

# The Children's Trust



## Monthly Financial Statements (Unaudited)

**For the five month ended February 28, 2019**

Prepared by : The Children's Trust Finance Department

Approved by:

A handwritten signature in blue ink, appearing to read "William Kirtland", is written over a horizontal line.

**William Kirtland, CPA, Chief Financial Officer**

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# February's Management Discussion & Analysis (MD&A)

## 2018-19 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 will offer an additional \$28.5m during the fiscal year 2018-19 for services. In alignment with the strategic plan and the Board's guidance the funds will be allocated as follows:
  - Early Childhood Development \$8m
  - Youth Development \$13.2m
  - Parenting \$2.6m
  - Health & Wellness \$4.7k
- The Children's Trust is budgeting a net decrease in management (G&A) expenses of approximately \$30k, which is related to a decrease in contracted services and includes a merit increase. The Trust has now budgeted decreases in management expenses for 3 fiscal years, 2016-17 (\$470k), 2017-18 (\$317k) and 2018-19 (\$30k), totaling approximately \$817k.
- The Children's Trust has reduced the management (G&A) expenses to 6.32% of its total expenses, an all-time low.
- The Miami-Dade Property Appraiser reported an assessed tax roll of \$292.3 billion, which equates to approximately:
  - Based on 0.4415 millage rate (rolled-back rate), ad valorem tax revenue = \$122.6m, this represents a 0% tax increase.

## 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 2019	FY 2018
October	0.0%	0.0%
November	26.9%	4.5%
December	79.3%	72.6%
January	83.2%	82.3%
February	86.6%	86.5%

### Operating Budget / Expenditures

The Trust can expect a significant decrease to both non-operating expenditures and miscellaneous revenues due to the following:

- Early in fiscal year 2018 The Trust was informed from the CRA of Miami Beach that it will no longer be obligated to commit approximately \$2 million. The budget for fiscal year 2019 has been adjusted to reflect this change.

- The Trust has budgeted \$1.5 million for the obligations to the remaining Community Redevelopment Areas (CRAs) for the fiscal year 2019. The Trust commits these funds on an annual basis.
- The significant dollar variance (budget 2018 to budget 2019) in administration and non-operating reflects the decrease in obligation and payment to those CRAs.

