527)	-	1,345,712
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of Property and Equipment	(484,114)	-	-	(484,114)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(484,114)	-	-	(484,114)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayments of ERTC Loan	(1,073,419)	-	-	(1,073,419)
Repayments of Van Loan	(50,200)	-	-	(50,200)
Repayments of Finance Lease	(5,606)	-	-	(5,606)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(1,129,225)	-	-	(1,129,225)
NET INCREASE/(DECREASE) IN CASH	7,900	(275,527)	-	(267,627)
CASH AT THE BEGINNING OF THE YEAR	1,830,576	326,122	-	2,156,798
CASH AT THE END OF THE YEAR	1,838,576	50,595	-	1,889,171
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Cast Paid for Interest	178,114	-	-	178,114

Presented on the Statement of Financial Position as :

Cash and Cash Equivalents	1,494,137	50,595	-	1,544,732
Restricted Cash - Capital Campaign	84,439	-	84,439	-
Restricted Cash - Operating Reserve	260,000	-	260,000	-

\$ 1,838,576	\$ 50,595	\$ -	\$ 1,889,171
---------------------	------------------	-------------	---------------------



CDS FAMILY & BEHAVIORAL HEALTH SERVICES, INC.
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	CDS			CASF		
	Administration	Program Services	Interface / Runaway	Prevention	CDS Total	Administration
Support and Revenue						
Grants and Contracts	\$ -	\$ 3,580,624	\$ 1,477,586	\$ 5,058,210	-	\$ 5,058,210
Contributed Facilities, Materials and Supplies	1,227,705	5,764	160,000	165,764	-	165,764
Other Income	-	22,997	2,515	1,253,217	-	1,253,812
Total Support and Revenue	1,227,705	3,609,385	1,640,101	6,477,191	595	6,477,786
Expenses						
Advertising	4,730	4,509	129	9,368	-	9,368
Amortization Expenses	5,565	-	-	5,565	-	5,565
Auto	1,714	13,775	-	15,489	-	15,489
Depreciation	118,201	-	-	118,201	27,118	145,319
Dues and Subscriptions	61,711	23,514	359	85,584	-	85,584
Facilities, Materials and Supplies - Contributed	-	5,764	160,000	165,764	-	165,764
Food	5,187	79,826	8,864	93,877	-	93,877
Insurance	130,433	286,140	107,918	524,491	-	524,491
Interest Expenses	178,114	-	-	178,114	-	178,114
Janitorial Expenses	17,766	14,022	1,179	32,967	-	32,967
Miscellaneous	142,764	93,706	17,925	254,395	3,479	257,874
Office Supplies and Postage	23,179	21,873	6,543	51,595	-	51,595
Professional and Contractual Services	212,996	7,162	569,725	789,883	-	789,883
Rent	-	17,634	-	17,634	-	17,634
Repairs, Maintenance and Supplies	28,302	41,088	882	70,272	-	70,272
Salaries and Wages	680,674	2,478,260	625,195	3,784,129	-	3,784,129
Telephone and Utilities	77,787	87,692	2,431	167,910	-	167,910
Travel and Conferences	6,973	4,187	2,596	13,756	-	13,756
Total Expenses	1,696,096	3,179,152	1,503,746	6,378,994	30,597	6,409,591
Change in Net Assets	\$ (468,391)	\$ 430,233	\$ 136,355	\$ 98,197	\$ (30,002)	\$ 68,195



