

PILLARS COMMUNITY HEALTH
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2025 AND 2024



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Pillars Community Health
Countryside, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pillars Community Health (the Organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of operations, changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Pillars Community Health as of June 30, 2025 and 2024, and the results of its operations 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 (U.S. GAAP).

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. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Pillars Community Health, 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 Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the aggregate, they would influence the judgment made by a reasonable user based on the 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Pillars Community Health's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Pillars Community Health's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

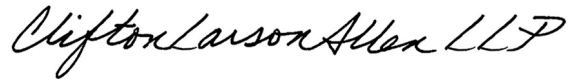
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 32 to 37 is presented for the purpose of additional analysis, and is not a required part of the financial statements. Supplemental information consists of schedules of revenues and expenses for Proviso Mental Health Commission, Illinois Coalition Against Sexual Assault Programs, and Illinois Coalition Against Domestic Violence Programs. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Report on Supplementary Information (Continued)

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2026 on our consideration of Pillars Community Health’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 Pillars Community Health’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 Pillars Community Health’s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Oak Brook, Illinois
January 15, 2026

**PILLARS COMMUNITY HEALTH
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024**

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 634,116	\$ 1,565,532
Patient Service Receivable	684,635	613,548
Grants Receivable	1,861,187	1,987,264
Pledges Receivable	33,000	33,000
Prepaid Expenses	257,600	228,679
Assets Held for Sale	797,921	-
Total Current Assets	4,268,459	4,428,023
INVESTMENTS		
Investment in ProviderCo, LLC	40,000	40,000
Investment in Behavioral Health Consortium of Illinois, LLC	35,000	35,000
Investments	6,471,751	6,053,756
Investments Held in Trust by Others	2,414,441	2,225,532
Total Investments	8,961,192	8,354,288
LONG-TERM ASSETS		
Property and Equipment, net	9,402,613	10,108,696
Right-of-Use Assets - Operating Leases, Net	224,963	397,262
Right-of-Use Assets - Finance Leases, Net	386,309	-
Total Long-Term Assets	10,013,885	10,505,958
Total Assets	\$ 23,243,536	\$ 23,288,269
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 177,699	\$ 620,434
Accrued Payroll, Vacation, and Related Expenses	1,074,460	966,799
Accrued Expenses	27,512	389,619
Deferred Revenue	-	521,189
Current Portion of Long-Term Debt	783,043	821,397
Operating Lease Liability, Current Portion	178,429	181,354
Finance Lease Liability, Current Portion	90,524	-
Total Current Liabilities	2,331,667	3,500,792
NONCURRENT LIABILITIES		
Long-Term Portion of Debt, Net of Unamortized Debt Issuance Costs	2,209,141	2,378,843
Operating Lease Liability, Long-Term Portion	53,108	221,566
Finance Lease Liability, Long-Term Portion	305,762	-
Security Deposits	12,539	12,539
Other Liabilities	328,637	328,640
Total Noncurrent Liabilities	2,909,187	2,941,588
Total Liabilities	5,240,854	6,442,380
NET ASSETS		
Without Donor Restrictions:		
Undesignated	9,367,474	8,548,182
Board-Designated	5,528,236	5,150,170
With Donor Restrictions	3,106,972	3,147,537
Total Net Assets	18,002,682	16,845,889
Total Liabilities and Net Assets	\$ 23,243,536	\$ 23,288,269

See accompanying Notes to Financial Statements.

**PILLARS COMMUNITY HEALTH
STATEMENTS OF OPERATIONS
YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
REVENUE		
Support and Revenue:		
Contributions	\$ 368,226	\$ 334,966
Special Events, Net	158,244	186,659
Federal, State, Coalition, Township, and Local Grants	10,816,226	10,292,277
Other Grants	660,310	641,158
Patient Service Revenue	9,700,884	9,126,316
Net Assets Released from Restrictions - Operations	1,701,024	1,678,440
Total Revenue	23,404,914	22,259,816
EXPENSES		
Program Services	18,704,625	17,266,799
Support Services:		
Management and General	5,262,112	5,705,128
Philanthropy	289,964	249,073
Total Expenses	24,256,701	23,221,000
OPERATING LOSS	(851,787)	(961,184)
OTHER REVENUE (EXPENSE)		
Dividends and Interest Income	263,732	288,866
Realized Gain (Loss) on Investments	110,987	(7,670)
Unrealized Gain on Investments	185,838	230,937
Miscellaneous	261,622	331,383
Gain on Sale of Fixed Assets	1,209,484	-
Total Other Revenue	2,031,663	843,516
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	\$ 1,179,876	\$ (117,668)

See accompanying Notes to Financial Statements.

**PILLARS COMMUNITY HEALTH
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Excess (Deficit) of Revenue over Expenses	\$ 1,179,876	\$ (117,668)
Net Assets Released from Restrictions - Capital	17,482	411,339
Grants for Acquisition of Property and Equipment	-	1,346,778
Increase in Net Assets Without Donor Restrictions	1,197,358	1,640,449
NET ASSETS WITH DONOR RESTRICTIONS		
Grants and Contributions	1,489,032	1,155,521
Net Assets Released from Restrictions	(1,718,506)	(2,089,779)
Change in Value of Investments Held in Trust by Others	188,909	198,936
Increase (Decrease) in Net Assets With Donor Restrictions	(40,565)	(735,322)
CHANGE IN NET ASSETS	1,156,793	905,127
Net Assets - Beginning of Year	16,845,889	15,940,762
NET ASSETS - END OF YEAR	\$ 18,002,682	\$ 16,845,889

See accompanying Notes to Financial Statements.

**PILLARS COMMUNITY HEALTH
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025**

	Program Services						Supporting Services			
	Behavioral Health Services	Pathways to Success Services	Sexual Assault Services	Domestic Violence Services	FQHC Health Center Services	Access & Referral Services	Total Program Services	Management and General	Philanthropy	Total
Salaries and Wages	\$ 5,471,965	\$ 415,058	\$ 570,540	\$ 1,282,185	\$ 4,114,015	\$ 314,563	\$ 12,168,326	\$ 2,925,339	\$ 189,630	\$ 15,283,295
Payroll Taxes and Benefits	1,218,352	97,691	129,030	293,147	786,086	65,635	2,589,941	621,365	48,572	3,259,878
Client Assistance and Transportation	49,649	17,810	5,515	5,973	5,749	107	84,803	4,931	71	89,805
Clinical Providers	429	-	-	-	122,763	-	123,192	22,006	-	145,198
Depreciation and Amortization	59,733	3,519	35,039	96,157	150,807	4,430	349,685	76,950	709	427,344
Information Technology and Telecommunications	385,217	20,848	64,369	101,601	461,990	13,768	1,047,793	489,558	12,478	1,549,829
Professional Development, Licenses, Dues, and Subscriptions	35,250	60	2,199	18,383	69,925	525	126,342	133,452	644	260,438
Insurance	31,673	2,422	6,772	13,165	75,128	2,254	131,414	44,802	1,063	177,279
Interest Expense	12,618	-	12,284	12,369	96,563	-	133,834	30,990	-	164,824
Occupancy	229,291	11,425	49,844	120,695	479,764	14,242	905,261	23,172	18,188	946,621
Professional Fees and Outside Services	38,853	-	93	758	50,077	4,100	93,881	668,303	500	762,684
Payments to Subrecipients	132,405	-	-	-	-	-	132,405	-	-	132,405
Supplies	239,410	15,225	37,498	65,435	439,823	9,783	807,174	194,695	11,686	1,013,555
Miscellaneous	5,911	-	-	-	4,663	-	10,574	26,549	6,423	43,546
Total Functional Expenses	\$ 7,910,756	\$ 584,058	\$ 913,183	\$ 2,009,868	\$ 6,857,353	\$ 429,407	\$ 18,704,625	\$ 5,262,112	\$ 289,964	\$ 24,256,701

See accompanying Notes to Financial Statements.