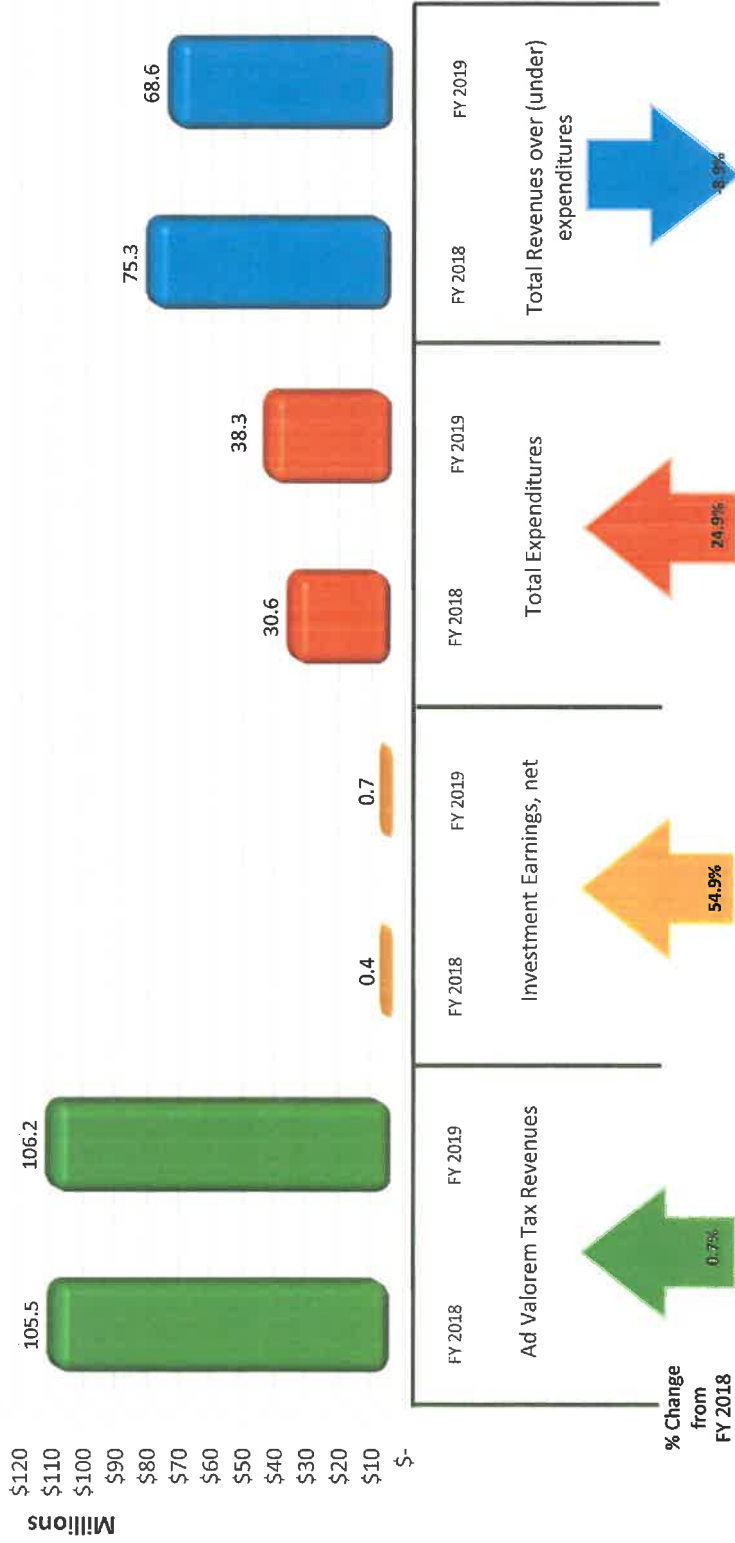
### *Fund Balance / Drawdown Strategy*

In response to the growing fund balance, The Trust:

- Adopted the rolled back millage rate of 0.4415 for the fiscal year 2019, which would maintain revenues consistent with the fiscal year 2018.
- Spend additional funds during fiscal year 2019 in program services, which included the funding for the current and expanded 5-year solicitation (Fiscal years 2019-2023) cycle by approximately \$28,500,000 annually.
- The Trust continues to devise a strategy to significantly draw down its existing fund balance during the next 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 five month ended February 28, 2019



The Children's Trust

**Balance Sheet - General Fund**

February 28, 2019

	<b>General Fund</b>
<b>Assets</b>	
Current Assets	
Cash	\$ 15,017,895
Investments:	
Certificates of deposit	110,000,000
Money market	14,861,123
SBA	221,359
Accounts receivable	-
Provider receivable	-
Taxes receivable	-
Grants receivable	-
Interest receivable	-
Due from other governmental local agencies	-
Prepaid insurance	42,770
Prepaid other	-
<b>Total assets</b>	<b>\$ 140,143,148</b>
<b>Liabilities &amp; Fund Balances</b>	
<b>Liabilities</b>	
Accounts payable	\$ 1,831,680
Dues from other governmental local agencies	-
Accrued wages payable	-
Other current liabilities	-
Unearned revenue	50,000
<b>Total liabilities</b>	<b>\$ 1,881,680</b>
<b>Fund Balances</b>	
Non-spendable prepaid items	\$ 42,770
Restricted:	
Provider services	138,218,697
<b>Total fund balances</b>	<b>\$ 138,261,468</b>
<b>Total liabilities &amp; fund balances</b>	<b>\$ 140,143,148</b>

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

FY 2019 budget vs. FY 2019 actual (February 28)

