

The Children's Trust



Monthly Financial Statements (Unaudited)

For the six month ended March 31, 2018

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Approved by:



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

2017-18 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 \$10.1m during the fiscal year 2017-18 for services. In alignment with the strategic plan and the Board's guidance the funds will be allocated as follows:
 - Early Childhood Development \$4m
 - Youth Development \$3m
 - Parenting \$3m
 - Health & Wellness \$135k
- The Children's Trust is budgeting a net decrease in management (G&A) expenses of approximately \$317k, which is related to a decrease in budgeted positions and includes a merit increase. The Trust has now budgeted decreases in management expenses for 2 fiscal years, 2016-2017 (\$470k) and 2017-2018 (\$317k), totaling approximately \$788k.
- For the first time in 9 years, The Children's Trust has reduced the management (G&A) expenses to 7.5% of its total expenses.
- The Miami-Dade Property Appraiser reported an assessed tax roll of \$274.6 billion, which equates to approximately:
 - Based on 0.4673 millage rate (rolled-back rate), ad valorem tax revenue = \$121.9m, this represents a 0% tax increase. Adopting the rolled-back rate rather than the .5000 millage rate resulted in a net effect of \$8.5m less tax revenues.

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 2018 | FY 2017 |
|----------|---------|---------|
| October | 0.0% | 0.0% |
| November | 4.5% | 20.9% |
| December | 72.6% | 80.1% |
| January | 82.3% | 83.4% |
| February | 86.5% | 86.7% |
| March | 89.0% | 88.8% |

During the fiscal year 2017, approximately \$8,000,000 additional revenues were collected due to increased overall Miami-Dade County property value. Interest earnings significantly increased due to the growth of interest rates and the additional cash holdings in Trust. If interest rates continue to increase during the fiscal year 2018, The Trust can expect a slight increase to interest earnings.

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 Trust budgeted the \$2 million obligation for the fiscal year 2018 before learning that the commitment had been satisfied. Payment has been made to the remaining CRAs which The Trust regularly commits funds to on an annual basis.
- The significant dollar variance (actual 2018 to actual 2019) in administration and non-operating reflects the decrease in obligation and payment to those CRAs.

Fund Balance / Drawdown Strategy

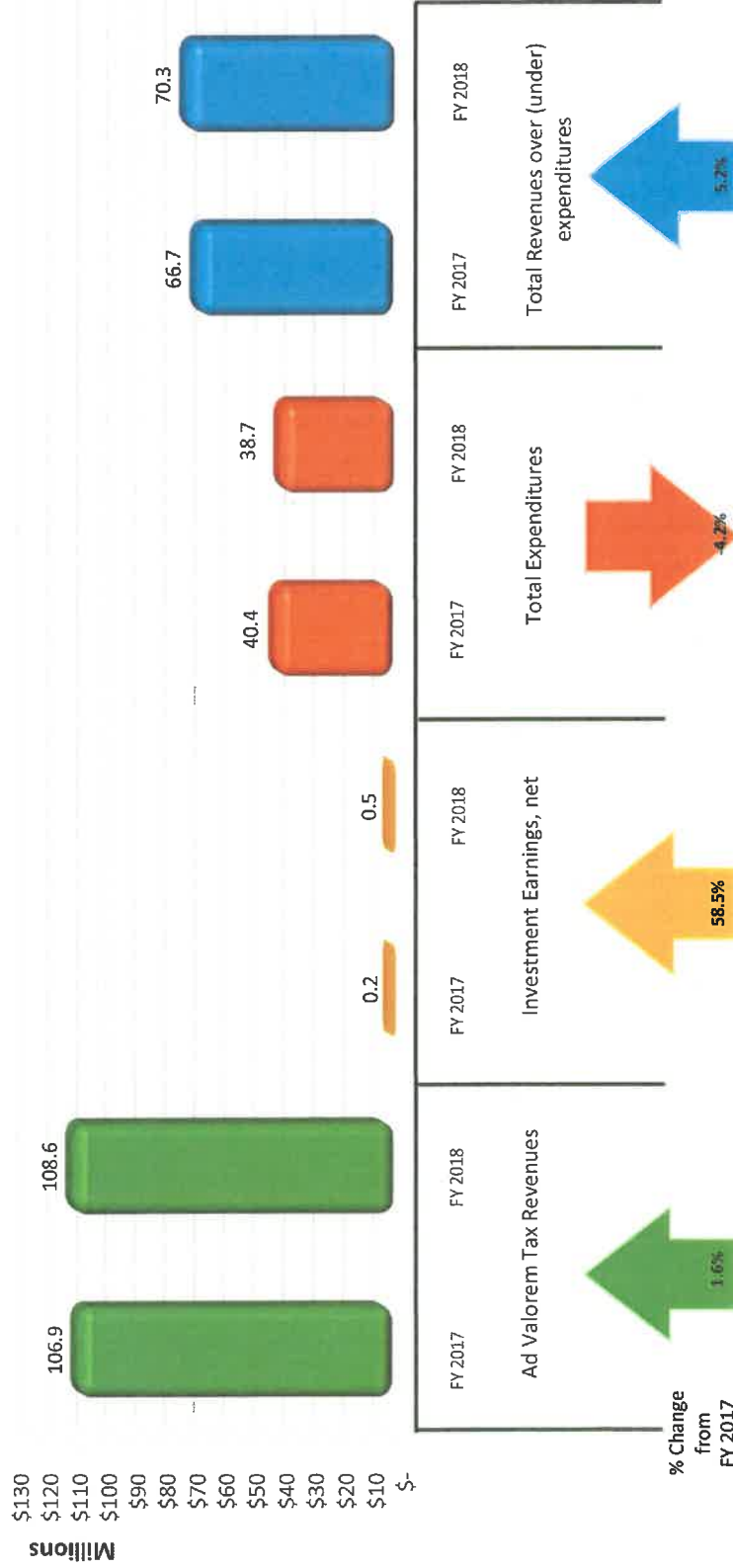
The Trust ended the fiscal year 2017 with a fund balance of approximately \$67,030,000. In response to the growing fund balance, The Trust:

- Adopted the rolled back millage rate of 0.4673 for the fiscal year 2018, which would maintain revenues consistent with the fiscal year 2017.
- Plans to spend an additional \$10,000,000 during fiscal year 2018 in program services, as well as increase the available funding for the upcoming 5-year solicitation cycle by \$35,000,000.
- 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 (2016-2017)

For the six month period ended March 31, 2018



The Children's Trust
Balance Sheet - General Fund
 March 31, 2018

| | General Fund |
|--|-----------------------|
| Assets | |
| Current Assets | |
| Cash | \$ 18,431,791 |
| Investments: | |
| Certificates of deposit | 100,000,469 |
| Money market | 19,093,433 |
| SBA | 216,595 |
| Accounts receivable | - |
| Provider receivable | - |
| Taxes receivable | - |
| Grants receivable | - |
| Interest receivable | - |
| Due from other governmental local agencies | - |
| Prepaid insurance | 35,659 |
| Prepaid other | - |
| Total assets | \$ 137,777,947 |
| Liabilities & Fund Balances | |
| Liabilities | |
| Accounts payable | \$ 401,574 |
| Dues from other governmental local agencies | - |
| Accrued wages payable | - |
| Other current liabilities | - |
| Unearned revenue | - |
| Total liabilities | \$ 401,574 |
| Fund Balances | |
| Non-spendable prepaid items | \$ 35,659 |
| Restricted: | |
| Provider services | 137,340,714 |
| Total fund balances | \$ 137,376,373 |
| | |
| Total liabilities & fund balances | \$ 137,777,947 |

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

FY 2018 budget vs. FY 2018 actual (March 31)

| | FY 2018 Budget (Information Purposes Only) | FY 2018 Year to Date Actual | FY 2018 vs 2017 % Actual to Actual | FY 2018 vs 2017 % Actual to Budget |
|--|---|-----------------------------------|--|--|
| FUND BALANCE, Adopted Budget October 1, 2017 | \$ 50,099,011 | | | |
| REVENUES | | | | |
| Ad valorem tax revenues | \$ 121,938,094 | \$ 108,556,230 | ↑ 2% | ↑ 0% |
| CRA return/interlocal agreement | 3,978,199 | - | → 0% | → 0% |
| Investment earnings/miscellaneous | 383,094 | 533,241 | ↑ 141% | ↑ 51% |
| Total revenues | \$ 126,299,387 | \$ 109,089,471 | ↑ 2% | ↑ 53% |
| SUSTAIN AND EXPAND DIRECT SERVICES | | | | |
| Parenting | \$ 15,205,000 | \$ 4,150,488 | ↑ 20% | ↓ -1% |
| Early childhood development | 20,750,000 | 4,592,495 | ↓ 0% | ↓ -5% |
| Youth development | 46,150,000 | 11,566,000 | ↓ -2% | ↓ -2% |
| Health and wellness | 16,035,000 | 4,870,051 | ↓ -6% | ↓ -2% |
| Family and neighborhood supports | 11,688,108 | 3,874,650 | ↑ 21% | ↑ 4% |
| Total sustain and expand direct services | \$ 109,828,108 | \$ 29,053,684 | ↑ 3% | ↓ -2% |
| COMMUNITY AWARENESS AND ADVOCACY | | | | |
| Promote public policy and legislative agendas | \$ 215,300 | \$ 153,877 | ↑ 4% | ↑ 3% |
| Public awareness and program promotion | 2,969,000 | 635,666 | ↓ -3% | ↓ -1% |
| Promote citizen engagement and leadership to improve child and family conditions | 1,700,000 | 152,043 | ↓ -61% | ↓ -14% |
| Cross-funder collaboration of goals, strategies and resources | 1,035,000 | 162,004 | ↑ 27% | ↑ 3% |
| Total community awareness and advocacy | \$ 5,919,300 | \$ 1,103,590 | ↓ -17% | ↓ -4% |
| PROGRAM AND PROFESSIONAL DEVELOPMENT | | | | |
| Supports for quality program implementation | \$ 3,840,000 | \$ 800,328 | ↑ 6% | ↑ 1% |
| Information systems | 800,000 | 432,797 | ↑ 76% | ↑ 23% |
| Program evaluation and community research | 1,000,000 | 86,910 | ↑ 29% | ↑ 2% |
| Innovation funds | 1,000,000 | 184,224 | ↑ 158% | ↑ 11% |
| Total program and professional development | \$ 6,640,000 | \$ 1,504,259 | ↑ 32% | ↑ 5% |
| ADMINISTRATION AND NON-OPERATING EXPENDITURES | | | | |
| Management of The Children's Trust | \$ 10,418,930 | \$ 4,502,269 | ↓ -3% | ↑ 0% |
| Non-operating expenditures | 6,058,281 | 2,578,996 | ↓ -49% | ↓ -46% |
| Total administration and non-operating expenditures | \$ 16,477,211 | \$ 7,081,265 | ↓ -27% | ↓ -16% |
| Total expenditures | \$ 138,864,619 | \$ 38,742,798 | ↓ -4% | ↓ -4% |
| Total revenues over/(under) expenditures | \$ (12,565,232) | \$ 70,346,673 | | |
| Ending fund balance, reserves/net assets, adopted budget | \$ 37,533,779 | | | |