Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2023

Investing in Their Future...

Because all children are our children

The Children's Trust is an independent special taxing district located in Miami-Dade County, Florida.

Because All Children Are Our Children

THE CHILDREN'S TRUST

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2023

Issued By:

James R. Haj
President & Chief Executive Officer

Prepared By the Finance Department:

William Kirtland, CPA, Chief Financial Officer
Wendy Duncombe, CPA, CGMA, Controller

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THE CHILDREN'S TRUST

Introductory Section

THE CHILDREN'S TRUST

March 8, 2024

To the Board of Directors of The Children's Trust & Miami-Dade County Citizens

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of The Children's Trust, Miami, Florida (The Trust), for the fiscal year ended September 30, 2023. Florida Statutes require that every independent special taxing district of local government publish, within nine months of the close of each fiscal year, a complete set of audited financial statements. In addition to meeting this legal requirement, this report represents The Trust's tradition of full financial disclosure.

The ACFR's role is to assist stakeholders in making economic, social and political decisions, and in assessing the accountability of The Trust to the citizenry by:

- Comparing actual financial results with the legally adopted annual budget;
- Assessing The Trust's financial condition and results of operations;
- Demonstrating compliance with finance-related laws, rules and regulations; and
- Evaluating the efficiency and effectiveness of The Trust's operations.

Responsibility for the presented data's accuracy and the presentation's completeness and fairness, including all disclosures, rests with management of The Trust. The data, as presented, is accurate in all material respects and it is organized to fairly present the financial position and results of The Trust's operations. Moreover, all disclosures necessary to enable the reader to gain an understanding of The Trust's financial activities have been included.

MSL, PA, independent auditors, have issued unmodified opinions of The Trust's financial statements for the fiscal year ended September 30, 2023. The independent auditors' report is located at the front of the financial section of this report. The Trust's financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). The Trust's Management's Discussion and Analysis document (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Accounting and Internal Controls:

Management of The Trust is responsible for establishing and maintaining an internal control system to ensure that assets of The Trust are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. An internal control system provides reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- The cost of a control should not exceed the benefits likely to be derived; and
- The valuation of costs and benefits requires estimates and judgments prepared by management.

Profile:

The Children's Trust is the geographically largest of Florida's eleven independent Children's Services Councils (CSCs) created under Chapter 125 of the Florida Statutes (the Statute), which authorizes counties to pursue a voter referendum that provides authority to tax property to fund programs for children and families. The Trust was approved by the voters of Miami-Dade County (the County) by special referendum on September 10, 2002 and was established as an independent special taxing district. A "sunset provision" required that the initiative be returned within five years for voter approval, and that vote took place August 26, 2008. Despite the difficult economic climate, Miami-Dade County voters decided in overwhelming numbers – by 86 percent – to reauthorize The Children's Trust to continue to provide high quality services to children and families of the County.

The Trust operates under the guidance of a thirty-three (33) member board of directors (the Board) comprised of: seven individuals recommended by the Miami-Dade Board of County Commissioners and appointed by the Governor; twenty-two (22) members appointed by virtue of the office or position they hold within the community; and four members-at-large appointed by a majority of the Board. Board members appointed by the Governor serve four-year terms. The youth representative member and the State of Florida legislative delegate member each serve a one-year term. Members appointed by reason of their position are not subject to term limits. All at-large members serve two-year terms.

The Trust's mission is to "partner with the community to plan, advocate for and fund strategic investments that improve the lives of all children and families in Miami-Dade County." To accomplish this goal, the Statute allows The Trust to levy a tax of up to 0.5000 mills of the assessed property tax value. The Trust is not a component unit of any other governmental unit, nor does it meet the criteria to include any governmental organization as a component unit.

The jurisdiction of The Trust is contiguous with Miami-Dade County, the largest county in Florida. It is located along the southeast tip of the Florida peninsula, bound by Biscayne Bay and the Atlantic Ocean to the east, Everglades National Park to the west, the Florida Keys to the south and Broward County to the north. It occupies an area of more than 2,000 square miles, one-third of which is located in Everglades National Park. Due to its proximity to the southern hemisphere and high volume of travel and trade within the region, Miami-Dade County is often referred to as the "Gateway to Latin America and the Caribbean."

Strategic & Operational Leadership Highlights:

With continued strategic and funding guidance from its board of directors, The Children's Trust has maintained and expanded programming support across its primary investment areas, as highlighted throughout this report. Community investments were made through 323 contracts with 163 agencies, and numerous service agreements with community partners.

The fiscal year 2022-2023 included a yearlong 20th anniversary celebration, marking when Miami-Dade County voters approved a referendum creating The Children's Trust to invest in, support and advocate for children and families in the county. On that day in 2002, and again when voters reauthorized The Children's Trust in 2008, they took a leap of faith, and the results have been nothing short of game changing. The Children's Trust is essential for children and families in Miami-Dade County. Like the children served over the years, The Children's Trust has grown, and our successes, challenges and learning have directly impacted thousands of lives. During the celebration, a three-month anniversary exhibition at HistoryMiami displayed milestones, impact and timelines, all of which were also memorialized in a special section of the 2021-2022 annual report that was released in January 2023.

Miami's Community Newspapers released a Special Edition - The Children's Trust: 20 Years Nurturing Greatness, and in March 2023, the *Miami Herald* published an op-ed by founding Board Chair David Lawrence Jr., current Board Chair Kenneth Hoffman, and President and CEO James Haj, detailing The Children's Trust's impact over its first two decades. There were recognitions of the anniversary at numerous community events, and various government bodies and organizations acknowledged The Children's Trust's impact, including on the floor of the United States House of Representatives. To culminate the yearlong celebration, numerous landmark buildings and college campuses throughout the county lit up in Trust green as part of the "Illuminating Greatness" campaign in September 2023.

The Children's Trust was proud and honored to help organize and lead Miami-Dade Mayor Daniella Levine Cava's Children's Commission Summit in October 2022 to ensure alignment of community efforts to support and serve Miami-Dade's youngest children. An estimated 300 attendees participated in the full-day summit. Feedback from the event and work over several months by the Steering Committee and subcommittees, both with substantial Trust staff involvement, led to the development of a Roadmap to Child Success.

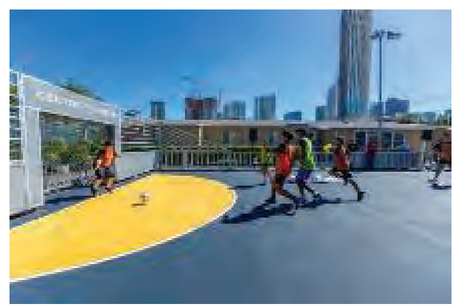
During fiscal year 2022-2023, significant efforts were dedicated to preparing and releasing competitive funding solicitations for about half of all direct service programming funds and for multiple operational infrastructure projects. This included the promotion and release of 12 solicitations and outreach to thousands, resulting in 277 complete applications for funding. Fifty-four trained community volunteer reviewers assisted Trust staff in completing 885 ratings (three independent reviewers separately rated each application), and Trust staff conducted 101 interviews and site visits with applicants. In total, 220 contracts were awarded more than $105 million to support children and families.

- The Youth Development Request for Proposals (RFP) awarded the highest funding in Trust history - $76.7 million annually - for 143 after-school and summer programs for children and youth in grades K through 12. It also included a call for enrichment programming tailored for youth involved in the dependency and delinquency systems and those disconnected from school and/or work, which resulted in six funding awards exclusively prioritizing these populations. New applicants had a 78 percent success rate, up significantly from prior funding cycles (i.e., 59 percent in the last cycle and only eight percent in the cycle before that). All applicant agencies that previously participated in The Trust's Small CBO (Community-Based Organization) Capacity Building initiative were successful in securing funding. The new Youth Development funding cycle began in August 2023, and more than 300 staff members from provider agencies attended the in-person kickoff event in May 2023.
- The Parenting and Family Strengthening RFP funded $23.2 million annually for a continuum of 45 evidence-based programs (EBPs) to address specific needs or challenges, encourage positive parent-child interactions and communication, and decrease parenting stress. Populations and needs identified as gaps in the prior portfolio were sought out, including prenatal programming, fatherhood engagement and mental health supports.
- The Benefits Enrollment Supports RFP funded nine providers for $1.6 million annually to maximize economic benefits for children and their families who qualify for income-eligible public benefits, ultimately positively contributing to the broader local economy and child well-being.
- The Small CBO Capacity Building RFP selected a new cohort of 16 small agencies that serve children and families to participate in a two-year program that includes several learning activities and funding for individualized programmatic and fiscal capacity building, in an annual amount of $595,000.
- Operational infrastructure support procurements designed to streamline Trust processes and maximize efficiencies and data access included Financial Software, Human Resource and Payroll Solutions, Auditing Services, Website Development, Integrated Data Repository/Data Visualization Services, and Office Redesign.

To inform the direct services funding needs, significant efforts were devoted to collecting input from current and potential service participants. This included a community parent survey in English, Spanish and Haitian Creole with 3,477 respondents, and 44 focus groups that included 208 parents and 89 youth. In October 2023, four executive summary reports on participant input related to after-school and summer programs, parenting education and supports, early childcare and education, and health and wellness were released.

In July 2023, the Board Health Committee launched major school health strategic planning efforts. With the board's approval, staff engaged a nationally recognized pro bono health consulting group, Guidehouse, to support these efforts starting in September 2023. The Trust conducted 23 focus groups with nursing, social work, mental health and administrative staff and systems partners from funded school health programs, as well as with parents and youth.

To make it easier for families to find low or no-cost summer camps and after-school programs, The Children's Trust partnered with Miami-Dade County, Miami-Dade County Public Schools and Jewish Community Services of South Florida to promote the "More Choices" initiative. Starting with More Summer Camp Choices, nearly 500 programs funded by or operated through the anchor partners were listed on www.211miami.org/summercampshttp://www.211miami.org/summercamps and widely promoted throughout the community. The efforts resulted in 400 times as many online searches than in the previous year and a 40 percent increase in calls to the 211 Helpline for summer camps. The success of the summer camps initiative led to More After-School Choices and More School Break Choices, which similarly list after-school programs and school break options for full-day camps on teacher planning days and holiday breaks.



The Children's Trust joined the U.S. Soccer Foundation, County Mayor Daniella Levine Cava, County Commission Chairman Oliver G. Gilbert III, and CEO Kenneth Griffin of Citadel LLC, among others, to announce the launch of the Miami-Dade Soccer Initiative. This exciting project will install new mini-soccer pitches in under-resourced communities throughout the county and provide Just Ball League soccer programming for children and youth. The goal is to have 50 new pitches constructed before the 2026 FIFA World Cup and to positively influence the physical, social and emotional wellness of more than 36,000 children by 2030. The Trust is a key partner and funder in this initiative, helping to guide locations and fund programming for the soccer pitches.

The Children's Trust Book Club had record-breaking enrollment growth in 2022-2023, surpassing the initial goal of 40,000 members, instead reaching more than 47,000. In addition, The Children's Trust launched a Haitian Creole Book Club Engagement Project, which provides families at Haitian American-focused events with five children's books in Haitian Creole, family reading guides and other helpful materials. During the summer of 2023, Trust staff also worked with the Miami-Dade Public Library System to include resource listings for several Book Club books in braille for individuals with visual impairments.

The Children's Trust Thrive by 5 Quality Improvement System leveraged significant attention and resources over the past year. Thanks to a partnership with the Early Learning Coalition of Miami-Dade/Monroe, $5 million in limited-term Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act and the Administration of Children and Families was distributed to early learning educators participating in The Children's Trust's salary supplement program (A$CEND) in 2023. Finally, as part of the ongoing work Trust staff have done on the Steering Committee of the Mayor's Children's Commission, Miami-Dade County allocated $3 million for Thrive by 5 Families Forward Child Care Scholarships in 2023-2024 to support working families currently on the waiting list and earning 150 to 300 percent of the federal poverty level.

The Children's Trust staff members continue to serve as leaders locally and nationally on various topics related to children and families. Over the past year, staff were invited speakers and panelists at numerous local and regional conferences and summits related to legislative priorities, school system partnerships, early childhood funding, family engagement, youth mental health and supports for children and families experiencing homelessness. Staff presented at national conferences on The Children's Trust's early childhood work, including Zero to Three and the BUILD Initiative. In addition, Trust-led "READy, Set, Go Miami!", a month-long community literacy blitz coordinated by the Miami-Dade Grade Level Reading Campaign, received the National Grade Level Reading 2023 Pacesetter Award.

Fiscal and Budget Policy:

The Trust's annual budget serves as the foundation for its financial planning and control. Long-term financial planning for a government usually includes some aspects related to capital expenditures and revenue and expense forecasts; however, The Trust is somewhat limited regarding capital expenditures because the Statute precludes The Trust from incurring debt of any kind. The budget is prepared by function and transfers of appropriations among programs require Board approval. Budget-to-Actual comparisons are provided in this report in the Financial Section. The Trust's budgeted revenues are derived from the property tax levy authorized by the Statute. The Property Tax Appraiser's Office determines the property tax values by July 1 of each year. The Trust holds public hearings in September, as required under the Truth-in Millage (TRIM) Act, during which the Board sets the final tax rate and adopts the budget.

2022-2023 Budget & Millage Rate

The approved 2022-2023 budget includes total operating expenditures of $189.9 million, the largest operating budget in Trust history, and total ad valorem tax revenues of approximately $180.5 million. Since the start of the funding cycle for most major initiatives, beginning with the fiscal year 2018-2019, The Children's Trust committed an additional $51.1 million annually, and $178.3 million over the five-year cycle in additional funds earmarked for program services for the fiscal years 2019-2023. This five-year commitment continues to emphasize the importance of program spending that provides critical services for children and families in Miami-Dade. The 2022-2023 millage rate of 0.5000 mills will ensure the continuity and expansion of essential program services. The median taxable value for residential property with a $50,000 homestead exemption for the 2022-2023 tax year is $68.37, representing an increase of just $6.89. The 2022-2023 budget reflects management expenses of 6.2 percent of total budgeted expenditures.

Look Ahead: 2023-2024 Budget & Millage Rate

Spending over the past year has aligned with board priorities and the approved budget. The Children's Trust will continue to fund an expansive and high-quality portfolio of prevention and early intervention programs for all children, especially those at greater risk due to family and community conditions. There is a continuing commitment, both in number and quality, to the full participation of children with special needs in all funded programs.

With the board's guidance and approval, The Children's Trust adopted a 2023-2024 budget of $227.5 million at its second public TRIM Hearing in September 2023. The approval includes total ad valorem tax revenues of approximately $203.2 million. The budget represents the largest ever, with an additional $35.1 million for program services, and the lowest management expense in Trust history (5.81 percent).

The 2023-2024 millage rate of 0.5000 mills will ensure the continuity and expansion of essential program services. The median taxable value for residential property with a $50,000 homestead exemption for the 2023-2024 tax year is $75.54, representing an increase of just $7.17.

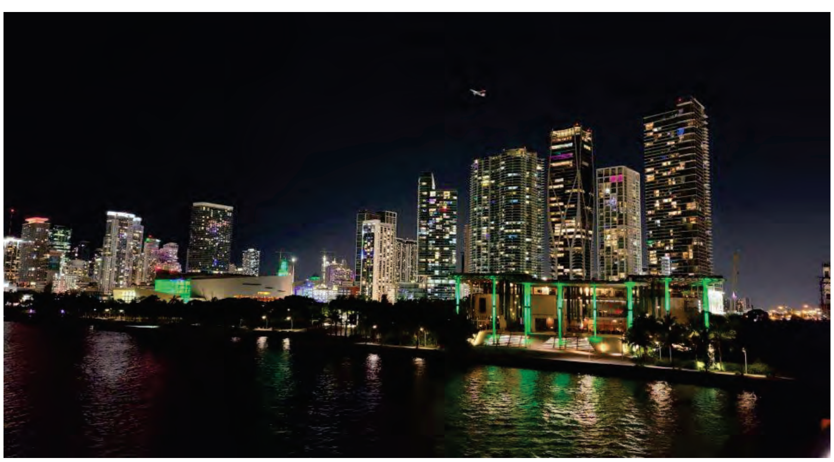
All this vital work continues to accelerate thanks to the board's leadership, commitment and vision. The Children's Trust is honored to focus on children and families and to launch the start of a third decade of existence with the same motivation and commitment shown in years past.

(See budget detail on next page)

BUDGET BY PRIORITY INVESTMENT AREA

DESCRIPTION	2022-23 AMENDED BUDGETED EXPENDITURES	2023-24 BUDGETED EXPENDITURES	PERCENTAGE DIFFERENCE
SUSTAIN & EXPAND DIRECT SERVICES			
Parenting	22,409,460	30,359,460	35.48%
Thrive by 5 (early childhood development)	37,841,017	43,411,017	14.72%
Youth development	62,248,817	81,748,817	31.33%
Health & wellness	20,831,778	21,791,778	4.61%
Family & neighborhood supports	16,164,176	16,164,176	-
TOTAL SUSTAIN & EXPAND DIRECT SERVICES	**$159,495,248**	**$193,475,248**	**21.30%**
COMMUNITY ENGAGEMENT, AWARENESS & ADVOCACY			
Promote public policy & legislative agendas	215,300	215,300	-
Public awareness & program promotion	2,969,000	3,085,000	3.91%
Promote citizen engagement & leadership	1,115,000	1,115,000	-
Cross-funder collaboration	1,735,000	1,735,000	-
TOTAL COMMUNITY ENGAGEMENT, AWARENESS & ADVOCACY	**$6,034,300**	**$6,150,300**	**1.92%**
LEARNING & QUALITY IMPROVEMENT			
Supports for quality program implementation	3,650,000	3,650,000	-
Information technology	1,050,000	2,050,000	95.24%
Program evaluation & community research	570,000	570,000	-
Innovation fund	1,400,000	1,400,000	-
TOTAL LEARNING & QUALITY IMPROVEMENT	**$6,670,000**	**$7,670,000**	**14.99%**
ADMINISTRATION & NON-OPERATING EXPENDITURES			
Management of The Children's Trust	12,575,382	13,266,223	5.18%
Non-operating expenditures	6,000,000	7,000,000	16.67%
TOTAL ADMINISTRATION & NON-OPERATING	**$18,575,382**	**$20,266,223**	**8.89%**
TOTAL	**$190,774,930**	**$227,521,771**	**19.26%**

Economic Conditions and Outlook:



When developing the level of investment for each of our major funding initiatives, The Trust must first conduct market research and develop insight to best determine the strength of the Miami-Dade County property market in both the short and long-term. Ad valorem taxes derived from Miami-Dade County property tax values serves as The Trust's primary revenue source.

Assessed Miami-Dade property values for the prior 5-years are as follows:

Fiscal Year	Total Value	% Change
2019-20	310,905,785,149	6.35%
2020-21	326,562,502,890	5.04%
2021-22	340,060,434,617	4.13%
2022-23	379,933,131,965	11.73%
2023-24	427,809,390,459	12.60%

The Trust generates a long-term forecasting model assuming each fiscal year will yield an increase of at least 5% ad valorem taxes. During years when market growth exceeds or does not meet this expectation, The Trust adopts the appropriate millage rate to maintain committed program services, potentially invest in additional program services, and maintain the Government Finance Officers Association (GFOA) best practices fund balance. Historical market trends not only indicate steady growth in Miami-Dade property values, but as of recent, increased overall growth of 12.6%. To assure our service providers the continuity of grant funding, The Trust monitors any potential market threats or indicators that may affect economic conditions and the overall value of county commercial and residential properties.

In an article published by the Miami Herald, "What does it cost to buy a home in Miami and Broward?" records indicate that home sales and prices will change slightly in 2024. South Florida's housing prices keep defying the odds, rising despite a growing supply of homes and a falling number of transactions from a year ago. Median sales prices grew to $615,000 for a house and $420,000 for a condo in Miami-Dade County in November, up from $550,000 and $395,000, respectively, a year ago, according to the latest Miami Association of Realtors' home sales report. The monthly report takes a temperature check on housing conditions, including prices, inventory and number of transactions. Housing prices remain resilient, despite supply rising and the number of deals trickling down, activity that normally may lead to a fall in prices. Housing conditions show high demand for South Florida living but prove to be a challenge for aspiring owners waiting years.

Several factors are at play, including more existing owners staying in place longer due to inventory, prices and interest rates. Mortgage lender Freddie Mac, for instance, has a rate of 6.95% for a 30-year mortgage, up from 6.31% a year ago. Many home hunters are holding their breath for interest rates to cool next year in the hopes of gaining more buying power.

Home values remain strong amidst slower sales; however, the buying market is expected to slowly improve as the Federal Reserve has committed itself to lowering rates as inflation begins to slow.

Overall, The Trust does not expect Miami-Dade property values to continue increasing above 10% as seen in the past 2 years, however, it's expected that market conditions remain strong enough to continue its conservative forecasting expectation of approximately 5% annually for the next 4 years.

Certificate of Achievement for Excellence in Financial Reporting:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to The Trust for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2022. This is the eleventh consecutive year that The Trust has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The report was judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Acknowledgements:

We extend our sincere appreciation to The Trust's employees who have provided countless hours of research in the preparation and production of this report. Special thanks go to the board of directors, the chairman of the board, the finance and operations committee and chairman, and The Trust's management for understanding the importance of the financial status of The Trust while maintaining a climate of financial integrity and excellence. We would like to commend all parties who diligently work to ensure that the programs funded by The Trust provide quality services within our financial means. Our appreciation is also extended to the auditing firm of MSL, PA for their professionalism in conducting the audit of The Trust's basic financial statements and related note disclosures.

