

# Saltmarsh

Saltmarsh, Cleaveland & Gund

*CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS*

**LIFETIME GROUP, INC. AND SUBSIDIARIES**

**PENSACOLA, FLORIDA**

**CONSOLIDATED FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2024 AND 2023**

**LIFETIME GROUP, INC. AND SUBSIDIARIES**  
**PENSACOLA, FLORIDA**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

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**LIFVIEW GROUP, INC. AND SUBSIDIARIES**  
**PENSACOLA, FLORIDA**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

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## INDEPENDENT AUDITORS' REPORT

Management and the Board of Directors  
LifeView Group, Inc. and Subsidiaries  
Pensacola, Florida

### Opinion

We have audited the consolidated financial statements of LifeView Group, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of September 30, 2024 and 2023, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended and the related notes (collectively referred to as the consolidated financial statements).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company at September 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Consolidated Financial Statements

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of 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 GAAS 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 aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The DUI School and Access Behavioral Health (Regulatory Basis) supplementary information are presented on pages 41 through 48 for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

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 by Chapter 10.650, *Rules of the Auditor General*, presented on pages 49 through 61 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

The accompanying schedule of functional revenues and expenses (regulatory basis), schedule of state earnings (regulatory basis), schedule of related-party transaction adjustments (regulatory basis) and schedule of bed-day availability payments are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management. The information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and, accordingly, we express no opinion on them.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we also have issued our report dated February 7, 2025 on our consideration of the Company'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 Company'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 Company's internal control over financial reporting and compliance.



Pensacola, Florida  
February 7, 2025

## LifeView Group, Inc. and Subsidiaries

### Consolidated Balance Sheets

*(Dollars in Thousands)*

**September 30, 2024 and 2023**

	2024	2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 23,965	\$ 31,912
Short-term investments	-	277
Accounts receivable:		
Client accounts receivable, net	1,361	900
Governmental funding sources receivable	9,830	8,734
Vocational service contracts receivable	22,769	13,646
Other accounts receivable	1,320	2,733
Total accounts receivable	35,280	26,013
Inventories	699	984
Prepaid expenses	1,763	1,751
Total current assets	61,707	60,937
Noncurrent assets:		
Property and equipment, net	33,820	30,968
Leases right-of-use assets	4,215	5,759
Other assets	114	115
Total noncurrent assets	38,149	36,842
Total assets	\$ 99,856	\$ 97,779

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## LifeView Group, Inc. and Subsidiaries

### Consolidated Balance Sheets

*(Dollars in Thousands)*

**September 30, 2024 and 2023**

*(Continued)*

	2024	2023
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable	\$ 5,430	\$ 3,235
Accrued liabilities	21,078	22,698
Current portion of long-term debt	45	41
Current portion of lease obligation	1,578	1,573
Compensated absences	3,738	3,502
Total current liabilities	31,869	31,049
Noncurrent liabilities:		
Long-term debt, less current portion	34,877	36,322
Lease obligation, less current portion	3,115	4,693
Total noncurrent liabilities	37,992	41,015
Total liabilities	69,861	72,064
Net assets:		
Without donor restrictions	28,551	24,285
With donor restrictions	1,444	1,430
Total net assets	29,995	25,715
Total liabilities and net assets	\$ 99,856	\$ 97,779

*The accompanying notes are an integral part of these consolidated financial statements.*

**LifeView Group, Inc. and Subsidiaries**

**Consolidated Statements of Operations  
and Changes in Net Assets**

*(Dollars in Thousands)*

**Years Ended September 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Revenue and other support without donor restrictions:		
Federal, state, and local financial awards	\$ 58,054	\$ 58,657
Net client service fees	22,094	22,321
Vocational service contracts	114,847	103,349
Contract revenue	33,967	37,387
Other revenue and support	976	1,703
Total revenues and other support without donor restrictions	<u>229,938</u>	<u>223,417</u>
Expenses:		
Salaries and wages	114,787	105,789
Fringe benefits	33,383	31,218
Building occupancy	6,988	6,193
Professional fees	4,592	4,978
Contract medical services	15,179	18,105
Travel	2,024	2,004
Equipment costs	5,305	4,781
Food services	2,252	1,958
Medical/pharmacy services	12,993	15,552
Subcontracted services	16,749	12,534
Subsidy payments	477	3,262
Personal welfare	748	1,123
Insurance	1,733	2,211
Donated items	39	290
Depreciation	2,572	2,531
Other operating expenses	4,102	3,927
Total expenses	<u>223,923</u>	<u>216,456</u>
Income from operations	6,015	6,961
Nonoperating income (expense):		
Investment income	299	7
Interest expense	(2,048)	(2,072)
Total nonoperating expense, net	<u>(1,749)</u>	<u>(2,065)</u>
Excess of revenues and other support over expenses	4,266	4,896

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**LifeView Group, Inc. and Subsidiaries**

**Consolidated Statements of Operations  
and Changes in Net Assets**

*(Dollars in Thousands)*

**Years Ended September 30, 2024 and 2023**

*(Continued)*

	<u>2024</u>	<u>2023</u>
Net assets without donor restrictions:		
Excess of revenues and other support over expenses	\$ 4,266	\$ 4,896
Other changes in net assets without donor restrictions	<u>-</u>	<u>(612)</u>
Change in net assets without donor restrictions	4,266	4,284
Net assets with donor restrictions:		
Change in restricted fund	<u>14</u>	<u>621</u>
Change in net assets with donor restrictions	14	621
Change in net assets	4,280	4,905
Net assets at beginning of year	<u>25,715</u>	<u>20,810</u>
Net assets at end of year	<u>\$ 29,995</u>	<u>\$ 25,715</u>

*The accompanying notes are an integral part of these consolidated financial statements.*

**LifeView Group, Inc. and Subsidiaries**

**Consolidated Statements of Cash Flows**

*(Dollars in Thousands)*

**Years Ended September 30, 2024 and 2023**

	2024	2023
<b>Operating activities</b>		
Change in net assets	\$ 4,280	\$ 4,905
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	2,572	2,531
Amortization of debt issuance costs	100	99
Changes in operating assets and liabilities:		
Client accounts receivable	(461)	(172)
Governmental funding sources receivable	(1,096)	(4,807)
Vocational service contracts receivable	(9,123)	(1,430)
Other accounts receivable	(87)	(429)
Inventories	285	(58)
Prepaid expenses	(12)	(603)
Other assets and liabilities	192	70
Accounts payable	2,195	(1,959)
Accrued liabilities	(1,620)	1,571
Compensated absences	236	72
Net cash used in operating activities	(2,539)	(210)
<b>Investing activities</b>		
Purchases of property and equipment, net of disposals	(5,424)	(2,614)
Maturities of short-term investments	277	-
Net cash used in investing activities	(5,147)	(2,614)

*Continued on next page*

**LifeView Group, Inc. and Subsidiaries**

**Consolidated Statements of Cash Flows**

*(Dollars in Thousands)*

**Years Ended September 30, 2024 and 2023**

*(Continued)*

	<u>2024</u>	<u>2023</u>
<b>Financing activities</b>		
Repayments of long-term debt	\$ (41)	\$ (38)
Principal payments on finance lease liabilities	<u>(220)</u>	<u>(48)</u>
Net cash used in financing activities	<u>(261)</u>	<u>(86)</u>
Net change in cash and cash equivalents	(7,947)	(2,910)
Cash and cash equivalents at beginning of year	<u>31,912</u>	<u>34,822</u>
Cash and cash equivalents at end of year	<u>\$ 23,965</u>	<u>\$ 31,912</u>
 <b>Supplemental disclosure of cash flow information</b>		
Interest paid	<u>\$ 2,072</u>	<u>\$ 2,072</u>
Costs for purchases of equipment included in other liabilities	<u>\$ -</u>	<u>\$ 142</u>
 <b>Supplemental disclosure of noncash investing and financing activities</b>		
Long-term debt incurred for purchases of property and equipment	<u>\$ -</u>	<u>\$ 845</u>
Noncash principal repayment on long-term debt	<u>\$ 1,500</u>	<u>\$ -</u>

*The accompanying notes are an integral part of these consolidated financial statements.*

# LifeView Group, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

*(Dollars in Thousands)*

September 30, 2024 and 2023

### 1. Organization and Summary of Significant Accounting Policies

#### Organization

LifeView Group, Inc. (LGI or the Company), a nonprofit organization, was incorporated in 2021 to purchase Lakeview Center, Inc. (the Center) and its affiliates, Global Connections to Employment, Inc. (GCE), CMHC Hernandez House, Inc., Lakeview Place, Inc., Lakeview Villas, Inc. (the 3 collectively -HUDs). The Center was acquired pursuant to the Member Substitution Agreement. LGI is the sole member of GCE and the Center. The Center is the sole member of the HUDs. CMHC Hernandez House, Inc. is no longer active.

Lakeview Center, Inc., a nonprofit organization, was incorporated in 1954, as Community Mental Health Center of Escambia County, Inc. The mission of the Center, including all of its subsidiaries, is to help people through life's journey by providing behavioral health services, and child protective services. Lakeview Place, Inc. and CMHC Hernandez House, Inc. are U.S. Department of Housing and Urban Development (HUD) multi-unit dwellings owned by the Center that provide housing facilities and services to people diagnosed with mental illness. The contract for CMHC Hernandez House, Inc. ended September 30, 2021. Subsequent to September 30, 2021, the operations of CMHC Hernandez House, Inc. have been included in the Center operations. Lakeview Villa, Inc. is a HUD apartment complex owned by the Company that provides low-cost housing facilities and services to persons with chronic mental illness. Global Connections to Employment, Inc. is a nonprofit organization and its mission is to employ people with disabilities and provide vocational services.

#### Principles of Consolidation

The accompanying consolidated financial statements include the accounts of LifeView Group, Inc. and its related entities: Lakeview Center, Inc.; Global Connections to Employment, Inc.; Lakeview Villa, Inc.; and Lakeview Place, Inc.. All inter-entity transactions have been eliminated in consolidation.

#### Operating and Nonoperating Activities

The Company's primary mission is to provide a broad range of behavioral health services, vocational services, and child protective services to citizens of the region and nationally, across 14 states and the District of Columbia. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Other activities that result in gains or losses unrelated to the Company's primary mission are considered nonoperating.

#### Use of Estimates

The preparation of these consolidated financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP) requires management to make estimates and assumptions. These estimates and assumptions affect certain reported amounts of assets and liabilities at the date of the consolidated financial statements and revenues and expenses recognized during the reporting period. Accordingly, actual results may differ from those estimates.

# LifeView Group, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

### 1. Organization and Summary of Significant Accounting Policies (continued)

#### Net Assets

The Company reports information regarding financial position and activities according to two classes of net assets: with and without donor restriction. Net assets are classified based on the existence or absence of donor-imposed restrictions, if any, that may or may not be met by actions of management or by the passage of time.

The net asset categories reflected in the accompanying consolidated financial statements are as follows:

- *Without donor restriction* – Net assets that are free of donor-imposed restrictions, including all revenues, expenses, gains, and losses that are not changes in net assets with donor restrictions.
- *With donor restriction* – Net assets whose use by the Company is limited by donor-imposed stipulations that may or may not expire by passage of time or that can or cannot be fulfilled or removed by action of the Company pursuant to those stipulations.

#### Contributions

The Company records contributions as being with or without donor restriction depending on the existence and/or nature of any donor or grantor restrictions.

#### Cash Equivalents

The Company considers all highly liquid investment instruments with maturities of three months or less when purchased to be cash equivalents. Cash deposits are federally insured in limited amounts. As of September 30, 2024, LGI holds one certificate of deposit with an original maturity of 90 days that is classified within cash equivalents.

#### Short-Term Investments

Short-term investments consist of a certificate of deposit held by LGI that automatically renews every 182 days. Due to the short-term nature, the carrying amount reported in the consolidated balance sheet approximates the fair value as of September 30, 2023. During the year ended September 30, 2024, the certificate of deposit matured and was reinvested into a new certificate of deposit with an original maturity of 90 days, which is classified within cash equivalents.