**PILLARS COMMUNITY HEALTH
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024**

	Program Services						Supporting Services			
	Behavioral Health Services	Pathways to Success Services	Sexual Assault Services	Domestic Violence Services	FQHC Health Center Services	Access & Referral Services	Total Program Services	Management and General	Philanthropy	Total
Salaries and Wages	\$ 5,048,770	\$ 298,009	\$ 530,541	\$ 1,128,795	\$ 3,692,262	\$ 203,762	\$ 10,902,139	\$ 3,208,644	\$ 131,417	\$ 14,242,200
Payroll Taxes and Benefits	1,124,886	57,161	116,445	247,306	661,211	44,326	2,251,335	673,160	31,041	2,955,536
Client Assistance and Transportation	39,872	2,553	5,488	128,854	9,398	187	186,352	6,292	89	192,733
Clinical Providers	8,345	-	-	-	228,192	-	236,537	2,163	-	238,700
Depreciation and Amortization	60,244	3,663	25,970	45,389	101,567	4,597	241,430	90,970	1,009	333,409
Information Technology and Telecommunications	407,918	15,625	62,961	99,539	399,298	10,495	995,836	511,149	19,063	1,526,048
Professional Development, Licenses, Dues, and Subscriptions	34,079	35	2,959	8,449	78,526	-	124,048	113,227	517	237,792
Insurance	27,969	2,947	5,786	11,540	70,694	1,641	120,577	28,816	727	150,120
Interest Expense	1,958	-	31,364	31,582	-	-	64,904	80,121	-	145,025
Occupancy	177,315	9,246	54,900	119,070	369,159	11,557	741,247	158,889	18,344	918,480
Professional Fees and Outside Services	131,840	-	-	2,786	84,841	-	219,467	660,086	22,906	902,459
Payments to Subrecipients	167,121	-	-	-	-	-	167,121	-	-	167,121
Supplies	180,774	6,487	20,565	70,594	718,574	4,765	1,001,759	158,327	17,867	1,177,953
Miscellaneous	3,229	-	-	1,000	9,818	-	14,047	13,284	6,093	33,424
Total Functional Expenses	\$ 7,414,320	\$ 395,726	\$ 856,979	\$ 1,894,904	\$ 6,423,540	\$ 281,330	\$ 17,266,799	\$ 5,705,128	\$ 249,073	\$ 23,221,000

See accompanying Notes to Financial Statements.

**PILLARS COMMUNITY HEALTH
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,156,793	\$ 905,127
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	427,344	333,409
Unrealized and Realized Gain on Investments	(296,825)	(223,267)
Change in Value of Investments Held in Trust by Others	(188,909)	(198,936)
Gain on Sale of Property and Equipment	(1,209,484)	-
Grants for Acquisition of Property and Equipment	-	(1,346,778)
Changes in Assets and Liabilities:		
Patient Service Receivables	(71,087)	61,022
Grants and Pledges Receivable	126,077	814,267
Prepaid Expenses	(28,921)	(60,990)
Accounts Payable	(240,020)	23,431
Accrued Payroll, Vacation, and Related Expenses	107,661	47,230
Accrued Expenses	(447,794)	357,224
Deferred Revenue	(521,189)	141,776
Net Cash Provided (Used) by Operating Activities	(1,186,354)	853,515
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	85,356	419,638
Purchases of Investments and Dividend Reinvestments	(206,526)	(205,349)
Proceeds from Sales of Property and Equipment	1,586,325	-
Purchases of Property and Equipment	(1,002,161)	(3,543,485)
Net Cash Used by Investing Activities	462,994	(3,329,196)
CASH FLOWS FROM FINANCING ACTIVITIES		
Grants for Acquisition of Property and Equipment	-	1,346,778
Payments on Long-Term Debt	(208,056)	(185,755)
Net Cash Used by Financing Activities	(208,056)	1,161,023
NET DECREASE IN CASH AND CASH EQUIVALENTS	(931,416)	(1,314,658)
Cash and Cash Equivalents - Beginning of Year	1,565,532	2,880,190
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 634,116	\$ 1,565,532
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest Paid	\$ 164,824	\$ 145,025
Right-of-Use Asset Obtained in Exchange for Lease Liability	\$ 482,886	\$ 75,846
Fixed Asset Additions Financed with Long-Term Debt	\$ -	\$ 2,000,000
Fixed Assets Additions Included in Accounts Payable	\$ -	\$ 202,715

See accompanying Notes to Financial Statements.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Pillars Community Health (the Organization) is a nonprofit organization incorporated in the state of Illinois which traces its history through its predecessor organizations to 1921 and was formed on January 1, 2018 as the result of a merger. The Organization provides health, social, and educational services to build strong healthy communities. The Organization operates a Federally Qualified Health Center (FQHC), a Community Mental Health Center (CMHC) which is licensed by the state of Illinois to provide mental health services (DMH) and substance use prevention and recovery (SUPRT/SUD) services, and is also a Planning, Development and Implementation (PDI) grantee of SAMHSA working towards certification as a Certified Community Behavioral Health Center (CCBHC). The Organization also provides Domestic Violence and Sexual Assault, and other Social Service Programs which provide and coordinate quality, comprehensive health and human services to people in the western suburbs of Chicago, with an emphasis on those with limited access to care. The activities are primarily funded by contributions from individuals and private foundations, support from federal and local grants, clinical revenues including Medicaid, and investment income.

Funds raised are used for programs developed by the Organization as follows:

- Within its FQHC, health center services include:
 - Coordinated preventive and acute medical care, chronic illness care and management, health education to patients ages 0-90, and prenatal care.
 - Integrated psychiatric and behavioral health services.
 - Dental services including comprehensive preventive and restorative oral health care and oral health education provided by dentists and a dental hygienist.
 - Care coordination and benefits assistance services.
 - Services as a Health Care for the Homeless Health Resources and Services Administration grantee.
 - Coronavirus Disease (COVID-19) testing and vaccination services.
 - Outreach and engagement activities which include community events, patient education and capacity building with community partners.
 - The health center operates a 340B pharmacy assistance program as a covered entity and has Federal Public Health Service deemed status with respect to certain health or health-related claims, including medical malpractice claims, for itself and its covered individuals.

