

The Children's Trust



Monthly Financial Statements (Unaudited)

For the eleven month ended August 31, 2021

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Approved by: 
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TABLE OF CONTENTS

| | |
|---|-----|
| Management Discussion & Analysis (MD&A)..... | 1-2 |
| Comparative Fiscal Highlights | 3 |
| Balance Sheet - General Fund..... | 4 |
| Annual Budget vs. Year-to-Date Actual - General Fund..... | 5 |
| Comparative Monthly Financial Statement..... | 6 |

August's Management Discussion & Analysis (MD&A)

2020-21 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 \$29.8 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:
 - * Early Childhood Development \$33.8m
 - * Youth Development \$59.8m
 - * Parenting \$18.9m
 - * Health & Wellness \$21.1m
 - * Family & Neighborhood Supports \$11.9m
- The Miami-Dade Property Appraiser reported an assessed tax roll of \$326.5 billion, which equates to approximately:
 - * Based on 0.4507 millage rate (rolled-back rate), ad valorem tax revenue = \$139.8m, this represents a 1.15% tax increase.
- * Miscellaneous revenues are expected to decrease during the fiscal year 2021. The Trust manages its funds to primarily emphasize safety, liquidity, and return (in that order). At beginning of fiscal year 2020, interest rates for 30, 60, 90-day and 1-year Certificates of Deposit steadily began to decrease since the fiscal year 2019. In the spring of 2020, the COVID-19 pandemic took full effect on worldwide economies, initiating a rapid decline in interest rates. The Trust is also reducing its fund balances reserves, therefore less funds will be available to earn interest revenue.

Management and Non-Operating Expenditures

- * The Children's Trust has reduced the management (G&A) expenses to 6.23% of its total expenses, an all-time low.
- * The Trust can expect an increase to non-operating expenditures. The Trust budgets funds for obligations to the remaining Community Redevelopment Areas (CRAs) for the fiscal year 2021, which include Overtown and Omni areas of the City of Miami. The Trust commits these funds on an annual basis. The amount obligated to these areas depends upon the amount of ad valorem tax revenue generated by these communities and supporting the respective portion of the Children's Trust operating revenue. Because the Trust adopted the millage rate of 0.4507, a rolled-back rate, The Trust does not expect 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 2021 | FY 2020 |
|---------------|--------------|--------------|
| October | 0.0% | 0.0% |
| November | 18.0% | 7.2% |
| December | 80.6% | 76.3% |
| January | 85.1% | 83.7% |
| February | 88.3% | 87.1% |
| March | 90.6% | 89.1% |
| April | 90.6% | 92.2% |
| May | 95.5% | 94.2% |
| June | 97.2% | 95.3% |
| July | 99.8% | 99.1% |
| August | 99.9% | 99.2% |