#### Net Client Service Revenue and Accounts Receivable

Accounts receivable relating to net client service revenue are based upon the estimated amounts expected to be paid from patients and third-party payors. Opening balances for client accounts receivable totaled \$900 and \$728 at October 1, 2023 and 2022, respectively.

# LifeView Group, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

*(Dollars in Thousands)*

September 30, 2024 and 2023

### 1. Organization and Summary of Significant Accounting Policies (continued)

#### Allowance for Credit Losses

Accounts receivable are written off after collection efforts have been followed in accordance with the Company's policies. Accounts written off as uncollectible are deducted from the allowance for uncollectible accounts and subsequent recoveries are added. Periodically, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category, current conditions and reasonable and supportable forecasts. The results of this review are then used to make any modifications to the provision for credit losses to establish an appropriate allowance for uncollectible receivables.

#### Contract and Other Receivables

Receivables for contracted services are typically deemed wholly collectible as they are due from governmental units, grantors, and third-party paying agencies. Opening balances for contract and other accounts receivable totaled \$25,113 and \$18,447 at October 1, 2023 and 2022, respectively.

#### Inventories

Inventories (primarily pharmaceutical inventories) are stated at the lower of cost (average cost method) or net realizable value using the first-in, first-out method.

#### Property and Equipment

Property and equipment acquisitions are recorded at historical cost. Property and equipment donated to the Company are recorded at fair value at the date of receipt. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line- method. Estimated useful lives of depreciable assets are as follows:

Buildings	40 years
Building and land improvements	10–20 years
Furniture and equipment	3–7 years
Technology	5–10 years

#### Compensated Absences

Employees are entitled to accumulate a limited amount of earned but unused annual leave. Accordingly, the Company records an accrual for earned, unused, vested annual leave in accordance with the Company's policy. Upon separation from the Company, employees are entitled to this amount of unused vested leave.

# LifeView Group, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

### 1. Organization and Summary of Significant Accounting Policies (continued)

#### Net Client Service Fees

The Company has agreements with third-party payors that provide payments to the Company at amounts different from its established rates. Payment arrangements include prospectively determined rates per completion of service, reimbursed costs, and discounted charges. Net client service fees are reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. The Company accepts clients in immediate need of care, regardless of their ability to pay, and serves certain clients whose care costs are not paid at established rates, including those sponsored under government programs such as Medicare and Medicaid, those sponsored under private contractual agreements, charity clients, and other uninsured clients who have limited ability to pay. The Company recognizes client service fee revenue associated with clients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured clients who do not qualify for charity care, revenue is recognized on the basis of discounted rates in accordance with the Company's policy.

A summary of the payment arrangements with major third-party payors follows:

*Medicare* – Client services rendered to Medicare program beneficiaries are reimbursed under a fee-for-service methodology.

*Medicaid* – Client mental health and substance abuse services rendered to Medicaid program beneficiaries are reimbursed under a capitated arrangement.

*Other* – The Company has also entered into payment agreements with certain insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Company under these agreements includes prospectively determined rates and discounts from established charges.

#### Charity Care

Quality care is provided to all persons requiring immediate treatment regardless of their ability to pay. An individual is classified as a charity client by reference to certain established policies of the Company. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a client's ability to pay, the Company utilizes the most recently published federal poverty income guidelines, but also includes certain cases where incurred charges are significant when compared to income. These charges are subtracted in the net client service fees calculation.

The Company estimates the direct and indirect costs of providing charity care by applying a cost to gross charges ratio to the gross uncompensated charges associated with providing charity care to clients. The cost of providing charity care was \$5,037 and \$4,693 for the years ended September 30, 2024 and 2023, respectively.

# LifeView Group, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

### 1. Organization and Summary of Significant Accounting Policies (continued)

#### Medicaid Managed Medical Assistance Contract Revenue

The Company is licensed as a prepaid limited health services organization pursuant to Chapter 636, *Florida Statutes*. Effective August 1, 2014, the Company, doing business as Access Behavioral Health, was awarded contracts with the Medicaid Managed Medical Assistance Plan (the MMA Plan). The Company receives a per-member per-month rate to provide mental health and substance abuse services to an annual average of 107,000 Medicaid beneficiaries in Florida's Regions 1 and 2. Amounts received are recognized as contract revenue during the period in which the Company is obligated to provide services to beneficiaries. Approximately \$31,054 and \$37,863 was recognized as revenue under the MMA Plan during the years ended September 30, 2024 and 2023, respectively.

#### Medicaid Managed Medical Assistance Plan Costs

The Company is directly responsible for providing mental health and substance abuse services to beneficiaries residing in Escambia, Santa Rosa, and Walton counties, representing approximately 62% of the covered lives under the MMA Plan. The Company has entered into subcontracts with three comprehensive community mental health centers to provide mental health services to the MMA Plan beneficiaries residing in the other counties in these Regions. These subcontracts are typically on a full-risk capitated basis. The mental health services covered under the MMA Plan are generally the same as those covered under the Medicaid fee-for-service program. Covered services include inpatient psychiatric care, outpatient care, substance abuse, and physician services. The majority of services for which the Company is directly responsible are provided within its own service delivery system; however, some services are sub-contracted on a fee-for-service basis with local area hospitals and providers. A provision has been made for these services rendered but not reported as of September 30, 2024 and 2023.

#### Income Taxes

The Company and its related entities are exempt from federal income taxes under Section 501(a) as organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and are also exempt from state income taxes.

#### Cost Allocation

The Company uses several methods to allocate organization and overhead costs among program and support areas. Workers' compensation is allocated based on industry standard rates and salary expense. Unemployment and health plan expenses are allocated based on personnel cost and plan participation, respectively.

Administrative costs are allocated using the methodology for the federal indirect rate calculation. Property and auto insurances are allocated proportionately among those who benefit from the asset covered. General liability uses a staff-based allocation.

# LifeView Group, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

### 1. Organization and Summary of Significant Accounting Policies (continued)

#### Leases

On October 1, 2019, the Company adopted FASB's ASU 2016-02, *Leases*, electing to apply the optional transition method, which allows entities to forgo comparative reporting requirements. For leases that commenced before the effective date of ASU 2016-02, the Company elected the package of transition provisions available that allowed carryforward of the historical assessment of (1) whether contracts are or contain leases, (2) lease classification for any expired leases and (3) initial direct costs. In addition, the Company does not separate lease and non-lease components.

The Company's leases are primarily for real estate. The Company determines if an arrangement is a lease at contract inception. Lease assets and lease liabilities are recognized based on the present value of the lease payments over the lease term at the commencement date. Because most of the leases do not provide an implicit rate of return, the Company used a risk-free rate based on the daily treasury yield curve at lease commencement in determining the present value of lease payments.

Most leases include one or more options to renew, with renewal terms that can extend the lease term from months to years. The exercise of such lease renewal options is generally at the Company's sole discretion. For purposes of calculating lease liabilities, lease terms include options to extend or terminate the lease when it is reasonably certain that option will be utilized.

Leases with a lease term of 12 months or less at commencement are not recorded on the consolidated balance sheets. Lease expense for these arrangements is recognized on a straight-line basis over the lease term.

#### Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

### 2. Cash and Investments

The composition of cash and short-term investments is as follows:

	September 30,	
	2024	2023
Cash and cash equivalents	\$ 23,965	\$ 31,912
Short-term investments	-	277
	<u>\$ 23,965</u>	<u>\$ 32,189</u>

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

### 3. Concentrations of Credit Risk

#### Revenue and Accounts Receivable

The Company receives client service fees revenue from three primary sources: Medicaid and Medicare, other third-party payors, and client payments. The following indicates the applicable percentages of accounts receivable from those sources:

	September 30,	
	2024	2023
Medicaid and Medicare	32%	41%
Other third-party payors	58%	45%
Client payments	10%	14%
	<u>100%</u>	<u>100%</u>

#### Depository Risk

The Company maintains cash balances with various financial institutions. Demand deposit accounts are insured by the Federal Deposit Insurance Corporation up to certain limits. At September 30, 2024, the Company had approximately \$23,700 held by financial institutions in excess of insured limits.

### 4. Property and Equipment

Major classifications of property and equipment are summarized as follows:

	September 30,	
	2024	2023
Buildings and improvements	\$ 26,618	\$ 21,561
Furniture and equipment	2,910	2,764
Technology	8,832	8,584
Land	2,445	2,445
Construction-in-progress	-	890
	<u>40,805</u>	<u>36,244</u>
Less accumulated depreciation	<u>(6,985)</u>	<u>(5,276)</u>
	<u>\$ 33,820</u>	<u>\$ 30,968</u>

Total depreciation expense amounted to \$2,572 and \$2,531 for the years ended September 30, 2024 and 2023.

**LifeView Group, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

*(Dollars in Thousands)*

**September 30, 2024 and 2023**

**5. Long-Term Debt**

Long-term debt consists of the following:

	<b>September 30,</b>	
	<b>2024</b>	<b>2023</b>
	<u>          </u>	<u>          </u>
Note payable to HUD, interest at 9.0%, monthly payments of \$5,000 including interest, secured by real property, maturing May 2032	\$ 340	\$ 370
Note payable to HUD, interest at 8.375%, monthly payments of \$2,000 including interest, secured by real property, maturing March 2032	129	140
Series 2021A Bonds payable, issued by Florida Development Finance Corp and purchased by Bank of America, interest at 6.0% on \$7,790 and 6.25% on \$14,120, maturity date August 2041 and 2051, respectively; interest payment of \$1,350 to be paid semi-annually	21,910	21,910
Series 2021B Bonds payable, issued by Florida Development Finance Corp. under the Master Indenture and purchased by Baptist Health Care Corporation (BHCC), interest at 4.45% through September 30, 2026 and increasing thereafter, maturity date August 2031; interest payment of \$634 to be paid semi-annually	13,500	15,000
Total debt	<u>35,879</u>	<u>37,420</u>
Less: unamortized issuance costs	<u>(957)</u>	<u>(1,057)</u>
Total debt, net of issuance costs	34,922	36,363
Less: current portion	<u>(45)</u>	<u>(41)</u>
Total long-term debt, net	<u><u>\$ 34,877</u></u>	<u><u>\$ 36,322</u></u>

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

#### 5. Long-Term Debt (continued)

Following are maturities of long-term debt for each of the next five years ended September 30<sup>th</sup> and thereafter:

	<b>Amount</b>
2025	\$ 45
2026	49
2027	54
2028	59
2029	64
Thereafter	<u>35,608</u>
Total	<u>\$ 35,879</u>

During the year ended September 30, 2024, the Company repaid \$1,500 of principal on the Series 2021B Bonds through a non-cash settlement of accounts receivable owed to the Company by the lender. The Series 2021A and 2021B bonds were issued under a Bond Trust Indenture dated as of September 1, 2021, by and between the Issuer and Regions Bank, as bond trustee. The Bond Trust Indenture requires certain covenants and reporting requirements to be met.

