

The Children's Trust



Monthly Financial Statements (Unaudited)

For the fiscal year ended September 30, 2024

Prepared by : The Children's Trust Finance Department

Approved by:

A handwritten signature in black ink, appearing to be "W. Kirtland", written over a horizontal line.

William Kirtland, CPA, Chief Financial Officer

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September Management Discussion & Analysis (MD&A)

Budget Highlights:

The Children's Trust continues to emphasize the importance of program spending that provides critical services for children and families in our community.

The Children's Trust increased its direct service funding by \$48.9 million since its last funding cycle ending in fiscal year 2018. In alignment with the strategic plan and the Board's guidance the funds will be allocated as follows:

- Parenting \$30.3m
- Early Childhood Development \$43.6m
- Youth Development \$81.7m
- Health & Wellness \$21.7m
- Family & Neighborhood Supports \$16.1m

The Miami-Dade Property Appraiser reported an assessed tax roll of \$427.8 billion, which equates to approximately:

- Based on 0.5000 millage rate (tax increase rate), ad valorem tax revenue = \$203.2m, this represents a 12.6% tax increase.

Miscellaneous revenues are expected to slightly increase from the previous fiscal year. The Trust manages its funds to primarily emphasize safety, liquidity, and return (in that order). Interest rates for 30, 60, 90-day and 1-year Certificates of Deposit. Interest rates remained consistent throughout the fiscal year 2023, and it's expected to remain that way throughout most of fiscal year 2024. The U.S. Federal Reserve has not yet reduced increase rates, which directly effects the stability of rates offered to The Trust in both certificates of deposit and operating accounts.

Management and Non-Operating Expenditures

The Children's Trust has management (G&A) expenses of 5.8% of total expenses.

The Trust expects an increase in non-operating expenditures. The Trust budgets funds for obligations to Community Redevelopment Areas (CRAs) for the fiscal year 2023, which include Overtown and Omni areas of the City of Miami. The Trust commits these funds annually. The amount obligated to these areas depends upon the amount of ad valorem tax revenue generated by these communities. Since the Trust adopted the millage rate of 0.5000, a tax increased rate, The Trust expects to have an increased obligation to these areas.

Additional Considerations:

Property Tax Revenues

With property tax bills mailed on or before November 1 of each year, and discounts ranging from 1-4% the sooner payment is received, The Trust records a significant amount of revenue during the months of November, December, January, and February. Below is a cumulative collection rate compared to the budget.

Month	FY 2024	FY 2023
October	0.0%	0.0%
November	24.1%	24.6%
December	82.8%	83.0%
January	86.5%	87.0%
February	89.4%	89.9%
March	91.3%	91.7%
April	94.9%	96.0%
May	96.4%	97.0%
June	101.1%	100.3%
July	101.2%	100.4%
August	101.2%	100.5%
September	101.6%	100.8%

Fund Balance

Adopted a tax increase rate of 0.5000 for the fiscal year 2024, which will increase revenues from the fiscal year 2023. Increased revenues will also increase the fund balance reserves. The Trust is preparing its reserves to support additional funding priorities as it begins a new funding cycle in the fiscal year 2024, as well as make mid-funding cycle COLA adjustments for providers. The Trust manages its fund balance within a tolerable deviation of an amount that represents 2 months of operational expenditures, as recommended by the Government Finance Officers Association (GFOA) best practices.

Year-End Performance:

Total Revenues

Revenues increased approximately \$27.2 million compared to prior year. This occurred primarily due to increased ad valorem tax revenue (\$24.5 million) and the application of the property tax millage of 0.5000, which resulted in a tax increase. Approximately \$3.2 million additional ad valorem tax revenues were collected in excess of what was budgeted. This typically occurs when final assessments of property are greater than expected, or if payments are collected in excess of the 5% discounted rate, which expects all taxpayers to remit their property tax balance at the most discounted rate, in November of every year.

Interest rates during the fiscal year 2024 continued to maintain above 4% for most of its holding accounts or instruments. Return on investments and interest exceeded the prior year by approximately \$2.3 million. Budgeted interest revenues were expected to return to prior year trends, however rates maintained similar or growing levels to fiscal year 2023. Approximately an excess of \$7 million of interest revenue was recognized compared to the budgeted expectation.

Total Expenditures

Expenditures increased approximately \$25.9 million compared to prior year. This figure closely correlates with the additional ad valorem tax revenues collected for the fiscal year 2024. The additional revenues supported the expanded support for direct program services. Forecasted expenditures were \$2.7 million less than actual expenditures. This represented a 1.2% forecasting error.