- Behavioral Health Services – The Organization is a Community Mental Health Center (CMHC) which is licensed by the state of Illinois to provide mental health services (DMH) and substance use prevention and recovery (SUPRT/SUD) services, and is also a Planning, Development and Implementation (PDI) grantee of SAMHSA working towards certification as a Certified Community Behavioral Health Center (CCBHC). Some of these services are accredited by the Commission on Accreditation of Rehabilitation Facilities.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Organization (Continued)

The Organization provides crisis response and stabilization, outpatient, and community-based services to help clients develop strategies to manage symptoms related to their mental health and/or substance use disorders. This includes mobile crisis response services, individual, family and group therapy, recovery focused services, community support and/or substance use disorder services, and supportive employment services. The Organization is also a state Pathways To Success certified entity which provides care coordination for children with complex behavioral health needs, operates Buddy's Place, a childhood bereavement program, and operates The Loft at Eight Corners in partnership with NAMI Metro Suburban, which is a mental wellness and support center for teens ages 12-18.

- The Organization also provides a continuum of domestic and sexual violence services and is a certified Rape Crisis Center. Services include operation of two 24-hour telephone hotlines for domestic and sexual violence survivors, medical and legal advocacy and counseling and therapy services for survivors of domestic and/or sexual violence. Constance Morris House is a comprehensive emergency residential shelter for domestic violence survivors. The Organization also operates a Partner Abuse and Intervention Program (PAIP) and provides outreach, awareness and prevention activities in communities the organization serves.
- The Community Healthcare Network (Network) is a health care safety net program for low income, uninsured adults ages 19-64. Services include primary care, mental health services, specialty care referrals to a network of volunteer providers, pharmacy services and access to hospital-based laboratory, diagnostic, and inpatient services, if needed. The Organization is the enrollment site, a primary care site, and the managing entity for the Network, which is collaboration between Advent Health, Community Memorial Foundation, and multiple volunteer specialists.

The fiscal year for the Organization ends on June 30. Significant accounting policies followed by the Organization are presented below:

This summary of significant accounting policies is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Excess (Deficit) of Revenue over Expenses

The statement of operations includes excess (deficit) of revenue over expenses. Changes in net assets that are excluded from the excess (deficit) of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions restricted by donors for the purpose of acquiring such assets), contributions with donor restrictions and grants for the acquisition of long-lived assets.

Basis of Accounting

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

The Organization reports information regarding its financial position and activities, based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a capital reserve, an operating reserve, and a board designated quasi-endowment unrestricted fund.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donor stipulation.

Cash and Cash Equivalents

The Organization considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Organization accounts for investments at fair value, based on quoted market prices. Unrealized gains or losses on such securities are based on the change in market value of the assets from the beginning to the end of the fiscal year. Realized gains or losses are based on the proceeds received less the fair market value as of the previous year or original cost if it was purchased during the year. Unrealized gains and losses are included in the excess (deficit) of revenue over expenses.

Investments Held in Trust by Others

The Organization has funds held in a perpetual trust by others from which income is received based on the Organization's ownership share. The interest in the trust is stated at the estimated fair value of the assets based on the percentage of the trust designated to the Organization applied to the total fair value of the trust, which is based primarily on quoted market prices of the trust's underlying assets. The Organization's share of the trust's assets is included in the statement of financial position as investments held in trust by others and is classified as net assets with donor restrictions.

Investment in Behavioral Health Consortium of Illinois, LLC

As of June 30, 2025 and 2024, the Organization had an 8.33% ownership of Behavioral Health Consortium of Illinois, LLC (the LLC). The purposes of the LLC is to establish and operate a network of clinically-integrated behavioral health service providers in Cook County and its surrounding communities who will serve as preferred providers to CountyCare and other third-party payors; to share best practices for the provision of high quality behavioral health services; to achieve efficiencies among the members; and to provide behavioral health services over a broader continuum of care inclusive of the social determinants of health. Members of the LLC are subject to an operating agreement which places limits on the transfer, sale, and pledging of units, including the first right of refusal by the LLC and other members in the event a member wishes to sell or dispose of its units. Withdrawal from the LLC requires written notice provided at least 180 days prior to the withdrawal date.

As the Organization does not have the ability to exercise significant influence on the activities of Behavioral Health Consortium of Illinois, LLC, the investment is accounted for under the cost method and valued at \$35,000.

Investment in ProviderCo, LLC

As of June 30, 2025 and 2024, the Organization had a 3.45% ownership of ProviderCo, LLC. ProviderCo, LLC is a 50% owner of the Illinois Health Practice Alliance, which is an independent practice association of behavioral health providers in Illinois. As the Organization does not have the ability to exercise significant influence on the activities of ProviderCo, LLC, the investment is accounted for under the cost method and valued at \$40,000.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Patient Accounts Receivable

Patient accounts receivable are reported at their transaction price from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. The Organization grants credit without collateral to its patients, most of whom are residents in the communities that it serves and are either insured under third-party payor agreements or uninsured. Patient accounts receivable are reduced for explicit and implicit price concessions. In establishing its estimate of collectability of accounts receivable, the Organization analyzes its past history and collection patterns of its major payor revenue sources. These estimates are adjusted as appropriate for volume, service mix and rate changes.

For receivables associated with self-pay patients (which include patients without insurance who are not covered by the Organization's sliding fee discount program and patients with deductible and copayments balances due for which third-party coverages exists for part of the bill), the Organization records an implicit price concession in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated or provided by policy) and the amounts actually collected after all reasonable collection efforts have been exhausted are considered a change in estimate of the implicit price concession.

Pledges and Contributions Receivable

Unconditional promises to give contributions are recorded as revenue when the promises are received. Pledges expected to be collected in periods greater than one year are discounted to their estimated present value. There were no long-term pledges at June 30, 2025 or 2024. Management assesses the collectability of pledges receivable based on historical experience. When amounts are determined to be uncollectible, they are written off and charged to bad debt expense.

Grants Receivable

Grants receivable consists of costs under the grant agreements that were incurred prior to year-end, for which payment has not been received. Costs incurred recoverable under grants are stated at the amount management expects to collect from outstanding balances. Management assesses the collectability of grants receivable based on historical experience.

Property and Equipment

Property and equipment purchases of \$5,000 or more are stated at cost. Expenditures for repairs and maintenance are charged to expense as incurred, whereas renewals and betterments that extend the lives of the property are capitalized. Assets received as donations are stated at the fair value at the date of the donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	27.5 to 50 Years
Building Improvements	5 to 50 Years
Furniture and Fixtures	5 Years

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Assets Held for Sale

During the year ended June 30, 2025 the Organization committed to sell a building located in Riverside, Illinois. The building was previously included within construction in progress as the Organization evaluated various potential uses for it. The Organization has determined this building meets the criteria for classification as held for sale under ASC 360-10. This asset is reported at the lower of its carrying amount or fair value less cost to sell. Management expects the sale to be completed within the next twelve months.