#### 6. Leases

Operating leases consist of the following:

	<b>September 30,</b>	
	<b>2024</b>	<b>2023</b>
Operating lease right-of-use (ROU) assets	<u>\$ 3,785</u>	<u>\$ 5,209</u>
Current portion of operating lease obligation	\$ 1,362	\$ 1,557
Operating lease obligation, less current portion	<u>2,843</u>	<u>4,119</u>
Total operating lease liabilities	<u>\$ 4,205</u>	<u>\$ 5,676</u>

**LifeView Group, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

*(Dollars in Thousands)*

**September 30, 2024 and 2023**

**6. Leases (continued)**

Lease expense for lease payments is recognized on a straight-line basis over the lease term. The components of lease expense are as follows:

	<b>Years Ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
	<hr/>	<hr/>
Operating lease expense	\$ 1,054	\$ 1,203
Short-term lease expense	254	270
	<hr/>	<hr/>
Total operating lease expense	<u>\$ 1,308</u>	<u>\$ 1,473</u>

Operating leases weighted-average remaining lease term and weighted-average discount rate are as follows:

	<b>September 30,</b>	
	<b>2024</b>	<b>2023</b>
	<hr/>	<hr/>
Weighted-average remaining lease term	3.66 years	4.38 years
Weighted-average discount rate	1.78%	1.77%

The following table summarizes the maturity of lease liabilities under operating leases for the next five years and the years thereafter, as of September 30:

	<b>Operating Leases</b>
	<hr/>
2025	\$ 1,424
2026	1,058
2027	784
2028	803
2029	270
	<hr/>
Total lease payments	4,339
Less: imputed interest	(134)
	<hr/>
Total operating lease liabilities	<u>\$ 4,205</u>

**LifeView Group, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

*(Dollars in Thousands)*

**September 30, 2024 and 2023**

**6. Leases (continued)**

Supplemental cash flow information related to operating leases are as follows:

	<b>Years Ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
	<hr/>	<hr/>
Cash paid for amounts included in the measurements of operating lease liabilities:		
Operating cash flows from operating leases	\$ 1,421	\$ 1,534

Rent expense for the years ended September 30, 2024 and 2023 amounted to \$1,776 and \$1,716, respectively.

Finance leases consist of the following:

	<b>September 30,</b>	
	<b>2024</b>	<b>2023</b>
	<hr/>	<hr/>
Finance lease ROU assets	\$ 430	\$ 550
Current portion of finance lease obligation	\$ 216	\$ 16
Finance lease obligation, less current portion	<hr/> 272	<hr/> 574
Total finance lease liabilities	<hr/> \$ 488	<hr/> \$ 590

Finance leases weighted-average remaining lease term and weighted-average discount rate are as follows:

	<b>September 30,</b>	
	<b>2024</b>	<b>2023</b>
	<hr/>	<hr/>
Weighted-average remaining lease term	2.25 years	3.26 years
Weighted-average discount rate	1.37%	1.37%

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

#### 6. Leases (continued)

The following table summarizes the maturity of lease liabilities under finance leases for the next five years and the years thereafter, as of September 30, 2024:

	<b>Finance Leases</b>
2025	\$ 220
2026	220
2027	55
Total lease payments	495
Less: imputed interest	(7)
Total finance lease liabilities	<u>\$ 488</u>

Supplemental cash flow information related to finance leases are as follows:

	<b>Years Ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
Cash paid for amounts included in the measurement of finance lease liabilities:		
Financing cash flows from finance leases	\$ 220	\$ 220

Both operating and finance leases are included in the financial statement caption lease obligation.

#### 7. Sources of Revenue

##### Federal, state, and local financial awards

The Company receives funding from several Government and other agencies to provide behavioral health and child protective services to clients in a four-county region. This revenue is predominantly deemed to be unconditional contribution revenue and not governed under the Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers* (Topic 606) (ASC 606) guidance. The contractual obligations with these payors are met as services are provided. These contracts are billed monthly. The Company expects to be paid for all services provided. Adjustments are made as they arise for any services that will not be reimbursed.

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

#### 7. Sources of Revenue (continued)

##### Conditional Grant Obligations

The Company has two conditional capital grants to support its facilities and services:

*Century Grant* – a \$2,000 grant from the Escambia County Health Facilities Authority received in August 2018 to expand the healthcare and mental health facility located in Century, Florida. The grant is conditional upon the organization providing enhanced healthcare and mental health services at the facility for a 10-year period. Revenue is recognized for the Century grant as services are performed.

*State of Florida Grant* – a \$2,150 grant from the Department of Children and Families received in June 2024 to expand and renovate the Short-Term Residential Treatment (SRT) facility. The grant is conditional upon the organization providing psychiatric services at the facility for a 20-year period. Revenue is recognized ratably over the term as services are performed.

Both grants are recorded as deferred revenue in accordance with Accounting Standards Update No. 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASC 958-605) and are recorded within the financial statement caption accrued liabilities. For the years ended September 30, 2024 and 2023, the Company recognized \$236 and \$200 in revenue related to conditional grant obligations, respectively.

The Company remains obligated to meet the performance conditions for the duration of the respective grant terms. Failure to meet these conditions could result in repayment obligations as stipulated in the grant agreements.

##### Net Client Service Revenue

The Company's client service revenues are related to contracts with clients in which the performance obligation is to provide behavioral health care services. Revenues are recorded during the period when the obligations are satisfied. The obligations are generally satisfied over a day or more for residential or inpatient programs or less for outpatient services. The contractual relationships with clients often involve a third-party payor and the transaction prices for the services provided are dependent upon the terms provided by or negotiated with the third-party payors. The payment arrangements with third party payers for services provided to clients are typically for rates lower than the customary and standard fees. The differences in these rates are considered to be explicit price concessions.

# LifeView Group, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

### 7. Sources of Revenue (continued)

#### Net Client Service Revenue (continued)

Client service revenue is based upon the estimated amounts expected to be received from the clients and any third-party payors. Explicit price concessions are estimated at the time revenue is recorded and may be adjusted in future periods. The Company elected to use the portfolio approach to assess collectability due to the large volume of similar contracts with similar classes of customers. The effect of applying the portfolio approach to a group of contracts would not differ materially from considering each contract separately. Management's judgment to group the contracts by portfolio is based on the payment behavior expected in each portfolio category. As a result, aggregating all contracts (which are at the patient level) by the particular payor or group of payors will result in the recognition of the same amount of patient service revenue as applying the analysis at the individual patient level.

Net client service fee revenue is not recognized for those clients that qualify for charity under the Company's charity care policies. For all others, service fee revenue, net of explicit price concessions and other deductions recognized from major payor sources is as follows:

	Years Ended September 30,	
	2024	2023
Third-party payors, net of deductions	\$ 18,436	\$ 17,750
Self-pay clients, net of deductions	3,658	4,571
	<u>\$ 22,094</u>	<u>\$ 22,321</u>

Revenues from the Medicare and Medicaid programs accounted for approximately 39% and 42% of the Company's net client service fees for the years ended September 30, 2024 and 2023, respectively. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount. Changes in the Medicare and Medicaid programs and the reduction of funding levels could have an adverse impact on the Center.

#### Vocational Service Contracts

The Company's vocational service revenues generally relate to contracts with federal, state or local customers in which the performance obligation is to provide various "bundled" type services to our customers. The Company has contractual obligations to provide services as outlined in the statement of work within each formal contract. Although the services within each business line are distinct, they are bundled services transferred consecutively on a monthly basis as a line of business. The lines of business consist of business services, custodial services, food services, facilities maintenance, health care environmental services, information technology, as well as employment support services. The performance obligations for vocational contracts are spelled out in the contract either in the performance work statement or other applicable section of the contract.

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

#### 7. Sources of Revenue (continued)

##### Vocational Service Contracts (continued)

These bundled services are invoiced each month at the contract price over the life of the contract period. Revenues for these services are recognized on a monthly basis as the services are performed.

Vocational service revenue from major payor source is as follows:

	Years Ended September 30,	
	2024	2023
Federal	\$ 112,130	\$ 100,854
State	1,952	1,814
Local	716	628
Other	49	53
	<u>\$ 114,847</u>	<u>\$ 103,349</u>

For vocational service revenue, each distinct service is satisfied over time and the measurement of progress toward satisfaction of the performance obligation is the same for each of the services in the series (monthly services) in accordance with the contracts in place. Each contract for the above series of services (business line) delivers the services over an annual or multi-year period and is measured monthly, consistent with the billing for these services. Each line of business is considered a series of distinct services performed and treated as a single performance obligation that is set each month as services are provided.

The monthly payment and methodology are fixed in each contract. All business lines and other services in each contract are valued at their standalone value of the service in the contract. There are no instances where a service or product is provided at no value or a value below its standalone value (discounted) as stated in a contract. Each business line has a fixed price that is recognized over the period the performance obligation is met. Contracts with time and materials (T&M) provisions have the hourly rate and materials recorded at their standalone value and are not discounted as a part of the overall contract. As nearly all contracts are with government/state organizations, collectability is assured as we have nearly no history of uncollectable amounts for services rendered. As such, no variable consideration is included in the determination of the transaction price for each contract.

##### Contract Revenue

The Company, as a managed care provider, receives payments under an agreement with Medicaid Managed Healthcare prepaid health plans (MMA plans), which obligates the Company to stand ready to provide or obtain services for qualified beneficiaries (individuals who enroll with an MMA plan). The qualified beneficiaries sign up with the MMA plans to participate in such a health plan. These payments are referred to as capitation fees. The payment is calculated using a per member per month rate (PMPM rate) for each qualified beneficiary.

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

*(Dollars in Thousands)*

September 30, 2024 and 2023

#### 7. Sources of Revenue (continued)

##### Contract Revenue (continued)

The Company has two performance obligations related to Managed Care contract revenue that are both paid through capitation revenues: administrative services and behavioral healthcare services.

The first is the administrative services component of the MMA Plan in the amount of 12.5% of the capitation revenue which is for the administrative, recordkeeping and other services of the plan activities. All these services are not considered distinct individually but are a series of services delivered simultaneously each month as a single performance obligation. Like the capitation revenue described above and below for providing healthcare services, the administrative services are also stand ready obligations recognized over time.

The second performance obligation is for healthcare services as detailed above. These are stand alone performance obligations and although may incorporate several different lines of services are deemed a single performance obligation delivered over time as measured each month.

Transaction price considerations include monthly capitation payment, retroactive adjustments, incentive payments and other risk pool adjustments.

The capitation fees do not vary with the volume of behavioral health services provided and are exclusive of any client copayments or deductibles under their respective plans. Therefore, the Company bears the risk of providing goods and services or contracting for services that the beneficiary is entitled to receive.

In addition to the capitation fees, the amount of contract revenue may be affected by factors such as reinsurance recoveries, retroactive adjustments for member eligibility, risk pools adjustments such as financial incentives and quality targets, and other adjustments. The Company has concluded that based on the immaterial nature of the adjustments no variable consideration need be included in the transaction price related to the capitation fees.

The contracts specify that 12.5% of the capitation fees are related to administrative services and 87.5% of the fees are related to the remaining healthcare services therefore the Company has allocated the transaction price to the two performance obligations based on the terms of the contract.

Capitation arrangements represent a stand-ready obligation to provide services to qualified beneficiaries. The Company recognizes monthly capitation fees as Managed Care contract revenue over time when the periods for which the qualified beneficiary is entitled to services are completed.

## **LifeView Group, Inc. and Subsidiaries**

### **Notes to Consolidated Financial Statements**

*(Dollars in Thousands)*

**September 30, 2024 and 2023**

#### **8. In-Kind Contributions**

In-kind contributions and expenses represent the value assigned to donated prescription drugs from the State of Florida. In-kind contributions are recognized if the services or goods received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. In-kind contributions for the years ended September 30, 2024 and 2023 amounted to \$167 and \$405, respectively, and are included in other revenue and support, with related expenses in medical/pharmacy and donated items in the accompanying consolidated statement of operations and changes in net assets.

#### **9. Retirement Plan**

The Company provides a tax deferred annuity 403(b) retirement plan (Plan) to all eligible employees. Employees who work a minimum of 20 hours per week are eligible to participate in the Plan after completing one year of employment. Voluntary employee contributions are allowed to the extent permitted by law. The Company matched 50% of each eligible participant's pay period contribution to the Plan up to 3% of each eligible participant's compensation. In compliance with Internal Revenue Service regulations, employer contributions for eligible participants vest under a six-year graduated vesting schedule. Plan expense for the years ended September 30, 2024 and 2023 amounted to \$1,341 and \$1,811, respectively.

#### **10. Support from the State of Florida Requiring Match**

The Company received a substantial portion of its support from the state of Florida under grant contract number AO110 with the Big Bend Community Based Care, Inc. d/b/a NWF Health Network. This contract must be renegotiated annually. The contract requires a 13.87% local match for certain community mental health services. This local match requirement has been met for 2024 and 2023.