Fund Balance / Drawdown Strategy

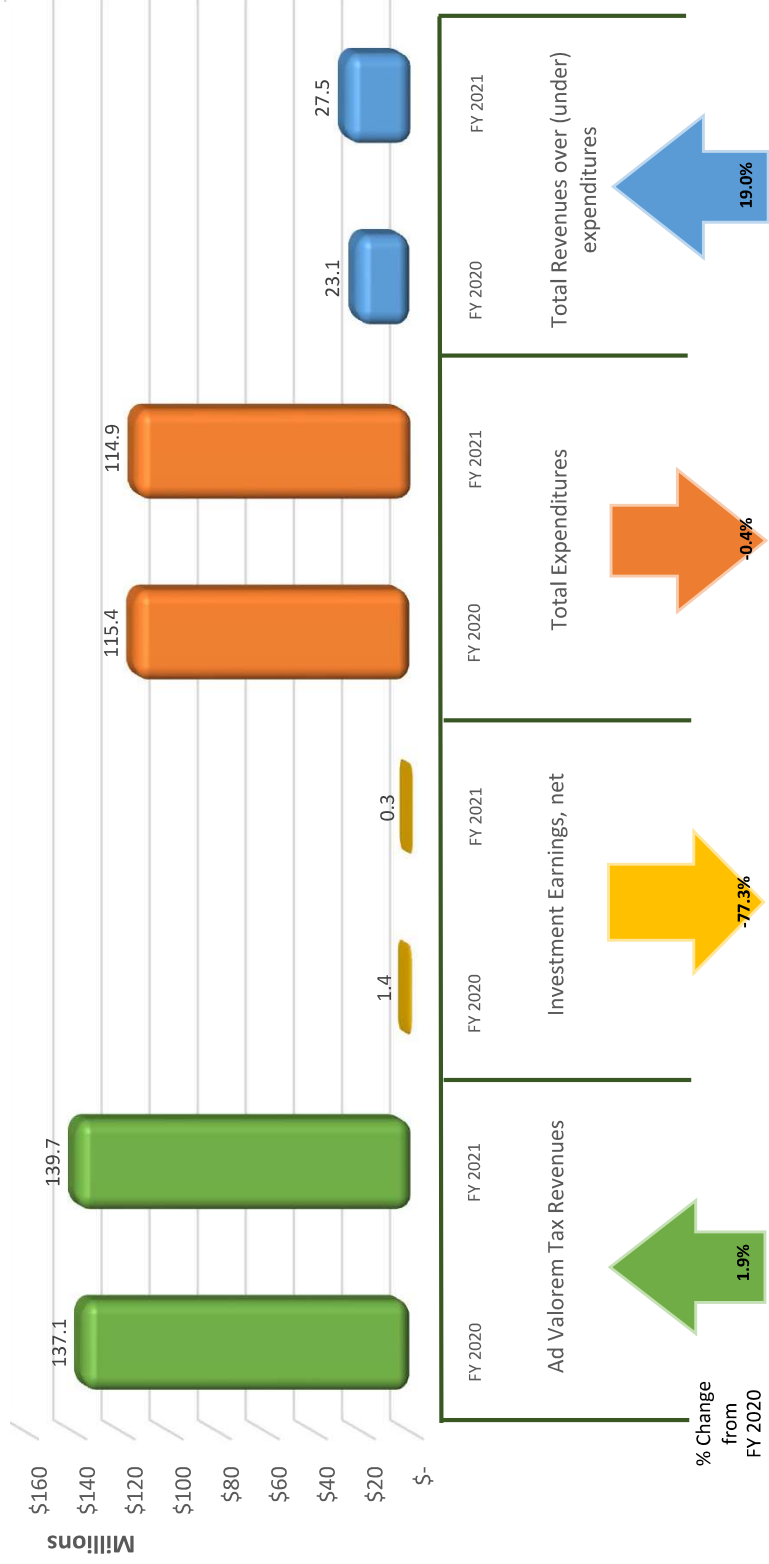
In response to the excess fund balance, The Trust:

- Adopted a rolled-back rate of 0.4507 for the fiscal year 2021, which will maintain revenues from the fiscal year 2020. Without increasing revenue, the utilization of existing fund balance reserves will continue until revenues are increased to equal expenditures.
- Spend additional funds during fiscal year 2021 in program services, which included the funding for the current and expanded 5-year solicitation, as well as some contract adjustments and new awards, (Fiscal years 2019-2023) cycle by approximately \$29,800,000 annually.
- Within the current 5-year funding cycle, The Trust continues to devise a strategy to reduce and subsequently maintain a target fund balance, which is calculated to equal 2 months of operational expenditures. The Trust strategy is to meet this benchmark during the current solicitation cycle without compromising its ability to fund programs to a similar capacity in future funding cycles.

The Children's Trust

Comparative Fiscal Highlights

For the eleven month ended August 31, 2021



The Children's Trust
Balance Sheet - General Fund
August 31, 2021

| Assets | General Fund |
|--|----------------------|
| Current Assets | |
| Cash | \$ 48,311,292 |
| Investments: | |
| Certificates of deposit | 30,001,019 |
| Money market | 655,636 |
| SBA | 227,641 |
| Accounts receivable | - |
| Provider receivable | - |
| Taxes receivable | - |
| Grants receivable | - |
| Interest receivable | - |
| Due from other governmental local agencies | - |
| Prepaid insurance | 8,219 |
| Prepaid other | 38,938 |
| Total assets | \$ 79,242,745 |

| Liabilities & Fund Balances | |
|--|----------------------|
| Liabilities | |
| Accounts payable | \$ 4,458,052 |
| Dues from other governmental local agencies | - |
| Accrued wages payable | - |
| Other current liabilities | - |
| Unearned revenue | 8,500 |
| Total liabilities | \$ 4,466,552 |
| Fund balances | |
| Non-spendable prepaid items | \$ 47,157 |
| Restricted: | |
| Provider services | 74,729,036 |
| Total fund balances | \$ 74,776,193 |
| Total liabilities & fund balances | \$ 79,242,745 |