	FY 2019 Budget (Information Purposes Only)	FY 2019 Year to Date Actual	FY 2019 vs 2018 % Actual to Actual	FY 2019 vs 2018 % Actual to Budget
<b>FUND BALANCE, Adopted Budget October 1, 2018</b>	\$ 78,605,650			
<b>REVENUES</b>				
Ad valorem tax revenues	\$ 122,613,872	\$ 106,226,256	↑ 1%	↑ 0.1%
CRA return/interlocal agreement	1,501,461	-	⇒ 0%	⇒ 0%
Investment earnings/miscellaneous	1,274,100	671,229	↑ 55%	↓ -60%
<b>Total revenues</b>	<b>\$ 125,389,433</b>	<b>\$ 106,897,485</b>	<b>↑ 1%</b>	<b>↑ 53%</b>
<b>SUSTAIN AND EXPAND DIRECT SERVICES</b>				
Parenting	\$ 17,773,000	\$ 4,519,946	↑ 46%	↑ 5%
Early childhood development	28,791,017	3,945,924	↑ 10%	↓ -4%
Youth development	59,317,832	11,427,526	↑ 23%	↓ -1%
Health and wellness	20,779,306	6,967,387	↑ 61%	↑ 7%
Family and neighborhood supports	11,688,108	3,025,129	↓ -1%	↓ 0%
<b>Total sustain and expand direct services</b>	<b>\$ 138,349,263</b>	<b>\$ 29,885,912</b>	<b>↑ 28%</b>	<b>↑ 0%</b>
<b>COMMUNITY AWARENESS AND ADVOCACY</b>				
Promote public policy and legislative agendas	\$ 215,300	\$ 133,527	↓ -4%	↓ -2%
Public awareness and program promotion	2,969,000	252,214	↓ -54%	↓ -10%
Promote citizen engagement and leadership to improve child and family conditions	1,115,000	105,700	↓ -8%	↑ 3%
Cross-funder collaboration of goals, strategies and resources	1,735,000	173,307	↑ 34%	↓ -3%
<b>Total community awareness and advocacy</b>	<b>\$ 6,034,300</b>	<b>\$ 664,748</b>	<b>↓ -28%</b>	<b>↓ -5%</b>
<b>PROGRAM AND PROFESSIONAL DEVELOPMENT</b>				
Supports for quality program implementation	\$ 3,100,000	\$ 477,763	↓ -31%	↓ -3%
Information systems	800,000	519,123	↑ 23%	↑ 12%
Program evaluation and community research	500,000	58,583	↑ 2%	↑ 6%
Innovation funds	1,400,000	-	↓ -100%	↓ -17%
<b>Total program and professional development</b>	<b>\$ 5,800,000</b>	<b>\$ 1,055,469</b>	<b>↓ -21%</b>	<b>↓ -2%</b>
<b>ADMINISTRATION AND NON-OPERATING EXPENDITURES</b>				
Management of The Children's Trust	\$ 10,388,703	\$ 4,053,800	↑ 14%	↑ 5%
Non-operating expenditures	3,764,846	2,602,260	↑ 76%	↑ 45%
<b>Total administration and non-operating expenditures</b>	<b>\$ 14,153,549</b>	<b>\$ 6,656,060</b>	<b>↑ 32%</b>	<b>↑ 16%</b>
<b>Total expenditures</b>	<b>\$ 164,337,112</b>	<b>\$ 38,262,189</b>	<b>↑ 25%</b>	<b>↑ 1%</b>
<b>Total revenues over/(under) expenditures</b>	<b>\$ (38,947,679)</b>	<b>\$ 68,635,296</b>		
<b>Ending fund balance, reserves/net assets, adopted budget</b>	<b>\$ 39,657,971</b>			

**Comparative Monthly Financial Statement**

FY 2019 vs. FY 2018 actual (February 28)

	FY 2019 Year to Date Actual	FY 2018 Year to Date Actual	Dollar Variance	% Variance
<b>REVENUES</b>				
Ad valorem tax revenues	\$ 106,226,256	\$ 105,531,546	\$ 694,710	1%
CRA return/interlocal agreement	-	-	-	0.0%
Investment earnings/miscellaneous	671,229	433,311	237,918	55%
<b>Total revenues</b>	<b>\$ 106,897,485</b>	<b>\$ 105,964,857</b>	<b>\$ 932,628</b>	<b>1%</b>
<b>EXPENSES</b>				
Sustain and expand direct services	\$ 29,885,912	\$ 23,342,097	\$ 6,543,815	28%
Community awareness and advocacy/program and professional development	1,720,217	2,264,321	(544,104)	-24%
Administration and non-operating expenditures	6,656,060	5,038,690	1,617,370	32%
<b>Total expenses</b>	<b>\$ 38,262,189</b>	<b>\$ 30,645,108</b>	<b>\$ 7,617,081</b>	<b>25%</b>
<b>Total revenues over/(under) expenditures</b>	<b>\$ 68,635,296</b>	<b>\$ 75,319,749</b>	<b>\$ (6,684,453)</b>	<b>-9%</b>