Recognition of Support and Revenues

Grants are recognized as revenue when earned. Expense-driven grants are recognized as revenue when the qualifying expenses have been incurred and all other grant requirements have been met. Grant funds received prior to the incurrence of the qualifying expenses are deferred. The Organization has been awarded cost-reimbursement grants from the federal government which total approximately \$8,127,000. As of June 30, 2025, approximately \$2,559,000 has yet to be earned and represents a conditional contribution.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of operations as net assets released from restrictions.

Grants advanced and not expended by the end of the grant or contract period are refundable to the grantor. Certain organizations involved in exchange transactions may specify monies be used in a specific future period and, as such, they are initially recorded as deferred revenue and are then recognized in the period for which they were designated.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributed Goods and Services

The Organization recognizes donated services of specialized skills which would need to be purchased if they were not donated as in-kind contributions in the statement of operations. Donated health care and professional services amounted to \$-0- for the years ended June 30, 2025 and 2024. The Organization also receives a significant amount of donated services from unpaid volunteers who assist in its programs in the furtherance of its purposes. No amounts have been recognized in the statement of operations for unpaid volunteers.

Sliding Fee Adjustments (Charity Care)

The Organization is a nonprofit health care provider established to meet the health care needs of its community. The Organization has a policy of providing care to uninsured patients who meet certain criteria under its policies at amounts less than its established rates, or without charge. If the free care exception does not apply patients are requested to pay a minimum fee for each visit, although no patient is denied services because of inability to pay.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. The Organization allocates its expenses between program and support services. Expenses that can be identified with a specific program or support service are allocated directly according to the benefits provided. Costs not directly attributable to a function, including depreciation, interest, and other occupancy costs are allocated by various statistical bases, such as square footage, employee headcount, etc.) as determined by management.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation. The Organization determined that it was not required to record a liability related to uncertain tax positions.

Leases

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in ROU assets – financing and lease liability, financing in the statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected to use the risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities. The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

NOTE 2 PATIENT SERVICE REVENUE AND RECEIVABLES

Patient service revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government payors), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Organization bills the patients and third-party after the services are performed. Revenue is recognized as the performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time are recognized based on actual charges incurred in relation to total expected (or actual) charges. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patient service revenue from primary and preventative care, care coordination fees and capitation revenue, and totaled approximately \$9,518,000 and \$8,947,000 for the years ended June 30, 2025 and 2024, respectively. The Organization measures the performance obligation at the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the completion of the outpatient service. Revenue for performance obligations satisfied at a point in time, pharmacy services, are recognized when goods are provided to patients and the Organization is not required to provide additional goods or services related to that sale, and totaled approximately \$182,000 and \$179,000 for the years ended June 30, 2025 and 2024, respectively.

The Organization determines the transaction price based on standard charges for goods and services provided, reduced by explicit price concessions provided to third-party payors, discounts provided to uninsured and under-insured patients in accordance with the Organization's policy and/or implicit price concessions provided to uninsured and under-insured patients.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 PATIENT SERVICE REVENUE AND RECEIVABLES (CONTINUED)

The Organization determines its estimates of explicit price concessions based on contractual agreements, its discount policy, and historical experience. The Organization determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

The opening and closing contract balances with customers (patient receivables) were as follows:

	Patient Service Receivable
Balance as of July 1, 2023	\$ 674,570
Balance as of July 1, 2024	613,548
Balance as of June 30, 2025	684,635

Agreements with third-party payors typically provide for payments at amounts less than established charges. Contractual adjustments under third-party reimbursement programs principally represent the differences between the Organization's billings at list price and the amounts reimbursed by Medicare, Medicaid, commercial insurance carriers, and certain other third-party payors; they also include any differences between estimated retroactive third-party reimbursement settlements for prior years and subsequent final settlements. A summary of the payment arrangements with major third-party payors follows:

Medicare

The Health Center is paid a Prospective Payment System (PPS) rate for FQHCs under Medicare Part B for outpatient services rendered to Medicare program beneficiaries. The rates vary according to patient classification systems and are based on clinical, diagnostic, and other factors. Under the FQHC PPS, Medicare pays FQHCs based on the lesser of their actual charges or the PPS rate for FQHC services furnished to a beneficiary for a medically necessary, face-to-face FQHC visit. The Organization is paid 80% of the established FQHC rate, with the beneficiary being responsible for the remaining 20%, or alternatively, the remaining 20% is billed to Medicaid for qualifying patients (dual eligible). The FQHC PPS base rate is adjusted for each FQHC site by the FQHC geographic adjustment factor (GAF), based on the geographic cost indices (GPCIs) used to adjust payment under the Medicare Physician Fee Schedule (MPFS).

The Organization is reimbursed at the PPS rate with final settlement related to Medicare bad debts and vaccines provided during the Medicare year determined after submission of annual cost reports by the Organization and audits thereof by the Centers for Medicare and Medicaid (CMS) fiscal intermediary. Historically, these settlement amounts have not been material.

Medicaid

The Organization is paid for services rendered to Medicaid program beneficiaries based on rates established by the Illinois Department of Healthcare and Family Services. Health Center rates are adjusted annually based on the Medicare Economic Index. The prospectively determined rates for the Health Center are not subject to retroactive adjustment.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 PATIENT SERVICE REVENUE AND RECEIVABLES (CONTINUED)

Managed Care Organizations

The Organization also provides health care services under various agreements with health maintenance organizations (HMOs) and preferred provider organizations (PPOs). The terms of each contract vary, but typically include a negotiated discount offered by the Organization for services provided to contracted HMO and PPO patients.

Other

The Organization has payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for reimbursement under these agreements includes discounts from established charges and prospectively determined rates.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Organization's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Organization. In addition, the contracts the Organization has with commercial payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive revenue adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor, and the Organization's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in the transaction price, were not significant in 2025 and 2024.

Generally, patients who are covered by third-party payors are responsible for related deductibles that vary in amount. The Organization also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. Specifically, the Organization has a policy of providing care to patients who meet certain criteria under its Sliding Fee Discount Program at amounts less than its established rates. However, all patients are requested to pay a nominal fee for each visit, and no patient is denied services because of inability to pay. Discounts under the Sliding Fee Discount Program are considered explicit price concessions.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 PATIENT SERVICE REVENUE AND RECEIVABLES (CONTINUED)

The Organization estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The Organization estimates the cost of providing charity care by applying a cost-to-gross charges ratio to the gross uncompensated charges associated with providing charity care to patients.

Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. Additional revenue recognized due to changes in its estimates of implicit price concessions, discounts, and contractual adjustments were not considered material for the years ended June 30, 2025 and 2024. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as credit loss expense.

Consistent with the Organization's mission, care is provided to patients regardless of their ability to pay. Therefore, the Organization has determined it has provided implicit price concessions to uninsured patients and other uninsured balances (for example, copays, and deductibles). The implicit price concessions included in estimating the transaction price represents the difference between amounts billed to patients and the amounts the Organization expects to collect based on its collection history with those patients.

The Organization has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors:

- Payors (for example, Medicare, Medicaid, other insurance, or patient) have different reimbursement/payment methodologies;
- Length of patient's service;
- Method of reimbursement (fee for service or capitation);
- the Organization's line of business that provided the service such as medical, dental, and behavioral health visits.