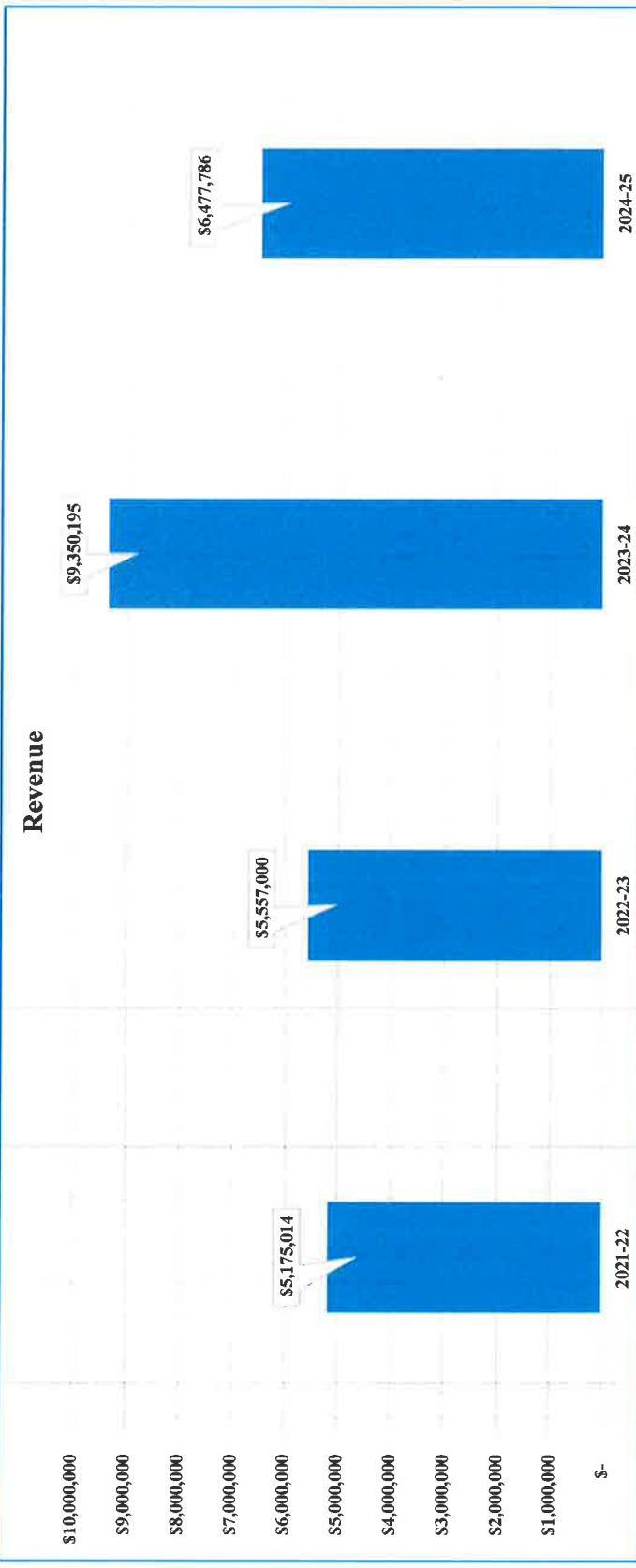
Significant Audit Findings

Issued Unmodified Opinion on Financial Statements

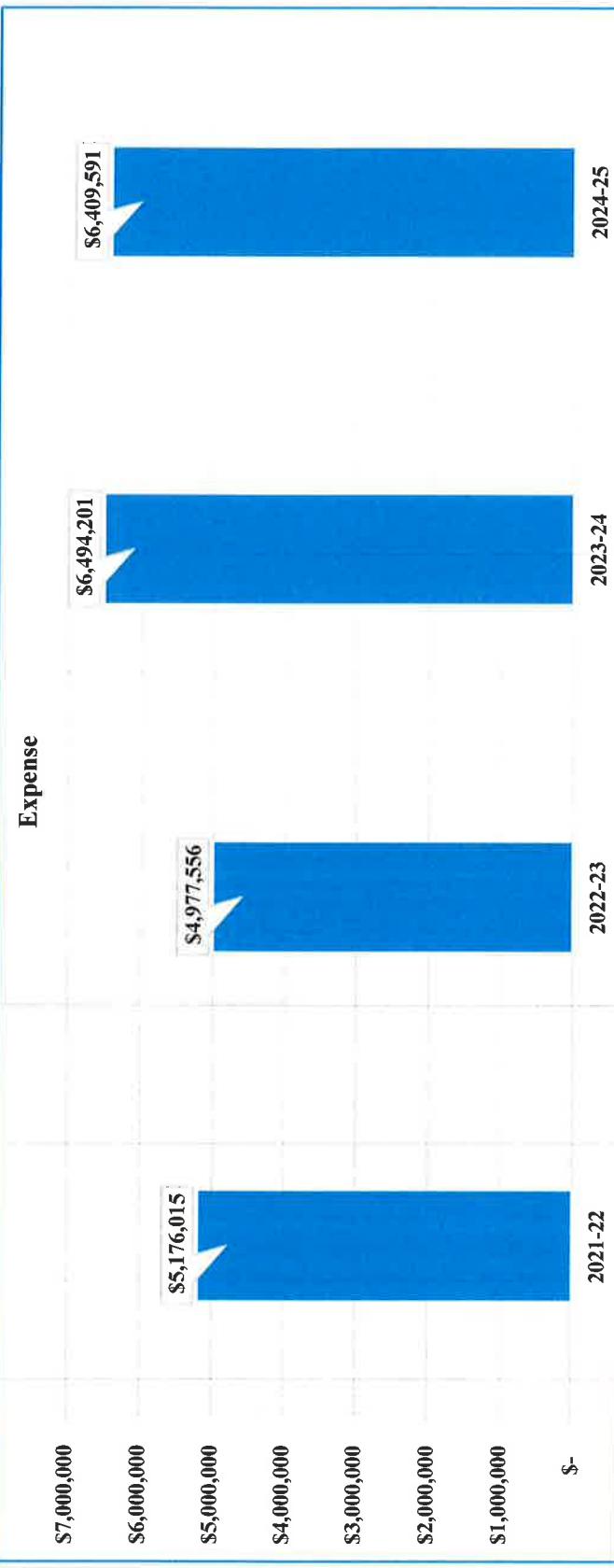
Issued Unmodified Audit Opinion on the Financial statements and Yellow Book *Government Auditing Standards*