Respectfully Submitted,

James Haj
James Haj (Mar 8, 2024 15:57 EST)
James R. Haj
President & Chief Executive Officer

William Kirtland (Mar 8, 2024 16:04 EST)
William Kirtland, CPA
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

The Children's Trust
Florida

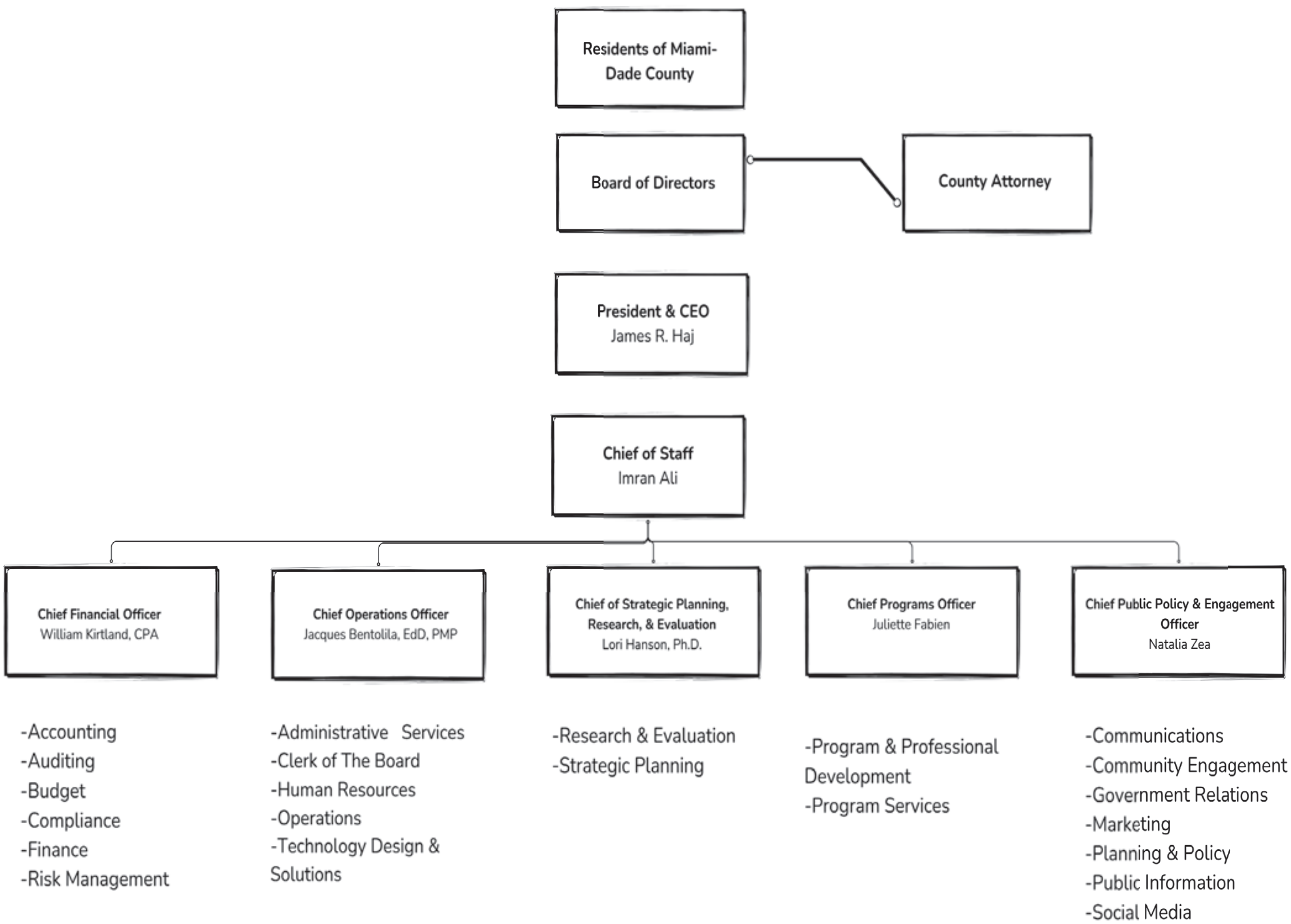
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

Organizational Chart



List of Principal Officials

OFFICERS/EXECUTIVE COMMITTEE

Kenneth C. Hoffman, Chair
Pamela Hollingsworth, Vice-Chair
Mark A. Trowbridge, Treasurer
Marissa Leichter, Secretary

BOARD OF DIRECTORS

Edward Abraham, M.D.
Laura Adams
Islamiyat Nancy Adebisi
Matthew Arsenault
Daniel Bagner, Ph.D.
Hon. Dorothy Bendross-Mindingall, Ph.D.
Cathy Burgos
Norie del Valle
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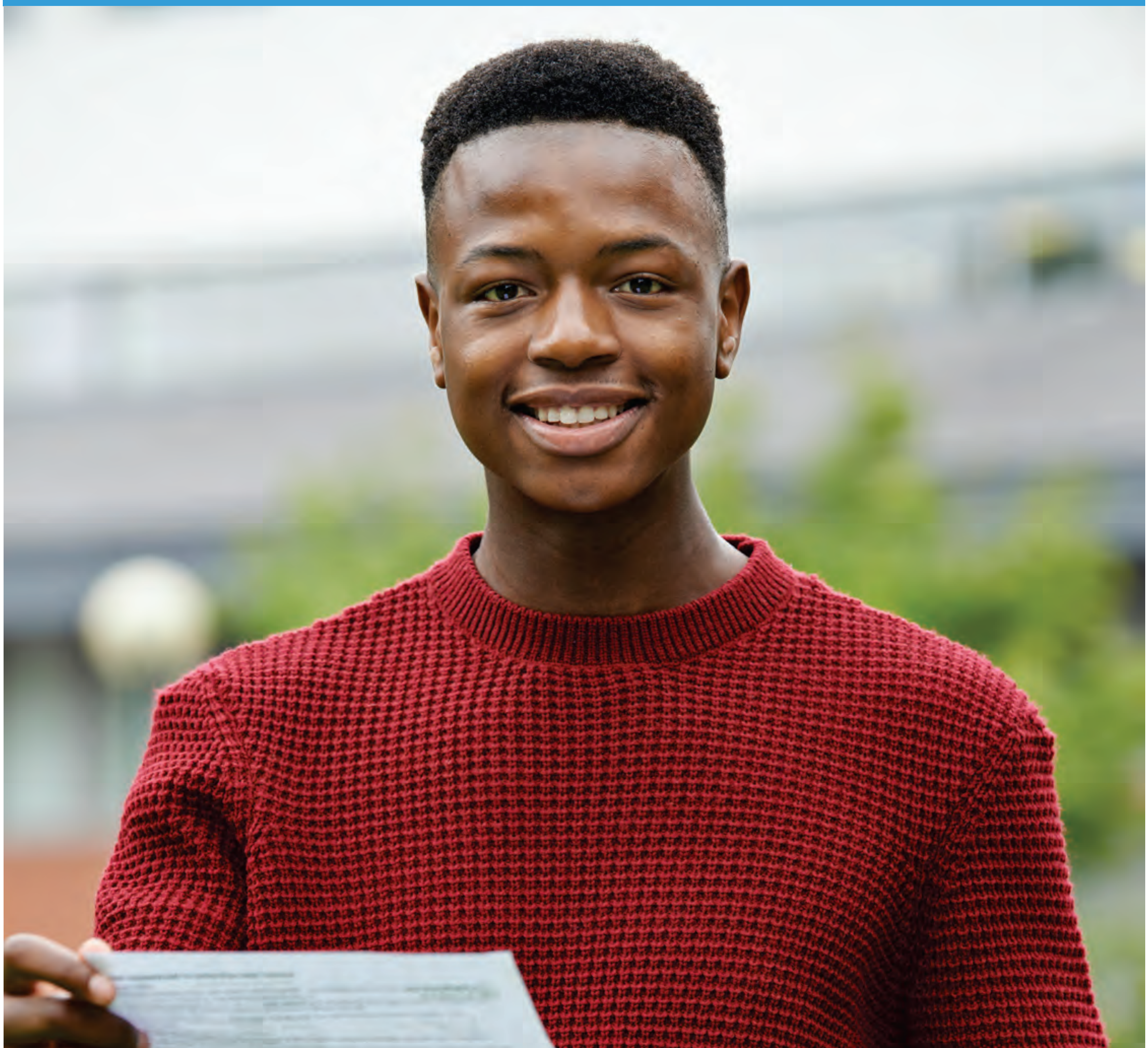
Ashna Paudel
Hon. Orlando Prescott
Diana Ragbeer Murray
Javier Reyes
Hon. Alex Rizo
Hon. Isaac Salver

Financial Section

Independent Auditor's Report



MSL

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Children's Trust (the "Trust"), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Trust's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Trust, as of September 30, 2023, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Trust, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 the Trust's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

INDEPENDENT AUDITOR'S REPORT
(Continued)

Auditor's Responsibility 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 auditor's report that includes our opinions. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 the Trust'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 the Trust'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.

Emphasis-of-Matter

As discussed in Notes 3-D, 3-F, and 3-G to the financial statements, in the fiscal year ended September 30, 2023, the Trust adopted the provisions of Government Accounting Standards Board Statement Number 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2024, on our consideration of the Trust'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 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 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 the Trust's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Fort Lauderdale, Florida
March 8, 2024

Management's Discussion and Analysis (MD&A)

Management of The Children's Trust (The Trust) has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues; (b) provide an overview and analysis of The Trust's financial activities; (c) identify changes in The Trust's financial position; and (d) identify material deviations from the approved budget. Because the information contained in the Management's Discussion and Analysis is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with The Trust's financial statements and note disclosures found on pages 21 through 67.

Financial Highlights

The Children's Trust celebrated its twentieth year during the 2022-2023 fiscal year. During this year, significant efforts were dedicated to preparing and releasing competitive funding solicitations for about half of all direct service programming funds and for multiple operation infrastructure projects, continuing our dedication and commitment to partner with the community to plan, advocate for and fund strategic investments that improve the lives of all children and families in Miami-Dade County. An overview of significant financial information from fiscal year 2022-2023 includes:

- The Trust's total assets and deferred outflows of financial resources exceeded its total liabilities and deferred inflows of financial resources by $40,241,640 (net position).

- Total net position is comprised of the following:

  (1) Net investment in capital assets of $148,283, which includes computers and furniture and equipment, net of accumulated depreciation, intangible right-to-use assets (office space and subscription-based information technology arrangements (SBITA)), net of amortization and the related lease and SBITA liability, as well as software development; and
  (2) Restricted net position of $40,093,357, which reflects the portion of net position that pertains to The Trust's obligation for provider service contracts.

- The Trust's net position increased by $9,116,289 for an ending balance of $40,241,640; the increase is primarily related to earning more than anticipated on its investments and incurring less than anticipated expenses for provider services.

- The Trust's expenses were $181,115,527 for an increase of 10.7% from the previous year; the increase is primarily related to spending $14.0 million or 9.5% more for direct service contracts (provider services) and was budgeted for in accordance with The Trust's strategic plan.

- The Trust's governmental fund reported a total ending fund balance of $48,934,318; this compares to the prior year ending fund balance of $38,191,566, which represents an increase of $10,742,752.

- The Trust's governmental fund restricted fund balance totaled $48,810,734 and represents the net current financial resources that have been appropriated by the board for provider service contracts.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces The Trust's basic financial statements. The basic financial statements include: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the basic financial statements. The Trust also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Trust's annual report includes two government-wide financial statements. These statements provide both long and short-term information about The Trust's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and includes the elimination or reclassification of activities between funds. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place.

The first of these government-wide financial statements is the *Statement of Net Position*. This is the government-wide statement of net position presenting information that includes all of The Trust's assets and deferred outflows of financial resources and liabilities and deferred inflows of financial resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of The Trust, as a whole, is improving or deteriorating. The net position of The Trust as of September 30, 2023 is the desired balance of the strategic plan. Evaluation of the overall health of The Trust would also extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide financial statement is the *Statement of Activities,* which reports how The Trust's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the statement of activities is to present the extent of The Trust's financial reliance on distinct activities or functions, as a result of revenues provided by The Trust's taxpayers. For financial reporting purposes, The Trust is considered a special-purpose government engaged in a single governmental program. As such, the Statement of Activities is presented using an alternative format of a single column that reports expenses first followed by revenues. Expenses are reported in the following primary categories; provider services, general administration, and non-operating allocations representing an interlocal agreement, property appraiser and tax collector fees. Provider services represent expenses that directly fund provider agencies for services to children and families as well as the related support to manage these contracts.

The government-wide financial statements are presented on pages 21 and 22 of this report.

(Continued on the subsequent page)

Fund Financial Statements

A fund is defined as an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Trust uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on The Trust's most significant funds rather than The Trust as a whole. The Trust uses only one fund, the General Fund, which is a governmental fund.

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of The Trust's governmental fund. These statements report short-term fiscal accountability focusing on the use and balance of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The relationship – or difference - between governmental activities is reconciled in the financial statements on pages 24 and 26 of this report.

The basic governmental fund financial statements are presented on pages 23 through 26 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 27 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning The Trust's budget presentation. The budgetary comparison schedule i.e., the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, is included as "required supplementary information". This schedule also includes Notes to Required Supplementary Information - Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund. Other schedules also presented include the Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan, Schedule of The Children's Trust's Contributions - Florida Retirement System Pension Plan, Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan, Schedule of The Children's Trust's Contributions - Health Insurance Subsidy Pension Plan, and Schedule of Changes in the Total OPEB Liability and Related Ratios. This information is presented on pages 68 through 74.

Financial Analysis of The Children's Trust as a Whole

The following table provides a summary of The Trust's net position:

Summary of Net Position

	September 30, 2023		September 30, 2022	
	Amount	**% of Total**	**Amount**	**% of Total**
Assets				
Current assets	$ 87,499,951	96.1%	$ 65,811,984	95.1%
Capital assets	3,555,807	3.9%	3,372,159	4.9%
Total assets	91,055,758	100.0%	69,184,143	100.0%
Deferred outflows	1,765,529	100.0%	2,152,308	100.0%
Liabilities				
Current liabilities	39,232,221	75.6%	28,178,079	71.0%
Long-term liabilities	12,670,711	24.4%	11,515,333	29.0%
Total liabilities	51,902,932	100.0%	39,693,412	100.0%
Deferred inflows	676,715	100.0%	517,688	100.0%
Net position				
Net investment in capital assets	148,283	0.4%	167,220	0.5%
Restricted	40,093,357	99.6%	30,958,131	99.5%
Total net position	$ 40,241,640	100.0%	$ 31,125,351	100.0%

The Trust maintains a high current ratio. The current ratio compares current assets to current liabilities and is an indication of The Trust's ability to pay current obligations. At September 30, 2023, the current ratio for governmental activities is 2.23 to 1 as compared to 2.34 to 1 at September 30, 2022.

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Total Assets

Total assets were $91,055,758 at September 30, 2023 and consists of two components: current assets and capital assets.

- Current Assets – the largest components of current assets were cash and cash equivalents and investments, which represents $50,715,481 and $36,118,242, respectively or 58.0% and 41.3%, respectively, of total assets at September 30, 2023. This amount compares to total cash and investments of $35,048,413 and $30,323,532, respectively, or 50.7% and 43.8%, respectively, of total assets at September 30, 2022. The increase in cash and investments is primarily attributed to actual expenditures being less than budgeted because providers did not fully utilize their contracts. Additionally, cash on hand increased from the prior year to align with the increase in accounts payable.

- Capital Assets – consists of depreciable capital assets that includes computers, furniture and equipment, net of accumulated depreciation of $169,610, intangible right-to-use assets (leased office space and subscription-based information technology arrangements (SBITA)), net of amortization of $3,336,197, and non-depreciable intangible assets (software development) of $50,000 at September 30, 2023. In comparison, computers, furniture and equipment, net of accumulated depreciation, and intangible right-to-use assets, net of amortization, was $205,955 and $3,166,204, respectively, at September 30, 2022. The net increase of $183,648 in capital assets is related to the combination of the disposition of computers that were fully depreciated and obsolete as well as the addition of SBITA right-to-use intangible assets.

Deferred Outflows

Deferred outflows of resources represent a consumption of net position that is applicable to a future period(s) and will not be recognized as an outflow of resources (expense or an expenditure) until then. Deferred outflows of financial resources were related to The Trust's proportionate share of pension liabilities as reported by the Florida Division of Retirement and was $1,765,529 at September 30, 2023 as compared to $2,152,308 at September 30, 2022.

Total Liabilities

Total liabilities consisted of several components and totaled $51,902,932 as of September 30, 2023.

- The largest component of liabilities was accounts payable, which totaled $38,142,225 and $27,248,771 at September 30, 2023 and 2022, respectively, and accounted for 73.5% and 68,6% of total liabilities at September 30, 2023 and September 30, 2022, respectively. Payments due to providers represent the largest portion of accounts payable and were more than the prior year due to the timing of the receipt of provider invoices. Additionally, the amount budgeted for provider services increased by $9.5 million, in proportion with the increase in accounts payable of $10.1 million.

- Net pension liability payable represents The Trust's proportionate share of pension liabilities as reported by the Florida Division of Retirement (FRS) and totaled $8,613,448 and $7,817,477 at September 30, 2023 and September 30, 2022, respectively, and accounted for 16.8% and 19.7% of total liabilities at September 30, 2023 and September 30, 2022, respectively. The increase in net pension liability is primarily due to an increase in the net pension liability as reported by the FRS actuary. The increase in net pension liability resulted primarily from differences between projected and actual investment earnings experienced by the FRS plan.

- Accrued expenses represent salaries and fringe benefits payable and totaled $309,009, or less than 1% of total liabilities; whereas, accrued expenses totaled $280,923 at September 30, 2022.

- Intergovernmental payable represents amounts due to the Florida Retirement System and totaled $114,399, or less than 1%, of total liabilities; whereas, intergovernmental payable totaled $90,724 at September 30, 2022.

- Compensated absences payable represents vacation and sick leave earned but not taken by employees and totaled $1,188,827, or 2.3%, of total liabilities; whereas, compensated absences payable totaled $1,021,405 at September 30, 2022. The estimated current portion at September 30, 2023 is $118,883.

- Lease liability represents the value of the lease liability for a right-to-use leased asset (office space) that qualifies as other than a short-term lease under GASB Statement No. 87, Leases, and totaled $2,849,178, or 5.5%, of total liabilities; whereas, lease liability totaled $3,204,939 at September 30, 2022. The estimated current portion at September 30, 2023 is $362,832.

- SBITA liability represents the value of the subscription-based information technology arrangements liability for a right-to-use asset following GASB Statement No. 96, Subscription-Based Information Technology Arrangements, and totaled $558,346, or 1.1%, of total liabilities. The Trust did not have a SBITA liability at September 30, 2022. The estimated current portion at September 30, 2023 is $84,632.

- Total Other Post-Employment Benefits (OPEB) liability represents OPEB for eligible retirees for health insurance "implicit subsidy" premiums and totaled $27,259, or less than 1%, of total liabilities; whereas, OPEB obligation totaled $29,713 at September 30, 2022.

Deferred Inflows

Deferred inflows of resources represent an acquisition of net position that is applicable to a future period(s) and will not be recognized as an inflow of resources (revenue) until then. Deferred inflows of financial resources were related to The Trust's proportionate share of pension liabilities as reported by the Florida Division of Retirement and was $676,715 at September 30, 2023 as compared to $517,688 at September 30, 2022.

Net Position

Net position is composed of two sections: Net investment in capital assets and restricted net position. Net position totaled $40,241,640 at September 30, 2023 as compared to $31,125,351 at September 30, 2022, representing an increase of approximately $9.1 million as opposed to an increase of approximately $2.5 million in the prior fiscal year. The change in net position for fiscal year 2022-2023 is primarily attributable to The Trust strategically planning for this new five-year funding cycle, continuing the expansion in funding services to children and families, while achieving its targeted net position and fund balance.

The following table provides a summary of The Trust's changes in net position for the fiscal year ended September 30, 2023 and 2022:

Summary of Changes in Net Position

	Governmental Activities			
	For the Fiscal Years Ended September 30,			
	2023		2022	
	Amount	% of Total	Amount	% of Total
Revenues:				
General:				
Ad valorem taxes	$ 181,939,130	95.7%	$ 162,597,700	97.8%
Investment earnings	4,448,744	2.3%	288,123	0.2%
Interlocal agreement	3,231,351	1.7%	2,768,036	1.7%
Settlement proceeds	-	0.0%	180,000	0.0%
Miscellaneous	612,591	0.3%	359,866	0.2%
Total revenues	190,231,816	100.0%	166,193,725	100.0%
Program Expenses:				
Provider services	161,577,920	89.2%	147,532,239	90.1%
General administration:				
Personnel services	11,714,954	6.5%	9,340,616	5.7%
Materials and services	1,272,032	0.7%	1,118,426	0.7%
Interlocal agreement, property appraiser and tax collector fees	6,550,621	3.6%	5,651,259	3.5%
Total expenses	181,115,527	100.0%	163,642,540	100.0%
Change in Net Position	9,116,289		2,551,185	
Beginning Net Position	31,125,351		28,574,166	
Ending Net Position	$ 40,241,640		$ 31,125,351	

Governmental Activities Revenue

The Trust realized an increase in ad valorem taxes over the prior year by $19.3 million, or 11.9%. This increase is primarily attributable to the increase in property tax values. The Trust is heavily reliant on property taxes to support governmental operations. During fiscal year 2022-2023, property taxes provided 95.6% of The Trust's total revenues as compared to 97.8% in fiscal year 2021-2022. The Trust's dependence on property taxes remained constant. Property values are assessed as of January 1 of each year and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4% for early payment. The Trust also recognized an increase of $4.2 million in investment earnings. This increase is primarily related to the Federal Reserve aggressively increasing interest rates from previous years. Miscellaneous revenues increased by $252,725 or 70.2%. This increase is primarily related to a non-recurring administrative service fee charged to a collaborating partner to assist the partner in drawing down funds for children and their families. Settlement proceeds in the fiscal year 2021-2022 represented restitution for monies owed to The Trust and was a one-time occurrence.