The Organization has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Organization's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, the Organization does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 PATIENT SERVICE REVENUE AND RECEIVABLES (CONTINUED)

The following summarizes the composition of the patient accounts receivable by payor and patient service revenue by payor, for the years ended June 30:

	2025	2024
Receivables:		
Medicaid and Medicaid Managed Care	91%	88%
Medicare	4%	4%
Other Third Parties Including Commercial	3%	2%
Self-Pay	2%	6%
Total Receivables, Net	100%	100%
Revenue:		
Medicaid and Medicaid Managed Care	88%	90%
Medicare	4%	3%
Other Third Parties Including Commercial	6%	5%
Self-Pay	2%	2%
Total Patient Services Revenue, Net	100%	100%

NOTE 3 LIQUIDITY

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing programmatic activities as well as the conduct of services undertaken to support those activities to be general expenditures. The Organization also utilizes a line of credit (see Note 8).

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

	2025	2024
Cash and Cash Equivalents	\$ 634,116	\$ 1,565,532
Patient Service Receivable	684,635	613,548
Grants and Pledges Receivable	1,894,187	2,020,264
Investments	6,471,751	6,053,756
Investments Held in Trust	2,414,441	2,225,532
Less:		
Board-Designated Net Assets	(5,528,236)	(5,150,170)
Net Assets With Donor Restrictions	(3,106,972)	(3,147,537)
Financial Assets Available for Use Within One Year to Meet Cash Needs for General Expenditures	\$ 3,463,922	\$ 4,180,925

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 4 GRANTS RECEIVABLE

Grants receivable represents amounts due from various governmental and charitable entities for services to be provided by the Organization. The Organization's grants receivable consisted of the following restricted amounts at June 30:

	<u>2025</u>	<u>2024</u>
Substance Abuse and Mental Health Services	\$ 210,855	\$ 47,650
Proviso Township Mental Health Commission	48,000	48,000
Cook County	107,873	12,678
Federal Communications Commission	-	28,340
Health Resources and Services Administration	559,781	341,059
State of Illinois Department of Human Services	313,452	695,640
Illinois Coalition Against Sexual Assault	172,055	155,270
Illinois Coalition Against Domestic Violence	6,780	15,055
Cook County Department of Public Health	83,813	283,187
West Cook Coalition	202,430	206,128
Illinois Primary Health Care Association	6,027	5,075
Other	150,121	149,182
Total Grants Receivables	<u>\$ 1,861,187</u>	<u>\$ 1,987,264</u>

NOTE 5 INVESTMENTS

Investments consisted of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Money Market Funds	\$ 55,958	\$ 79,231
Equity Securities	4,132,612	3,176,643
Fixed Income Securities	2,283,181	2,797,882
Investment in Behavioral Health Consortium of Illinois, LLC	35,000	35,000
Investments in ProviderCo, LLC	40,000	40,000
Investments Held in Trust by Others	2,414,441	2,225,532
Total Investments	<u>\$ 8,961,192</u>	<u>\$ 8,354,288</u>

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 6 PROPERTY AND EQUIPMENT

A summary of property and equipment at June 30 is as follows:

	<u>2025</u>	<u>2024</u>
Land	\$ 650,292	\$ 703,686
Building and Improvements	11,802,092	12,020,336
Furniture and Equipment	3,325,283	2,754,295
Vehicles	65,713	65,713
Capital Work in Progress	-	1,780,315
Total	<u>15,843,380</u>	<u>17,324,345</u>
Less: Accumulated Depreciation	<u>6,440,767</u>	<u>7,215,649</u>
Property and Equipment, Net	<u>\$ 9,402,613</u>	<u>\$ 10,108,696</u>

Capital work in progress previously included a building purchased for the expansion of services, but not yet placed in service. During the year ended June 30, 2025 the Organization determined that this property would not be utilized as originally intended and has consequently reclassified this portion of the balance of construction in progress to assets held for sale. The remaining portion of the June 30, 2024 construction in progress was placed into service during the year ended June 30, 2025

NOTE 7 BOARD-DESIGNATED FUNDS

The board has designated the following net assets without donor restrictions as of June 30:

	<u>2025</u>	<u>2024</u>
Capital Reserve	\$ 1,816,256	\$ 1,744,974
Operating Reserve	1,773,311	1,659,308
Board-Designated Quasi-Endowment Unrestricted Fund	<u>1,938,669</u>	<u>1,745,888</u>
Total Board-Designated Funds	<u>\$ 5,528,236</u>	<u>\$ 5,150,170</u>

NOTE 8 LINE OF CREDIT

The Organization has a \$1,000,000 revolving credit agreement with FNBC Bank & Trust. The line of credit bears interest at 9%. There were no borrowings outstanding as of June 30, 2025 and 2024. Borrowings under this line of credit are collateralized by substantially all business assets. The agreement expires on July 5, 2026.

NOTE 9 LEASES

The Organization leases equipment as well as certain buildings for various terms under long-term, noncancelable lease agreements. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Additionally, the agreements generally require the Organization to pay real estate taxes, insurance, and repairs.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 9 LEASES (CONTINUED)

The following table provides quantitative information concerning the Organization's leases for the year ended:

Lease Cost:	2025	2024
Finance Lease Costs:		
Amortization of Right-of-Use Assets	\$ 96,577	\$ -
Interest on Lease Liabilities	19,300	-
Operating Lease Cost	191,973	175,340
Short-Term Lease Cost	87,565	170,665
Total Lease Cost	\$ 395,415	\$ 346,005

Other Information:

Cash Paid for Amounts Included in the

Measurement of Lease Liabilities:

Operating Cash Flows from Finance Leases	\$ 19,300	\$ -
Financing Cash Flows from Finance Leases	86,600	-
Operating Cash Flows from Operating Leases	191,057	170,145
Right-of-Use Assets Obtained in Exchange for New		
Operating Lease Liabilities	-	75,846
Right-of-Use Assets Obtained in Exchange for New		
Finance Lease Liabilities	482,886	-
Weighted Average Remaining Lease Term -		
Finance Leases	4.0 years	-
Weighted Average Remaining Lease Term -		
Operating Leases	1.4 years	2.4 years
Weighted Average Discount Rate -		
Finance Leases	4.44%	-
Weighted Average Discount Rate -		
Operating Leases	3.07%	3.11%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2025 is as follows:

Year Ending June 30,	Operating	Finance
2026	\$ 182,700	\$ 105,900
2027	53,427	105,900
2028	-	105,900
2029	-	105,900
2030	-	8,825
Undiscounted Cash Flows	236,127	432,425
Less: Imputed Interest	(4,590)	(36,139)
Total Present Value	\$ 231,537	\$ 396,286
Short-Term Lease Liabilities	\$ 178,429	\$ 90,524
Long-Term Lease Liabilities	\$ 53,108	\$ 305,762

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 LONG-TERM DEBT

Long-term debt at June 30 is as follows:

<u>Description</u>	<u>2025</u>	<u>2024</u>
Note payable to FNBC Bank & Trust. Note was refinanced on May 5, 2020 with monthly installments of \$8,588, including interest at 4.125%, with a final balloon payment of \$632,908. The note is collateralized by certain property owned by the Organization and is due in November 2025.	\$ 602,867	\$ 690,556
Note payable to IFF with a principal amount of \$1,500,000. Monthly payments of \$11,920, including interest at 5%. This note is collateralized by certain properties owned by the Organization and is due on June 1, 2028.	401,565	520,081
Note payable to FNBC Bank & Trust in the amount of \$2,000,000. Monthly payments of interest only through April 2025. Starting in the May 2025, monthly payments of \$14,301, including principal and interest at 5.89% with a final balloon payment due in April 2029. This note is collateralized by property and is due in April 2029.	<u>2,000,000</u>	<u>2,000,000</u>
Total	3,004,432	3,210,637
Less: Unamortized Debt Issuance Costs	(12,248)	(10,397)
Less: Current Portion	<u>(783,043)</u>	<u>(821,397)</u>
Total Long-Term Debt	<u>\$ 2,209,141</u>	<u>\$ 2,378,843</u>

The balance of the above debt matures as follows for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 783,043
2027	189,946
2028	203,780
2029	1,827,663
Total	<u>\$ 3,004,432</u>

The provisions of the debt agreements as described above contain various restrictive covenants that limit the occurrence of additional debt and require certain measures of financial performance be satisfied as long as the debt is outstanding. Failure to maintain compliance could result in acceleration of payment for debt outstanding.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS

Net asset balances were comprised of the following at June 30:

	2025	2024
Subject to Expenditure for Specified Purpose:		
Domestic Violence Program	\$ 45,120	\$ 86,117
Capital Initiative Program	219,617	337,099
Medical Services Program	120,968	126,146
Dental Services Program	70,980	68,459
Mental Health Services	182,520	147,523
Other	26,231	129,566
Not Subject to Spending Policy or Appropriation:		
Beneficial Interest in Trust	2,414,441	2,225,532
Other Donor Restricted	27,095	27,095
Total Net Assets With Donor Restrictions	\$ 3,106,972	\$ 3,147,537

For the years ended June 30, 2025 and 2024, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Purpose restrictions accomplished are as follows for the years ended June 30:

	2025	2024
Domestic Violence	\$ 441,496	\$ 746,150
Medical Services	228,178	220,144
Dental Services	160,440	197,908
Mental Health Services	462,044	372,179
Other	426,348	553,398
Total	\$ 1,718,506	\$ 2,089,779

NOTE 12 FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America define fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. Accounting principles generally accepted in the United States of America establish a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 12 FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect a reporting entity’s own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following is a description of the valuation methodologies used for assets measured at fair value.

The fair values of equity securities and fixed income securities (Level 1 assets) are based on quoted market prices for identical assets in active markets. There are no Level 2 assets at June 30, 2025 and 2024.

The value of the Investments Held in Trust represents an irrevocable right to receive distributions in perpetuity from a trust that is managed by a third party. The Organization does not have variance power over the trust’s portfolio. The Investments Held in Trust is stated at fair value, which is based on the percentage of the trust designated to the Organization applied to the total fair value of the trust, which is based on quoted market prices of the underlying assets when available (Level 3 assets). Changes in the fair value of the underlying assets, as determined by the trustees that hold and manage these assets, are recognized in the statement of operations and changes in net assets in the period in which they occur.

The following table summarizes the valuation methods and inputs used to determine fair value at June 30, 2025 and 2024 for assets measured at fair value on a recurring basis using unobservable inputs (Level 3 inputs).

	<u>Fair Value at June 30, 2025</u>	<u>Valuation Technique</u>	<u>Significant Unobservable Inputs Used</u>	<u>Range Weighted Avg</u>
Investments Held in Trust	<u>\$ 2,414,441</u>	Percentage of the Trust Designated to the Organization	Fair Value of Underlying Assets	N/A
	<u>Fair Value at June 30, 2024</u>	<u>Valuation Technique</u>	<u>Significant Unobservable Inputs Used</u>	<u>Range Weighted Avg</u>
Investments Held in Trust	<u>\$ 2,225,532</u>	Percentage of the Trust Designated to the Organization	Fair Value of Underlying Assets	N/A

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 12 FAIR VALUE MEASUREMENTS (CONTINUED)

The Organization has processes in place to select the appropriate valuation technique and unobservable inputs to perform Level 3 fair value measurements. These processes include obtaining the trust's monthly statements and analyzing the changes in fair value from period to period.

Changes in Level 3 assets measured at fair value on a recurring basis for the years ended June 30, 2025 and 2024:

Balance at June 30, 2023	\$ 2,026,596
Total Unrealized Gains	198,936
Balance at June 30, 2024	<u>2,225,532</u>
Total Unrealized Gains	188,909
Balance at June 30, 2025	<u><u>\$ 2,414,441</u></u>

Unrealized gains (losses) reported above for the years ended June 30, 2025 and 2024 are reported in the change in fair value of investments held in trust by others in the statement of changes in net assets.

Both observable and unobservable inputs may be used to determine the fair value of positions classified as Level 3 assets and liabilities. As a result, the unrealized losses for these assets presented in the tables above may include changes in fair value that were attributable to both observable and unobservable inputs.

The methods described above may produce a full value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair values of assets measured on a recurring basis at June 30 are as follows:

	2025			
	Total	Level 1	Level 2	Level 3
Investments:				
Money Market Funds	\$ 55,958	\$ 55,958	\$ -	\$ -
Equity Securities	4,132,612	4,132,612	-	-
Fixed Income Securities	2,283,181	2,283,181	-	-
Beneficial Interest in Trust	2,414,441	-	-	2,414,441
Total Assets at Fair Value	<u>8,886,192</u>	<u>\$ 6,471,751</u>	<u>\$ -</u>	<u>\$ 2,414,441</u>
Investments Held at Cost	75,000			
Total Investments	<u><u>\$ 8,961,192</u></u>			

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 12 FAIR VALUE MEASUREMENTS (CONTINUED)

	2024			
	Total	Level 1	Level 2	Level 3
Investments:				
Money Market Funds	\$ 79,231	\$ 79,231	\$ -	\$ -
Equity Securities	3,176,643	3,176,643	-	-
Fixed Income Securities	2,797,882	2,797,882	-	-
Beneficial Interest in Trust	2,225,532	-	-	2,225,532
Total Assets at Fair Value	8,279,288	<u>\$ 6,053,756</u>	<u>\$ -</u>	<u>\$ 2,225,532</u>
Investments Held at Cost	75,000			
Total Investments	<u>\$ 8,354,288</u>			

NOTE 13 COMMITMENTS AND CONTINGENCIES

The Organization maintains cash in certain financial institutions for which the balances exceeded federally insured limits during the year. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term, and that such changes could materially affect the Organization and the amounts reported in the statement of operations.

Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. This coverage has not changed significantly from the previous year. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Grants

The Organization has received federal grants for specific purposes that are subject to review and audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a review or audit by the grantor may become a liability of the Organization. Such amounts will be recognized in the period they become known.