#### **11. Net Assets with Donor Restriction**

Net assets with donor restrictions as of September 30, 2024 and 2023 were \$1,444 and \$1,430, respectively, the majority of which relate to crisis and children's services.

#### **12. Commitments and Contingencies**

The Company carries general and professional liability insurance from an unrelated commercial insurance carrier with coverage up to \$2,000 per occurrence and \$4,000 in the aggregate, on a claims-made basis, and employee benefits liability insurance with coverage up to \$1,000 per occurrence and \$1,000 in the aggregate. In addition, the Company has an excess coverage policy. The Company is involved in various lawsuits and claims incidental to the normal course of its operations. The Company may be liable for losses in excess of the amounts recorded at September 30, 2024; however, in the opinion of management, such potential losses would not be material to the consolidated financial statements.

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

*(Dollars in Thousands)*

September 30, 2024 and 2023

#### 12. Commitments and Contingencies (continued)

In 2021, GCE was served a Civil Investigative Demand (CID) by a U.S. Attorney's Office and a criminal matter grand jury subpoena, both related to GCE's contracts with the Department of Defense Manpower Data Center. GCE has cooperated in these matters by providing responses and documentation as requested. The Company continues to work toward resolution of this matter.

BHCC has retained certain liabilities related to the investigation to the extent they arose prior to the sale, or arose from activity prior to the sale.

The Center is self-insured for employees' medical insurance claims. The Company carries stop-loss insurance coverage with annual limits of \$300 per participant and \$14,840 in the aggregate. GCE is fully insured for full time employees and part time employees. It is the opinion of management that recorded reserves are adequate for existing and unreported claims.

The Company has established multiple irrevocable standby letters of credit: one in the amount of \$250 with the Company's previous administrator for workers' compensation claims as the named beneficiaries; one each for \$367 and \$368 with the insurance providers for the Access Behavioral Health (ABH) managed medical advantage plan; and one for \$1,675 with the Company's current administrator for workers' compensation claims as the named beneficiary. The Company, under its workers' compensation policies, is responsible to pay all individual claims up to \$250 each, as well as certain administration costs to its claims administrators. Should the Company default on any of these payments, the letter of credit guarantees the claims administrators' payment of any outstanding amounts.

At September 30, 2024 and 2023 the Company has a line of credit arrangement of \$10,000. The line of credit is secured by a parity Obligation issued under the Master Indenture related to the bonds issued. This line of credit has no outstanding balance as of September 30, 2024 and 2023.

The Company has received numerous federal and state grants. The disbursement of funds received under these programs is subject to review and audit by grantor agencies. Any disbursements disallowed by these agencies could become a liability of the Company. In the opinion of management, such claims, if any, should not have a material adverse effect on the consolidated financial position, results of operations, or cash flows of the Company.

The Company reports its wages to various states for unemployment compensation purposes, as a reimbursable employer if available. Reimbursable employers compensate prior employees only when a claim has been made with these states. In the opinion of management, no material claims were outstanding that had not been reserved for at September 30, 2024 and 2023.

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

### 13. Financial Assets and Liquidity Resources

The financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital expenditures were as follows:

	September 30,	
	2024	2023
Cash and cash equivalents	\$ 23,965	\$ 31,912
Short-term investments	-	277
Accounts receivable	35,280	26,013
 Total financial assets	 \$ 59,245	 \$ 58,202

### 14. Functional Classification of Expenses

The Company provides human services, including inpatient, outpatient, long term and community-based behavioral health services, child protective services, and employment for people with disabilities within its region and nationally. Administrative services include administration, finance and accounting, information technology, human resources, and other functions. Organizational expenses are allocated to program and administrative services based on the benefit received in those areas while administrative services costs are allocated to program areas using the methodology for the federal indirect rate calculation.

Expenses by functional classification for the years ended September 30, 2024 and 2023 consist of the following:

	Year Ended September 30, 2024		
	Program Services	Administrative Services	Total
Salaries and benefits	\$ 138,637	\$ 9,533	\$ 148,170
Subcontracted services	16,749	-	16,749
Subsidy payments	477	-	477
Contract medical services	15,179	-	15,179
Professional fees	3,337	1,255	4,592
Medical/pharmacy services	12,932	61	12,993
Building occupancy	6,473	515	6,988
Other general, administrative and other	13,886	4,889	18,775
	 \$ 207,670	 \$ 16,253	 \$ 223,923

## LifeView Group, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(Dollars in Thousands)

September 30, 2024 and 2023

#### 14. Functional Classification of Expenses (continued)

	Year Ended September 30, 2023		
	Program Services	Administrative Services	Total
Salaries and benefits	\$ 127,977	\$ 9,030	\$ 137,007
Subcontracted services	12,534	-	12,534
Subsidy payments	3,262	-	3,262
Contract medical services	18,105	-	18,105
Professional fees	3,873	1,105	4,978
Medical/pharmacy services	15,516	36	15,552
Building occupancy	5,658	535	6,193
Other general, administrative and other	14,530	4,295	18,825
	<u>\$ 201,455</u>	<u>\$ 15,001</u>	<u>\$ 216,456</u>

#### 15. Subsequent Events

The Company evaluated events and transactions occurring subsequent to September 30, 2024, and through February 7, 2025, the date the accompanying consolidated financial statements were available to be issued. During this period, there were no subsequent events that required recognition or disclosure in the accompanying consolidated financial statements.

## **OTHER INFORMATION**

**LifeView Group, Inc and Subsidiaries**  
**Schedule of Functional Revenues and Expenses (Regulatory Base) (Unaudited)**  
**June 30, 2024**

Provider Name: Lakeview Center, Inc.  
 Audit Period: 7/1/2023 - 6/30/2024

**AUDIT SCHEDULE**  
**ACTUAL EXPENSES AND REVENUES SCHEDULE**

		State Funded																	Substance Abuse					
		Mental Health																	Case Management	Day Treatment	Intervention (Indiv.)			
FUNDING SOURCES & REVENUES		Case Management	Crisis Stabilization	Crisis Support/ Emergency	Day Treatment	In-home & Onsite	Medical Services	Outpatient (Indiv.)	Outreach	Residential II	Residential III	Incidental Expenses	Outpatient Group	Short-term Residential	BNET	Cost Reimbursement	CAT Team	FACT Team	Other Bundled Projects	Mental Health Total	Case Management	Day Treatment	Intervention (Indiv.)	
A		02	03	04	06	08	12	14	15	19	20	28	35	39	A1	B3	B4	B5	C0	B	02	06	11	
<b>IA. STATE SAMH FUNDING</b>																								
<b>Current Year Funding</b>																								
Expenditure Report OCA#	Provider Subcontract#	Funding Source: F-Federal S-State F/S-Federal and State																						
MH001	A0110									2,124,164.47	715,079.59													2,839,244.06
MH009	A0110	460,852.82			450,510.28	289.98	1,296,849.84	1,066,667.97					23,928.05											3,299,998.94
MH009	A0260	89,911.92										23,278.19												113,190.11
MH009	A0805													2,429,018.00										2,429,018.00
MH076	A0110																							31,773.00
MH0BN	A0160															4,729.84								4,729.84
MH0FT	A0170																							739,481.23
MH0PG	A0260												33,845.00					545,555.75						33,845.00
MH0TB	A0110																							466,618.32
MH0TB	A0110									466,618.32														466,618.32
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**LifeView Group, Inc and Subsidiaries**  
**Schedule of Functional Revenues and Expenses (Regulatory Base) (Unaudited)**  
**June 30, 2024**

State Funded																	
Substance Abuse																	
Medical Services	Medication-Assisted Tx	Outpatient (Indiv.)	Residential II	Residential III	Inpatient Detoxification	Incidental Expenses	Outpatient Group	Prevention - Universal Direct	FIT Team	Other Bundled Projects	Substance Abuse Total	Total for State SAMH Funded Covered Services or Projects (B+C)	Total for Non-State-Funded Covered Services or Projects (D)	Total for All Covered Services or Projects (E+F)	Non-SAMH Covered Services or Projects (G)	Total Funding (F+G) (H)	
12	13	14	19	20	24	28	35	50	A2	C0	C	D	E	F	G	H	
												2,839,244.06		2,839,244.06		2,839,244.06	
												3,299,098.94		3,299,098.94		3,299,098.94	
												113,190.11		113,190.11		113,190.11	
												2,429,018.00		2,429,018.00		2,429,018.00	
												31,773.00		31,773.00		31,773.00	
												4,729.84		4,729.84		4,729.84	
												739,481.23		739,481.23		739,481.23	
												33,845.00		33,845.00		33,845.00	
												466,818.32		466,818.32		466,818.32	
												2,401,779.95		2,401,779.95		2,401,779.95	
												171,347.00		171,347.00		171,347.00	
												1,721,308.58		1,721,308.58		1,721,308.58	
												464,168.00		464,168.00		464,168.00	
												770,880.00		770,880.00		770,880.00	
												358,710.00		358,710.00		358,710.00	
												1,853,540.90		1,853,540.90		1,853,540.90	
			1,376,327.42	432,307.78							1,808,635.20	1,808,635.20		1,808,635.20		1,808,635.20	
116,207.32		593,420.78					50,289.91			324,258.15	834,539.08	834,539.08		834,539.08		834,539.08	
					1,478,419.31			482,626.96		956,018.35	324,258.15	324,258.15		324,258.15		324,258.15	
											1,278,419.31	1,278,419.31		1,278,419.31		1,278,419.31	
											482,626.96	482,626.96		482,626.96		482,626.96	
											956,018.35	956,018.35		956,018.35		956,018.35	
			104,493.98								104,493.98	104,493.98		104,493.98		104,493.98	
			127,369.08								127,369.08	127,369.08		127,369.08		127,369.08	
			391,688.10								391,688.10	391,688.10		391,688.10		391,688.10	
23,748.70	128.38	19,975.21				56,590.00	610.19				102,502.00	102,502.00		102,502.00		102,502.00	
96,748.61	38.76	96,395.63				238,251.02	2,321.38				435,003.10	435,003.10		435,003.10		435,003.10	
376,449.13	1,255.95	305,697.60				816,359.72	5,931.58				1,524,916.90	1,524,916.90		1,524,916.90		1,524,916.90	
613,153.76	1,423.09	1,015,489.22	1,999,878.58	432,307.78	1,478,419.31	1,111,200.74	59,153.06	482,626.96	956,018.35	324,258.15	8,570,470.21	26,268,803.14		26,268,803.14		26,268,803.14	
												4,278.00		4,278.00		4,278.00	
			92,394.58								92,394.58	92,394.58		92,394.58		92,394.58	
		43,015.13									43,015.13	43,015.13		43,015.13		43,015.13	
										158,526.00	158,526.00	158,526.00		158,526.00		158,526.00	
613,153.76	1,423.09	1,058,504.35	2,092,273.16	432,307.78	1,478,419.31	1,111,200.74	59,153.06	482,626.96	956,018.35	482,784.15	8,864,405.92	26,567,016.85		26,567,016.85		26,567,016.85	
1,875.90	4,792.56	383,133.31				51,914.61			56,005.36	545,647.37	549,659.88	9,359,457.33	9,909,117.21	2,037,581.78		11,946,698.99	
539,972.87	4,621.45	1,068,866.28	435,289.45	13,238.12			113,507.45		9,975.28	13,013.53	2,367,573.28	5,302,234.04	7,974,342.64	13,281,576.68	14,315,384.90	27,596,961.58	
43,209.82		435,724.39	12,950.00				58,373.21	31,250.00			861,518.48	1,448,753.14	565,790.60	2,014,543.74	642,504.63	2,657,048.37	
										(5,147.42)	(5,147.42)	10,907.91	2,265,577.43	2,276,485.34	110,523,303.02	112,799,788.36	
585,058.59	9,414.01	1,887,723.98	448,239.45	13,238.12			223,795.27	31,250.00	65,980.64	7,866.11	3,769,591.71	7,311,554.97	20,170,168.00	27,481,722.97	127,518,774.33	155,000,497.30	
985,909.01	13,223.64	2,730,130.67	7,360.33	32,394.07			233,377.83		(286.14)	6,042.96	4,184,016.64	7,386,486.06	14,525,825.89	21,912,311.95		21,912,311.95	
35,747.71											35,747.71	98,220.43	30,743.83	128,964.26	288,019.29	416,983.55	
139.04	0.12	20.22	0.06	1,602.20	10.57		1.47				10.00	1,785.95	98,074.49	(16,103.13)	81,971.36	67,874.57	
(95.60)											(95.60)	5,713.74	125,558.33	131,272.07	54,379.60	185,651.67	
1,021,700.16	13,223.76	2,730,150.89	7,360.39	33,996.27	10.57		233,379.30		(286.14)	6,052.96	4,221,454.70	7,988,494.72	14,666,024.92	22,254,519.64	958,273.46	23,212,793.10	
2,219,912.51	24,060.86	5,676,379.22	2,547,873.00	479,542.17	1,478,429.88	1,111,200.74	516,327.63	513,876.96	1,021,712.85	496,703.22	16,855,452.33	41,467,066.54	34,836,192.92	76,303,259.46	128,477,047.79	204,780,307.25	