Governmental Activities Expenses

During fiscal year 2022-2023, total expenses increased by approximately $17.5 million, or 10.7%, when compared to fiscal year 2021-2022. The increase in expenses was due to a number of contributing factors including: spending $14.0 million more for direct service contracts, due to strategically investing in more programs for children and families for the current five-year funding cycle and an increased utilization of provider services; an increase in personnel services by $2.4 million that is related in part to additional staff to service the additional funding of providers, adjusted salaries and cost of benefits (keeping in-line with the job market), and The Trust's proportionate share of pension liabilities as reported by the Florida Division of Retirement; and an increase of $899,362 in relation to the interlocal agreement with the CRAs (detailed information on the CRA interlocal agreement can be found on page 67). Provider services, general and administrative expenses, and non-operating expenses make up 89.2%, 7.2% and 3.6%, respectively, of total expenses.

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Governmental Fund Financial Statement Analysis

This section presents condensed financial information from the fund financial statements. The balance sheet is found on page 23 and the statement of revenues, expenditures and changes in fund balance – governmental fund is found on page 25.

The Trust completed its twentieth year of operations with an ending fund balance of $48,934,318 as compared to $38,191,566 at September 30, 2022. Of this total, $123,584 is nonspendable at September 30, 2023 and the remaining balance of $48,810,734 is restricted for provider services.

Revenues and Other Financing Sources

Fiscal year 2022-2023 represents the twentieth year of The Trust's operations and the nineteenth year that The Trust levied ad valorem taxes. Revenues totaled $190.2 million as compared to $166.2 million reported in the previous year. The general classes of revenues reported include:

- **Ad valorem taxes** - The Trust's primary source of revenue. On September 19, 2022, The Trust levied .5000 mills. This levy resulted in revenue of $181.9 million, or 95.6%, of total revenues, which The Trust began receiving in November 2022. The 2021-2022 levy of .5000 mills resulted in $162.6 million. This increase of $19.3 million is attributable to the increase in taxable values.

- **Investment earnings -** Totaled $4.4 million. The Trust places most of its idle cash in a money market account, certificates of deposit and interest earning cash deposits. The increase in interest earnings of $4.2 million from the prior year is primarily attributable to the Federal Reserve aggressively increasing interest rates from the previous year as well as having greater cash balances than the previous year.

- **Interlocal agreement –** For the fiscal year ended September 30, 2023, The Trust had an interlocal agreement with two Community Redevelopment Agencies (CRA), which provides that The Trust is eligible to share in any tax increment revenues that remain at the end of the CRA's fiscal year. These two CRAs were required to return $3,231,351, or 100%, of the funds paid by The Trust in relation to the CRAs. Detailed information on the CRA interlocal agreement can be found on page 67. The 2021-2022 CRA interlocal agreements revenue totaled $2,768,036.

- **Other revenue –** The Trust recognized $612,591 for miscellaneous items, which included charges for services and event revenues.

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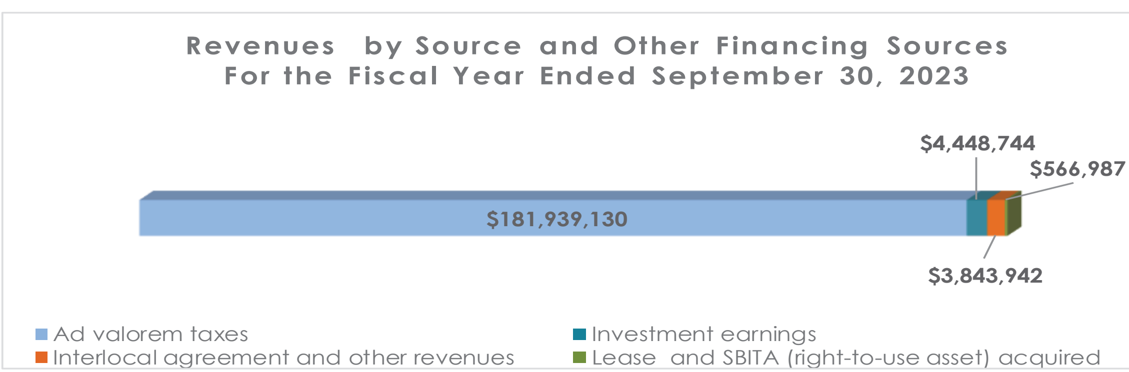
In fiscal year 2022-2023, The Trust implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA), recognizing $566,987 as other financing sources. The primary objective of this Statement is to enhance the relevance and consistency of information about governments' subscription activities as this Statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, —which is when the subscription asset is placed into service. Similarly, in fiscal year 2021-2022, The Trust recognized $3.6 million as other financing sources, pertaining to the lease (right-to-use asset) acquired, as The Trust implemented GASB Statement No. 87, Leases. This Statement required a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor to recognize a lease receivable and a deferred inflow of resources. This Statement also requires that an expenditure and other financing source be reported in the period the lease is initially recognized.

The following table represents the revenues and other financing sources of The Trust for the fiscal years 2022-2023 and 2021-2022:

Revenues by Source and Other Financing Sources - Governmental Fund
For the Fiscal Years Ended September 30,

	2023		2022	
	Amount	% of Total	Amount	% of Total
Revenue Source				
Ad valorem taxes	$ 181,939,130	95.7%	$ 162,597,700	97.8%
Investment earnings	4,448,744	2.3%	288,123	0.2%
Interlocal agreement and other revenues	3,843,942	2.0%	3,307,902	2.0%
Total Revenues	$ 190,231,816	100.0%	$ 166,193,725	100.0%
Other Financing Sources				
Lease and SBITA (right-to-use asset) acquired	$ 566,987	100.0%	$ 3,553,904	100.0%
Total Other Financing Sources	$ 566,987	100.0%	$ 3,553,904	100.0%

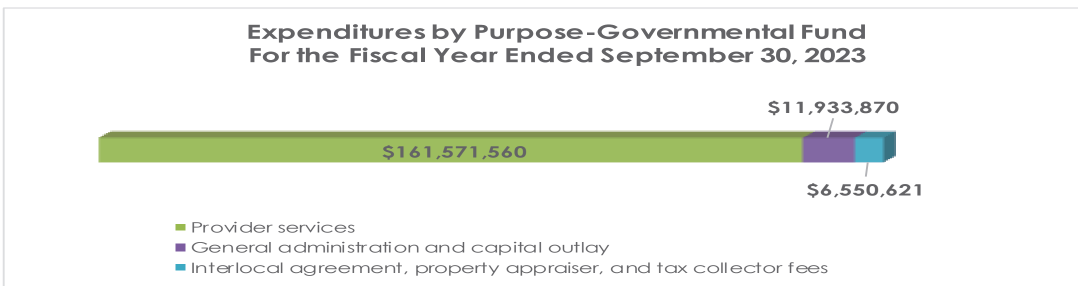


Expenditures

Expenditures of the governmental fund totaled $180,056,051 for fiscal year 2022-2023 as compared to $166,940,525 in fiscal year 2021-2022. The following table represents the expenditures of The Trust for fiscal years 2022-2023 and 2021-2022:

Expenditures - Governmental Fund
For the Fiscal Years Ended September 30,

Purpose	2023 Amount	2023 % of Total	2022 Amount	2022 % of Total
Provider services	$ 161,571,560	89.7%	$ 147,532,239	88.4%
General administration and capital outlay	11,933,870	6.6%	13,757,027	8.2%
Interlocal agreement, property appraiser, and tax collector fees	6,550,621	3.7%	5,651,259	3.4%
Total	$ 180,056,051	100.0%	$ 166,940,525	100.0%



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During its twentieth year of operations, The Trust's total expenditures were 7.5% more than the previous year, primarily due to spending 9.5% more for provider services. Total expenditures during fiscal year 2022-2023 were approximately $180.1 million, which represents an increase of $12.5 million from fiscal year 2021-2022.

- Provider services, representing 323 contracts that were delivered by over 163 community organizations, as well as numerous service agreements with community partners, totaled $161.6 million and accounted for approximately 90.0% of The Trust's expenditures in fiscal year 2022-2023; whereas, provider services totaled $147.5 million in fiscal year 2021-2022 for an increase of $14.1 million, or 9.5%, from the prior year. This increase is attributable to an additional $9.8 million budgeted for provider services, improved contract utilization within existing provider contracts, programs that were more fully developed during year four of the funding cycle, as well as in recognition of the increase in the costs of providing services. The Trust's major initiatives included:

Youth development programs, which have been funded by The Trust for the twentieth consecutive year, are The Trust's largest investment initiative and provide youth development programs that are accessible, affordable, and inclusive to school-age children and youth. These programs include after-school programs and summer camp and experiences; reading enhancements; and youth enrichment, employment and supports, providing stimulating academic, athletic, cultural and social learning in nurturing, supervised environments that implement evidence-based practices. Quality youth programs can increase school attendance, improve academic performance, decrease risky behaviors, prevent summer learning loss and support working families.[1] In fiscal year 2022-2023, 23,032 children and youth were served in 94 after-school and summer camp programs at 220 K-5 sites and 7,554 youths that were in the six to twelfth grade attended 72 programs that were located at 147 sites. Other youth development programs funded by The Trust included the summer youth internship program whereby 3,053 students successfully completed meaningful paid summer internships at 702 companies. The Trust spent approximately $64.1 million, or 39.7%, of the total provider services expenditures on youth development programs.

Health and wellness related programs had its seventeenth consecutive year of operations in fiscal year 2022-2023. The Trust spent $16.7 million, or 10.37%, of the total provider services expenditures for this initiative, in support of multiple strategies: school-based health, vision follow-up services, oral health training and preventive services, oral health training and preventive services, food and nutrition services, benefits enrollment, and injury prevention education. In fiscal year 2022-2023, 71,140 students made 233,603 visits to school health clinics and more than 12,000 children and youth accessed health, vision and dental care, and injury prevention education through mobile unit service delivery. School-based health centers are one of the most effective ways to deliver preventive services to school-age children and youth.[2] Our strategies take into consideration the powerful influence of social determinants, and thus Trust investments aim to increase access to services for children who lack health resources and are underinsured or uninsured.

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[1] McEachin, A., Augustine, C.H.., & McCombs, J. (2018). Effective summer programming: What educators and policymakers should know. American Educator, 42(1), 10-11. Retrieved December 6, 2023 from https://files.eric.ed.gov/fulltext/EJ1173313.pdf.

[2] Arenson, M., Hudson, P.J., Lee, N.H., & Lai, B. (2019). The evidence on school-based health centers: A review. Global Pediatric Health, 6, 2333794X19828745. doi:10.1177/2333794X19828745. Retrieved December 6, 2023 from www.ncbi.nlm.nih.gov/pmc/articles/PMC6381423/.

Thrive by 5 (early childhood development) programs, which is another one of The Trust's major initiatives, focuses on improving the quality of early childhood education programs; increasing access to these programs for families with the greatest needs; and encouraging developmental screening, assessment, and when needed, early intervention. School readiness is about children, families, early learning environments, schools and communities. For children to build capabilities across key developmental domains, such as health, physical, cognitive, social-emotional and approaches to learning, families must be ready to support their children's learning, and schools must be ready to meet the needs of all children. During fiscal year 2022-2023, The Trust spent $36.7 million, or 22.7%, of total provider services expenditures for early childhood development programs. Investments in Thrive by 5 programs included serving 25,966 children in 304 programs in the early childhood quality improvement system (QIS); improving the median hourly wages for teachers in the QIS through a$cend salary supplements; and provision of developmental screenings, assessments and other early intervention services.

Family and Neighborhood Supports (FNSP) programs overarching goal is to connect families and youth with community resources, such as health, human and social service networks to further support them as they pursue their individual goals. Children and youth growing up in neighborhoods with fewer economic opportunities are less likely to have access to quality schools, other public services and safe places to live and play that can help them thrive.[3] During fiscal year 2022-2023, 49,150 callers were assisted through the 211 Helpline (helping families to access health and human services information and referrals) and 2,748 families, including 4,426 children and youth were served by FNSPs. The Trust spent $13.8 million, or 8.5%, of total provider services expenditures for family and neighborhood supports programs.

Parenting programs are offered along a continuum of care in which universal, selective and indicated services are provided so that children are supported by nurturing and involved families. Effective, consistent and supportive parenting prepares children for a lifetime of success. Specifically, nurturing and involved parenting and family supports strengthen positive child outcomes related to emotional, behavioral, social and cognitive competence, and physical health and safety. This stability typically results in an increase in academic success, a decrease in youth violence and disruptive behavior, and positive mental health outcomes for both children and parents.[4,5] Universal services provide brief, generally relevant service that offer effective and low-cost strategies, such as books and other informational resources targeting children and parents or one-time workshops, that can reach large, diverse groups of parents and caregivers. In fiscal year 2022-2023, 699,551 books were distributed through the Book Club, Reach Out & Read, Books for Free, Reading Explorers, and the Summer Battle of the Books. Selective services are designed to meet the needs of families who may be more likely to face parenting challenges, such as health or behavior problems related to social, educational, economic or environmental factors. Selective services include in-person group and individual sessions or home visitation, typically involving multiple contacts over a specific timeframe of several months. Indicated services are more intensive, therapeutic services for families experiencing challenges with child or youth behavior, parent-child relationships, and/or consequences of youth violence or parent mental

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[3] Bruner, C. (2017). ACE, place, race, and poverty: Building hope for children. Academic Pediatrics, 17(7S), S123-S129. doi: 10.1016/j.acap.2017.05.009. Retrieved December 6, 2023 from www.academicpedsnjnl.net/article/S1876-2859(17)30352-2/fulltext.

[4] Frosch, C.A., Schoppe-Sullivan, S.J., & O'Banion, D.D. (2019). Parenting and child development: A relational health perspective. American Journal of Lifestyle Medicine. 15(1), 45-59. Retrieved December 6, 2023 from https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7781063/.

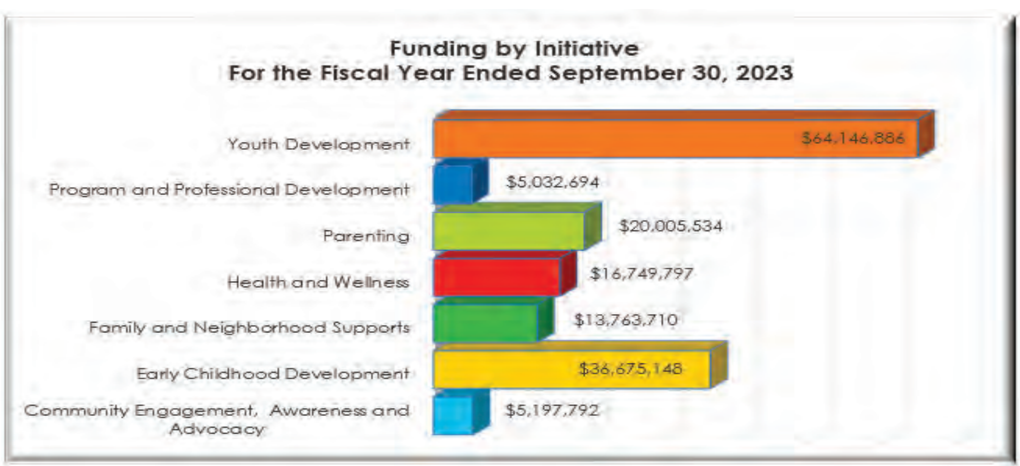
[5] Child Welfare Information Gateway (2020). Protective factors approaches in child welfare. Washington, DC: US Department of Health and Human Services, Children's Bureau. Retrieved December 6, 2023 from https://www.childwelfare.gov/pubs/issue-briefs/protective-factors/.

health or substance abuse issues. Services are more intensive and frequent, typically delivered by trained clinicians. During fiscal year 2022-2023, included in the accomplishments of the parenting programs, 5,529 families received ongoing parenting supports and behavioral health services from 38 programs in selective services, 865 families received indicated services, and 9,377 parents attended 1,122 one-time workshops through the Parent Club. In the achievement of these accomplishments, The Trust spent approximately $20.0 million, or 12.4%, of total provider services expenditures for parenting programs.

Community Engagement, Awareness and Advocacy represents another Trust major initiative. The purpose of this initiative includes: promoting public policy and legislative agendas in order to effectuate passage of laws and public policies that will improve the lives of our children at the state, local and federal level with focus areas including early learning and care, health, safety, child welfare, juvenile justice and REDI (racial equity, diversity and inclusion); public awareness and program promotion to foster awareness, understanding and support for our many programs and services; citizen engagement and leadership to support the capacity of communities to find solutions to problems; and cross-funder collaboration of shared goals, strategies and resources to allow for the alignment of multiple funders pooling of resources and knowledge to address complex issues, resulting in more than can be accomplished alone. During fiscal year 2022-2023, The Trust spent $5.2 million, or 3.2%, of total provider services expenditures for community awareness and advocacy.

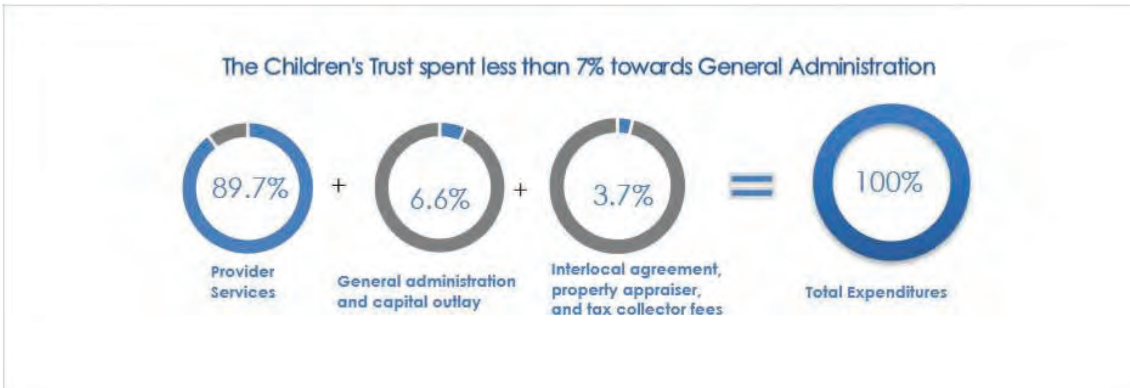
Program and Professional Development is another major initiative of The Trust. The purpose of program and professional development includes providing supports for quality program implementation (to strengthen providers' abilities to effectively deliver high-quality services and manage operations); program evaluation and community research (ensuring the availability of key data and information to inform policy decisions in support of children and families); and innovation programs (to seed new ideas and pilot new program designs promoting the optimal development of children). During fiscal year 2022-2023, The Trust spent $5.0 million, or 3.1%, of total provider services expenditures for program and professional development.

The chart below illustrates expenditures for provider services by initiative for fiscal year 2022-2023.



More detailed information pertaining to The Trust's major initiatives may be found in The Trust's annual report and is available from The Trust's website www.thechildrenstrust.org.

- General administration and capital outlay totaled $11,933,870 of The Trust's expenditures. Expenditures for staff salaries and benefits were approximately $10.1 million and accounted for 88.9% of total administration expenditures. Capital outlay was approximately $804,876, of which $566,987 pertained to the right-to-use SBITA assets. The remaining expenditures balance was expended for professional services, rent for office space, insurance, office supplies and other general administration costs. General administration and capital outlay costs totaled $13,757,027 for fiscal year 2021-2022 and was more than fiscal year 2022-2023, primarily due to the implementation of GASB Statement No. 87, Leases in fiscal year 2021-2022, in which approximately $3.6 million was recorded as capital outlay.



Other expenditures in fiscal year 2022-2023 were $6,550,621 and represented expenditures pertaining to the interlocal agreement to the two CRAs of $3,231,351 and to the property appraiser and tax collector of $3,319,270. More detailed information on the CRA interlocal agreement can be found on page 67. Fees paid to the property appraiser and tax collector are tied to the operating budgets of these agencies, as permitted by the Florida Statutes, and are allocated among the taxing districts served. Other expenditures in fiscal year 2021-2022 were $5,651,259.

Capital Assets and Debt Administration

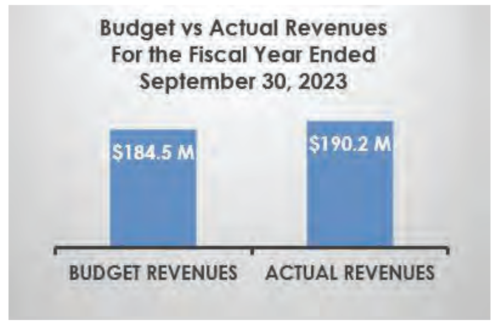
The Trust's net investment in capital assets (furniture, computer hardware and software, right-to-use assets, and software development), net of accumulated amortization and depreciation, and a lease and SBITA liability for governmental activities was $148,283 at September 30, 2023. 19.0% of the right-to-use assets is amortized and 51.6% of the computers and furniture are depreciated. Additional information on The Trust's capital assets can be found on pages 33 (Note 1-E-4), 44 (Note 3-D), and 65 (Note 3-L) of this report.

With respect to debt, The Trust is prohibited, per Florida State Statute 125.901, from issuing any type of debt instrument including the issuance of bonds of any nature.

(Continued on the subsequent page)

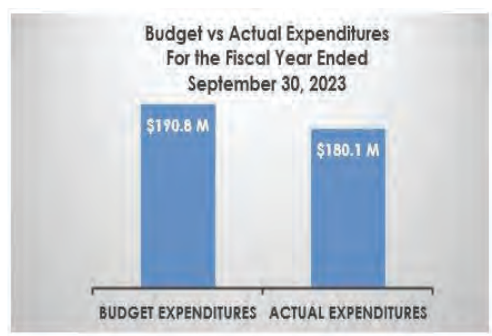
General Fund Budget

Annual budgets have been legally adopted in accordance with a budget format required by the State of Florida Department of Financial Services Uniform Accounting System. The Trust's board may amend the budget in accordance with the time limitation specified in the Florida Statutes. The Trust's 2022-2023 annual budget was amended. The original and amended budget may be found on page 68 (budgetary comparison schedule i.e., Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund) in the required supplementary information section.