Concentrations

Federal grant awards from two agencies represented 17% and 19% of total revenue during 2025 and 2024, respectively.

Approximately 13% and 15%, respectively, of the Organization's workforce is covered by a collective bargaining agreement as of the years ended June 30, 2025 and 2024. The agreement is in effect through February 28, 2027.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 13 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Regulatory Environment Including Fraud and Abuse Matters

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, and reimbursement for fee for services and Medicare and Medicaid fraud and abuse. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with imposition of significant fines and penalties, as well as significant repayments for fee for services previously billed. Management believes that the Organization is in compliance with fraud and abuse and other applicable government laws and regulations. While no regulatory inquiries that are expected to have a material adverse effect on the Organization have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

Other

The U.S. Department of Health and Human Services approves components of the Organization's annual budget.

Medical Malpractice Insurance Coverage and Claims

The Organization's Health Center is covered under the provision of the Federal Tort Claims Act (FTCA) for malpractice for services provided within the scope of the FQHC. The FTCA is a government-funded program which allows federally qualified health centers to be covered for malpractice. The agency also carries GAP insurance for health center activities that may fall outside the scope of the FQHC as well as liability insurance for counselors and social workers who provide services outside the scope of the FQHC.

Paycheck Protection Program

On April 15, 2020, the Organization received proceeds in the amount of \$2,000,000 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). Under the terms of the PPP Loan, the Organization was eligible to apply for forgiveness subject to certain performance barriers, as outlined in the loan agreement and the CARES Act. During the year ended June 30, 2021, the Organization applied for and received full forgiveness on the PPP Loan.

The U.S. Small Business Administration may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Organization's financial position.

**PILLARS COMMUNITY HEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 14 RETIREMENT PLAN

The Organization has two retirement plans. The nonunion plan was a safe harbor plan, through August 2020, with a 1% match on the first 3% of employee contributions and a 1/2% match on the next 1% of employee contributions for a maximum match of 4%. The union plan has a match of up to 2% on the first 2% of employee contributions. Both plans allow eligible employees to contribute up to 80% of their salary. Total expense for matching contributions was \$166,994 and \$147,519 for the years ended June 30, 2025 and 2024, respectively.

NOTE 15 SUBSEQUENT EVENTS

Management evaluated subsequent events through January 15, 2026 , the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2025, but prior to January 15, 2026 , that provided additional evidence about conditions that existed at June 30, 2025, have been recognized in the financial statements for the year ended June 30, 2025. Events or transactions that provided evidence about conditions that did not exist at June 30, 2025, but arose before the financial statements were available to be issued, have not been recognized in the financial statements for the year ended June 30, 2025. Management of the Organization has identified the following subsequent events requiring disclosure.

On December 1, 2025 the Organization entered into a bond and loan agreement with the Illinois Finance Authority (“IFA”) and a third-party bank (“Bank”) related to the issuance of \$5,908,000 of tax-exempt bonds. Proceeds from issuance will be used to refinance existing debt, reimburse the Organization for capital costs previously incurred, partially pay for costs of issuance and fund costs related to converting the electronic health record system. As part of this transaction, the Bank agreed to purchase 100% of the bonds issued through the IFA and hold them through December 1, 2030. The bonds bear interest at an initial variable interest rate based on 80% of the one-month secured overnight financing rate (SOFR) plus 2.35%. Upon expiration of the initial holding period by the Bank, the bonds are subject to a remarketing and interest rate reset provision. The bonds require monthly payments of principal, starting at \$14,248 and increasing to \$38,840, and interest beginning February 2026, with a final maturity date of December 2045.

In connection with the aforementioned bond issuance, the Organization entered into an interest rate swap agreement with the Bank. Under the terms of the swap agreement, the Organization will pay the Bank a fixed interest rate of 5.23% and will receive a variable rate equal to 80% of the one-month SOFR plus 2.35%, on a notional amount consistent with the outstanding bond principal. The swap agreement is for a term consistent with the Bank’s bond holding period, and expires in December 2030.

**PILLARS COMMUNITY HEALTH
SCHEDULE OF REVENUES AND EXPENSES
PROVISO MENTAL HEALTH COMMISSION
YEAR ENDED JUNE 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)**

	Domestic Violence	Total
REVENUES		
Service Fees	\$ 59,966	\$ 59,966
Total Revenues	59,966	59,966
 EXPENSES		
Staff Salaries	43,980	43,980
Fringe Benefits and Taxes	9,991	9,991
Conferences, Meetings and Prof. Development	-	-
Depreciation	-	-
Furniture and Equip - Purch and Maint.	-	-
Insurance	-	-
IT/Tech Support	-	-
Occupancy	123	123
Supplies	451	451
Telecommunications	111	111
Local Travel and Transportation	-	-
Allocated Intake Services	-	-
Allocated Supporting Services	5,310	5,310
Total Expenses	59,966	59,966
 SURPLUS/DEFICIT	\$ -	\$ -

**PILLARS COMMUNITY HEALTH
SCHEDULE OF REVENUES AND EXPENSES
PROVISO MENTAL HEALTH COMMISSION
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	Domestic Violence	Total
REVENUES		
Service Fees	\$ 60,000	\$ 60,000
Total Revenues	60,000	60,000
 EXPENSES		
Staff Salaries	38,590	38,590
Fringe Benefits and Taxes	9,027	9,027
Conferences, Meetings and Prof. Development	-	-
Depreciation	543	543
Furniture and Equip - Purch and Maint.	-	-
Insurance	66	66
IT/Tech Support	-	-
Occupancy	536	536
Supplies	241	241
Telecommunications	-	-
Local Travel and Transportation	362	362
Allocated Intake Services	-	-
Allocated Supporting Services	10,635	10,635
Total Expenses	60,000	60,000
 SURPLUS/DEFICIT	\$ -	\$ -

**PILLARS COMMUNITY HEALTH
SCHEDULE OF REVENUES AND EXPENSES
ILLINOIS COALITION AGAINST SEXUAL ASSAULT
YEAR ENDED JUNE 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)**