**LifeView Group, Inc and Subsidiaries**  
**Schedule of Functional Revenues and Expenses (Regulatory Base) (Unaudited)**  
**June 30, 2024**

Services																			Services				
EXPENSE CATEGORIES	Case Management	Crisis Stabilization	Crisis Support/ Emergency	Day Treatment	In-home & Onsite	Medical Services	Outpatient (Indiv.)	Outreach	Residential II	Residential III	Incidental Expenses	Outpatient Group	Short-term Residential	BNET	Cost Reimbursement	CAT Team	FACT Team	Other Bundled Projects	Mental Health Total	Case Management	Day Treatment	Intervention (Indiv.)	
	02	03	04	06	08	12	14	15	19	20	28	35	39	A1	B3	B4	B5	C0		B	02	06	11
<b>IIA. PERSONNEL EXPENSES</b>																							
(1) Salaries	\$ 900,741.01	\$ 419,598.72	\$ 1,792,728.93	\$ 490,247.44	\$ 3,269.65	\$ 2,838,054.81	\$ 1,735,257.09	\$ 36,799.98	\$ 1,213,153.45	\$ 603,982.11	\$ -	\$ 168,517.73	\$ 1,517,751.51	\$ 24,152.10	\$ 347,642.39	\$ 1,437,331.16	\$ 782,029.86	\$ 479,654.95	\$ 14,790,912.89	\$ 84,621.73	\$ 146,426.14	\$ 67,578.55	
(2) Fringe Benefits	\$ 303,082.45	\$ 45,492.67	\$ 346,666.13	\$ 113,296.47	\$ 834.11	\$ 466,988.54	\$ 470,998.45	\$ 14,620.84	\$ 325,507.35	\$ 123,105.55	\$ -	\$ 41,459.80	\$ 327,447.03	\$ 2,547.47	\$ 45,896.08	\$ 348,313.12	\$ 196,832.56	\$ 145,078.59	\$ 3,318,167.21	\$ 25,902.24	\$ 50,680.81	\$ 14,936.54	
<b>TOTAL PERSONNEL EXPENSES =</b>	\$ 1,203,823.46	\$ 465,091.39	\$ 2,139,395.06	\$ 603,543.91	\$ 4,103.76	\$ 3,305,043.35	\$ 2,206,255.54	\$ 51,420.82	\$ 1,538,660.80	\$ 727,087.66	\$ -	\$ 209,977.53	\$ 1,845,198.54	\$ 26,699.57	\$ 393,538.47	\$ 1,785,644.28	\$ 978,862.42	\$ 624,733.54	\$ 18,109,080.10	\$ 110,523.97	\$ 197,106.95	\$ 82,515.09	
<b>IIIB. OTHER EXPENSES</b>																							
(1) Building Occupancy	\$ 89,693.46	\$ 26,321.45	\$ 63,260.47	\$ 242,263.05	\$ 1,351.12	\$ 80,499.75	\$ 206,026.66	\$ 1,641.73	\$ 225,652.46	\$ 154,920.83	\$ -	\$ 33,244.19	\$ 195,326.05	\$ 787.16	\$ 9,477.21	\$ 82,810.73	\$ 36,676.18	\$ 65,655.85	\$ 1,515,608.35	\$ 17,960.51	\$ 48,942.10	\$ 4,348.73	
(2) Professional Services	\$ 125.27	\$ 4,560.00	\$ 316.90	\$ 1,454.98	\$ 1.31	\$ 812.58	\$ 141.97	\$ 20.86	\$ 2,797.59	\$ -	\$ -	\$ 33.91	\$ 2,797.04	\$ -	\$ 173.10	\$ 696.00	\$ -	\$ -	\$ 13,851.11	\$ 187.25	\$ -	\$ -	
(3) Travel	\$ 10,337.52	\$ 46.97	\$ 14,354.76	\$ 44,479.43	\$ 11.04	\$ 981.75	\$ 11,974.63	\$ 3,020.97	\$ 10,577.71	\$ 11,488.18	\$ -	\$ 773.12	\$ 8,445.35	\$ -	\$ 953.38	\$ 80,472.69	\$ 18,460.12	\$ 5,982.46	\$ 222,360.08	\$ 507.42	\$ 83.60	\$ 42.65	
(4) Equipment	\$ 351.53	\$ -	\$ 362.55	\$ 1,017.04	\$ 15.31	\$ -	\$ 990.65	\$ -	\$ 908.22	\$ 105.19	\$ -	\$ 271.84	\$ 114.80	\$ -	\$ 198.03	\$ 261.13	\$ -	\$ -	\$ 4,596.29	\$ 522.20	\$ -	\$ -	
(5) Food Services	\$ 598.97	\$ 23,822.72	\$ 11,091.61	\$ 33,240.38	\$ 3.11	\$ 1,138.17	\$ 987.12	\$ 12.71	\$ 174,184.05	\$ 143,337.62	\$ -	\$ 154.08	\$ 170,356.47	\$ 30.20	\$ 5,393.94	\$ 537.93	\$ 1,011.79	\$ 131.96	\$ 566,032.83	\$ 347.61	\$ 1,220.43	\$ 11.19	
(6) Medical and Pharmacy	\$ 1,960.32	\$ 8,739.29	\$ 6,912.57	\$ 2,910.37	\$ 218.99	\$ 9,929.99	\$ 17,228.67	\$ -	\$ 14,208.69	\$ 5,112.35	\$ 63,277.69	\$ 4,108.40	\$ 37,586.62	\$ 302.81	\$ 3,626.36	\$ 234.66	\$ 616.99	\$ 337.36	\$ 177,312.13	\$ 3,914.82	\$ 13,793.56	\$ -	
(7) Subcontracted Services	\$ -	\$ -	\$ -	\$ -	\$ 0.52	\$ 119.70	\$ 30.39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8.24	\$ 1,750.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,908.85	\$ 1,440.00	\$ -	
(8) Insurance	\$ 40,713.50	\$ 10,122.09	\$ 44,108.37	\$ 32,334.48	\$ 230.29	\$ 37,395.96	\$ 69,243.76	\$ 1,744.42	\$ 86,671.50	\$ 26,669.92	\$ -	\$ 7,843.16	\$ 54,167.05	\$ 1,274.42	\$ 7,357.02	\$ 48,908.03	\$ 19,676.62	\$ 15,200.51	\$ 503,861.24	\$ 2,579.83	\$ 13,162.75	\$ 2,093.63	
(9) Interest Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(10) Operating Supplies & Expenses	\$ 38,543.55	\$ 6,200.87	\$ 27,373.48	\$ 32,179.07	\$ 114.72	\$ 59,689.85	\$ 29,994.62	\$ 17,756.82	\$ 29,647.34	\$ 13,632.42	\$ 201,471.75	\$ 4,206.04	\$ 19,698.89	\$ 617.54	\$ 4,978.88	\$ 94,918.00	\$ 11,634.74	\$ 1,354.05	\$ 594,012.63	\$ 2,027.89	\$ 7,080.60	\$ 1,195.34	
(11) Other-Bad Debt	\$ (2,206.55)	\$ -	\$ (45.00)	\$ (2,813.50)	\$ (8.00)	\$ (7,388.00)	\$ (7,886.97)	\$ -	\$ (415.16)	\$ (7,435.46)	\$ -	\$ (45.46)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,219.37)	\$ (29,463.47)	\$ (320.19)	\$ (15.40)	\$ (553.49)	
(12) Donated Items	\$ 3,256.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,456.91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,713.74	\$ -	\$ -	\$ -	
<b>TOTAL OTHER EXPENSES =</b>	\$ 183,374.40	\$ 79,813.39	\$ 167,735.71	\$ 387,065.30	\$ 1,938.35	\$ 183,379.75	\$ 328,731.10	\$ 26,654.42	\$ 544,192.40	\$ 347,831.05	\$ 264,749.44	\$ 50,597.52	\$ 490,202.27	\$ 3,012.13	\$ 32,157.92	\$ 308,839.17	\$ 88,076.64	\$ 87,442.82	\$ 3,575,793.78	\$ 29,167.34	\$ 84,267.64	\$ 7,138.05	
<b>TOT. PERSONNEL &amp; OTH. EXP. =</b>	\$ 1,387,197.86	\$ 544,904.78	\$ 2,307,130.77	\$ 990,609.21	\$ 6,042.11	\$ 3,488,423.10	\$ 2,534,986.64	\$ 78,075.24	\$ 2,082,853.20	\$ 1,074,918.71	\$ 264,749.44	\$ 260,575.05	\$ 2,335,400.81	\$ 29,711.70	\$ 425,696.39	\$ 2,094,483.45	\$ 1,066,939.06	\$ 712,176.36	\$ 21,684,873.88	\$ 139,691.31	\$ 281,374.59	\$ 89,653.14	
<b>IIIC. DISTRIBUTED INDIRECT COSTS</b>																							
(a) Other Support Costs (Optional)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(b) Administration	\$ 409,810.63	\$ 154,223.74	\$ 666,529.28	\$ 284,523.07	\$ 1,705.21	\$ 1,028,247.33	\$ 745,123.42	\$ 21,121.41	\$ 606,874.86	\$ 314,034.09	\$ -	\$ 75,087.69	\$ 674,701.32	\$ 7,670.92	\$ 122,190.75	\$ 613,483.22	\$ 367,886.43	\$ 208,925.88	\$ 6,302,140.25	\$ 42,781.24	\$ 82,746.76	\$ 26,261.78	
<b>TOT. DISTR'D INDIRECT COSTS =</b>	\$ 409,810.63	\$ 154,223.74	\$ 666,529.28	\$ 284,523.07	\$ 1,705.21	\$ 1,028,247.33	\$ 745,123.42	\$ 21,121.41	\$ 606,874.86	\$ 314,034.09	\$ -	\$ 75,087.69	\$ 674,701.32	\$ 7,670.92	\$ 122,190.75	\$ 613,483.22	\$ 367,886.43	\$ 208,925.88	\$ 6,302,140.25	\$ 42,781.24	\$ 82,746.76	\$ 26,261.78	
<b>TOTAL ACTUAL OPER. EXPENSES =</b>	\$ 1,797,008.49	\$ 699,128.52	\$ 2,973,660.05	\$ 1,275,132.28	\$ 7,748.32	\$ 4,516,670.43	\$ 3,280,110.06	\$ 99,196.65	\$ 2,689,728.06	\$ 1,388,952.80	\$ 264,749.44	\$ 335,662.74	\$ 3,010,102.13	\$ 37,382.62	\$ 547,887.14	\$ 2,707,966.67	\$ 1,434,825.49	\$ 921,102.24	\$ 27,987,014.13	\$ 182,472.55	\$ 364,121.35	\$ 115,914.92	
<b>IIID. UNALLOWABLE COSTS</b>																							
	\$ 770.07	\$ 28.43	\$ 1,464.38	\$ 1,433.36	\$ 5.48	\$ 2,049.95	\$ 1,609.35	\$ 17.68	\$ 559.69	\$ 605.39	\$ -	\$ 306.68	\$ 943.87	\$ 31.32	\$ 82.59	\$ 1,813.61	\$ 1,267.45	\$ 179.07	\$ 13,168.37	\$ 357.26	\$ 683.17	\$ 17.07	
<b>TOT. ALLOWABLE OPER. EXP. =</b>	\$ 1,796,238.42	\$ 699,100.09	\$ 2,972,195.67	\$ 1,273,698.92	\$ 7,742.84	\$ 4,514,620.48	\$ 3,278,500.71	\$ 99,178.97	\$ 2,689,168.37	\$ 1,388,347.41	\$ 264,749.44	\$ 335,356.06	\$ 3,009,158.26	\$ 37,351.30	\$ 547,804.55	\$ 2,706,153.06	\$ 1,433,558.04	\$ 920,923.17	\$ 27,973,845.76	\$ 182,115.29	\$ 363,438.18	\$ 115,897.85	
<b>IIIE. CAPITAL EXPENDITURES</b>																							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>III. UNEARNED FUNDS, FUNDING ALLOCATIONS, AND EXCESS FUNDS</b>																							
<b>IIIA. Unearned Funds</b>																							
	\$ (1,245,473.68)	\$ (428,335.54)	\$ 419,604.66	\$ (823,188.64)	\$ (7,452.86)	\$ (3,217,770.64)	\$ (2,211,832.74)	\$ (42,055.78)	\$ (98,385.58)	\$ (673,267.82)	\$ (39,050.96)	\$ (311,428.01)	\$ (580,140.26)	\$ -	\$ (4.95)	\$ (304,373.11)	\$ (888,002.29)	\$ 212,544.83	\$ (10,238,613.37)	\$ (144,095.34)	\$ (309,288.43)	\$ (111,526.34)	
<b>IIIB. Funding Allocations</b>																							
<b>Current Year Funding</b>																							
Expenditure Report OCA#	Provider Subcontract#	Funding Source: F-Federal S-State F/S-Federal and State																					
MS011	A0810	F/S	\$ 419,604.66	\$ (419,604.66)																			
MS011	A0110	F/S																					
<b>Carry Forward Funding</b>																							
Expenditure Report OCA#	Provider Subcontract#	Funding Source: F-Federal S-State F/S-Federal and State																					
<b>Total Funding Allocations</b>																							
	\$ -	\$ 419,604.66	\$ (419,604.66)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>IIIC. Excess Funds</b>																							
<b>Excess Funds</b>																							
																			\$ 212,544.83	\$ 212,544.83			
<b>Excess Current Year Funds to be returned to Managing Entity</b>																							
MHMDT	A0110	S	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 212,544.83	\$ 212,544.83	\$ -	\$ -	\$ -
MS025	A0110	F																	\$ 212,544.83	\$ 212,544.83			
<b>Excess Carry Forward Funds to be returned to Managing Entity</b>																							
																			\$ -	\$ -	\$ -	\$ -	\$ -