In fiscal year 2022-2023, the most significant variance between the originally budgeted revenues of $184.5 million and actual revenues of $190.2 million was primarily attributable to collections for ad valorem taxes, investment earnings, and revenues related to the interlocal agreement being greater than the budgeted amount by $5.8 million. Both ad valorem tax and revenues related to the interlocal agreement are closely tied to property tax values. Investment earnings exceeded budgeted earnings by $4.0 million, primarily due to increases in interest rates, set by the Federal Reserve, being more than expected during the 2022-2023 fiscal year.

The budget variance related to the interlocal agreement revenues was driven by higher than anticipated property values in a CRA district in which The Trust and the CRA have formed a partnership. This agreement provides for The Trust to remit to the CRA the associated tax increment revenues. These funds are then returned to The Trust provided that these revenues are not needed for certain CRA debt services in exchange for The Trust making an equivalent amount of funding available for children's programs within the CRA's area. Consequently, non-operating expenditures pertaining to the interlocal agreement exceeded the budget by the same amount. Detailed information on the CRA interlocal agreement can be found on page 67.



Variances between the amended budgeted expenditures of $190.8 million and total actual expenditures of $180.1 million were primarily attributable to providers incurring less expenditures than initially budgeted. Conservatively, The Trust prepares its budget based on full contract award amounts; whereas, providers typically do not spend their awards at full value. In recognition that providers may need a network to provide much needed services to our children and families and to reduce the under-utilization of contracted funds, The Trust monitors the utilization of its contracts throughout the year, working closely with providers to facilitate collaboration efforts with community partners in effort to improve contract utilization.

Economic Factors, Next Year's Budget and Tax Rates

The Trust's economic condition is closely aligned to Miami-Dade County's (County) fiscal and economic growth, in particular the real estate market. Overall, the County's economic activity reflects that residential properties continue to increase in value. This is supported by the 2022-2023 final gross taxable value on which property taxes were accessed on was $380 billion and the valuation for fiscal year 2023-2024 being $42 billion, for an increase of $49 billion, or 12.9%.

The Trust is authorized to levy up to .5000 mills. In the 2023-2024 fiscal year, the board, following the recommendation of its finance and operations committee to strategically and prudently meet The Trust's goal and objectives, adopted the rate of 0.5000 mills. This millage rate ensures the continued successful implementation of the board's strategic plan while considering the impact that the millage has on taxpayers. This will enable The Trust to deliberately increase investments in children and families programs by expanding its reach.

The operating budget for fiscal year 2023-2024 is $227.5 million, which is inclusive of a $36.7 million increase from the previous year's operating budget of $190.8 million due to the continued planned expansion of program services. The operating budget was strategically planned for and is continuously monitored as The Trust released a funding cycle in the 2018-2019 fiscal year, with the first year of the five-year funding cycle commencing with the 2019-2020 fiscal year and ending in the 2023-2024 fiscal year. The Trust began its release of another funding cycle during the 2021-2022 fiscal year, with the majority of the release occurring in the 2022-2023 fiscal year. The first year of this five-year funding cycle commenced during the 2022-2023 fiscal year and ending in the 2026-2027 fiscal year. This funding cycle was The Trust's largest competitive solicitations since its inception, allowing for the increased investment in children and families programs.

Requests for Information

This Annual Comprehensive Financial Report is designed to provide our citizens and taxpayers with a general overview of The Trust's finances and to show The Trust's accountability for the funds that it receives. If you have questions about this report or need additional financial information, please contact the Chief Financial Officer at 3150 SW 3rd Avenue, Miami, Florida 33129.

Basic Financial Statements

These Basic Financial Statements contain Government-wide Financial Statements, Fund Financial Statements and Notes to the Basic Financial Statements

The Children's Trust
Statement of Net Position
September 30, 2023

	Governmental Activities
Assets	
Current Assets	
Cash	$ 50,715,481
Investments	36,118,242
Receivables:	
Property taxes	524,144
Other	18,500
Prepaid items	123,584
Total Current Assets	87,499,951
Non-Current Assets	
Capital assets:	
Intangible right-to-use leased asset and SBITA, net of amortization	3,336,197
Property and equipment, net of accumulated depreciation	169,610
Software development (work-in-progress)	50,000
Total Non-Current Assets	3,555,807
Total Assets	91,055,758
Deferred Outflows of Financial Resources	
Pension Plans:	
Florida Retirement System	1,565,494
Health Insurance Subsidy	200,035
Total Deferred Outflows of Financial Resources	1,765,529
Total Assets and Deferred Outflows of Financial Resources	92,821,287
Liabilities	
Current Liabilities	
Accounts payable	38,142,225
Accrued expenses payable	309,009
Intergovernmental payable	114,399
Compensated absences payable	118,883
Current portion of lease liability	362,832
Current portion of SBITA liability	84,632
Net pension liability:	
Health Insurance Subsidy	100,241
Total Current Liabilities	39,232,221
Long-Term Liabilities	
Compensated absences payable (net of current portion)	1,069,944
Lease liability (net of current portion)	2,486,346
SBITA liability (net of current portion)	473,714
Net pension liability:	
Florida Retirement System	5,798,015
Health Insurance Subsidy (net of current portion)	2,815,433
Total Other Post Employment Benefits (OPEB) liability	27,259
Total Long-Term Liabilities	12,670,711
Total Liabilities	51,902,932
Deferred Inflows of Financial Resources	
Pension Plans:	
Florida Retirement System	328,544
Health Insurance Subsidy	348,171
Total Deferred Inflows of Financial Resources	676,715
Total Liabilities and Deferred Inflows of Financial Resources	52,579,647
Net Position	
Net investment in capital assets	148,283
Restricted for:	
Provider services	40,093,357
Total Net Position	$ 40,241,640

See accompanying notes to the basic financial statements

The Children's Trust

Statement of Activities

For the Fiscal Year Ended September 30, 2023

		Governmental Activities
Expenses - Provider Services		
Provider services	$	161,577,920
General administration:		
Personnel services		11,714,954
Materials and services		1,272,032
Interlocal agreement, property appraiser and tax collector fees		6,550,621
Total Expenses - Provider Services		181,115,527
General Revenues:		
Ad valorem taxes		181,939,130
Investment earnings		4,448,744
Interlocal agreement		3,231,351
Miscellaneous		612,591
Total General Revenues		190,231,816
Change in Net Position		9,116,289
Net Position - Beginning of Year		31,125,351
Net Position - End of Year	$	40,241,640

See accompanying notes to the basic financial statements

The Children's Trust
Balance Sheet - Governmental Fund
September 30, 2023

	General Fund
Assets	
Cash	$ 50,715,481
Investments	36,118,242
Receivables:	
Property taxes	524,144
Other	18,500
Prepaid items	123,584
Total Assets	$ 87,499,951
Liabilities and Fund Balance	
Liabilities	
Accounts payable	$ 38,142,225
Accrued expenditures payable	309,009
Intergovernmental payable	114,399
Total Liabilities	38,565,633
Fund Balance	
Nonspendable	123,584
Restricted	48,810,734
Total Fund Balance	48,934,318
Total Liabilities and Fund Balance	$ 87,499,951

See accompanying notes to the basic financial statements

The Children's Trust

Reconciliation of the Balance Sheet of the Governmental Fund to the Government-wide Statement of Net Position

September 30, 2023

Total Governmental Fund Balance			$	48,934,318
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental fund.				
Cost of capital assets, including right-to-use assets	$	4,521,569		
Less accumulated amortization and depreciation		(965,762)		3,555,807
Deferred outflows for pensions reported on the government-wide statement of net position but not reported on the balance sheet - govermental fund.				1,765,529
Deferred inflows for pensions reported on the government-wide statement of net position but not reported on the balance sheet - govermental fund.				(676,715)
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheet but are reported on the government-wide statement of net position.				
Total OPEB liabilitiy		(27,259)		
Net pension liability		(8,713,689)		
Leased asset liability		(2,849,178)		
SBITA liability		(558,346)		
Compensated absences		(1,188,827)		(13,337,299)
Net Position of Governmental Activities			$	40,241,640

See accompanying notes to the basic financial statements

The Children's Trust

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund
For the Fiscal Year Ended September 30, 2023

		General Fund
Revenues		
Ad v alorem taxes		$ 181,939,130
Inv estment earnings		4,448,744
Interlocal agreement		3,231,351
Miscellaneous		612,591
Total Revenues		190,231,816
Expenditures		
Personnel:		
Salaries	$ 7,213,562	
Benefits	2,893,866	10,107,428
Prov ider serv ices:		
Prov ider serv ices and support	161,561,560	
SBITA principal payment	8,641	
SBITA principal interest	1,359	161,571,560
Operating:		
Professional serv ices	68,831	
Accounting/auditing/legal	232,939	
Other contractual serv ices	24,524	
Trav el, per diem and conferences	50,035	
Communications and freight serv ices	52,208	
Rental and leases	6,044	
Insurance	100,775	
Postage and courier	4,912	
Printing and binding	7,476	
Office	6,498	
Operating	38,532	
Dues and fees	30,481	
Lease principal payment	355,761	
Lease interest payment	42,550	1,021,566
Capital outlay		804,876
Non-operating allocations: Interlocal agreement, property appraiser and tax collector fees		6,550,621
Total Expenditures		180,056,051
Other Financing Sources		
SBITA (right-to-use asset) acquired		566,987
Total Other Financing Sources		566,987
Net Change in Fund Balance		10,742,752
Fund Balance - Beginning of Year		38,191,566
Fund Balance - End of Year		$ 48,934,318

See accompanying notes to the basic financial statements

The Children's Trust

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Government-wide Statement of Activities

For the Fiscal Year Ended September 30, 2023

Net Changes In Fund Balance - Governmental Fund			$ 10,742,752
Amounts reported for governmental activities in the statement of activities are different because:			
The Governmental fund reports capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period. The details are as follows:			
	Capital outlay	$ 616,987	
	Amortization and depreciation expense	(433,339)	183,648
The issuance of long-term leases provides current financial resources to governmental funds, while the repayment of the principal of long term leases consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details are as follows:			
	Lease (right-to-use asset)	-	
	Lease (right-to-use asset) payment	355,761	355,761
The issuance of long-term SBITA provides current financial resources to governmental funds, while the repayment of the principal of long term SBITA consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details are as follows:			
	SBITA (right-to-use asset)	(566,987)	
	SBITA (right-to-use asset) payment	8,641	(558,346)
The difference between pension contributions reported on the government-wide statement of activities and the governmental fund statement of revenues, expenditures and changes in fund balance.			(1,442,018)
Some expenses reported in the statement of activities do not require current financial resources and, therefore, are not reported as expenditures in the governmental fund. The details are as follows:			
The increase in total other post employment benefits (OPEB) liability is reported on the government-wide statement of activities but not in the governmental fund's operating statement.			
	Liability at 9/30/2023	(27,259)	
	Liability at 9/30/2022	29,173	1,914
Compensated absences payable reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.			
	Liability at 9/30/2023	(1,188,827)	
	Liability at 9/30/2022	1,021,405	(167,422)
Change In Net Position of Governmental Activities			$ 9,116,289

See accompanying notes to the basic financial statements

Index

The Children's Trust

The Children's Trust (The Trust) is an independent special taxing district established pursuant to Section 1.01(A) (11) of the Miami-Dade County (County) Home Rule Charter, Ordinance #02-247 of Miami-Dade County, Florida and Section 125.901 of the Florida Statutes.

Note 1 - Summary of Significant Accounting Policies

The financial statements of The Trust have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of The Trust's accounting policies are described below.

1-A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of The Trust consists of all funds, departments, boards and agencies that are not legally separate from The Trust. For The Trust, this entity is limited to the legal entity, The Children's Trust. The Trust is controlled by a governing board consisting of thirty-three (33) members. The thirty-three (33) member board is comprised of seven individuals recommended by the Miami-Dade Board of County Commissioners and appointed by the Governor, twenty-two (22) members appointed by virtue of the office or position they hold within the community and four members-at-large appointed by a majority of the sitting members of The Trust. Members appointed by the Governor serve four-year terms. The youth representative member and the State of Florida legislative delegate member serve a one-year term. Members appointed by reason of their position are not subject to length of terms. All at-large members serve two-year terms.

Component units are legally separate entities for which the government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause The Trust's financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization's governing body and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on The Trust or have operational responsibility. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity financial statements to be misleading or incomplete.

Note 1 - Summary of Significant Accounting Policies (Continued)

The financial statements include all operations over which The Trust is financially accountable. While The Trust provides funding to various agencies, each agency is financially independent. The Trust has no authority to appoint or hire management of the agencies nor does it have responsibility for routine operations of the agencies. Based upon the criterion above, the reporting entity is limited to the legal entity, The Trust.

1-B. Basis of Presentation

The Trust's basic financial statements consist of government-wide statements, including a statement of net position, a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements are designed to provide readers with a broad overview of The Trust's finances. These statements include the statement of net position and the statement of activities, and report financial information for The Trust as a whole.

The statement of net position presents the financial position of the governmental activities of The Trust. The statement of activities presents a comparison between direct expenses and program revenues for each function of The Trust's governmental activities. Direct expenses are those that are specifically associated with a function and therefore are clearly identifiable to that function. The Trust reports all expenses under a single function: Provider Services.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of The Trust's services; (2) operating grants and contributions that are used to finance annual operating activities including restricted investment income; and (3) capital grants and contributions that are used to fund the acquisition, construction or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions and must be used to fund related programs. To identify the appropriate function related to program revenue, the determining factor is which function generates the revenue; whereas, to identify the appropriate function for grants and contributions, the determining factor is for which function the revenues are restricted. Taxes and other revenue sources included with program revenues are reported as general revenues of The Trust.

Fund Financial Statements - The Trust segregates transactions related to certain Trust functions or activities into separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of The Trust at this more detailed level. Fund financial statements are provided for the governmental fund.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Accounting - The Trust uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Trust uses the governmental fund category.

Governmental Funds - Governmental funds are those through which most governmental functions are typically financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to various governmental funds according to the purposes for which they may, or must, be used. Fund liabilities are assigned to the fund from which they will be liquidated. The Trust reports the difference between governmental fund assets and liabilities as fund balance. The following is The Trust's major and only governmental fund:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to The Trust for any purpose provided it is expended or transferred according to the general laws of Florida.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, all liabilities, and deferred inflows/outflows associated with the operation of The Trust are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - The governmental fund is accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balance – governmental fund reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation of the government-wide statements to the governmental fund statements, with brief explanations, to better identify the relationship between the measurement focus of each statement.

(Continued on the subsequent page)

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental fund uses the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives items or services of essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For The Trust, the phrase available for exchange transactions means expected to be received prior to the next fiscal year end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which The Trust receives value without directly giving equal value in return and includes primarily property taxes and grants. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which The Trust must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to The Trust on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions (property taxes) also must be measurable and available (i.e., collected within 60 days subsequent to year-end) before it can be recognized. Revenues pertaining to interlocal agreements are recognized as soon as eligibility requirements posed by the agreement have been met.

Under the modified accrual basis, the following revenue sources are considered to be predisposed to accrual: property taxes, federal and state grants, and interlocal agreements.

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. On both the government fund financial statements and the government-wide financial statements, revenues are recognized when all eligibility requirements are met and are considered unearned as it relates to cash advances.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity

1-E-1. Cash and Investments

Cash - Cash is considered to be cash on hand.

Investments – Section 218.415(17), Florida Statutes, limits the types of investments that The Trust can invest in unless specifically authorized in The Trust's investment policy. The Trust's policy allows for the following investments:

- U.S. Treasury obligations;
- U.S. government agency and instrumentality obligations;
- Interest bearing certificates of deposit;
- Bankers' acceptances with an original maturity not exceeding 180 days, issued on domestic banks or branches of foreign banks domiciled in the U.S. and operating under U.S. banking law, whose senior long-term debt is rated, at the time of purchase, AA by Standard and Poor's, AA by Moody's, or AA by Fitch;
- Commercial paper, rated in the highest tier by a nationally recognized rating agency, issued on U.S. companies and denominated in U.S. currency with a maturity not exceeding 270 days from the date of purchase;
- Investment-grade obligations of state, provincial and local governments and public authorities;
- Repurchase agreements whose underlying purchased securities consist of the aforementioned instruments with a defined termination date of 180 days or less collateralized by U.S. Treasury notes, bonds or bills with a maturity not exceeding ten years;
- Money market mutual funds regulated by the Securities and Exchange Commission;
- Corporate bonds issued by U.S. companies and denominated in U.S. currency which are rated at least A1/P1 for short-term debt and/or AA-/Aa3; and
- Local government investment pools.

Investments are categorized according to the fair value hierarchy established by GASB Statement No. 72. As of September 30, 2023, there were no investments categorized according to the fair value hierarchy established by GASB Statement No. 72.

1-E-2. Receivables

All provider, donation, grants, property tax and intergovernmental receivables are reported net of an allowance for uncollectible accounts, where applicable.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-3. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2023 are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable, as this amount is not available for general appropriation.

1-E-4. Capital Assets

General capital assets are those assets specifically related to activities reported in the general fund. These assets generally result from expenditures in the general fund. The Trust reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements.

All tangible capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value (the price that would be paid to acquire an asset with an equivalent level service potential in an orderly market transaction at the acquisition date). The Trust maintains a capitalization threshold for tangible assets of $5,000. Significant improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's useful life are expensed.

All reported capital assets, which includes tangible and intangible assets, are amortized or depreciated, as appropriate, over the remaining useful lives of the related capital assets.

Intangible right-to-use leased assets are amortized on a straight-line basis over the shorter of its estimated useful life or the lease contract term.

Subscription-Based Information Technology Arrangements (SBITA) are amortized on a straight-line basis over the shorter of its estimated useful life or the SBITA contract term.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Useful Lives
Furniture and equipment – Trust	10 Years
Furniture and equipment – provider	3 – 10 years
Computer hardware and software	3 years

When capital assets are sold or disposed of, the related cost and accumulated depreciation/amortization are removed from the accounts, and the resulting gain or loss is recorded in the government-wide statements. Proceeds received from the sale or disposal of assets are recorded as Other Financing Sources in the governmental funds.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-5. Compensated Absences Payable

Vacation and other compensated absences benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence payables include salary-related payments, at current fiscal year-end rates, including salary, employer Social Security and Medicare, and pension contributions, where applicable. Compensated absences for sick leave are calculated based on

The total compensated absence payable is reported on the government-wide financial statements. The governmental fund reports the compensated absence liability at the fund reporting level only "*when due*." The general fund is used to liquidate such amounts.

1-E-6. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds.

Lease and subscription-based information technology arrangements (SBITA) related liability amounts are recognized at the inception of the right-to-use assets, in accordance with GASB Statement No. 87, Leases and GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The initial liability amounts are recorded at the present value of the payments. The liability is then amortized over the term of the lease or the SBITA.

1-E-7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement section, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Trust currently reports deferred outflows related to pensions in the government-wide statements.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement section, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Trust currently reports deferred inflows related to pensions in the government-wide statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-8. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, the governmental fund reports fund classifications that comprise a hierarchy based primarily on the extent to which The Trust is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. Fund balance is classified as follows:

- ***Nonspendable*** – Fund balance is reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- ***Restricted*** – Fund balance is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by The Trust or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balance is reported as committed when they can only be used for specific purposes pursuant to constraints imposed by formal action of the Board through the approval of a resolution. Only the Board may modify or rescind the commitment.

- ***Assigned*** – Fund balance is reported as assigned when amounts are constrained by The Trust's intent to be used for specific purposes, but are neither restricted nor committed. Only the Board may assign fund balance.

- ***Unassigned*** - Fund balance is reported as unassigned as a residual amount when the balance does not meet any of the above criterions. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if any, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

(Continued on the subsequent page)

Note 1 - Summary of Significant Accounting Policies (Continued)

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is The Trust's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is The Trust's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Position - Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by The Trust or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

1-E-9. Estimates

The preparation of the financial statements in conformity with accounting policies generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-10. Implementation of New GASB Standards

In fiscal year 2022-2023, The Trust implemented the following GASB Statements:

Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The adoption of GASB No. 91 did not have an impact on The Trust's financial statements.

(Continued on the subsequent page)

Note 1 - Summary of Significant Accounting Policies (Continued)

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The adoption of GASB No. 94 did not have an impact on The Trust's financial statements.

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Additional information concerning the implementation of GASB No. 96 can be found on pages 44 through 48 (Notes 3-D, 3-F, and 3-G).

(Continued on the subsequent page)

Note 1 - Summary of Significant Accounting Policies (Continued)

Statement No. 99, *Omnibus 2022*. The requirements of this Statement that are related to the accounting and financial reporting for leases, PPPs, and SBITAs became effective for fiscal year end June 30, 2023 and requirements related to financial guarantees and derivative instruments within the scope of Statement 53 are effective for fiscal year end June 30, 2024, while all other requirements are effective immediately. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows: (1) classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; (2) clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives; (3) clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset; (4) clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability; (5) extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; (6) accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP); (7) disclosures related to nonmonetary transactions; (8) Pledges of future revenues when resources are not received by the pledging government; (9) clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements; (10) terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position; and (11) terminology used in Statement 53 to refer to resource flows statements. The adoption of GASB No. 99 did not have an impact on The Trust's financial statements.

(Continued on the subsequent page)

Note 2 –Stewardship, Compliance and Accountability

2-A. Budgetary Information

The Trust adopts an annual operating budget for its general fund.

The budget is adopted on a basis consistent with accounting policies generally accepted in the United States of America. The legal level of control (the level at which expenditures may not legally exceed appropriations) for the adopted annual operating budget generally is the function level as defined in the adopted budget.

Only the Board may amend the budget; all budget appropriations lapse at year-end.