Issued Unmodified Audit Opinion on the Single Audit / Uniform Guidance

REVENUE ANALYSIS

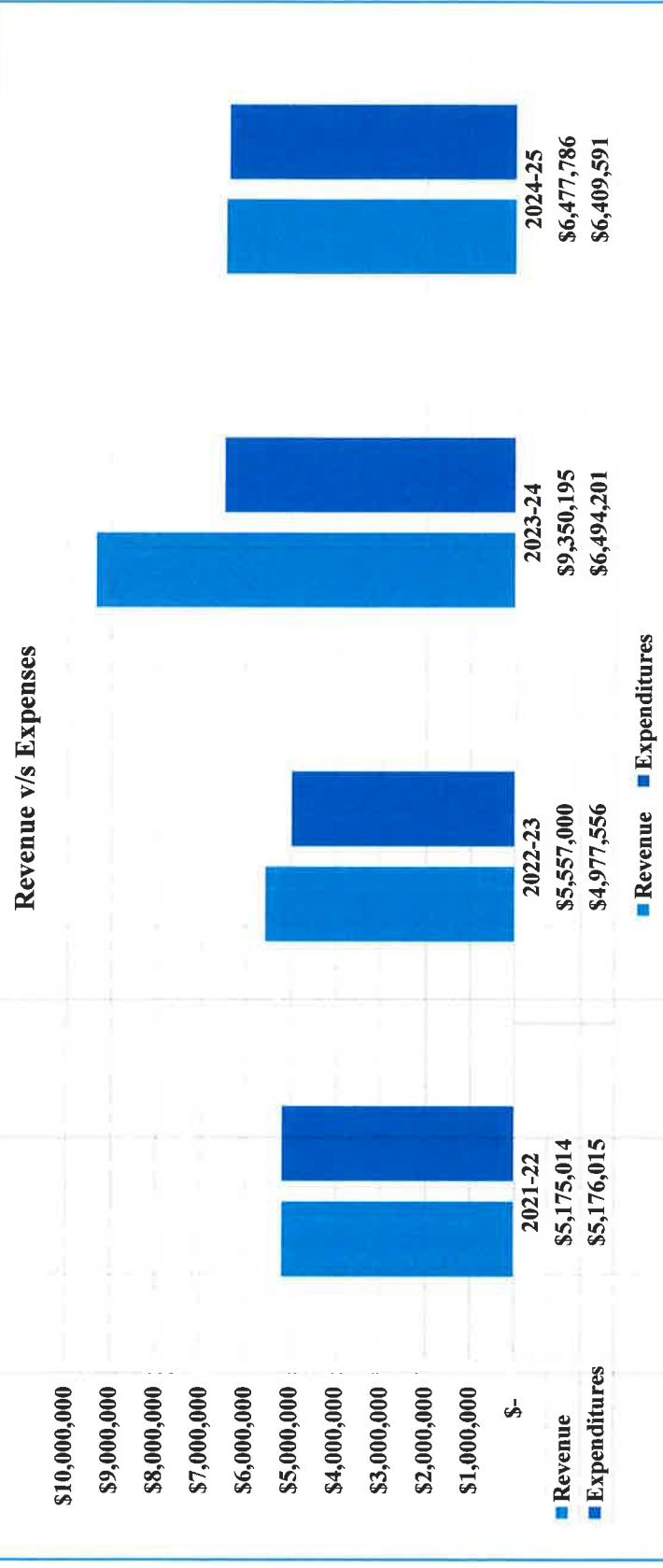


EXPENSE ANALYSIS



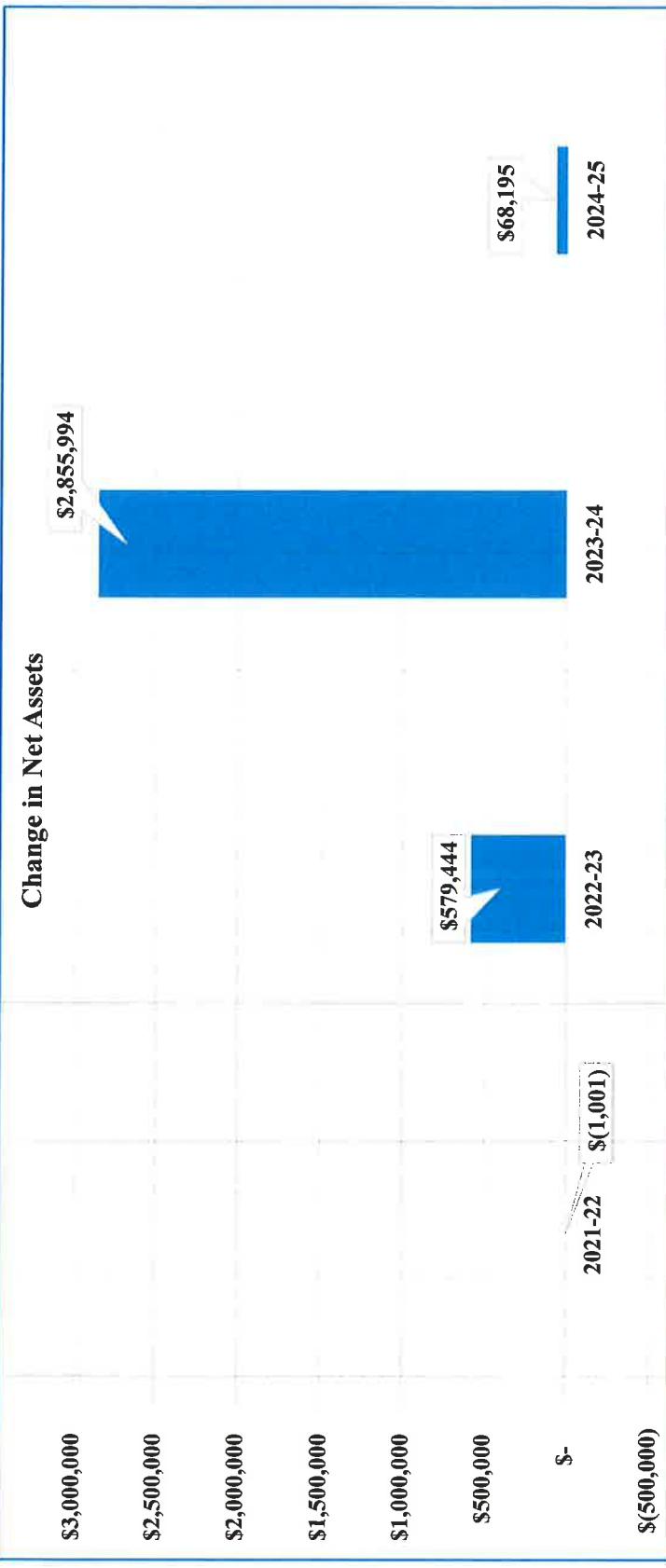


REVENUE AND EXPENSE ANALYSIS



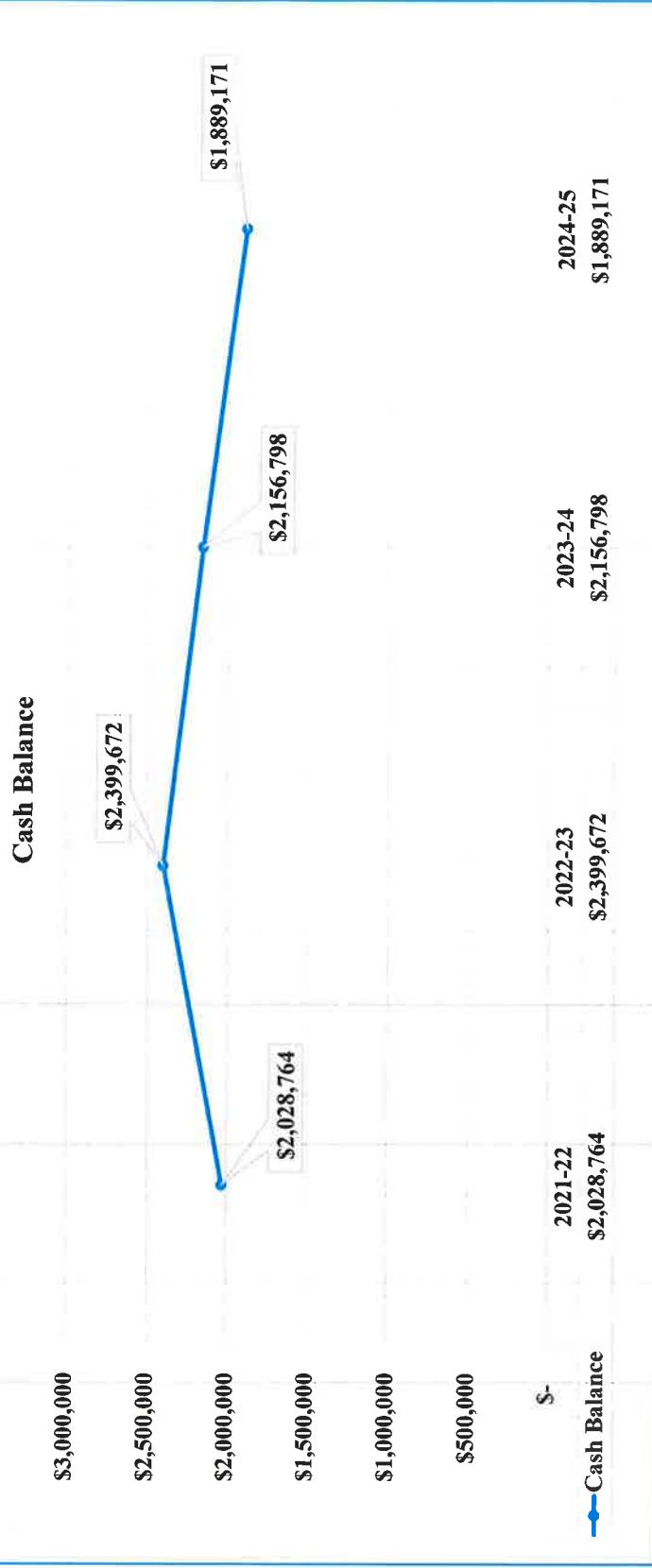


CHANGES IN NET ASSETS





BALANCE SHEET ANALYSIS





BALANCE SHEET ANALYSIS

Assets vs Liabilities



RATIO ANALYSIS

CURRENT RATIO

- 2021-22: 6.14
- 2022-23: 15.88
- 2023-24: 2.31
- 2024-25: 3.17

OPERATING MARGIN

- 2021-22: -0.02%
- 2022-23: 10.43%
- 2023-24: 30.54%
- 2024-25: 1.05%





Other Matters – Communication With Those Charged With Governance

Our Responsibility under U.S. Generally Accepted Auditing Standards

- Reasonable Assurance, Not absolute
- Financial Statements Fairly Presented and Free From Material Misstatements Under U.S. Generally Accepted Accounting Standards

Disagreements with Management

- None

Audit Difficulties Encountered While Performing the Audit

- None



QUESTIONS?