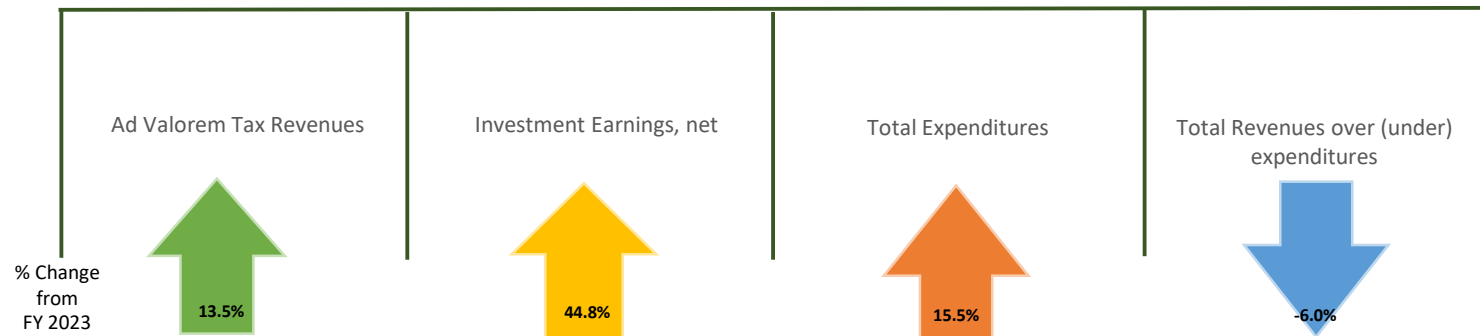
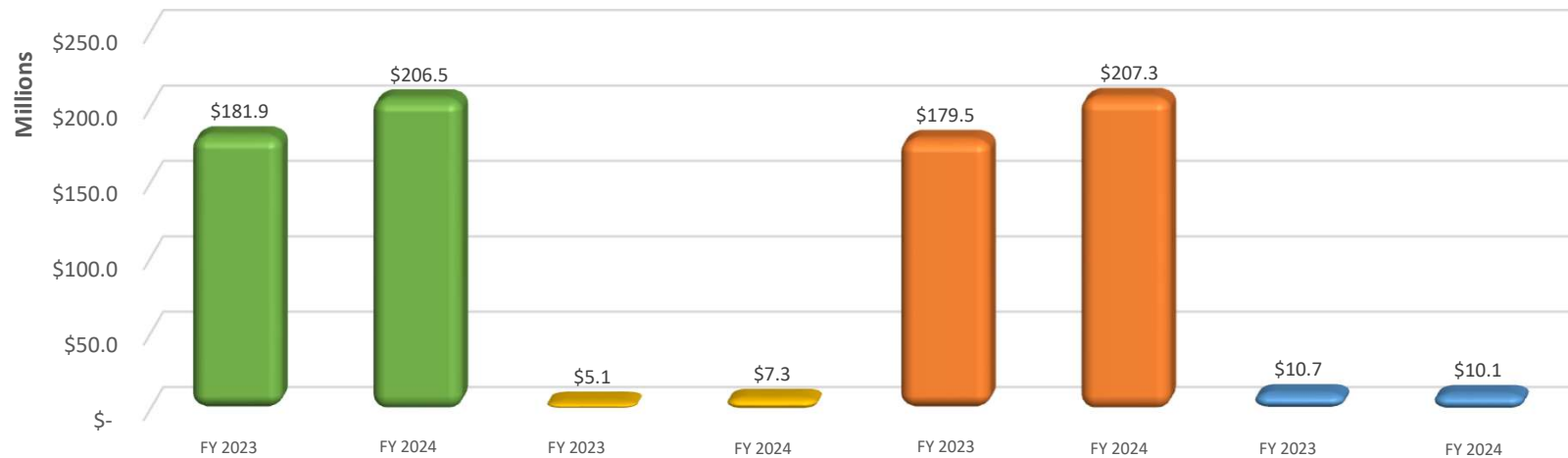
Fund Balance

The Trust forecasted an ending fund balance of \$52.3 million. Actual ending balance was approximately \$59 million, which represents 23% of the budget operating budget for fiscal year 2025. The increase is primarily due to additional revenue collections. Total expenditures were in excess of what was forecasted, however approximately \$9.5 million of additional interest income and ad valorem taxes was not predicted in the forecast for ending fund balance. Further details aforementioned above in *Revenues & Expenditures*.

The Children's Trust

Comparative Fiscal Highlights

For the fiscal year ended September 30, 2024



Balance Sheet - General Fund

September 30, 2024

Assets		General Fund
Current Assets		
Cash	\$	38,251,812
Investments:		
Certificates of deposit		50,000,000
Money market		2,543,522
SBA		254,569
Accounts receivable		123,519
Provider receivable		-
Taxes receivable		636,373
Grants receivable		-
Interest receivable		-
Due from other governmental local agencies		-
Prepaid insurance		130,293
Prepaid other		81,017
Total assets	\$	92,021,105

Liabilities & Fund Balances		
Liabilities		
Accounts payable	\$	32,438,721
Dues from other governmental local agencies		116,149
Accrued wages payable		424,796
Other current liabilities		4,637
Unearned revenue		-
Total liabilities	\$	32,984,303
Fund balances		
Non-spendable prepaid items	\$	211,310
Restricted:		
Provider services		58,825,492
Total fund balances	\$	59,036,802
Total liabilities & fund balances	\$	92,021,105