**LifeView Group, Inc. and Subsidiaries**

**Note to Schedule of Functional Revenues and Expenses  
(Regulatory Basis) (Unaudited)**

**Year Ended June 30, 2024**

**1. Summary of Significant Accounting Policies**

The accompanying schedule was prepared on the accrual basis of accounting for the contract period in accordance with guidelines established by the State of Florida Department of Children and Families.

**LifeView Group, Inc. and Subsidiaries**

**Schedule of State Earnings  
(Regulatory Basis) (Unaudited)**

*(Dollars in Thousands)*

**Year Ended June 30, 2024**

	<u>2024</u>
1. Total expenditures	\$ 220,243
2. Less other state and federal funds	(152,343)
3. Less non-match SAMH funds	(15,510)
4. Less unallowable costs per 65E-14, F.A.C.	<u>(2,418)</u>
5. Total allowable expenditures (sum lines 1, 2, 3 and 4)	49,972
6. Maximum available earnings (line 5 times 75%)	37,479
7. Amount of state funds requiring match	<u>11,058</u>
8. Amount due to department (subtract line 7 from line 6)	<u><u>\$ -</u></u>

*See accompanying note.*

**LifeView Group, Inc. and Subsidiaries**

**Note to Schedule of State Earnings  
(Regulatory Basis) (Unaudited)**

**Year Ended June 30, 2024**

**1. Summary of Significant Accounting Policies**

The accompanying schedule was prepared on the accrual basis of accounting for the contract period. Calculations in the schedule were prepared in accordance with guidelines established by the State of Florida Department of Children and Families. Per guidance Rule 65E-14.003(1)(b), F.A.C., if the amount calculated as due to department is positive, then no amounts are due to department.

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Related-Party Transaction Adjustments  
(Regulatory Basis) (Unaudited)**

**Year Ended June 30, 2024**

	<b>Related Passed Through to Subrecipient</b>
Revenues from grantee:	
Services	\$ -
Rent	-
Interest	-
Other	-
Total revenue from grantee	-
Expenses associated with grantee transactions:	
Personnel services	-
Depreciation	-
Interest	-
Other	-
Total associated expenses	-
Related-party transaction adjustment	-
Allocation of related-party transaction adjustment:	
SAMH covered services:	
3	-
24	-
Total	\$ -

*See accompanying note.*

**LifeView Group, Inc. and Subsidiaries**

**Note to Schedule of Related-Party Transaction  
Adjustments (Regulatory Basis) (Unaudited)**

**Year Ended June 30, 2024**

**1. Summary of Significant Accounting Policies**

The accompanying schedule was prepared on the accrual basis of accounting for the contract period. Calculations in the schedule were prepared in accordance with guidelines established by the State of Florida Department of Children and Families.

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Bed-Day Availability Payments (Unaudited)**

Year Ended June 30, 2024

<b>Program</b>	<b>Covered Service</b>	<b>Contracted Rate</b>	<b>Total Units of Service Provided</b>	<b>Total Units of Service Paid for by 3rd Party Contracts, Local Govt. or Other State Agencies</b>	<b>Passed</b>	<b>Amount Paid for Services by the Department</b>	<b>Maximum \$ Value of Units in Column</b>	<b>Amount Owed to Department</b>
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H=FxC</b>	<b>&gt; of G-H or \$0</b>
Children's MH	Crisis stabilization unit	n/a	n/a	n/a	n/a	n/a	n/a	\$ -
Adult MH	Crisis stabilization unit	n/a	n/a	n/a	n/a	n/a	n/a	-
Children's SA	Substance abuse detox	n/a	n/a	n/a	n/a	n/a	n/a	-
Adult SA	Substance abuse detox	\$ 399	3,704	-	3,704	\$ 1,478,419	1,478,419	-
Adult MH	Short-term residential treatment	n/a	n/a	n/a	n/a	n/a	n/a	-
Total amount owed to department							\$	<u>-</u>

*See accompanying note.*

**LifeView Group, Inc. and Subsidiaries**

**Note to Schedule of Bed-Day Availability Payments (Unaudited)**

**Year Ended June 30, 2024**

**1. Summary of Significant Accounting Policies**

The accompanying schedule was prepared on the accrual basis of accounting for the contract period. Calculations in the schedule were prepared in accordance with guidelines established by the State of Florida Department of Children and Families.

## **SUPPLEMENTARY INFORMATION**

**LifeView Group, Inc. and Subsidiaries**

**DUI School  
Balance Sheets**  
*(Dollars in Thousands)*

**September 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Property and equipment, less accumulated depreciation of \$24 and \$17, respectively	\$ 285	\$ 292
Total assets	<u>\$ 285</u>	<u>\$ 292</u>
<b>Liabilities and net deficit</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 6	\$ 5
Due to Lakeview Center, Inc.	775	719
Compensated absences	-	14
Total current liabilities	<u>781</u>	<u>738</u>
Net deficit without donor restrictions	<u>(496)</u>	<u>(446)</u>
Total liabilities and net deficit	<u>\$ 285</u>	<u>\$ 292</u>

*See accompanying notes.*

**LifeView Group, Inc. and Subsidiaries**

**DUI School**  
**Statements of Operations and Changes in Net Deficit**  
**with Special Supervision Services (SSS)**  
*(Dollars in Thousands)*

**Years Ended September 30, 2024 and 2023**

	2024	2023
<b>Changes in net deficit without donor restrictions</b>		
Revenue:		
Net client fees	\$ 391	\$ 393
Net client fees - SSS	115	101
Total revenues and other support without donor restrictions	506	494
Fees remitted to State of Florida	(12)	(13)
Fees remitted to State of Florida - SSS	(4)	(3)
	(16)	(16)
Total client fees	490	478
Total revenue	490	478
Expenses:		
DUI - other:		
Salaries	191	179
Fringe benefits	45	42
Building maintenance and operations	39	52
Conference and conventions	12	15
Other program costs	57	64
Testing and assessment	13	13
Professional fees	-	3
Data processing	11	10
Administrative	35	39
	403	417

*Continued on next page*

**LifeView Group, Inc. and Subsidiaries**

**DUI School**  
**Statements of Operations and Changes in Net Deficit**  
**with Special Supervision Services**  
*(Dollars in Thousands)*

**Years Ended September 30, 2024 and 2023**  
*(Continued)*

	2024	2023
Expenses (continued):		
DUI - SSS:		
Salaries	\$ 56	\$ 46
Fringe benefits	13	11
Building maintenance and operations	16	7
Conference and conventions	5	2
Other program costs	23	8
Testing and assessment	5	2
Data processing	4	1
Administrative	15	5
	137	82
Total expenses	540	499
Change in net deficit without donor restrictions	(50)	(21)
Net deficit without donor restrictions at beginning of year	(446)	(425)
Net deficit without donor restrictions at end of year	\$ (496)	\$ (446)

*See accompanying notes.*

## LifeView Group, Inc. and Subsidiaries

### DUI School Notes to Financial Statements (Dollars in Thousands)

September 30, 2024 and 2023

#### 1. Summary of Significant Accounting Policies

The DUI School financial statements are prepared on the accrual basis of accounting. Significant accounting policies for the DUI School are the same as those described in Note 1 to the accompanying consolidated financial statements of LifeView Group, Inc. and Subsidiaries.

#### 2. State Assessment Fee

As required by Section 322.293, *Florida Statutes*, each DUI program collects a \$15 assessment fee on every client enrolling in its DUI program and remits the fee to the State of Florida. These and other fees collected and distributed to the State are summarized as follows:

	Years Ended September 30,	
	2024	2023
Fees collected during current year	\$ 16	\$ 17
Fees remitted during current year	16	17
Fees due to the state of Florida	<u>\$ -</u>	<u>\$ -</u>

Procedures have been established and maintained that adequately account for all fees received for the DUI program and for all receipts created and/or issued by the DUI program.

## LifeView Group, Inc. and Subsidiaries

### DUI School Notes to Financial Statements (Dollars in Thousands) (Continued)

September 30, 2024 and 2023

#### 3. Other Program Costs for DUI (Non-Special Supervision Services (SSS) Expenses)

Other program costs for the DUI program, not including SSS, consist of the following:

	Years Ended September 30,	
	2024	2023
	<u>          </u>	<u>          </u>
Copier costs	\$ 1	\$ 2
Membership dues	3	-
Office supplies	3	3
Telephone	1	2
Other	3	9
Program admin allocations	<u>46</u>	<u>48</u>
Total other program costs	<u>\$ 57</u>	<u>\$ 64</u>

#### 4. Indirect Cost Allocations

LifeView Group, Inc. allocates administrative costs to its programs using the methodology for the federal indirect rate calculation. The methodologies used allow for the allocation of indirect costs across all appropriate components of operations, and are in accordance with Florida Administrative Code 15A-10.014.