(Continued on the subsequent page)

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits - Florida statutes authorize the deposit of The Trust's funds in demand deposits or time deposits of financial institutions approved by the State Treasurer, defined as qualified public depositories (QPD). In the event of a bank failure, the remaining public depositories would be responsible for covering any losses. All deposits of The Trust are held in a QPD. As of September 30, 2023, the balances of The Trust's cash deposits and certificates of deposit were $50,715,481 and $35,000,000, respectively. The Trust's main operating account and certificates of deposit are interest bearing.

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, The Trust's deposits or the securities collateralizing these deposits may not be recovered. The Trust's deposits at year end are considered insured and collateralized for custodial credit risk purposes.

Investments - Investments include amounts placed with the State Board of Administration (SBA) which administers the Local Government Surplus Funds Trust Fund ("Florida PRIME") that is an investment pool created by Section 218.405, Florida Statutes. The Florida PRIME investment pool operates under investment guidelines established by Section 215.47, Florida Statutes.

Florida PRIME is a state pool managed by the SBA, who provides regulatory oversight. In order to accommodate pool participants with readily available cash, a substantial portion of the portfolio is placed in short-term securities.

Florida PRIME is governed by the rules of Chapter 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of Florida PRIME. Additionally, the Office of the Auditor General performs the operational audit of the activities and investment of the SBA.

According to the SBA, the pool follows GASB No. 31, Accounting and Financial Reporting for Certain Investment and for External Investment Pools, and GASB No. 79, Certain External Investment Pools and Pool Participants, where The Trust owns a share of the respective pool, not the underlying securities. Accordingly, The Trust's investment in the Florida PRIME is stated at amortized cost. Florida PRIME is exempt from the GASB No. 72 fair value hierarchy disclosures. Additionally, the investment in the Florida PRIME is not insured by the Federal Deposit Insurance Corporation (FDIC) or any other governmental agency.

(Continued on the subsequent page)

Note 3 - Detailed Notes on All Funds (Continued)

Investment Pools and Pool Participants – In accordance with GASB No. 79, as The Trust has its investment in Florida PRIME, which is a qualifying external investment pool that measures for financial reporting purposes all of its investment at amortized cost, The Trust is to disclose the presence of any limitations or restrictions on withdrawals. In compliance with this Statement, with regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2023, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Methods Used to Value Investments – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Net appreciation (depreciation) in fair value of investments includes realized and unrealized gains and losses. Realized gains and losses are determined on the basis of specific and average cost. Purchases and sales of investments are recorded on a trade date basis.

Fair Value Hierarchy – GASB No. 72, Fair Value Measurement and Application, states that investments that meet specific criteria should be measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets and identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Note 3 - Detailed Notes on All Funds (Continued)

Level 3 – Investments reflect prices based upon unobservable inputs for an asset.

The Trust's investments include certificates of deposit and money market account deposits which are held in a qualified public depository. The Trust investments also include Florida PRIME which is reported at amortized cost. Accordingly, these investment types are not included in the fair value hierarchy. As of September 30, 2023, The Trust does not maintain any investments subject to fair value measurement.

Investments, stated at their reported value, consist of the following at September 30, 2023:

Investment type	Amount
Certificates of deposit	$ 35,000,000
Money market account	877,359
State Board of Administration:	
Florida Prime	240,883
Total	$ 36,118,242

State Board of Administration Florida PRIME - Investments at September 30, 2023, were in the Florida PRIME with weighted average days to maturity (WAM) of 35 days. The Trust's investment in the Florida PRIME investment pool is rated AAAm by Standard and Poor's.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment.

The Trust has an investment policy of structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations and investing operating funds primarily in short-term securities, money market funds, or similar investment pools unless it is anticipated that long-term securities can be held to maturity without jeopardizing investments to no more than five years, thereby avoiding the need to sell securities on the open market prior to maturity. See WAM above for Florida PRIME.

Credit Quality Risk – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Trust's investment policy limits investments to those which carry the highest ratings issued by a Nationally Recognized Statistical Rating Organization (NRSRO) as well as investing in interest bearing certificates of deposits and other deposit accounts in banking financial institutions that are insured under the FDIC and are collateralized with collateral that has a fair value equal to or exceeding 102% of the difference between the insured amount and The Trust's total deposit for all funds within the institution. Florida Prime is rated AAAm by Standard and Poors (S&P) and is the highest rating assigned by S&P. The banking financial institutions that The Trust uses for its investments are rated A and above by S&P as the banking institution's capacity to meet its financial commitments on the obligation ranges from strong to very strong.

Note 3 - Detailed Notes on All Funds (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of The Trust's investment in a single issuer. The Trust's investment policy states that assets shall be diversified to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issuer, dealer, or bank through which these securities are bought and sold. At September 30, 2023, The Trust invested in certificates of deposit, a money market account and in the State Board of Administration.

3-B. Receivables

Receivables at September 30, 2023, included property taxes. Receivables are recorded on The Trust's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

3-C. Property Taxes

Property taxes consist of ad valorem taxes on real and personal property within Miami-Dade County. Property values are determined by the Miami-Dade County property appraiser, and property taxes are collected by the Miami-Dade County tax collector. The Trust is permitted, by Ordinance #02-247 of Miami-Dade County, to levy taxes up to .5000 mills per $1,000 of assessed valuation. Property taxes are levied each November 1 on the assessed value listed as of January 1 of the same year for real and personal property located within Miami-Dade County. The Trust adopted the tax levy for fiscal year 2022-2023 on September 19, 2022. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to four percent for early payment.

Taxes become delinquent on April 1st of the year following the year of assessment. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes and for enforcement of collection of real property taxes by the sale of interest-bearing tax certificates to satisfy unpaid taxes.

The adjusted assessed value at July 1, 2022 upon which the fiscal year 2022-2023 levy was based was approximately $380 billion. The Trust levied .5000 mills, which resulted in tax revenue of $181,939,130 on the 2022 tax roll for fiscal year 2022-2023.

(Continued on the subsequent page)

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the fiscal year ended September 30, 2023 for governmental activities was as follows:

Asset Class	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
Governmental activities:				
Capital assets not being depreciated/amortized:				
Software development (work in progress)	$ -	$ 50,000	$ -	$ 50,000
Capital assets being depreciated/amortized:				
Computers	321,153	-	305,070	16,083
Furniture and equipment	336,596	-	2,000	334,596
Right-to-Use Assets (intangible assets):				
Leased office space	3,553,903	-	-	3,553,903
SBITA*	-	566,987	-	566,987
Total capital assets being depreciated/amortized	4,211,652	616,987	307,070	4,521,569
Accumulated depreciation:				
Computers	317,286	3,864	305,070	16,080
Furniture and equipment	134,508	32,481	2,000	164,989
Accumulated amortization:				
Right-to-Use Assets (intangible assets):				
Leased office space	387,699	387,699	-	775,398
SBITA	-	9,295	-	9,295
Total accumulated depreciation/amortization	839,493	433,339	307,070	965,762
Governmental activities capital assets, net	$ 3,372,159	$ 183,648	$ -	$ 3,555,807

* GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA) was implemented during fiscal year 2022-2023. There were no SBITA right-to-use assets meeting the requirements of GASB Statement No. 96 at 10/1/2022.

Depreciation and amortization expense for the fiscal year ended September 30, 2023 amounted to $36,345 and was charged to provider services and materials and services for $15,000 and $21,345, respectively. Amortization expense for the fiscal year ended September 30, 2023 amounted to $396,994 and was charged to materials and services.

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Unearned Revenue

Resources that do not meet revenue recognition requirements (not earned) are recorded as unearned revenue in the government-wide and fund financial statements. There was no unearned revenue at September 30, 2023.

3-F. Long-term Liability Obligations

Changes in Long-term Debt - Changes in The Trust's long-term debt consisted of the following for the fiscal year ended September 30, 2023:

	Outstanding 10/1/2022	Additions	Reductions	Outstanding 9/30/2023	Amounts Due in One Year
Governmental Activities:					
Compensated absences payable	$ 1,021,405	$ 343,256	$ 175,834	$ 1,188,827	$ 118,883
Lease liability	3,204,939	-	355,761	2,849,178	362,832
SBITA liability*	-	566,987	8,641	558,346	84,632
Total Governmental Activities	$ 4,226,344	$ 910,243	$ 540,236	$ 4,596,351	$ 566,347

* GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA) was implemented during fiscal year 2022-2023. There were no SBITA right-to-use assets meeting the requirements of GASB Statement No. 96 at 10/1/2022.

All long-term debt is retired from the general fund.

3-G. Leases and SBITA

Leases

The Trust entered into leases for office space, storage, and equipment. Certain leases are short-term, while the office space lease is long-term and is noncancellable. The Trust has determined that the office space lease is the only lease that is considered material, meeting the requirements of GASB Statement No. 87, Leases, recognizing the lease liability and an intangible right-to-use lease asset in the government-wide financial statements. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

At the commencement of a lease, The Trust initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Note 3 - Detailed Notes on All Funds (Continued)

Key estimates and judgments related to leases include how The Trust determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Trust uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, The Trust generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price, if any, that The Trust is reasonably certain to exercise.

The Trust monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

The Trust executed a second amendment to its lease agreement for office space in October 2021. This second amendment modified certain terms of the original lease agreement and the first amendment, providing for the extension of the lease term, with the new lease term expiring on November 21, 2030, removal of the annual renewal election by The Trust, and a reduction to the annual increase in rent calculations. The first year of the second amendment to the lease provides for a 0% increase in rent; the second to fourth term provides for a 0.5% increase in the base rent from the prior year; the fifth to seventh term provides for a 1.5% increase in the base rent from the prior year; and the eighth and nineth term may be negotiated upward or downward based on occupancy costs not to exceed 3% yearly. This lease agreement qualifies as other than a short-term lease under GASB Statement No. 87 and, therefore, on October 1, 2021, the related initial lease liability was recorded at the present value of the future minimum lease payments and the remaining term of the lease was 110 months.

As of October 1, 2021, an initial lease liability was recorded in the amount of $3,553,903 and the estimated useful life of the lease was approximately nine years, the remaining term of the amended lease agreement. As of September 30, 2023, the value of the lease liability is $2,849,178. During the fiscal year ended September 30, 2023, The Trust was required to make monthly lease payments of $398,311. The lease utilized an imputed interest rate of 1.41%. The initial value of the right to use leased asset (office space) of $3,553,903 with accumulated amortization of $775,398 as of September 30, 2023 is included in Note 3-D - Capital Assets, under leased office space (intangible asset).

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Note 3 - Detailed Notes on All Funds (Continued)

Future lease payments under the lease agreements are as follows:

Fiscal Year Ending September 30,	Lease Principal	Lease Interest	Lease Total
2024	$ 362,832	$ 37,471	$ 400,303
2025	370,012	32,292	402,304
2026	381,020	26,984	408,004
2027	392,611	21,515	414,126
2028	404,458	15,879	420,337
2029	422,395	10,034	432,429
2030	441,479	3,922	445,401
2031	74,371	44	74,415
Total	$ 2,849,178	$ 148,141	$ 2,997,319

SBITA

The Trust obtains the right to use vendors' information technology software through various long-term contracts. Payments are made in accordance with contract terms, ranging from monthly payments, performance payments, and upfront payments. During fiscal year 2022-2023, The Trust entered into an information technology software agreement that met the requirements of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). Subscription-based information technology arrangements (SBITA) provide governments with access to the right-to-use vendors' information technology software and associated tangible capital assets for subscription payments without granting governments perpetual license or title to the information technology software and associated tangible capital assets.

The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. The SBITA assets are amortized on a straight-line basis over the life of the related contract. The costs of normal maintenance and repairs that do not add to the values of the assets or materially extend the asset lives are not capitalized and are expensed as incurred. The Trust monitors changes in circumstances that would require a remeasurement of its SBITAs and will do so if certain changes occur that would be expected to significantly affect the amount of the SBITA liability. SBITA assets are reported with other capital assets and SBITA lease liabilities are reported with long-term debt on the statement of net position.

The Trust recorded subscription-based information technology arrangement (SBITA) assets and liabilities. The initial lease liability for this agreement was recorded in the amount of $566,987 and the estimated useful life was five years. As of September 30, 2023, the value of the SBITA liability is $558,346. During the fiscal year ended September 30, 2023, The Trust was required to make payments totaling $10,000. The SBITA utilized an imputed interest rate of 2.876%. The initial value of the right to use SBITA of $566,987 with accumulated amortization of $9,295 as of September 30, 2023 is included in Note 3-D - Capital Assets, under SBITA (intangible asset).

Note 3 - Detailed Notes on All Funds (Continued)

Future SBITA payments under the SBITA agreement are as follows:

SBITA			
Fiscal Year Ending September 30,	**Principal**	**Interest**	**Total**
2024	$ 84,632	15,368	$ 100,000
2025	97,087	12,914	110,001
2026	114,899	10,104	125,003
2027	128,225	6,775	135,000
2028	133,503	3,065	136,568
Total	$ 558,346	$ 48,226	$ 606,572

3-H. Retirement Plan

General Information

The Trust provides retirement benefits to its employees through the Florida Retirement System (FRS), as well as Other Post-Employment Benefits (OPEB) in the form of subsidized health insurance premiums. FRS is a cost-sharing, multiple-employer public-employee retirement system with two primary plans. The Florida Department of Management Services, Division of Retirement administers the FRS Pension Plan. The State Board of Administration of Florida (SBA) manages the assets of the FRS. The primary investment objectives for the FRS Pension Plan are to provide investment returns sufficient to ensure the timely payment of benefits and to keep plan costs at a reasonable level.

All eligible employees of The Trust are covered by the State-administered Florida Retirement System. As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including a defined benefit pension plan i.e., the FRS Pension Plan (Pension Plan) and the Retiree Health Insurance Subsidy (HIS Plan). Retirees of the Pension Plan receive a lifetime pension benefit with joint and survivor payment options. The HIS Plan, a cost-sharing multiple-employer defined benefit pension plan, assists certain retired members and their beneficiaries of any Florida state-administered retirement system in paying the costs of health insurance. Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan, referred to as the Investment Plan (Investment Plan), alternative to the FRS Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all eligible employees working in a regularly established position in a state agency, county agency, district school board, state university, or state college. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations, although optional, is generally irrevocable after the election to participate is made. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to eligible plan members and beneficiaries. Benefits are established by Florida Statutes. Amendments to the law can be made only by an act of the Florida State Legislature.

Note 3 - Detailed Notes on All Funds (Continued)

The annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website www.dms.myflorida.com/workforce_operations/retirement/publications.

FRS Pension Plan

Plan Description: The FRS Pension Plan (Pension Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. Retirees receive a lifetime pension benefit with joint and survivor payment options. The general classes of membership that The Trust participates in are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.

Other general classes of membership are the Special Risk Administrative Support class, Special Risk class, and Elected Officers' class.

Plan Benefits: Benefits under the Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. Benefits of the Plan vest at six years of creditable service provided that Pension Plan member enrolled in the FRS prior to July 1, 2011; otherwise benefits in the Pension Plan vest at eight years of creditable service. All Regular class and Senior Management Service class vested members are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, provided that Plan members enrolled in FRS prior to July 1, 2011; otherwise all Regular class and Senior Management Service class vested members are eligible for normal retirement at age 65 or at any age after 33 years of service, which may include up to four years of credit for military service. The Pension Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Pension Plan provides retirement, disability and death benefits and annual cost-of-living adjustments to eligible participants.

For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age before age 62 are entitled to a retirement benefit payable monthly, ranging from 1.6% to 1.68%, dependent upon their age or years of service, of their final average compensation based on the five highest years' earnings, for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly, equal to 2.0% of their final average compensation based on the five highest fiscal years' earnings for each year of credited service.

Note 3 - Detailed Notes on All Funds (Continued)

For Pension Plan members enrolled on or after July 1, 2011, Regular class members who retire at or after age 65 with at with at least eight years of credited service or 33 years of service regardless of age before age 65 are entitled to a retirement benefit payable monthly, ranging from 1.6% to 1.68%, dependent upon their age or years of service, of their final average compensation based on the five highest years' earnings, for each year of credited service. For Senior Management Service class members who retire at or after age 65 with at least eight years of credited service or 33 years of service regardless of age are entitled to a retirement benefit payable monthly equal to 2.0% of their final average compensation based on the eight highest fiscal years' earnings for each year of credited service.

The following chart shows the percentage value for each year of service credit earned in relation to the general classes of membership that The Trust participates in:

	% Value (per year of service)
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Senior Management Service Class	2.00

Benefits received by eligible retirees and beneficiaries under the FRS Pension Plan are increased by the cost-of-living adjustment. The cost-of-living adjustment (COLA) for retirements or DROP participation effective before August 1, 2011 is three percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after August 1, 2011 will be the sum of the pre-July 2011 service credit divided by the total service credit at retirement multiplied by three percent. Each Pension Plan member with an effective retirement date of August 1, 2011, or after will have an individually calculated COLA for retirement. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

Note 3 - Detailed Notes on All Funds (Continued)

The FRS includes a Deferred Retirement Option Program (DROP) and permits employees eligible for normal retirement under the Pension Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. As of June 5, 2023, when Senate Bill 7024 was signed into law, all eligible members in a regularly established position can elect to participate in DROP for a period not to exceed a maximum of 96 calendar months, at any time after a member reached his or her normal retirement date. During the period of DROP participation, deferred monthly retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment and accrue interest. The net pension liability does not include amounts for DROP participants as these members are considered retired and are not accruing additional pension benefits.

The DROP is available under the Pension Plan when the member first reaches eligibility for normal retirement. Eligible FRS members may elect to participate in the FRS Investment Plan in lieu of the defined-benefit Plan. FRS members participating in DROP are not eligible to participate in the FRS Investment Plan. This plan is funded by employer contributions that are based on salary and membership class and by employee contributions. Contributions are directed to individual member accounts and the ultimate benefit depends in part on the performance of the investment funds chosen. Employees in the FRS Investment Plan vest after one year of service.

Contributions: The contribution rates for the FRS members are established by law and may be amended by the State of Florida. Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, employers of the FRS are required to make contributions to the FRS, covering the Pension Plan, the Investment Plan and DROP, based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates for the Regular class, Senior Management Service class, and DROP, applicable to the last three fiscal years, were as follows:

Employer Contribution Rates	Regular class	Senior Management Service Class	DROP - Regular Class and Senior Management Service Class
Effective 7/1/21	10.82%	29.01%	18.34%
Effective 7/1/22	11.91%	31.57%	18.60%
Effective 7/1/23	13.57%	34.52%	21.13%

Employer contribution rates include the postemployment health insurance subsidy (HIS). The employer contribution rates reflected above include 1.66% for the HIS Plan, effective July 1, 2021 and July 1, 2022, and 2.0% effective July 1, 2023 as well as the fee of 0.06%, for all three years for administration of the FRS Investment Plan and provision of educational tools for both the Pension and the Investment Plan effective July 1, 2021, July 1, 2022, and July 1, 2023, respectively.

The Trust's contributions, for FRS and HIS, inclusive of the Investment Plan, totaled $1,114,913 and employee contributions, totaled $208,799 for the fiscal year ended September 30, 2023.

Note 3 - Detailed Notes on All Funds (Continued)

Social Security Coverage: The Division of Retirement is responsible for administering the Social Security coverage for public employers in Florida. Public employees are provided Social Security coverage through a federal-state agreement with various modifications applicable to specific employers in political subdivisions. Public employers must provide Social Security coverage for their employees who participate in the FRS Pension Plan and Investment Plan.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2023, The Trust reported a liability for its proportionate share of the net pension liability of $5,798,015. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of July 1, 2023. The Trust's proportion of the net pension liability was based upon The Trust's 2022-2023 fiscal year contributions relative to the fiscal year contributions of all participating members. At June 30, 2023, The Trust's proportionate share for FRS was .014550755%, which was a decrease from its proportionate share of .015809210% measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, The Trust recognized pension expense of $658,104 for FRS. Additionally, The Trust reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 544,384	$ -
Changes in assumptions	377,963	-
Changes in proportion and differences between The Trust Pension Plan contributions and proportionate share of contributions	219,036	328,544
Net difference betweeen projected and actual earnings on Pension Plan investments	242,141	-
Contributions made subsequent to the measurement date	181,970	-
Total	$ 1,565,494	$ 328,544

The Trust contributions subsequent to the measurement date of $181,970 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2024.

Note 3 - Detailed Notes on All Funds (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Deferred Outflows/ (Inflows), net
2024	$ 140,315
2025	(68,536)
2026	943,659
2027	33,873
2028	5,669
Total	$ 1,054,980

Actuarial assumptions: The total pension liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Valuation date	July 1, 2022
Measurement date	June 30, 2023
Discount rate	6.70%
Inflation	2.40%
Salary increases	3.25%, average, including inflation
Actuarial cost method	Individual entry age
Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018

The actuarial assumptions that determined the total pension liability as of June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Note 3 - Detailed Notes on All Funds (Continued)

The long-term expected rate of return assumptions on Pension Plan investments was not based on historical returns, but instead are based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	7.1%	18.1%
Real estate	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments	3.8%	6.3%	6.1%	7.7%
Total	100.0%			
Assumed Inflation - Mean			2.4%	1.4%

(1) As outlined in the FRS Pension Plan's investment policy available from Funds We Manage on the SBA's website at www.sbafla.com.

Discount Rate: The discount rate used to measure the total pension liability was 6.70%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees if future experience follows assumptions and the Actuarially Determined Contribution (ADC) is contributed in full each year. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

(Continued on the subsequent page)

Note 3 - Detailed Notes on All Funds (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents The Trust's proportionate share of the total net pension liability calculated using the discount rate of 6.70%, as well as what The Trust's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.7%) or one percentage point higher (7.7%) than the current rate:

	1% Decrease or 5.70%	Current Discount Rate 6.70%	1% Increase or 7.70%
The Trust's proportionate share of the net pension liability (asset)	$ 9,904,191	$ 5,798,015	$ 2,362,708

Pension Plan Fiduciary Net Position: Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Retiree Health Insurance Subsidy (HIS) Program

Plan Description: The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing, multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist eligible retirees and surviving beneficiaries of the State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services, Division of Retirement.