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

FY 2021 budget vs. FY 2021 actual (August 31)

| | FY 2021 Amended Budget (Information Purposes Only) | FY 2021 Year to Date Actual | | FY 2021 vs 2020 % Actual to Actual | | FY 2021 vs 2020 % Actual to Budget |
|---|---|-----------------------------------|---|---------------------------------------|---|---------------------------------------|
| FUND BALANCE, Adopted Budget October 1, 2020 | \$ 50,649,434 | | | | | |
| REVENUES | | | | | | |
| Ad valorem tax revenues | \$ 139,822,634 | \$ 139,688,447 | ↑ | 1.9% | ↑ | 0.7% |
| CRA return/interlocal agreement | 2,000,000 | 2,369,104 | → | 0.0% | ↑ | 118% |
| Investment earnings/miscellaneous | 700,000 | 326,801 | ↓ | -77.3% | ↓ | -50% |
| Total revenues | \$ 142,522,634 | \$ 142,384,352 | ↑ | 3% | ↓ | -51% |
| SUSTAIN AND EXPAND DIRECT SERVICES | | | | | | |
| Parenting | \$ 19,661,000 | \$ 13,292,401 | ↑ | 9% | ↓ | -1% |
| Early childhood development | 33,841,017 | 23,358,020 | ↓ | -2% | ↓ | -11% |
| Youth development | 59,828,817 | 35,142,249 | ↓ | -3% | ↓ | -2% |
| Health and wellness | 21,079,306 | 13,724,077 | ↓ | -9% | ↓ | -7% |
| Family and neighborhood supports | 11,988,108 | 8,204,664 | ↓ | 0% | ↓ | -2% |
| Total sustain and expand direct services | \$ 146,398,248 | \$ 93,721,411 | ↓ | -2% | ↓ | -4% |
| COMMUNITY AWARENESS AND ADVOCACY | | | | | | |
| Promote public policy and legislative agendas | \$ 215,300 | \$ 131,822 | ↓ | -12% | ↓ | -8% |
| Public awareness and program promotion | 2,969,000 | 1,907,225 | ↑ | 29% | ↑ | 14% |
| Promote citizen engagement and leadership to improve child and family condition | 1,115,000 | 681,964 | ↑ | 8% | ↑ | 5% |
| Cross-funder collaboration of goals, strategies and resources | 1,735,000 | 964,265 | ↓ | -15% | ↓ | -10% |
| Total community awareness and advocacy | \$ 6,034,300 | \$ 3,685,276 | ↑ | 8% | ↑ | 5% |
| PROGRAM AND PROFESSIONAL DEVELOPMENT | | | | | | |
| Supports for quality program implementation | \$ 3,100,000 | \$ 2,088,974 | ↓ | -8% | ↓ | -6% |
| Information systems | 950,000 | 718,060 | ↓ | -4% | ↓ | -3% |
| Program evaluation and community research | 500,000 | 198,445 | ↓ | -9% | ↓ | -4% |
| Innovation funds | 1,250,000 | 622,458 | ↓ | -47% | ↓ | -43% |
| Total program and professional development | \$ 5,800,000 | \$ 3,627,937 | ↓ | -18% | ↓ | -13% |
| ADMINISTRATION AND NON-OPERATING EXPENDITURES | | | | | | |
| Management of The Children's Trust | \$ 10,763,703 | \$ 8,847,199 | ↑ | 0% | ↓ | -3% |
| Non-operating expenditures | 4,600,000 | 5,011,293 | ↑ | 61% | ↑ | 32% |
| Total administration and non-operating expenditures | \$ 15,363,703 | \$ 13,858,492 | ↑ | 16% | ↑ | 7% |
| | | | | 0% | | |
| Total expenditures | \$ 173,596,251 | \$ 114,893,116 | ↓ | 0% | ↓ | -3% |
| Total revenues over/(under) expenditures | \$ (31,073,617) | \$ 27,491,236 | | | | |
| Ending fund balance, reserves/net assets, adopted budget | \$ 19,575,817 | | | | | |

The Children's Trust

Comparative Monthly Financial Statement

FY 2021 vs. FY 2020 actual (August 31)

| | FY 2021 Year to Date Actual | FY 2020 Year to Date Actual | Dollar Variance | % Variance |
|---|--|--|----------------------------|-----------------------|
| REVENUES | | | | |
| Ad valorem tax revenues | \$ 139,688,447 | \$ 137,069,923 | \$ 2,618,523 | 2% |
| CRA return/interlocal agreement | 2,369,104 | - | 2,369,104 | 0.0% |
| Investment earnings/miscellaneous | 326,801 | 1,436,721 | (1,109,920) | -77% |
| Total revenues | \$ 142,384,352 | \$ 138,506,644 | \$ 3,877,707 | 3% |
| EXPENSES | | | | |
| Sustain and expand direct services | \$ 93,721,411 | \$ 95,652,793 | \$ (1,931,382) | -2% |
| Community awareness and advocacy/program and professional development | 7,313,213 | 7,803,362 | (490,149) | -6% |
| Administration and non-operating expenditures | 13,858,492 | 11,943,215 | 1,915,277 | 16% |
| Total expenses | \$ 114,893,115 | \$ 115,399,370 | \$ (506,255) | 0% |
| Total revenues over/(under) expenditures | \$ 27,491,236 | \$ 23,107,274 | \$ 4,383,962 | 19% |