**LifeView Group, Inc. and Subsidiaries**

**Access Behavioral Health  
Balance Sheets (Regulatory Basis)  
(Dollars in Thousands)**

**September 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash and invested assets:		
Cash and cash equivalents	\$ 23,956	\$ 31,901
Real estate	26,453	22,080
Other invested assets	-	280
Total cash and invested assets	<u>50,409</u>	<u>54,261</u>
Electronic data processing equipment and software	135	162
Health care and other amounts receivable	10,195	8,734
Accounts receivable on service industry contracts (non-health)	22,704	13,645
Accounts receivable – other (non-health)	1,320	2,735
Inventories	<u>679</u>	<u>809</u>
Total assets	<u>\$ 85,442</u>	<u>\$ 80,346</u>
<b>Liabilities and net assets</b>		
Liabilities:		
Claims unpaid	\$ 646	\$ 681
General expenses due or accrued	48,300	50,018
Amounts withheld or retained for the account of others	4,908	3,927
Deferred revenue	7,299	9,344
Accrued wages	4,501	4,082
Accrued compensated absences	<u>3,738</u>	<u>3,502</u>
Total liabilities	69,392	71,554
Net assets:		
Net assets without donor restrictions	29,995	25,715
Less non-admitted assets	<u>(13,945)</u>	<u>(16,923)</u>
Total net assets	<u>16,050</u>	<u>8,792</u>
Total liabilities and net assets	<u>\$ 85,442</u>	<u>\$ 80,346</u>

*See accompanying note.*

## LifeView Group, Inc. and Subsidiaries

### Access Behavioral Health Statements of Operations (Regulatory Basis) (Dollars in Thousands)

Years Ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenue:		
Capitation revenue	\$ 31,053	\$ 37,863
Interest income	1	-
Total revenue	<u>31,054</u>	<u>37,863</u>
Expenses:		
Sub-capitation expense	\$ 27,172	\$ 33,130
Taxes and insurance	9	43
Personnel	2,053	1,756
Printing/production and shipping	-	1
Other	159	141
Total expenses	<u>29,393</u>	<u>35,071</u>
Excess of revenue over expenses	<u>\$ 1,661</u>	<u>\$ 2,792</u>

*See accompanying note.*

## **LifeView Group, Inc. and Subsidiaries**

### **Access Behavioral Health Note to Financial Statements (Regulatory Basis)**

**September 30, 2024 and 2023**

#### **1. Summary of Significant Accounting Policies**

The Access Behavioral Health (ABH) financial statements are prepared on a regulatory basis of accounting in accordance with guidelines established by the State of Florida Office of Insurance Regulation. Significant accounting policies for ABH are the same as those described in Note 1 to the accompanying consolidated financial statements of LifeView Group, Inc. and Subsidiaries. Capitation revenue is based on a per-member per-month rate to provide services as a managed behavioral health organization. ABH provides these services for the Company and three comprehensive community mental health centers to provide mental health services to the MMA Plan beneficiaries residing in Regions 1 and 2 in Florida. Subcontracts with the Company are on a full-risk capitated basis and is reported as sub-capitation expense within the statements of operations for ABH.

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal awards</b>						
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
<b>Direct from Substance Abuse and Mental Health Services Administration</b>						
P.H.A.S.E. II						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	9/30/23 - 9/29/24	93.243	22T185487A	\$ 499,526	\$ 498,105	\$ -
O.P.U.S						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	5/30/23 - 5/29/24	93.243	22SP83053AC6	340,984	321,125	-
Total Federal Assistance Listing No. 93.243					<u>819,230</u>	-
CCBHC						
Certified Community Behavioral Health Clinic Expansion Grants	9/30/23 - 9/29/24	93.696	22SM86504A	1,000,000	1,000,000	-
Total Federal Assistance Listing No. 93.696					<u>1,000,000</u>	-
<b>Direct from Center for Disease Control and Prevention</b>						
Walton County Prevention Coalition - DFC Support Program Drug-Free Communities Support Program Grants	10/31/19 - 9/29/24	93.276	5H79SP081894-10	125,000	146,991	-
Total Federal Assistance Listing No. 93.276					<u>146,991</u>	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal awards (continued)</b>						
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</b>						
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Family Support Team (FST) Wrap						
Mary Lee Allen Promoting Safe and Stable Families Program	7/1/23-6/30/24	93.556	A0921	\$ 43,457	\$ 31,724	\$ -
Big Bend CBC/Child Welfare						
Mary Lee Allen Promoting Safe and Stable Families Program	7/1/23-9/30/24	93.556	A0922		23,847	-
Big Bend CBC/Child Welfare						
Mary Lee Allen Promoting Safe and Stable Families Program	4/1/24-9/30/24	93.556	A0927		20,942	-
Arcadia						
Mary Lee Allen Promoting Safe and Stable Families Program	7/1/23-6/30/24	93.556	Arcadia - 2024		199,580	-
Cabot						
Mary Lee Allen Promoting Safe and Stable Families Program	7/1/23-6/30/24	93.556	Cabot - 2024		296,534	-
New Dawn						
Mary Lee Allen Promoting Safe and Stable Families Program	7/1/23-6/30/24	93.556	New Dawn - 2024		139,569	-
Total Federal Assistance Listing No. 93.556					<u>712,196</u>	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare						
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	7/1/23-9/30/24	10.561	A0922	21,558,405	3,985	-
Big Bend CBC/Child Welfare						
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	4/1/24-9/30/24	10.561	A0927	15,813,257	3,454	-
Total Federal Assistance Listing No. 10.561					<u>7,439</u>	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal awards (continued)</b>						
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</b>						
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare						
Stephanie Tubbs Jones Child Welfare Services Program	7/1/23-9/30/24	93.645	A0922		\$ 278,828	\$ -
Big Bend CBC/Child Welfare						
Stephanie Tubbs Jones Child Welfare Services Program	4/1/24-9/30/24	93.645	A0927		244,858	-
Total Federal Assistance Listing No. 93.645					<u>523,686</u>	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare						
Foster Care – Title IV-E	7/1/23-9/30/24	93.658	A0922		1,876,449	-
Big Bend CBC/Child Welfare						
Foster Care – Title IV-E	4/1/24-9/30/24	93.658	A0927		1,573,591	-
Big Bend CBC/Child Welfare						
Foster Care – Title IV-E	9/1/24-9/30/24	93.658	A0934	\$ 593,264	2,824	-
Arcadia						
Foster Care – Title IV-E	7/1/23-6/30/24	93.658	Arcadia - 2024		88,013	-
Cabot						
Foster Care – Title IV-E	7/1/23-6/30/24	93.658	Cabot - 2024		15,577	-
Matrix						
Foster Care – Title IV-E	7/1/23-6/30/24	93.658	Matrix - 2024		21,387	-
New Dawn						
Foster Care – Title IV-E	7/1/23-6/30/24	93.658	New Dawn - 2024		57,710	-
Total Federal Assistance Listing No. 93.658					<u>3,635,551</u>	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare Adoption Assistance	7/1/23-9/30/24	93.659	A0922		\$ 1,321,670	\$ -
Big Bend CBC/Child Welfare Adoption Assistance	4/1/24-9/30/24	93.659	A0927		190,159	-
Matrix Adoption Assistance	7/1/23-6/30/24	93.659	Matrix - 2024		3,221	-
Total Federal Assistance Listing No. 93.659					<u>1,515,050</u>	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare John H. Chafee Foster Care Program for Successful Transition to Adulthood	7/1/23-9/30/24	93.674	A0922		179,423	-
Big Bend CBC/Child Welfare John H. Chafee Foster Care Program for Successful Transition to Adulthood	9/1/24-9/30/24	93.674	A0934		15,852	-
Total Federal Assistance Listing No. 93.674					<u>195,275</u>	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal awards (continued)</b>						
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</b>						
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Family Support Team (FST) In Home Secure Services (IHSS) Social Services Block Grant	7/1/23-6/30/24	93.667	A0920	\$ 79,904	\$ 94,146	\$ -
Family Support Team (FST) Wrap Social Services Block Grant	7/1/23-9/30/24	93.667	A0921	66,860	63,941	-
Big Bend CBC/Child Welfare Social Services Block Grant	7/1/23-9/30/24	93.667	A0922		4,825	-
Big Bend CBC/Child Welfare Social Services Block Grant	4/1/24-9/30/24	93.667	A0927		3,414	-
Total Federal Assistance Listing No. 93.667					<u>166,326</u>	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Family Support Team (FST) In Home Secure Services (IHSS) Child Abuse and Neglect State Grants	7/1/23-6/30/24	93.669	A0920	9,013	7,445	-
Family Support Team (FST) Wrap Child Abuse and Neglect State Grants	7/1/23-6/30/24	93.669	A0921	7,542	5,057	-
Big Bend CBC/Child Welfare Child Abuse and Neglect State Grants	7/1/23-9/30/24	93.669	A0922		382	-
CBC - CAPTA Plans of Safe Care Child Abuse and Neglect State Grants	4/1/24-9/30/24	93.669	A0927		270	-
Total Federal Assistance Listing No. 93.669					<u>13,154</u>	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal awards (continued)</b>						
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</b>						
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Substance Abuse and Mental Health Managing Entity: Temporary Assistance for Needy Families	7/1/23-6/30/24	93.558	A0110	\$ 14,758,725	\$ 599,057	\$ -
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare Temporary Assistance for Needy Families	7/1/23-9/30/24	93.558	A0922		2,463,174	-
Big Bend CBC/Child Welfare Temporary Assistance for Needy Families	4/1/24-9/30/24	93.558	A0927		2,059,913	-
Total Federal Assistance Listing No. 93.558					<u>5,122,144</u>	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Substance Abuse and Mental Health Managing Entity: Block Grants for Community Health Mental Services	7/1/23-6/30/24	93.958	A0110		1,113,707	-
C.A.T. Block Grants for Community Health Mental Services	7/1/23-6/30/24	93.958	A0240	2,805,000	125,722	-
M.R.T. Block Grants for Community Health Mental Services	7/1/23-6/30/24	93.958	A0250	1,892,656	328,656	-
PATH Block Grants for Community Health Mental Services	7/1/23-6/30/24	93.958	A0260	96,907	19,803	-
Managing Entity BigBend CBC - SRT Block Grants for Community Health Mental Services	7/1/23-6/30/24	93.958	A0805	2,429,018	403,579	-
Managing Entity BigBend CBC - Co-Responder Block Grants for Community Health Mental Services	7/1/23-6/30/24	93.958	A0806	464,168	36,720	-
Florida Assertive Community Treatment (FACT): Block Grants for Community Health Mental Services	7/1/23-6/30/24	93.958	A0170	905,801	98,115	-
Total Federal Assistance Listing No. 93.958					<u>2,126,302</u>	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal awards (continued)</b>						
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</b>						
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Substance Abuse and Mental Health Managing Entity:						
Projects for Assistance in Transition from Homelessness (PATH)	7/1/21-6/30/24	93.150	A0260	\$ 33,845	\$ 35,624	\$ -
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Substance Abuse and Mental Health Managing Entity:						
Block Grants for Prevention and Treatment of Substance Abuse T.R.A.C.E.	7/1/23-6/30/24	93.959	A0110		2,928,882	-
Block Grants for Prevention and Treatment of Substance Abuse	9/30/23-9/29/24	93.959	A0810	550,234	272,576	-
Total Federal Assistance Listing No. 93.959					<u>3,201,458</u>	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Substance Abuse and Mental Health Managing Entity:						
Opioid STR	7/1/23-6/30/24	93.788	A0110		2,251,223	-
<b>Passed through Florida Alcohol and Drug Abuse Association</b>						
Naltrexone Program (Vivitrol)						
Opioid STR	7/1/23-6/30/24	93.788	DCFFAD202425-28	80,000	250,448	-
Total Federal Assistance Listing No. 93.788					<u>2,501,671</u>	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal awards (continued)</b>						
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</b>						
<b>Medicaid Cluster</b>						
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Community Based Care – Child Welfare: Medical Assistance Program	7/1/23-9/30/24	93.778	A0922		\$ 19,922	\$ -
Community Based Care – Child Welfare: Medical Assistance Program	4/1/24-9/30/24	93.778	A0927		17,268	-
<b>Passed through from Healthy Start Community Coalition of Okaloosa and Walton Counties</b>						
Maternal and Child Health Services Block Grant to the States: Medical Assistance Program	7/1/23-6/30/24	93.778	OKA-#01-2022	\$ 576,882	543,300	-
Total Federal Assistance Listing No. 93.778					<u>580,490</u>	<u>-</u>
<b>Total U.S. Department of Health and Human Services</b>					<u>22,302,587</u>	<u>-</u>