	Total Sexual Assault	General	VOCA Advocacy	VAWA STOP	VAWA Prevention	VAWA SASP	FVPSA ARPA	OVW LAV	Member Travel GEN	Other Sexual Assault
REVENUES										
ICASA/General	\$ 444,021	\$ 444,021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ICASA/VOCA	222,281	-	222,281	-	-	-	-	-	-	-
ICASA/Satellite	25,224	-	-	25,224	-	-	-	-	-	-
ICASA/Prevention	48,743	-	-	-	48,743	-	-	-	-	-
ICASA/VAWA SASP	23,496	-	-	-	-	23,496	-	-	-	-
ICASA/ARPA FVPSA	48,310	-	-	-	-	-	48,310	-	-	-
ICASA/ LAV	4,072	-	-	-	-	-	-	4,072	-	-
ICASA/MEMBER TRAVEL General	1,755	-	-	-	-	-	-	-	1,755	-
Lyons Township Mental Health Commission	200,000	-	-	-	-	-	-	-	-	200,000
Federal Grants	-	-	-	-	-	-	-	-	-	-
Released From Restriction	60,230	-	-	-	-	-	-	-	-	60,230
United Way	7,600	-	-	-	-	-	-	-	-	7,600
Other Revenue	301	-	-	-	-	-	-	-	-	301
Total Revenues	1,086,033	444,021	222,281	25,224	48,743	23,496	48,310	4,072	1,755	268,131
EXPENSES										
Personnel/Fringes	699,570	290,185	152,890	17,257	33,976	17,664	39,276	4,026	-	144,296
Contractual	172,696	50,449	25,439	2,727	2,200	1,439	-	-	-	90,442
Travel	5,834	2,401	-	96	1,037	-	-	46	1,755	499
Supplies	26,642	17,206	2,387	428	2,415	-	-	-	-	4,206
Equipment/Purchase and Maintenance	10,856	-	-	-	-	-	-	-	-	10,856
Indirect Costs	236,063	83,028	41,565	4,716	9,115	4,393	9,034	-	-	84,212
Dues, Licenses and Fees	1,645	520	-	-	-	-	-	-	-	1,125
Client Assistance	232	232	-	-	-	-	-	-	-	-
Total Expenses	1,153,538	444,021	222,281	25,224	48,743	23,496	48,310	4,072	1,755	335,636
SURPLUS/DEFICIT	\$ (67,505)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (67,505)

**PILLARS COMMUNITY HEALTH
SCHEDULE OF REVENUES AND EXPENSES
ILLINOIS COALITION AGAINST SEXUAL ASSAULT
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	Total Sexual Assault	General	VOCA Advocacy	VAWA STOP	VAWA Prevention	ICJIA CESF	VAWA RPE COVID-19	OVW LAV	Member Travel GEN	Other Other Sexual Assault
REVENUES										
ICASA/General	\$ 227,474	\$ 227,474	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ICASA/VOCA	251,391	-	251,391	-	-	-	-	-	-	-
ICASA/Satellite	54,190	-	-	54,190	-	-	-	-	-	-
ICASA/Prevention	34,332	-	-	-	34,332	-	-	-	-	-
ICASA/ICJIA CESF	27,689	-	-	-	-	27,689	-	-	-	-
ICASA/VAWA RPE COVID 19	96,194	-	-	-	-	-	96,194	-	-	-
ICASA/ LAV	828	-	-	-	-	-	-	828	-	-
ICASA/MEMBER TRAVEL General	46,928	-	-	-	-	-	-	-	46,928	-
Lyons Township Mental Health Commission	2,035	-	-	-	-	-	-	-	-	2,035
Federal Grants	120,874	-	-	-	-	-	-	-	-	120,874
United Way	-	-	-	-	-	-	-	-	-	-
Other Revenue	7,600	-	-	-	-	-	-	-	-	7,600
Total Revenues	869,535	227,474	251,391	54,190	34,332	27,689	96,194	828	46,928	130,509
EXPENSES										
Personnel/Fringes	646,986	161,872	185,616	45,110	25,039	23,644	83,180	828	36,651	85,046
Contractual	180,981	27,475	30,095	1,525	3,527	681	-	-	1,748	115,930
Travel	5,488	1,319	358	301	197	33	-	-	514	2,766
Supplies	15,352	3,851	4,013	308	537	49	-	-	263	6,331
Equipment/Purchase and Maintenance	5,212	-	-	-	-	-	-	-	-	5,212
Indirect Costs	219,522	32,362	30,895	6,946	5,032	3,282	13,014	-	7,752	120,239
Dues, Licenses and Fees	2,959	595	414	-	-	-	-	-	-	1,950
Client Assistance	-	-	-	-	-	-	-	-	-	-
Total Expenses	1,076,500	227,474	251,391	54,190	34,332	27,689	96,194	828	46,928	337,474
SURPLUS/DEFICIT	\$ (206,965)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (206,965)

**PILLARS COMMUNITY HEALTH
SCHEDULE OF REVENUES AND EXPENSES
ILLINOIS COALITION AGAINST DOMESTIC VIOLENCE
YEAR ENDED JUNE 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)**

	Total Domestic Violence	#222001 VOCA Grants	Other Domestic Violence
REVENUES			
United Way	\$ 7,600	\$ -	\$ 7,600
Federal Revenue	-	-	-
Program Income	1,964,211	159,141	1,805,070
Other Revenue	7,217	-	7,217
Released from Restriction	390,147	-	390,147
Total Revenues	<u>2,369,175</u>	<u>159,141</u>	<u>2,210,034</u>
EXPENSES			
Salaries	1,282,184	100,661	1,181,523
Fringe Benefits/Taxes	293,147	21,621	271,526
Supplies	46,540	1,024	45,516
Staff Travel	5,740	-	5,740
Contractual Services	62,485	2,820	59,665
Occupancy	125,745	1,163	124,582
Telecommunications	39,116	2,113	37,003
Training and Education	5,496	-	5,496
Client Assistance	698	-	698
Equipment	18,896	-	18,896
Miscellaneous Costs	143,456	-	143,456
Indirect Costs	525,413	29,739	495,674
Total Expenses	<u>2,548,916</u>	<u>159,141</u>	<u>2,389,775</u>
SURPLUS/DEFICIT	<u>\$ (179,741)</u>	<u>\$ -</u>	<u>\$ (179,741)</u>

**PILLARS COMMUNITY HEALTH
SCHEDULE OF REVENUES AND EXPENSES
ILLINOIS COALITION AGAINST DOMESTIC VIOLENCE
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	Total Domestic Violence	#219001 VOCA Grants	Other Domestic Violence
REVENUES			
United Way	\$ 7,600	\$ -	\$ 7,600
Federal Revenue	-	-	-
Program Income	2,956,911	158,219	2,798,692
Other Revenue	6,463	-	6,463
Released from Restriction	-	-	-
Total Revenues	<u>2,970,974</u>	<u>158,219</u>	<u>2,812,755</u>
EXPENSES			
Salaries	1,072,694	99,924	972,770
Fringe Benefits/Taxes	239,734	20,454	219,280
Supplies	34,297	780	33,517
Staff Travel	6,127	-	6,127
Contractual Services	77,558	6,817	70,741
Occupancy	116,351	-	116,351
Telecommunications	33,782	1,926	31,856
Training and Education	5,496	-	5,496
Client Assistance	120,705	-	120,705
Equipment	33,344	-	33,344
Miscellaneous Costs	79,367	-	79,367
Indirect Costs	523,049	28,318	494,731
Total Expenses	<u>2,342,504</u>	<u>158,219</u>	<u>2,184,285</u>
SURPLUS/DEFICIT	<u>\$ 628,470</u>	<u>\$ -</u>	<u>\$ 628,470</u>



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

Board of Directors
Pillars Community Health
Countryside, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Pillars Community Health (the Organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of operations, changes in net assets, cash flows and functional expenses, for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 15, 2026 .

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 result of that testing, and not to provide an opinion on the effectiveness of the Organization’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Oak Brook, Illinois
January 15, 2026



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