Annual Budget vs. Year to Date (YTD) Actual - General Fund

FY 2024 budget vs. FY 2024 actual (September 30)

	FY 2024 Amended Budget	FY 2024 Year to Date Actual	FY 2024 vs 2023 % Actual to Actual	FY 2024 vs 2023 % Actual to Budget
FUND BALANCE, Adopted Budget October 1, 2023	\$ 47,822,738			
REVENUES				
Ad valorem tax revenues	\$ 203,209,460	\$ 206,465,506	↑ 13.5%	↑ 0.8%
CRA return/interlocal agreement	3,400,000	3,630,722	↑ 12.4%	↓ -1%
Investment earnings/miscellaneous	1,354,050	7,330,387	↑ 44.8%	↑ 35%
Total revenues	\$ 207,963,510	\$ 217,426,615	↑ 14%	↑ 438%
SUSTAIN AND EXPAND DIRECT SERVICES				
Parenting	\$ 30,359,460	\$27,057,906	↑ 35%	↓ 0%
Early childhood development	43,661,017	41,483,301	↑ 13%	↓ -2%
Youth development	81,748,817	74,966,930	↑ 17%	↓ -11%
Health and wellness	21,791,778	18,920,463	↑ 13%	↑ 6%
Family and neighborhood supports	16,164,176	14,793,147	↑ 7%	↑ 6%
Total sustain and expand direct services	\$ 193,725,248	\$177,221,747	↑ 17%	↓ -3%
COMMUNITY AWARENESS AND ADVOCACY				
Promote public policy and legislative agendas	\$ 215,300	\$ 142,470	↓ -13%	↓ -10%
Public awareness and program promotion	3,085,000	2,878,069	↓ -1%	↓ -4%
Promote citizen engagement and leadership to improve child and family conditior	1,115,000	1,062,829	↓ -3%	↓ -3%
Cross-funder collaboration of goals, strategies and resources	1,735,000	1,523,195	↑ 46%	↑ 28%
Total community awareness and advocacy	\$ 6,150,300	\$ 5,606,563	↑ 8%	↑ 5%
PROGRAM AND PROFESSIONAL DEVELOPMENT				
Supports for quality program implementation	\$ 3,650,000	\$ 3,411,016	↑ 19%	↑ 15%
Information systems	2,050,000	1,454,360	↑ 104%	↑ 3%
Program evaluation and community research	570,000	467,275	↑ 12%	↑ 9%
Innovation funds	1,400,000	42,111	↓ -96%	↓ -72%
Total program and professional development	\$ 7,670,000	\$ 5,374,762	↑ 7%	↓ -5%
ADMINISTRATION AND NON-OPERATING EXPENDITURES				
Management of The Children's Trust	\$ 13,226,223	\$12,004,633	↑ 6%	↑ 0%
Non-operating expenditures	7,000,000	7,116,426	↑ 9%	↓ -8%
Total administration and non-operating expenditures	\$ 20,226,223	\$ 19,121,059	↑ 7%	↓ -2%
			0%	
Total expenditures	\$ 227,771,771	\$207,324,131	↑ 16%	↓ -3%
Total revenues over/(under) expenditures	\$ (19,808,261)	\$ 10,102,484		
Ending fund balance, reserves/net assets, adopted budget	\$ 28,014,477			

Comparative Monthly Financial Statement

FY 2024 vs. FY 2023 actual (September 30)

	FY 2024 Year to Date Actual	FY 2023 Year to Date Actual	Dollar Variance	% Variance
REVENUES				
Ad valorem tax revenues	\$ 206,465,506	\$ 181,939,130	\$ 24,526,376	13%
CRA return/interlocal agreement	3,630,722	3,231,351	399,371	12%
Investment earnings/miscellaneous	7,330,387	5,061,335	2,269,052	45%
Total revenues	\$ 217,426,615	\$ 190,231,816	\$ 27,194,799	14%
EXPENSES				
Sustain and expand direct services	\$ 177,221,747	\$ 151,341,075	\$ 25,880,672	17%
Community awareness and advocacy/program and professional development	10,981,326	10,230,486	750,840	7%
Administration and non-operating expenditures	19,121,059	17,917,501	1,203,558	7%
Total expenses	\$ 207,324,132	\$ 179,489,062	\$ 27,835,070	16%
Total revenues over/(under) expenditures	\$ 10,102,483	\$ 10,742,753	\$ (640,272)	-6.0%

Champions for Children Profit and Loss Statement

	FY 2024 Year to Date Actual	
Beginning Fund Balance	\$	86,317
Sponsorships/Tickets	\$	180,760
Total revenues	\$	180,760
EXPENDITURES		
Events - Champion for Children	\$	158,380
Total expenditures	\$	158,380
Total revenues over/(under) expenditures	\$	108,697