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

Federal Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	Federal Assistance Listing Number	Grantor's Number	Program/ Award Amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal awards (continued)</b>						
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>						
<b>Passed through the Assistant Secretary for Community Planning &amp; Development</b>						
Housing First: Continuum of Care Program	7/1/23-6/30/24	14.267	FL0634L4H112206	\$ 134,810	\$ 137,595	\$ -
<b>U.S. DEPARTMENT OF TREASURY</b>						
<b>Passed through the City of Pensacola</b>						
Homeless Evaluation Assessment Response Team (HEART) Coronavirus Relief Fund	2/4/22-12/31/24	21.019	0.1280.128007.9882.	300,000	90,584	-
<b>Passed through Okaloosa County</b>						
American Rescue Plan Act - ARPA Coronavirus State and Local Fiscal Recovery Funds	5/11/21-12/31/24	21.027	NP11111	50,000	3,667	-
<b>Total U.S. Department of Treasury</b>					<u>231,846</u>	<u>-</u>
<b>Total expenditures of federal awards</b>					<u>\$ 22,534,433</u>	<u>\$ -</u>

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

State Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	State Assistance Listing Number	Grantor's Number	Program/ Award Amount	State Expenditures	Passed Through to Subrecipients
<b>State Financial Assistance</b>						
<b>STATE OF FLORIDA DEPARTMENT OF HEALTH</b>						
<b>Passed through from Community Helath Promotion/Bureau of Tobacco Free Florida</b>						
Tobacco Coalition						
State and Community Interventions	7/1/21-6/30/26	64.093	COTJZ	\$ 139,524	\$ 146,175	-
<b>Total State of Florida Department of Health</b>					<u>146,175</u>	<u>-</u>
<b>STATE OF FLORIDA DEPARTMENT of CHILDREN AND FAMILY SERVICES</b>						
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare						
The Independent Living and Road-To-Independence Program	7/1/23-9/30/24	60.112	A0922		19,213	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare						
Extended Foster Care Program	7/1/23-9/30/24	60.141	A0922		90,760	-
New Dawn						
Extended Foster Care Program	7/1/23-6/30/24	60.141	New Dawn - 2024		358	-
<b>Total State Assistance Listing No. 60.141</b>					<u>91,118</u>	<u>-</u>
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare						
CBC - Adoption Services	7/1/23-9/30/24	60.076	A0922		828	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

State Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	State Assistance Listing Number	Grantor's Number	Program/ Award Amount	State Expenditures	Passed Through to Subrecipients
<b>State Financial Assistance (continued)</b>						
<b>STATE OF FLORIDA DEPARTMENT OF CHILDREN AND FAMILY SERVICES (CONTINUED)</b>						
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Big Bend CBC/Child Welfare Out-of-Home Supports	7/1/23-9/30/24	60.074	A0922		\$ 99,136	\$ -
Big Bend CBC/Child Welfare Out-of-Home Supports	4/1/24-9/30/24	60.074	A0927		127,755	-
Big Bend CBC/Child Welfare Out-of-Home Supports	9/1/24-9/30/24	60.074	A0934		83	-
Big Bend CBC - Arcadia Out-of-Home Supports	7/1/23-6/30/24	60.074	Arcadia - 2024		276,995	-
Big Bend CBC - Cabot Out-of-Home Supports	7/1/23-6/30/24	60.074	Cabot - 2024		466,435	-
Big Bend CBC - New Dawn Out-of-Home Supports	7/1/23-6/30/24	60.074	New Dawn - 2024		473,547	-
Big Bend CBC - Meridian Out-of-Home Supports	7/1/23-6/30/24	60.074	Meridian - 2024		17,400	-
<b>Total State Assistance Listing No. 60.074</b>					<u>1,461,351</u>	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Early Childhood Court Case Management & Prevention Services	7/1/23-9/30/24	60.225	A0922		109,019	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Community Based Care – Child Welfare: CBC - Purchase of Therapeutic Services for Children Matrix	7/1/23-6/30/24	60.183	A0927		800	-
CBC - Purchase of Therapeutic Services for Children	7/1/23-6/30/24	60.183	MATRIX - 2024		15,398	-
<b>Total State Assistance Listing No. 60.183</b>					<u>16,198</u>	-
<b>Passed through from Big Bend Community Based Care (BB)</b>						
Centralized Receiving Facility (CRF) Centralized Receiving Systems	7/1/23-6/30/24	60.163	A0808	\$ 1,582,776	2,617,753	-

**LifeView Group, Inc. and Subsidiaries**

**Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Year Ended September 30, 2024**

*(continued)*

State Grantor/Pass-Through Grantor/Project Title /Program Title	Grant Period	State Assistance Listing Number	Grantor's Number	Program/ Award Amount	State Expenditures	Passed Through to Subrecipients
<b>State financial assistance (continued)</b>						
<b>STATE OF FLORIDA DEPARTMENT OF CHILDREN AND FAMILY SERVICES (CONTINUED)</b>						
<b>Direct from Dept. of Children and Families (DCF)</b>						
Short Term Residential Treatment (SRT) Expansion						
Lakeview Center Short-Term Residential Treatment (SRT) Expansion	7/1/23-6/30/24	60.286	24010145-429	2,150,000	\$ 2,150,000	\$ -
<b>Total State of Florida Department of Children and Family Services</b>					<u>6,465,480</u>	<u>-</u>
<b>Office of the State Court Administration</b>						
Post-Adjudicatory Drug Court Program						
Problem Solving Courts	7/1/23-6/30/24	22.029	0100CVX	\$ 666,419	623,925	-
Naltrexone (Vivitrol)						
Naltrexone	7/1/23-6/30/24	22.022	OSCAFAD202425-32	121,513	123,794	-
Naltrexone (Vivitrol)						
Medically Assisted Drug Treatment Program	7/1/23-6/30/24	22.030	OSCAFAD202425-32	340,097	190,722	-
<b>Total Office of the State Court Administration</b>					<u>938,441</u>	<u>-</u>
<b>Total expenditures of state financial assistance</b>					<u>\$ 7,550,096</u>	<u>\$ -</u>

*See accompanying notes.*

## **LifeView Group, Inc. and Subsidiaries**

### **Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Years Ended September 30, 2024 and 2023**

#### **1. Presentation and Basis of Accounting**

The schedule of expenditures of federal awards and state financial assistance is prepared on the accrual basis in accordance with accounting principles generally accepted in the United States. It includes all the state and federal expenditures of LifeView Group, Inc. (the Company).

The Company allocates administrative costs to its federal and state programs using a step-down allocation methodology. The methodologies used allow for the allocation of administrative costs across all appropriate components of operations, and are in accordance with Florida Administrative Code 15A-10.014. The Company has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance and instead adheres to an approved federal indirect rate or approved contract indirect rate.

#### **2. Contingencies**

The Company has received numerous federal and state grants. The disbursement of funds received under these programs is subject to review and audit by grantor agencies. Any disbursements disallowed by these agencies could become a liability of the Company. In the opinion of management, any such claims will not have a material adverse effect on the financial position of the Company.

#### **3. Subrecipients**

In order to fulfill contractual requirements for child protective services, behavioral health services, and vocational services, the Company subcontracts with various community agencies. The Company is responsible for compliance with the funds expended, but all regulatory and contractual obligations are passed to the subrecipients in their contracts.

## **OTHER REPORTS AND SCHEDULES**

**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**

President/Chief Executive Officer  
Chief Financial Officer  
The Board of Directors  
LifeView Group, Inc. and Subsidiaries

We have audited, 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 (*Government Auditing Standards*), the consolidated financial statements of LifeView Group, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheet as of September 30, 2024, and the related consolidated statements of operations and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 7, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Company’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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Company’s internal control.

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

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's consolidated financial statements are free of 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 consolidated 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Pensacola, Florida  
February 7, 2025

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM AND STATE FINANCIAL  
ASSISTANCE PROJECT AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE,  
SECTION 215.97, FLORIDA STATUTES, AND CHAPTER 10.650,  
RULES OF THE AUDITOR GENERAL**

President/Chief Executive Officer  
Chief Financial Officer  
The Board of Directors  
LifeView Group, Inc. and Subsidiaries

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project**

**Opinion on Each Major Federal Program and State Project**

We have audited LifeView Group, Inc. and Subsidiaries’ (the Company)’s compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the requirements described in the Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of the Company’s major federal programs and state financial assistance projects for the year ended September 30, 2024. The Company’s major federal programs and state financial assistance projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Company complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2024.

**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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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); Section 215.97, *Florida Statutes*; and Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance, Section 215.97, *Florida Statutes*; and Chapter 10.650, *Rules of the Auditor General* 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 Company 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 on compliance for each major federal program and state financial assistance project. Our audit does not provide a legal determination of the Company's compliance with the compliance requirements referred to above.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Company's federal programs and state financial assistance 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 Company'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 GAAS, *Government Auditing Standards*, the Uniform Guidance, Section 215.97, *Florida Statutes*; and Chapter 10.650, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than 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 Company's compliance with the requirements of each major federal program and state financial assistance project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, Section 215.97, *Florida Statutes*; and Chapter 10.650, *Rules of the Auditor General*, 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 Company'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 Company'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, Section 215.97, *Florida Statutes* and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state financial assistance project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state financial assistance 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 financial assistance 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, Section 215.97, *Florida Statutes*; and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Pensacola, Florida  
February 7, 2025

**LIFETIME GROUP, INC. AND SUBSIDIARIES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED SEPTEMBER 30, 2024**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of report the auditor issued on whether the consolidated financial statements audited were prepared in accordance with GAAP:

Unmodified

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Internal control over financial reporting:  
 Material weakness(es) identified?  
 Significant deficiency(ies) identified?

_____	<b>yes</b>	X	<b>no</b>
_____	<b>yes</b>	X	<b>none reported</b>

Noncompliance material to financial statements noted?

_____	<b>yes</b>	X	<b>no</b>
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**Federal Awards and State Financial Assistance**

Internal control over major federal programs and state projects:

Material weakness(es) identified?  
 Significant deficiency(ies) identified?

_____	<b>yes</b>	X	<b>no</b>
_____	<b>yes</b>	X	<b>none reported</b>

Type of auditor's report issued on compliance for major federal programs and state projects:

Unmodified

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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a), Uniform Guidance; Section 215.97, *Florida Statutes*; or Chapter 10.650, *Rules of the Auditor General*?

_____	<b>yes</b>	X	<b>no</b>
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Identification of major federal programs:

**Assistance Listing number(s)**

**Name of federal program or cluster**

93.659

Adoption Assistance

93.696

Certified Community Behavioral Health Clinic Expansion Grants

93.959

Block Grants for Prevention and Treatment of Substance Abuse

**LIFEVIEW GROUP, INC. AND SUBSIDIARIES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**(Continued)**

**YEAR ENDED SEPTEMBER 30, 2024**

**Section I - Summary of Auditor's Results (continued)**

Identification of major state projects:

<u><b>Assistance Listing numbers</b></u>	<u><b>Name of state project</b></u>
22.029	Post-Adjudicatory Drug Court Program
60.163	Centralized Receiving Facility
60.286	Short Term Residential Treatment (SRT) Expansion

Dollar threshold used to distinguish between Type A and Type B programs:	Federal programs:	\$750,000
	State projects:	\$750,000

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Auditee qualified as low-risk auditee?                        X   yes                             no

**Section II - Financial Statement Findings**

No matters were identified.

**Section III - Federal Award and State Project Findings and Questioned Costs**

No matters were identified.

**Section IV - Management Letter and Summary Schedule of Prior Audit Findings**

No matters were identified.