Benefits Provided: Effective July 1, 2023 eligible retirees and beneficiaries may receive a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 per month, pursuant to Chapter 2023-193, Laws of Florida. Prior to July 1, 2023, eligible retirees and beneficiaries received a monthly HIS payment of $5 times years of service, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month. To be eligible to receive a HIS Plan benefit, a retiree under a State administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions: The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The HIS contribution rates were 1.66% for the HIS Plan, effective July 1, 2021 and July 1, 2022 and 2.0% effective July 1, 2023. Employees do not contribute to this plan. The Trust contributed 100% of its statutorily required contributions for the current and preceding three years. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. The HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

Note 3 - Detailed Notes on All Funds (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2023, The Trust reported a liability for its proportionate share of the net pension liability of $2,915,674. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of July 1, 2022. The Trust's proportion of the net pension liability was based upon The Trust's 2022-2023 fiscal year contributions relative to the 2021-2022 fiscal year contributions of all participating members. At June 30, 2023, The Trust's proportion for HIS was .018359128%, which was an increase from its proportion measured of .018270897%, as of June 30, 2022.

For the fiscal year ended September 30, 2023, The Trust recognized pension expense of $144,055 for HIS. The Trust reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 42,683	$ 6,844
Changes in assumptions	76,652	252,653
Changes in proportion and differences between The Trust HIS contributions and proportionate share of contributions	45,972	88,674
Net difference betweeen projected and actual earnings on HIS plan investments	1,506	-
Contributions made subsequent to the measurement date	33,222	-
Total	$ 200,035	$ 348,171

The Trust contributions subsequent to the measurement date of $33,222 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2024.

(Continued on the subsequent page)

Note 3 - Detailed Notes on All Funds (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Deferred Outflows/ (Inflows), net
2024	$ (52,841)
2025	(18,495)
2026	(26,183)
2027	(54,414)
2028	(27,926)
Thereafter	(1,499)
Total	$ (181,358)

Actuarial assumptions: The total pension liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2022
Measurement date	June 30, 2023
Discount rate	3.65%
Inflation	2.40%
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.65%
Actuarial cost method	Individual entry age
Mortality	Generational PUB-2010 with Projection Scale MP-2018

Actuarial valuations for the HIS Program are conducted biennially. The July 1, 2022, HIS valuation is the most recent actuarial valuation and was used to develop the liabilities for June 30, 2023. The actuarial assumptions that determined the total pension liability as of June 30, 2023 were based on certain results of an actuarial experience study of the FRS for the period July 1, 2013 through June 30, 2018.

Note 3 - Detailed Notes on All Funds (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 3.65%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents The Trust's proportionate share of the total net pension liability calculated using the discount rate of 3.65%, as well as what The Trust's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.65%) or one percentage point higher (4.65%) than the current rate:

	1% Decrease or 2.65%	Current Discount Rate 3.65%	1% Increase or 4.65%
The Trust's proportionate share of the net pension liability	$ 3,326,329	$ 2,915,674	$ 2,575,269

Pension Plan Fiduciary Net Position: Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

<u>Investment Plan</u>

The Trust contributes to the FRS defined contribution pension plan, i.e., the FRS Investment Plan (Investment Plan), for its eligible employees electing to participate in the Investment Plan. The State Board Administration (SBA) administers the Investment Plan and is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. The Trust employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment options offered under the plan. Costs of administering the Investment Plan are funded through an employer contribution of 0.06%, effective July 1, 2021, July 1, 2022 and July 1, 2023, of payroll and by forfeited benefits of plan members.

Note 3 - Detailed Notes on All Funds (Continued)

Allocations to the investment member's accounts during the 2022-2023 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

Membership Class	Contribution to Member Account Percent of Gross Compensation
Regular	8.30%
Senior Management Service	9.67%
Special Risk Administrative Support	9.95%
Special Risk	16.00%
Elected Officers	
Judges	15.23%
Legislators, Governor, Lt. Gov., Cabinet	11.38%
State Attorney, Public Defender	11.38%
County, City, Sp. Dist. Elected Officers	13.34%

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to The Trust.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the employer pays an employer contribution to fund the disability benefit which is deposited in the FRS Trust Fund. The member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income. Retirees of the Investment Plan are eligible to be enrolled as a renewed member if employed in a regularly established position on or after July 1, 2017.

The Trust's Investment Plan pension expense totaled $312,754 for the fiscal year ended September 30, 2023.

Note 3 - Detailed Notes on All Funds (Continued)

3-I. Deferred Inflows/Outflows of Resources

Government-wide Financial Reporting Level: The Trust has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the State of Florida's actuary that adjusts the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of Plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense. Additionally, any contributions made by The Trust to the Pension Plan before fiscal year end but subsequent to the measurement date of The Trust's net pension liability are reported as deferred outflows of resources.

For the fiscal year ended September 30, 2023, The Trust recognized pension expense of $1,114,913 as a result of GASB Statement No. 68. Deferred outflows and inflows of resources related to pensions are as follows:

	FRS Pension	HIS Pension	Investment	Total
Deferred outflows	$ 1,565,494	$ 200,035	$ -	$ 1,765,529
Deferred inflows	328,544	348,171	-	676,715
Net pension liability	5,798,015	2,915,674	-	8,713,689
Pension expense	658,104	144,055	312,754	1,114,913
Total	$ 8,350,157	$ 3,607,935	$ 312,754	$ 12,270,846

(Continued on the subsequent page)

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Post-Employment Benefits Other Than Pensions (OPEB)

General Information About the OPEB Plan

Plan description - The Children's Trust provides health insurance benefits to its retired employees through a single-employer plan administered by The Trust. Pursuant to the provisions of Section 112.0801. Florida Statutes, former employees who retire from The Trust and eligible dependents may continue to participate in The Trust's full-insured benefit plan for medical and prescription drug insurance coverage. The Trust subsidizes the premium rates paid by retirees by allowing them to participate in the plan at the blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The benefits provided under this defined benefit plan are provided until the retiree's attainment of age 65 or until such time at which the retiree discontinues coverage under The Trust sponsored plans, if earlier. The plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund this plan. The plan does not issue a separate financial report. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75.

Funding Policy - Currently, The Trust's OPEB are unfunded. The Trust is funding the plan on a "pay-as-you-go" basis. Employees and their dependents are required to pay 100% of the insurance premiums charged by the carrier. There is an implied subsidy in the insurance premiums for these employees because the premium charged for retirees is the same as the premium charged for active employees, who are younger than retirees on average.

Plan Employees Covered by Benefit Terms - As of September 30, 2021, the valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	0
Inactive employees entitled to but not yet receiving benefits	0
Active Employees	82
Total	82

Benefits Provided – Employees who retire from The Trust and their dependents are eligible to continue to participate in The Trust's insurance through The Trust's "blended" group rate. The benefits provided to retirees are the same as those provided to active employees. The retiree must continue to meet all participation requirements and pay all applicable premiums by the specified due date. The Trust provides no funding for any portion of the premiums after retirement.

Total OPEB Liability

The Trust's total OPEB liability of $27,259 was measured as of September 30, 2022 and was determined by an actuarial valuation as of September 30, 2021.

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial assumptions and other inputs – The total OPEB liability in the September 30, 2021 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	September 30, 2022
Actuarial Cost Method	Entry Age Normal
Retirement Age	Varies based on several factors including plan-specific retirement eligibility provisions and experience
Mortality	RP-2000 Generational Combined Healthy Participant mortality tables, projected from the year 2000 using Projection Scale AA
Actuarial Assumptions:	
Discount Rate	4.40%
Salary Increases	5.00%
Inflation	2.25%
Healthcare Cost Trend Rates	6.0% for fiscal year beginning 2022, 5.75% for fiscal year beginning 2023 and then gradually decreasing to an ultimate trend rate of 3.75%

As the Plan does not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this alternative measurement method (AMM) roll-forward calculation, the municipal bond rate is 4.40% (based on the daily rate of Fidelity's "20-Year Municipal GO AA Index" closest to but not later than the measurement date). The discount rate was 2.19% as of the previous measurement date.

(Continued on the subsequent page)

Note 3 - Detailed Notes on All Funds (Continued)

Changes in the Total OPEB Liability

Measurement Year Ended September 30,		2022
Total OPEB Liability		
Service Cost	$	4,480
Interest on the Total OPEB Liability		737
Changes of benefit terms		-
Difference between expected and actual experience of the Total OPEB Liability		-
Changes in assumptions and other inputs		(7,131)
Benefit payments		-
Net change in Total OPEB Liability		(1,914)
Total OPEB Liability - Beginning		29,173
Total OPEB Liability - Ending	$	27,259

Sensitivity of the Total OPEB Liability

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents The Trust's total OPEB liability, calculated using the discount rate of 4.40% as well as what The Trust's total OPEB liability would be if it were calculated using a discount rate that is one percent lower (3.40%) or one percent higher (5.40%) than the discount rate:

	1% Decrease or 3.40%	Current Discount Rate Assumption 4.40%	1% Increase or 5.40%
Total OPEB Liability	$ 30,441	$ 27,259	$ 24,304

(Continued on the subsequent page)

Note 3 - Detailed Notes on All Funds (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of The Trust, calculated using the assumed trend rate of 5.75% as well as what The Trust's total OPEB liability would be if it were calculated using a trend rate that is one percent lower (4.75%) or one percent higher (6.75%) than the healthcare cost trend rate:

	1% Decrease or 4.75%	Current Healthcare Cost Trend Rate Assumption 5.75%	1% Increase or 6.75%
Total OPEB Liability	$ 23,099	$ 27,259	$ 32,310

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the fiscal year ended September 30, 2023, The Trust recognized OPEB expense of ($60,339). The Trust did not have any deferred outflows of resources or deferred inflows of resources related to OPEB at September 30, 2023.

Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each Alternative Measurement Method (AMM) calculation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As authorized by GASB No. 75, the Alternative Measurement Method allows the employer to use simplifications of certain assumptions in measuring the costs and liabilities.

3-K. Deferred Compensation Plan

The Trust offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, which is available to all Trust employees, allows Trust employees to defer a portion of their salary to future years. The Trust's direct involvement in the Plan is limited to remitting the amounts withheld from employees to the Plan's third-party administrator. The deferred compensation plan is not available to employees until termination, retirement, death, or an unforeseeable emergency. Accordingly, the assets and liabilities of the Plan are not included in The Trust's financial statements.

Note 3 - Detailed Notes on All Funds (Continued)

3-L. Fund Equity

Fund Balance – Fund balance is classified as follows as of September 30, 2023:

- ***Nonspendable*** – The following fund balance is nonspendable because it is not in spendable form:

General Fund:		
Prepaid items	$	123,584

- ***Restricted –*** The following fund balance is legally restricted to the specified purpose:

General Fund:		
Provider services - contracts	$	48,810,734

Net Investment in Capital Assets

The "net *investment in capital assets*" amount as reported on the government-wide statement of net position as of September 30, 2023 is as follows:

Net investment in capital assets:		Governmental Activities
Cost of capital assets	$	4,521,569
Less accumulated amortization and depreciation		965,762
Less lease liability		2,849,178
Less SBITA liability		558,346
Net investment in capital assets	$	148,283

(Continued on the subsequent page)

Note 4 - Other Notes

4-A. Risk Management

The Trust 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. The Trust purchases commercial insurance coverage to mitigate the various risks. Retention of risks is limited to the excess of those that are insured and those that are uninsurable, with deductibles ranging from $0 to $50,000 per occurrence, except for windstorm, whereby the deductible is 10% of the value of the insured contents. There were no settled claims which exceeded insurance coverage since the inception of The Trust.

The Trust is required by Florida Statute to provide a surety bond in the sum of at least $1,000 for each $1 million portion thereof of The Trust's budget for the Chair, Vice Chair, Treasurer and President/CEO. This surety bond is included in the insurance coverage purchased through commercial carriers.

4-B. Commitments

Contract Commitments - As of September 30, 2023, The Trust had the following contract commitments:

Youth Development	$ 67,287,260
Early Childhood Development	43,411,017
Parenting	29,876,902
Health and Wellness	18,916,290
Family and Neighborhood Supports	16,162,972
Supports for Quality Program Implementation	3,561,667
Public Awareness and Program Promotion	2,670,200
Information Technology	1,725,856
Cross-funder Collaboration of Goals, Strategies and Resources	882,293
Management of The Children's Trust	478,000
Program Evaluation and Community Research	432,500
Promote Public Policy and Legislative Agendas	85,000
Total	$ 185,489,957

Note 4 - Other Notes (Continued)

4-C. Interlocal Agreement

The Trust has an interlocal agreement with the City of Miami, the Southeast Overtown/Park West Community Redevelopment Agency, the Omni Redevelopment District Community Redevelopment Agency and Miami-Dade County (collectively the CRAs) for the purpose of establishing the use of tax revenues to be derived from the imposition of a half mill tax levy by The Trust.

The CRAs may have various series of community redevelopment revenue bonds outstanding issued under certain bond resolutions to which the CRAs may have pledged all current and future tax increment revenues the CRAs are entitled to, including tax revenues from The Trust. The CRAs are to use The Trust revenues for debt service only after all other tax increment revenues have been exhausted and shall remit to The Trust on the last day of the CRA's fiscal year all of The Trust revenues that are not needed for debt service. In exchange for the City of Miami and the CRAs' cooperation, The Trust will make funds available for children's programs within the CRAs area in the amount of The Trust revenues.

The Trust revenues provided to the CRAs for the fiscal year ended September 30, 2023 were $3,231,351.

4-D. Related Party Transactions

In the course of pursuing its mission, The Trust engages agencies in the community at large to provide services. The Trust's Board of Directors is comprised of a broad spectrum of members of the community, some of whom have extensive knowledge, background and experience with matters of importance to conducting The Trust's services. From time to time, matters come before the Board where a board member, or a relative, may have a personal or financial interest that could be considered to potentially cause a conflict of interest. When such a circumstance occurs, The Trust's procedures require that board member abstain from voting on the matter and document the reason for the abstention. During the fiscal year ended September 30, 2023, a number of resolutions came before the Board relating to organizations in which board members may have had a conflict of interest. In those circumstances, the board members who had identified the potential conflicts abstained from voting.

During the fiscal year ended September 30, 2023, The Trust awarded a total of $34.9 million to providers in which eighteen Board of Directors members are considered to have a personal, financial or employment interest.

THE CHILDREN'S TRUST

Required Supplementary Information

The Children's Trust

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual – General Fund

For the Fiscal Year Ended September 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues and Beginning Fund Balance				
Ad valorem tax revenue	$ 180,468,238	$ 180,468,238	$ 181,939,130	$ (1,470,892)
Interlocal agreement	3,000,000	3,000,000	3,231,351	(231,351)
Investment earnings and miscellaneous	1,000,000	1,000,000	5,061,335	(4,061,335)
Fund balance, October 1, 2022	37,383,081	37,383,081	38,191,566	(808,485)
Total Revenues and Beginning Fund Balance	221,851,319	221,851,319	228,423,382	(6,572,063)
Expenditures				
Provider Services	171,344,548	172,199,548	161,571,560	10,627,988
Operating Expenditures:				
General Administration:				
Salaries and fringe benefits	10,972,000	10,972,000	10,107,428	864,572
Professional/legal/ other contracted services	427,000	427,000	326,294	100,706
Rent/insurance	543,000	543,000	505,130	37,870
Travel	100,000	100,000	50,036	49,964
Supplies/postage/printing/communications	215,000	215,000	109,625	105,375
Promotional/dues/miscellaneous	45,000	45,000	30,481	14,519
Total General Administration	12,302,000	12,302,000	11,128,994	1,173,006
Capital:				
Furniture & equipment	273,382	273,382	237,889	35,493
Total Capital	273,382	273,382	237,889	35,493
Total Operating Expenditures	12,575,382	12,575,382	11,366,883	1,208,499
Non-operating Expenditures:				
Interlocal agreement	3,000,000	3,000,000	3,231,351	(231,351)
Property appraiser/tax collector fees	3,000,000	3,000,000	3,319,270	(319,270)
Total Non-operating Expenditures	6,000,000	6,000,000	6,550,621	(550,621)
Total Expenditures	189,919,930	190,774,930	179,489,064	11,285,866
Fund Balance, September 30, 2022	31,931,389	31,076,389	38,191,566	(7,115,177)
Total Expenditures and Ending Fund Balance	$ 221,851,319	$ 221,851,319	$ 217,680,630	$ 4,170,689

See accompanying notes to required supplementary information

Note 1 – Budgetary Information

The budget for the general fund is adopted on a basis that is consistent with accounting principles generally accepted in the United States as applied to governments.

All budget amendments require The Trust's Board approval. During the fiscal year ended September 30, 2023, the General Fund had $855,000 in supplemental appropriations relating to provider services.

Note 2 – Budgetary Variances

Actual revenues and expenditures pertaining to the interlocal agreement that The Trust has with the CRAs exceeded the budget by the same amount due to property values in the CRA districts being greater than anticipated. Consequently, there was no impact to the fund balance. This agreement provides for The Trust to remit to the CRA the associated tax increment revenues. These funds are then returned to The Trust provided that the related interlocal agreement revenues are not needed for certain CRA debt services in exchange for The Trust making an equivalent amount of funding available for children's programs within the CRA areas.

Tax collector fees are budgeted based on the expected levied ad valorem taxes. As the actual ad valorem tax revenue exceeded the budget, the related tax collector fees also exceeded the budget.

Note 2 – Budget and Actual Comparisons

The adopted budget is prepared on the modified accrual basis of accounting in accordance with GAAP, except for right-to-use subscription-based information technology arrangements (SBITA) capital outlay and SBITA (right-to-use asset) acquired are not budgeted for. In addition, SBITA principal and interest payments are budgeted as provider services and support expenditures. As a result, General Fund expenditures and other financing sources reported in the budgetary comparison schedule differ from the expenditure and other financing sources reported on the GAAP basis and can be reconciled as follows:

	Expenditures	Other Financing Sources
Budgetary Basis	$ 179,489,064	$ -
SBITA principal and interest payments	10,000	
Lease principal and interest payments	398,311	
Provider services and support	(10,000)	
Rent/insurance	(398,311)	
Capital Outlay - Right-to-use SBITA asset	566,987	
SBITA (right-to-use asset) acquired	-	566,987
GAAP Basis	$ 180,056,051	$ 566,987

The Children's Trust

Required Supplementary Information

Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability

Florida Retirement System Pension Plan

Last Ten Fiscal Years

June 30th *	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
The Trust's proportion of the net pension liability	0.014550755%	0.015809210%	0.015374300%	0.014407887%	0.014660597%	0.014906226%	0.015534481%	0.014060833%	0.013228624%	0.012213546%
The Trust's proportionate share of the net pension liability	$ 5,798,015	$ 5,882,297	$ 1,161,354	$ 6,244,591	$ 5,048,905	$ 4,489,833	$ 4,594,995	$ 3,550,371	$ 1,708,654	$ 745,206
The Trust's covered payroll	$ 7,048,865	$ 6,894,114	$ 6,651,391	$ 6,443,213	$ 6,366,350	$ 5,956,845	$ 6,151,426	$ 6,138,167	$ 5,418,169	$ 5,195,579
The Trust's proportionate share of the net pension liability as a percentage of its covered payroll	82.25%	85.32%	17.46%	96.92%	79.31%	75.37%	74.70%	57.84%	31.54%	14.34%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	83.89%	83.89%	84.88%	92.00%	96.09%

* Measurement date.

The Children's Trust

Required Supplementary Information

Schedule of The Children's Trust's Contributions

Florida Retirement System Pension Plan

Last Ten Fiscal Years

September 30th	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 658,104	$ 618,837	$ 650,230	$ 515,760	$ 377,670	$ 445,104	$ 403,300	$ 392,593	$ 433,456	$ 399,475
Contributions in relation to the contractually required contribution	658,104	618,837	650,230	515,760	377,670	445,104	403,300	392,593	433,456	399,475
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 7,202,747	$ 6,629,287	$ 6,728,842	$ 6,487,142	$ 6,250,124	$ 6,030,881	$ 6,570,277	$ 6,247,195	$ 5,553,060	$ 5,591,926
Contributions as a percentage of covered payroll	9.14%	9.33%	9.66%	7.95%	6.04%	7.38%	6.14%	6.28%	7.81%	7.14%

The Children's Trust

Required Supplementary Information

Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability

Health Insurance Subsidy Pension Plan

Last Ten Fiscal Years*

June 30th *	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
The Trust's proportion of the HIS net pension liability	0.018359128%	0.018270897%	0.018849818%	0.018532665%	0.018520718%	0.018073048%	0.020640039%	0.019146054%	0.018357421%	0.018725739%
The Trust's proportionate share of the HIS net pension liability	$ 2,915,674	$ 1,935,180	$ 2,312,214	$ 2,262,808	$ 2,072,283	$ 1,912,872	$ 2,206,928	$ 2,231,393	$ 1,872,168	$ 1,750,902
The Trust's covered payroll	$ 7,048,865	$ 6,894,114	$ 6,651,391	$ 6,443,213	$ 6,366,350	$ 5,956,845	$ 6,151,426	$ 6,138,167	$ 5,418,169	$ 5,195,579
The Trust's proportionate share of the HIS net pension liability as a percentage of its covered payroll	41.36%	28.07%	34.76%	35.12%	32.55%	32.11%	35.88%	36.35%	34.55%	33.70%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* Measurement date.