Thomas & Company, CPA, PA
Certified Public Accountants and Business Consultants



Cindy's Programs Report for CDS Board meeting 12/11/25

December CINS/FINS Report:

Our November Florida Network Report Card is at 92% compliance with our contract measures. We have met 12 of 13 measures and are currently below on the Community Counseling admissions. Our directors and counselors have increased their outreach efforts and working diligently to increase intakes and we are planning to meet with the Community Counseling team to discuss plans for improvements. The shelters combined had 635 total filled bed days in November. IYP-East 231 filled bed days, IYP-Central 196 filled bed days and IYP-NW 208 filled bed days.

Our SNAP teams are performing well with all three programs running groups consistently. The program managers are currently having graduations in December, and our new SNAP for Youth Justice program completed their first graduating class ceremony on Tuesday evening this week.

Prevention Programs:

We completed the prevention program audit and were granted our renewed prevention license on December 4th. The new license is effective 12/8/2025 and expires on 12/7/2026. The Investing in Our Youth mentoring program continues to recruit volunteers and complete background checks on all volunteers to begin providing services to youth ages 10-17. This is a three-year contract totaling \$449,999.97. We have the majority of staff trained and have begun mentoring youth in Levy County. We expect to submit our first invoice to DJJ for December services at the beginning of January.

Staffing Issues: We are currently advertising for youth care staff who are needed in all three shelters. Two residential supervisor positions remain open as well as one community counselor position. We have an excellent RN applicant in background screening now and hope to have her hired for our Lake City shelter soon. The key positions that we must try to keep filled to avoid extended vacancies which could result in possible penalties are Residential Directors, Licensed Clinicians, and Registered Nurses. Any key position with a vacancy of more than 90 days could result in withholding of \$100.00/day for each day the position remains vacant.

Scheduled Monitoring Visits: We received notice of our upcoming Florida Network Quality Improvement audit for our Central CINS/FINS programs which includes our Interface Youth Shelter, Community Counseling and SNAP programs in Gainesville. The audit will be two full days with four- five reviewers scheduled for next Wednesday and Thursday December 17th and 18th. We also have a tentative date for our two federal Basic Center Grants monitoring visits the last week of February.



DEAR MEMBERS OF THE BOARD,

WE WANTED TO SAY THANK YOU. OVER THE PAST FEW MONTHS, WE'VE BEEN LEARNING ABOUT GRATITUDE, PAYING ATTENTION TO GOOD THINGS AROUND US, THINKING ABOUT THE PEOPLE WHO HELP US, AND PRACTICING HOW TO SAY THANKS. DOING THIS HAS HELPED US REALIZE HOW MANY PEOPLE CARE ABOUT US, EVEN THE ONES WE DON'T GET TO MEET.

EVEN THOUGH WE DON'T KNOW YOU PERSONALLY, WE WANT YOU TO KNOW THAT WHAT YOU DO REALLY MATTERS. BECAUSE OF YOUR SUPPORT, THIS SHELTER FEELS SAFE, WELCOMING, AND LIKE A PLACE WHERE WE CAN RELAX, LEARN NEW THINGS, AND WORK ON OURSELVES. WE APPRECIATE THAT A LOT.

AS A SMALL WAY OF THANKING YOU, WE MADE HOLIDAY GIFT BAGS FOR EACH OF YOU. THEY'RE SIMPLE, BUT WE MADE THEM WITH CARE, AND WE HOPE THEY REMIND YOU THAT YOUR WORK TRULY MAKES A DIFFERENCE.

THANK YOU FOR BELIEVING IN THIS PROGRAM AND IN THE YOUTH WHO COME HERE.

WITH APPRECIATION,
THE CENTRAL KIDS