The Children's Trust
Required Supplementary Information
Schedule of The Children's Trust's Contributions
Health Insurance Subsidy Pension Plan
Last Ten Fiscal Years

September 30th	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required HIS contribution	$ 144,055	$ 110,046	$ 111,699	$ 107,687	$ 103,752	$ 100,113	$ 109,067	$ 103,703	$ 75,614	$ 67,880
HIS contributions in relation to the contractually required HIS contributions	144,055	110,046	111,699	107,687	103,752	100,113	109,067	103,703	75,614	67,880
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 7,202,747	$ 6,629,287	$ 6,728,842	$ 6,487,142	$ 6,250,124	$ 6,030,881	$ 6,570,277	$ 6,247,195	$ 5,553,060	$ 5,591,926
Contributions as a percentage of covered payroll	2.00%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.36%	1.22%

The Children's Trust

Required Supplementary Information

Schedule of Changes in the Total OPEB Liability and Related Ratios

*Last Ten Fiscal Years**

September 30th**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Total OPEB Liability						
Service Cost	$ 4,480	$ 12,029	$ 10,956	$ 15,188	$ 15,242	$ 15,448
Interest on the Total OPEB Liability	737	2,447	2,340	5,325	4,281	3,307
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience of the Total OPEB Liability	-	(73,079)	-	(51,099)	-	-
Changes in assumptions and other inputs	(7,131)	(1,736)	2,074	(19,115)	(2,740)	(2,923)
Benefit payments	-	-	-	-	-	-
Net change in Total OPEB Liability	(1,914)	(60,339)	15,370	(49,701)	16,783	15,832
Total OPEB Liability - Beginning	29,173	89,512	74,142	123,843	107,060	91,228
Total OPEB Liability - Ending	$ 27,259	$ 29,173	$ 89,512	$ 74,142	$ 123,843	$ 107,060
Covered-Employee Payroll	$ 6,215,097	$ 6,523,881	$ 6,539,001	$ 5,871,446	$ 6,026,231	$ 6,030,881
Total OPEB Liability as a percentage of Covered-Employee Payroll	0.44%	0.45%	1.37%	1.26%	2.06%	1.78%

Notes to Schedule:
Changes of assumptions: Changes of assumption and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2022	**2021**	**2020**	**2019**	**2018**	**2017**
4.40%	2.19%	2.41%	2.75%	3.83%	3.50%

*Notes:
The schedule is intended to show information for the last ten (10) fiscal years. Additional years will be displayed as they become available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits. There were no changes in benefit terms during the measurment period.

** Measurement date.

Statistical Section

The Children's Trust
Introduction to Statistical Section
(Unaudited)

This part of The Children's Trust (The Trust) annual comprehensive financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents	***Exhibits***
Financial Trends These tables contain trend information that may assist the reader in assessing The Trust's current financial performance by placing it in historical perspective.	I - VIII
Revenue Capacity These tables contain information that may assist the reader in assessing the viability of The Trust's most significant "own-source" revenue source, property taxes.	IX - XII
Demographic and Economic Information These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which The Trust operates and (2) to provide information that facilitates comparisons of financial statement information over time and among Children Service Councils.	XIII-XIV
Operating Information These tables contain service and infrastructure indicators that can inform one's understanding how the information in The Trust's financial statements relates to the services The Trust provides and the activities it performs.	XV-XVII

Notes :
The Trust has not issued any long-term debt since its inception. Therefore, the debt exhibits are not applicable.

Data Source:
Unless otherwise noted, the information in these tables is derived from The Trust's annual comprehensive financial report for the applicable year, as appropriate.

Exhibit I

The Children's Trust

Changes in Net Position - Governmental Activities
(Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Years Ended September 30,									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Governmental Activities:										
Provider services	$ 81,445,927	$ 80,517,056	$ 91,252,586	$ 93,207,918	$ 109,649,071	$126,605,995	$137,495,564	$139,769,834	$ 147,532,239	$161,577,920
General administration:										
Personnel services	7,398,102	7,687,886	9,073,088	9,087,197	8,844,235	9,712,404	10,078,773	8,802,022	9,340,616	11,714,954
Materials and services	1,324,884	1,420,624	1,459,123	1,396,526	1,363,121	1,209,163	1,144,211	1,037,039	1,118,426	1,272,032
Interlocal agreement, property appraiser and tax collector fees	3,609,718	3,936,952	4,546,478	6,220,217	3,803,729	3,832,138	4,491,280	5,015,795	5,651,259	6,550,621
Total Expenses	93,778,631	93,562,518	106,331,275	109,911,858	123,660,156	141,359,700	153,209,828	154,624,690	163,642,540	181,115,527
General Revenues:										
Ad valorem taxes	93,382,166	100,978,419	109,390,359	121,452,284	122,509,168	123,289,413	139,040,709	140,156,043	162,597,700	181,939,130
Investment earnings	223,088	494,365	383,094	762,253	1,397,650	2,414,442	1,312,355	256,447	288,123	4,448,744
Interlocal agreement	2,659,187	2,933,304	3,455,550	3,978,199	1,479,394	1,459,908	1,944,939	2,369,104	2,768,036	3,231,351
Settlement proceeds	-	-	-	-	-	-	-	-	180,000	-
Miscellaneous	138,070	147,746	164,392	227,140	308,096	359,107	148,891	248,780	359,866	612,591
Total General Revenues	96,402,511	104,553,834	113,393,395	126,419,876	125,694,308	127,522,870	142,446,894	143,030,374	166,193,725	190,231,816
Change in Net Position	$ 2,623,880	$ 10,991,316	$ 7,062,120	$ 16,508,018	$ 2,034,152	$ (13,836,830)	$ (10,762,934)	$ (11,594,316)	$ 2,551,185	$ 9,116,289

Data Source:

Applicable years' annual comprehensive financial report.

Exhibit II

The Children's Trust

Changes in Net Position - Governmental Activities - Percentage of Total

(Unaudited)

Last Ten Fiscal Years

(accrual basis of accounting)

	For the Fiscal Years Ended September 30,									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Expenses:										
Provider services	86.85%	86.1%	85.8%	84.7%	88.7%	89.6%	89.7%	90.4%	90.2%	89.2%
General administration:										
Personnel services	7.89%	8.2%	8.5%	8.3%	7.2%	6.9%	6.6%	5.7%	5.7%	6.5%
Materials and services	1.41%	1.5%	1.4%	1.3%	1.1%	0.9%	80.0%	0.7%	0.7%	0.7%
Interlocal agreement, property appraiser and tax collector fees	3.90%	4.2%	4.3%	5.7%	3.0%	2.6%	2.9%	3.2%	3.5%	3.6%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:										
Ad valorem taxes	96.9%	96.6%	96.5%	96.1%	97.5%	96.7%	97.6%	98.0%	97.8%	95.7%
Investment earnings	0.2%	0.5%	0.3%	0.6%	1.1%	1.9%	0.9%	0.2%	0.2%	2.3%
Interlocal agreement	2.8%	2.8%	3.1%	3.1%	1.2%	1.1%	1.4%	1.6%	1.7%	1.7%
Settlement proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Miscellaneous	0.1%	0.1%	0.1%	0.2%	0.2%	0.3%	0.1%	0.2%	0.2%	0.3%
Total General Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:

Applicable years' annual comprehensive financial report.

Exhibit III

The Children's Trust

Government-wide Net Position by Component [1]

(Unaudited)

Last Ten Fiscal Years

(accrual basis of accounting)

	September 30,									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022 [2]**	**2023 [3]**
Governmental Activities										
Net investment in capital assets	$ 249,216	$ 191,693	$ 296,006	$ 350,841	$ 256,827	$ 325,275	$ 266,279	$ 197,529	$ 167,220	$ 148,283
Restricted	30,807,654	38,659,649	45,617,456	62,070,639	64,511,419	50,606,141	39,902,203	28,376,637	30,958,131	40,093,357
Total Governmental Activities	$ 31,056,870	$ 38,851,342	$ 45,913,462	$ 62,421,480	$ 64,768,246	$ 50,931,416	$ 40,168,482	$ 28,574,166	$31,125,351	$40,241,640

Notes:

[1] Accounting standards require that net position be reported in three components in the financial statements: investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Florida or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by The Trust. Restrictions currently reported are a result of contracts with external parties.

[2] The Trust implemented GASB Statement No. 87, Leases, whereby a lessee is required to recognize a lease liability and an intangible right-to-use lease asset.

[3] The Trust implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA), whereby SBITA meeting the requirements of this GASB are recognized as a liability and an intangible right-to-use asset.

Data Source:

Applicable years' annual comprehensive financial report.

Exhibit III-A

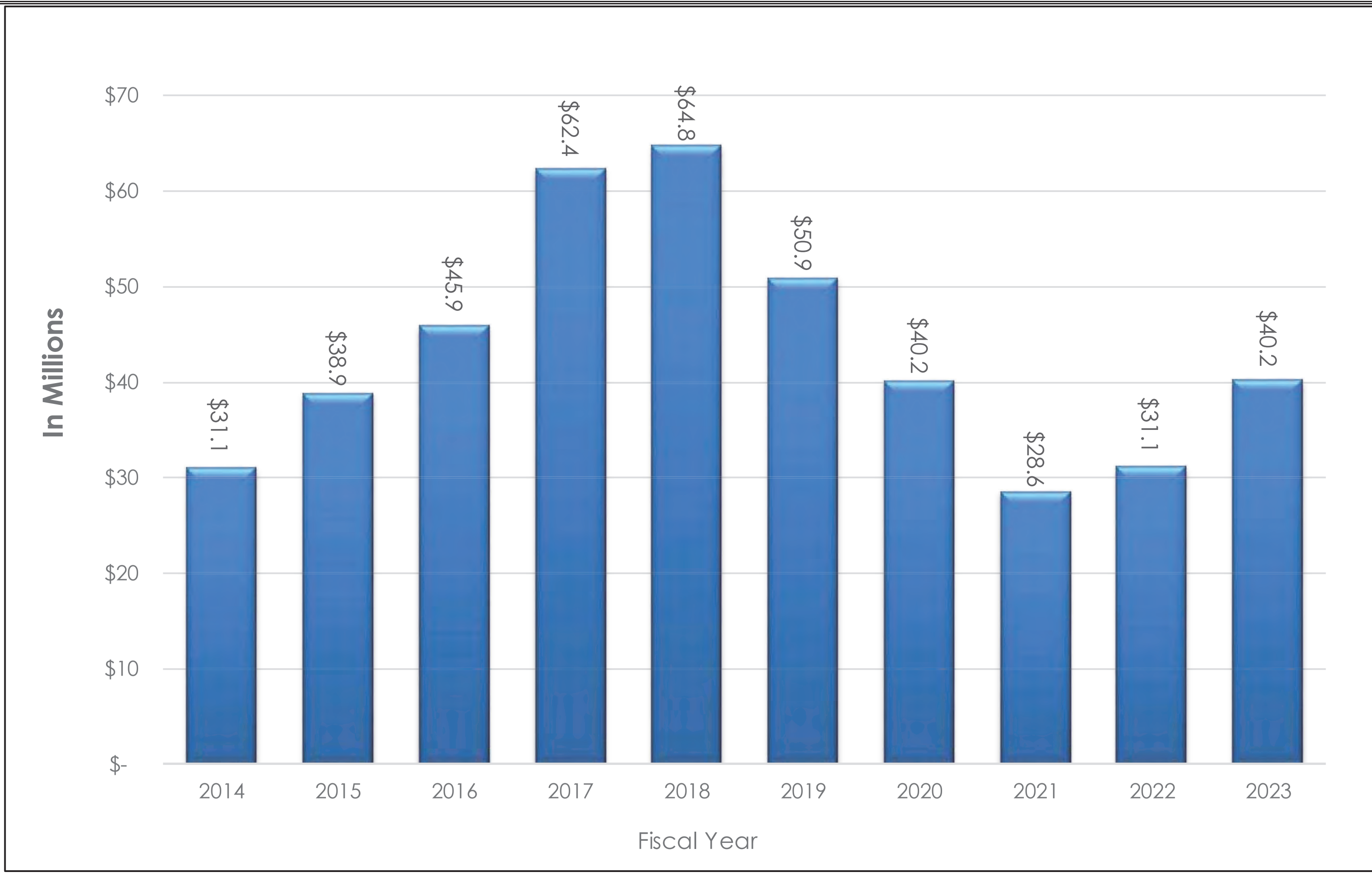
The Children's Trust

Chart-Total Government-wide Net Position

(Unaudited)

Last Ten Fiscal Years

(accrual basis of accounting)



The Children's Trust
General Governmental Revenues by Source and Other Financing Sources
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

For the Fiscal Years Ended September 30,

Revenue Source	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Ad valorem taxes	$ 93,382,166	$ 100,978,419	$ 109,390,359	$ 121,452,284	$ 122,509,168	$ 123,289,413	$ 139,040,709	$ 140,156,043	$ 162,597,700	$ 181,939,130
Investment earnings	223,088	494,365	383,094	762,253	1,397,650	2,414,442	1,312,355	256,447	288,123	4,448,744
Interlocal agreement	2,659,187	2,933,304	3,455,550	3,978,199	1,479,394	1,459,908	1,944,939	2,369,104	2,768,036	3,231,351
Settlement proceeds	-	-	-	-	-	-	-	-	180,000	-
Miscellaneous	138,070	147,746	164,392	227,140	308,096	359,107	148,891	248,780	359,866	612,591
Total Revenues	$ 96,402,511	$ 104,553,834	$ 113,393,395	$ 126,419,876	$ 125,694,308	$ 127,522,870	$ 142,446,894	$ 143,030,374	$ 166,193,725	$ 190,231,816
% change from prior year	5.0%	8.5%	8.5%	11.5%	-0.6%	1.5%	11.7%	0.4%	16.2%	14.5%
Other Financing Sources										
Lease (right-to-use asset) acquired	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,553,904	$ -
SBITA (right-to-use asset) acquired	-	-	-	-	-	-	-	-	-	566,987
Total Other Financing Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,553,904	$ 566,987
% change from prior year	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	-84.0%

Percentage of Total Revenues by Source and Other Financing Sources

Revenue Source	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Ad valorem taxes	96.9%	96.6%	96.5%	96.1%	97.5%	96.7%	97.6%	98.0%	97.8%	95.7%
Investment earnings	0.2%	0.5%	0.3%	0.6%	1.1%	1.9%	0.9%	0.2%	0.2%	2.3%
Interlocal agreement	2.8%	2.8%	3.1%	3.1%	1.2%	1.1%	1.4%	1.6%	1.7%	1.7%
Settlement proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Miscellaneous	0.1%	0.1%	0.1%	0.2%	0.2%	0.3%	0.1%	0.2%	0.2%	0.3%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other Financing Sources										
Lease (right-to-use asset) acquired	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%
SBITA (right-to-use asset) acquired	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Total Other Financing Sources	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%

Data Source:

Applicable years' annual comprehensive financial report.

Exhibit IV-A

The Children's Trust

Chart-Total General Governmental Revenues by Source and Other Financing Sources

(Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)

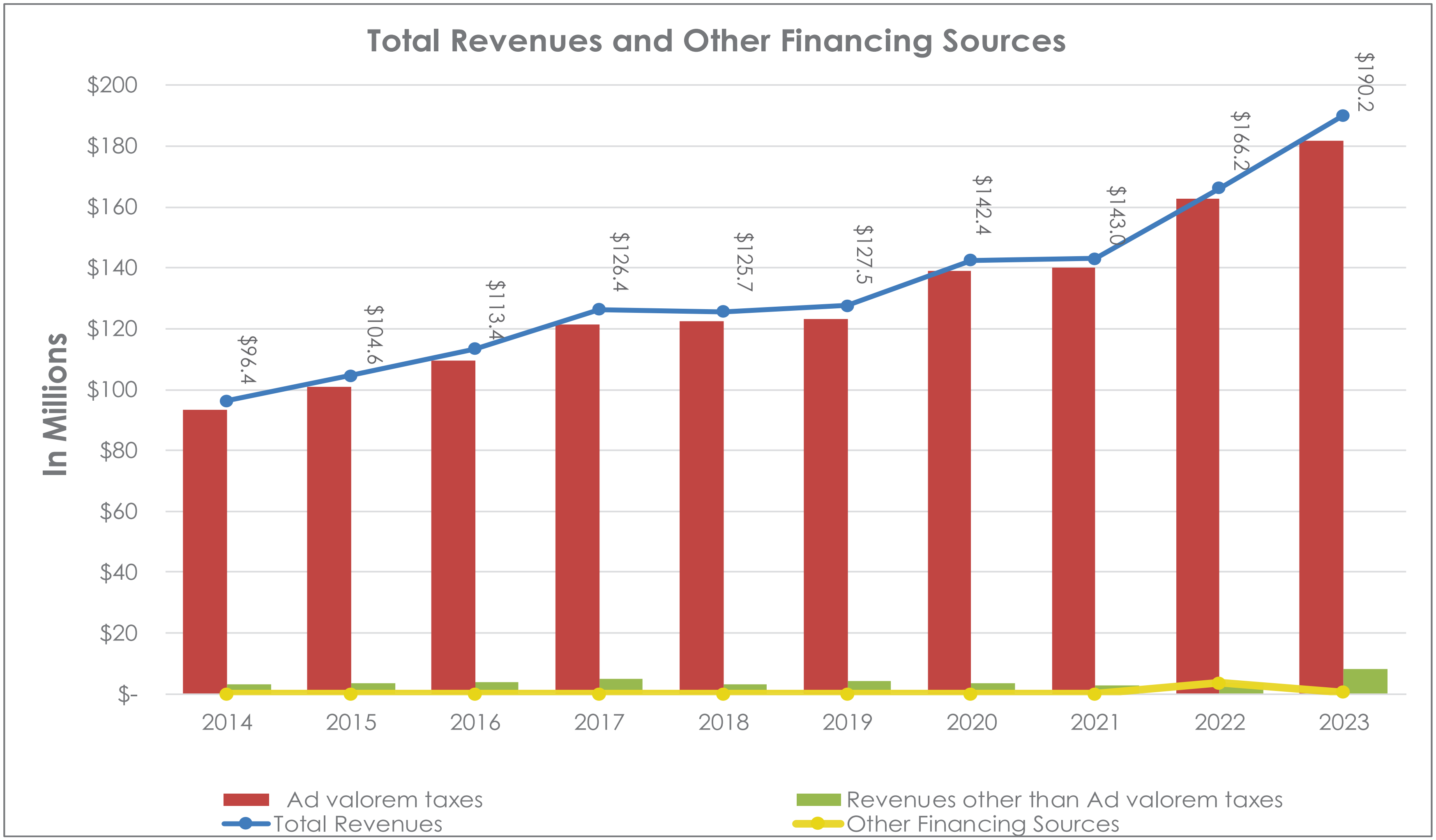


Exhibit V

The Children's Trust

General Governmental Expenditures by Function
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Years Ended September 30,									
Function	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Current:										
Personnel Costs:										
Salaries	$ 5,308,453	$ 5,491,478	$ 6,377,367	$ 5,977,428	$ 6,119,116	$ 6,419,586	$ 6,539,001	$ 6,725,811	$ 6,631,065	$ 7,213,562
Benefits	1,993,583	2,143,426	2,316,538	2,354,555	2,256,810	2,274,199	2,290,389	2,451,142	2,483,941	2,893,866
Total personnel costs	7,302,036	7,634,904	8,693,905	8,331,983	8,375,926	8,693,785	8,829,390	9,176,953	9,115,006	10,107,428
% Change From Prior Year	4.7%	4.6%	13.9%	-4.2%	0.5%	3.8%	1.6%	3.9%	-0.7%	10.9%
Provider Services	81,445,927	80,517,056	91,252,586	93,335,919	109,606,544	126,699,768	137,495,564	139,769,834	147,532,239	161,571,560
% Change From Prior Year	-1.3%	-1.1%	13.3%	2.3%	17.4%	15.6%	8.5%	1.7%	5.6%	9.5%
Operating:										
Professional services	82,034	115,990	153,662	35,132	78,700	44,288	62,360	67,616	58,850	68,831
Accounting/auditing/legal	218,235	213,595	216,492	319,297	319,875	318,186	243,139	268,294	206,483	232,939
Other contractual services	31,178	57,320	30,990	24,559	62,848	27,831	4,365	7,897	27,753	24,524
Travel, per diem and conferences	134,992	96,839	88,761	98,410	94,554	87,463	64,946	1,736	40,967	50,035
Communications and freight services	77,549	100,942	117,489	121,000	120,343	107,539	116,233	57,588	56,045	52,208
Rental and leases	493,757	502,221	510,852	474,133	385,803	392,217	400,912	401,780	5,916	6,044
Insurance	76,006	86,641	84,054	83,595	67,269	69,123	73,732	77,994	92,205	100,775
Postage and courier	10,532	9,521	8,893	7,775	5,428	6,038	9,186	8,534	5,551	4,912
Printing and binding	16,608	44,404	23,059	15,079	12,572	9,071	7,610	10,994	9,908	7,476
Office	20,204	23,638	18,256	8,368	10,056	9,140	8,201	7,611	5,655	6,498
Operating	76,840	64,909	73,502	64,412	97,183	46,696	37,229	40,610	46,016	38,532
Dues and fees	38,703	33,317	37,955	35,290	23,586	41,846	38,656	17,635	16,474	30,481
Lease principal payment	-	-	-	-	-	-	-	-	348,965	355,761
Lease interest payment	-	-	-	-	-	-	-	-	47,529	42,550
Other current charges and obligations	6,702	1,651	2,833	3,208	1,191	-	-	-	-	-
Total Operating	1,283,340	1,350,988	1,366,798	1,290,258	1,279,408	1,159,438	1,066,569	968,289	968,317	1,021,566
% Change From Prior Year	-0.3%	5.3%	1.2%	-5.6%	-0.8%	-9.4%	-8.0%	-9.2%	0.0%	5.5%
Capital Outlay	85,752	12,113	196,638	33,102	32,225	24,400	18,646	-	3,673,704	804,876
% Change From Prior Year	100.0%	-85.9%	1523.4%	-83.2%	-2.6%	-24.3%	-23.6%	-100.0%	100.0%	-78.1%
Non-operating Expenditures	3,609,718	3,936,952	4,546,478	6,220,217	3,803,729	3,832,138	4,491,280	5,015,795	5,651,259	6,550,621
% Change From Prior Year	6.0%	9.1%	15.5%	36.8%	-38.8%	0.7%	17.2%	11.7%	12.7%	15.9%
Total Expenditures	$ 93,726,773	$ 93,452,013	$ 106,056,405	$109,211,479	$123,097,832	$140,409,529	$ 151,901,449	$ 154,930,871	$ 166,940,525	$ 180,056,051
% Change From Prior Year	-0.4%	-0.3%	13.5%	3.0%	12.7%	14.1%	8.2%	2.0%	7.8%	7.9%

Data Source:

Applicable years' annual comprehensive financial report.

Exhibit VI

The Children's Trust

General Governmental Expenditures by Type

(Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)

For the Fiscal Years Ended September 30,

Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Current:										
Provider services	$ 81,445,927	$ 80,517,056	$ 91,252,586	$ 93,335,919	$109,606,544	$126,699,768	$137,495,564	$139,769,834	$ 147,532,239	$ 161,571,560
Personnel	7,302,036	7,634,904	8,693,905	8,331,983	8,375,926	8,693,785	8,829,390	9,176,953	9,115,006	10,107,428
Operating	1,283,340	1,350,988	1,366,798	1,290,258	1,279,408	1,159,438	1,066,569	968,289	968,317	1,021,566
Capital outlay	85,752	12,113	196,638	33,102	32,225	24,400	18,646	-	3,673,704	804,876
Non-operating	3,609,718	3,936,952	4,546,478	6,220,217	3,803,729	3,832,138	4,491,280	5,015,795	5,651,259	6,550,621
Total Expenditures	$ 93,726,773	$ 93,452,013	$106,056,405	$109,211,479	$123,097,832	$140,409,529	$151,901,449	$154,930,871	$ 166,940,525	$ 180,056,051
			Percentage of Total Expenditures							
Current:										
Provider services	86.9%	86.2%	86.0%	85.5%	89.1%	90.3%	90.5%	90.2%	88.4%	89.7%
Personnel	7.8%	8.2%	8.2%	7.6%	6.8%	6.2%	5.8%	5.9%	5.4%	5.6%
Operating	1.3%	1.4%	1.3%	1.2%	1.0%	0.8%	0.7%	0.6%	0.6%	0.6%
Capital outlay	0.1%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	2.2%	0.5%
Non-operating	3.9%	4.2%	4.3%	5.7%	3.1%	2.7%	3.0%	3.3%	3.4%	3.6%
Total Expenditures	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:

Applicable years' annual comprehensive financial report.

Exhibit VI-A

The Children's Trust

Chart-Total General Governmental Expenditures

(Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)

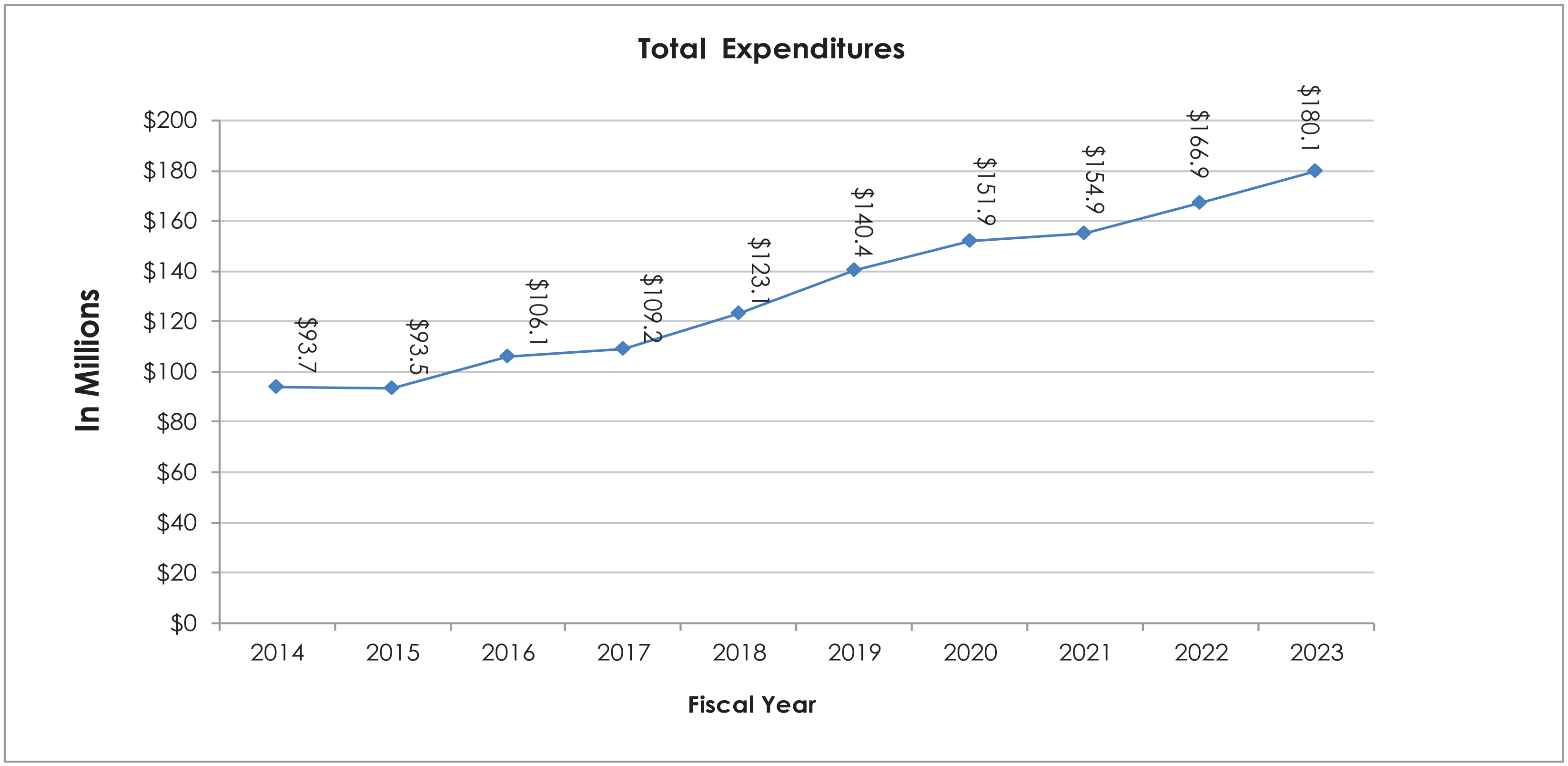


Exhibit VII

The Children's Trust

Summary of Changes in Fund Balance - Governmental Fund

(Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)

	For the Fiscal Years Ended September 30,									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Total Revenues	$ 96,402,511	$104,553,834	$113,393,395	$126,419,876	$125,694,308	$127,522,870	$142,446,894	$ 143,030,374	$ 166,193,725	$ 190,231,816
Total Expenditures	93,726,773	93,452,013	106,056,405	109,211,479	123,097,832	140,409,529	151,901,449	154,930,871	166,940,525	180,056,051
Other Financing Sources	-	-	-	-	-	-	-	-	3,553,904	566,987
Net Change in Fund Balance	$ 2,675,738	$ 11,101,821	$ 7,336,990	$ 17,208,397	$ 2,596,476	$ (12,886,659)	$ (9,454,555)	$ (11,900,497)	$ 2,807,104	$ 10,742,752

Data Source:

Applicable years' annual comprehensive financial report.

The Children's Trust

Chart-Summary of Changes in Fund Balance - Governmental Fund

(Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)

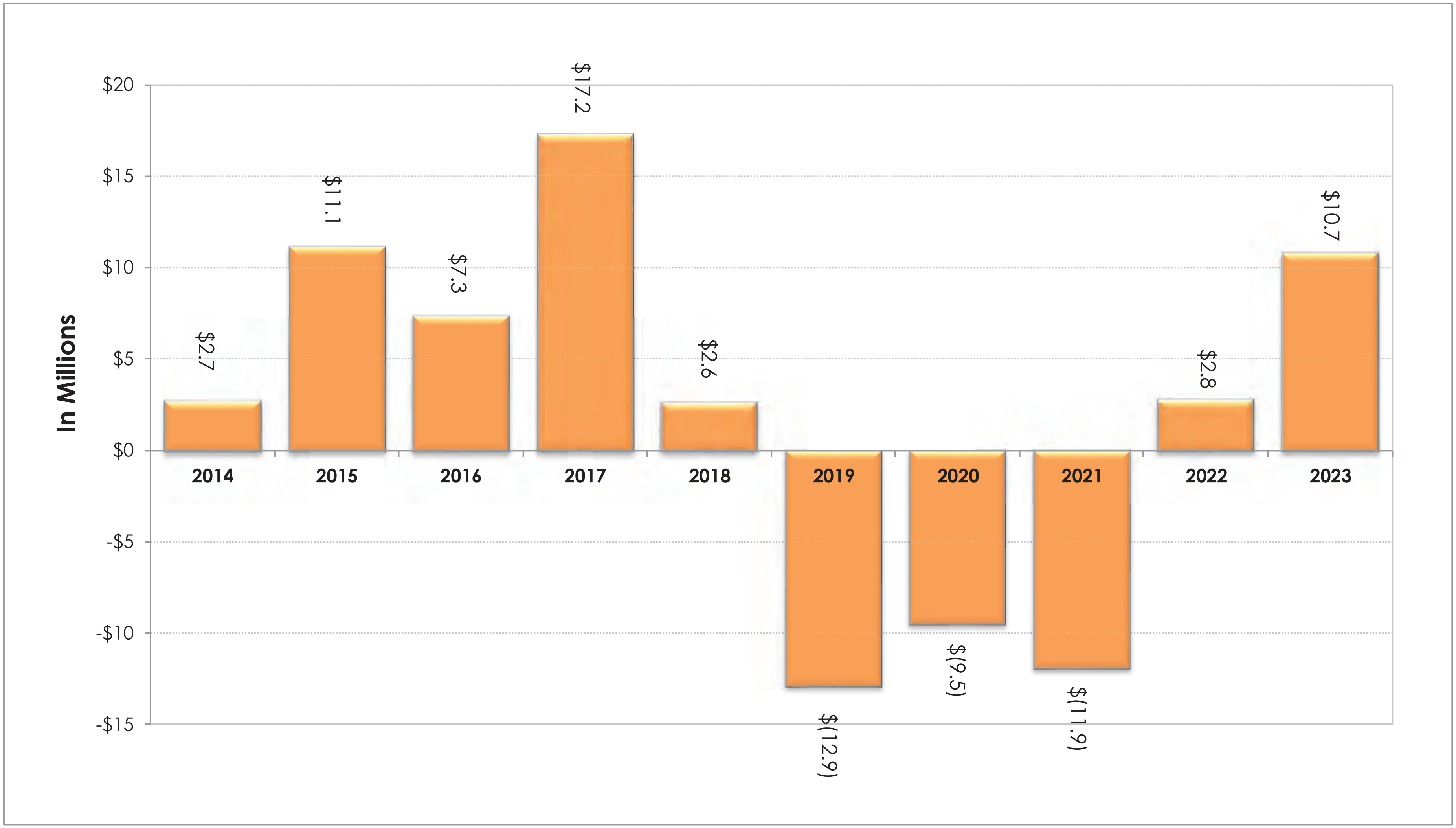


Exhibit VIII

The Children's Trust

Fund Balance - Governmental Fund

(Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)

	September 30,									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
General Fund:										
Nonspendable:										
Prepaid items	$ 4,094	$ 86,160	$ 38,727	$ 3,404	$ 68,050	$ 77,108	$ 2,352	$ 40,656	$ 37,904	$ 123,584
Restricted:										
Contracts	31,378,395	42,398,150	49,782,573	67,026,293	69,558,123	56,662,406	47,282,607	35,343,806	38,153,662	48,810,734
Total General Fund	$ 31,382,489	$ 42,484,310	$ 49,821,300	$ 67,029,697	$ 69,626,173	$ 56,739,514	$ 47,284,959	$ 35,384,462	$ 38,191,566	$ 48,934,318
General Fund % Change From Prior Year	9.32%	35.38%	17.27%	34.54%	3.87%	-18.51%	-16.66%	-25.17%	7.93%	28.13%

Data Source:

Applicable years' annual comprehensive financial report.

The Children's Trust

Actual Value and Assessed Value of Taxable Property by Type

(Unaudited)

Last Ten Fiscal Years

(in thousands)

	Real Property					Exemptions [1]				
Fiscal Year Ended September 30,	Residential Property	Commercial/ Industrial Property	Government/ Institution	Personal Property	Total Actual and Assessed Value of Taxable Property	Real Property Amendment 10 Excluded Value [2]	Real Property Other Exemptions	Personal Property	Total Taxable Assessed Value	Total The Children's Trust Tax Rate
2014	$ 168,994,844	$ 57,759,674	$ 23,096,629	$17,238,830	$ 267,089,977	$ 14,756,461	$ 55,380,823	$5,555,738	$ 191,396,955	0.5000
2015	196,063,548	61,020,542	24,451,075	18,050,702	299,585,867	25,683,760	62,359,146	5,676,420	205,866,541	0.5000
2016	225,419,272	68,407,631	26,216,817	18,447,758	338,491,478	36,988,381	70,316,704	5,659,546	225,526,847	0.5000
2017	251,922,449	74,772,583	28,085,673	18,992,073	373,772,778	46,537,562	74,497,769	5,705,672	247,031,775	0.5000
2018	268,024,739	81,589,778	29,629,048	19,489,946	398,733,511	50,050,209	74,238,845	5,819,653	268,624,804	0.4673
2019	280,291,822	87,286,260	30,206,220	20,145,146	417,929,448	51,811,572	74,785,838	5,947,123	285,384,915	0.4415
2020	288,830,204	93,489,643	30,739,343	21,558,602	434,617,792	50,682,429	74,389,035	6,000,159	303,546,169	0.4680
2021	296,927,807	97,142,940	31,525,292	18,011,248	443,607,287	49,129,880	73,726,215	2,395,608	318,355,584	0.4507
2022	311,915,883	99,493,699	32,292,331	18,934,714	462,636,627	52,349,149	74,326,443	2,506,977	333,454,058	0.5000
2023 [3]	371,895,333	133,445,166	34,844,880	20,047,059	560,232,438	85,704,713	96,305,525	2,575,641	375,646,559	0.5000

Notes:

[1] Exemptions for real property include: $25,000 homestead exemption; an additional $25,000 homestead exemption (excluding School Board taxes) starting in FY 2009; widows/widowers exemption; governmental exemption; disability/blind age 65 and older exemption; institutional exemption; economic development exemption and other exemptions as allowed by law.

[2] Amendment 10 was an amendment to the Florida Constitution in 1992 which capped the assessed value of properties with homestead exemption to increases of 3% per year or the Consumer Price Index, whichever is less (193.155, F.S.).

[3] Total actual and assessed values for FY 2023 reflect the Final 2022 Tax Roll.

The Final Certified Tax Roll for 2023 has not been released as of the date of this report.

***Data Source*:**

Miami-Dade County Property Appraiser

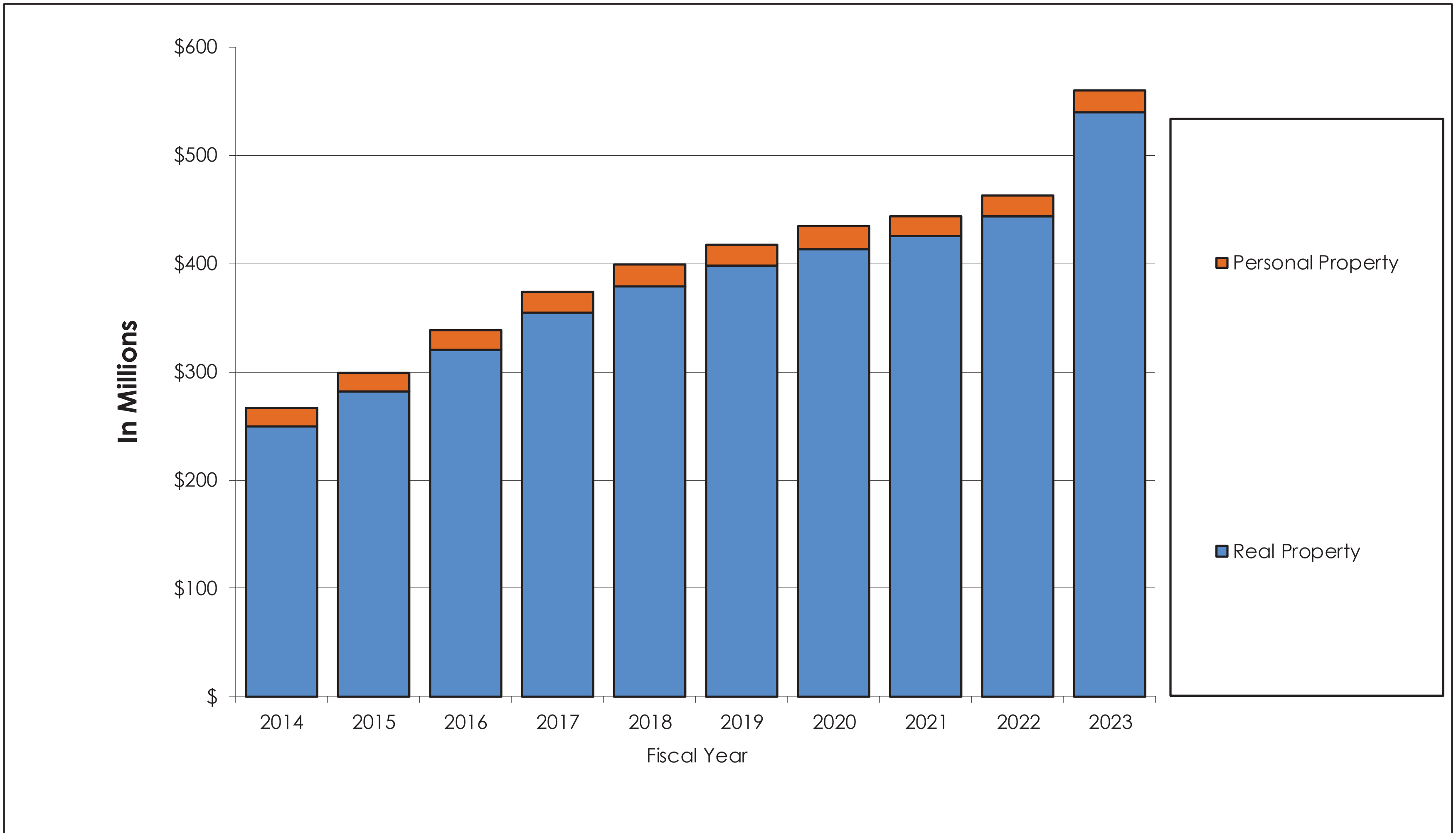
The Children's Trust

Chart-Total Actual Value and Assessed Value of Taxable Property by Type

(Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)



The Children's Trust

Direct and Overlapping Property Tax Rates
(Unaudited)
Last Ten Fiscal Years
(rate per $1,000 of assessed taxable value)

	Direct[2]	Overlapping Rates[1]													
		Miami-Dade County			Miami-Dade County School Board										
Fiscal Year	The Children's Trust	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Water Management District	Environmental Project	Okeechobee Basin	Special District	Fire and Rescue	Fire Debt	Total Direct and Overlapping Millage
2014	0.5000	4.7035	0.4220	5.1255	7.6440	0.3330	7.9770	0.3523	0.0587	-	0.0345	2.4496	0.0127	16.5103
2015	0.5000	4.6669	0.4500	5.1169	7.7750	0.1990	7.9740	0.1577	0.0548	0.1717	0.0345	2.4207	0.0114	16.4417
2016	0.5000	4.6669	0.4500	5.1169	7.4130	0.1990	7.6120	0.1459	0.0506	0.1586	0.0320	2.4207	0.0086	16.0453
2017	0.5000	4.6669	0.4000	5.0669	7.1380	0.1840	7.3220	0.1359	0.0471	0.1477	0.0320	2.4207	0.0075	15.6798
2018	0.4673	4.6669	0.4000	5.0669	6.7740	0.2200	6.9940	0.1275	0.0441	0.1384	0.0320	2.4207	0.0075	15.2984
2019	0.4415	4.6669	0.4644	5.1313	6.5040	0.2290	6.7330	0.1209	0.0417	0.1310	0.0320	2.4207	0.0000	15.0521
2020	0.4680	4.6669	0.4780	5.1449	6.9360	0.1930	7.1290	0.1103	0.0380	0.1192	0.0320	2.4207	0.0000	15.4621
2021	0.4507	4.6669	0.5075	5.1744	6.8290	0.1800	7.0090	0.1061	0.0365	0.1146	0.0320	2.4207	0.0000	15.3440
2022	0.5000	4.6202	0.4853	5.1055	6.4240	0.1650	6.5890	0.0948	0.0327	0.1026	0.0320	2.3965	0.0000	14.8531
2023	0.5000	4.5740	0.4355	5.0095	6.5660	0.1330	6.6990	0.0948	0.0327	0.1026	0.0288	2.3965	0.0000	14.8639

[1] Overlapping rates are those of governments that overlap The Trust's geographic boundaries.

[2] There is only one component of the direct tax rate, which is the operating millage rate, as the ordinance creating The Trust enables The Trust to levy a tax of no more than one-half (1/2) mill for the provision of children's services and programs.

Data Source:

Miami-Dade County Property Appraiser Office: http://www.miamidade.gov/pa/millage_tables.asp

Exhibit X-A

The Children's Trust

Chart-Direct and Overlapping Property Tax Rates

(Unaudited)

Last Ten Fiscal Years

(rate per $1,000 of assessed taxable value)

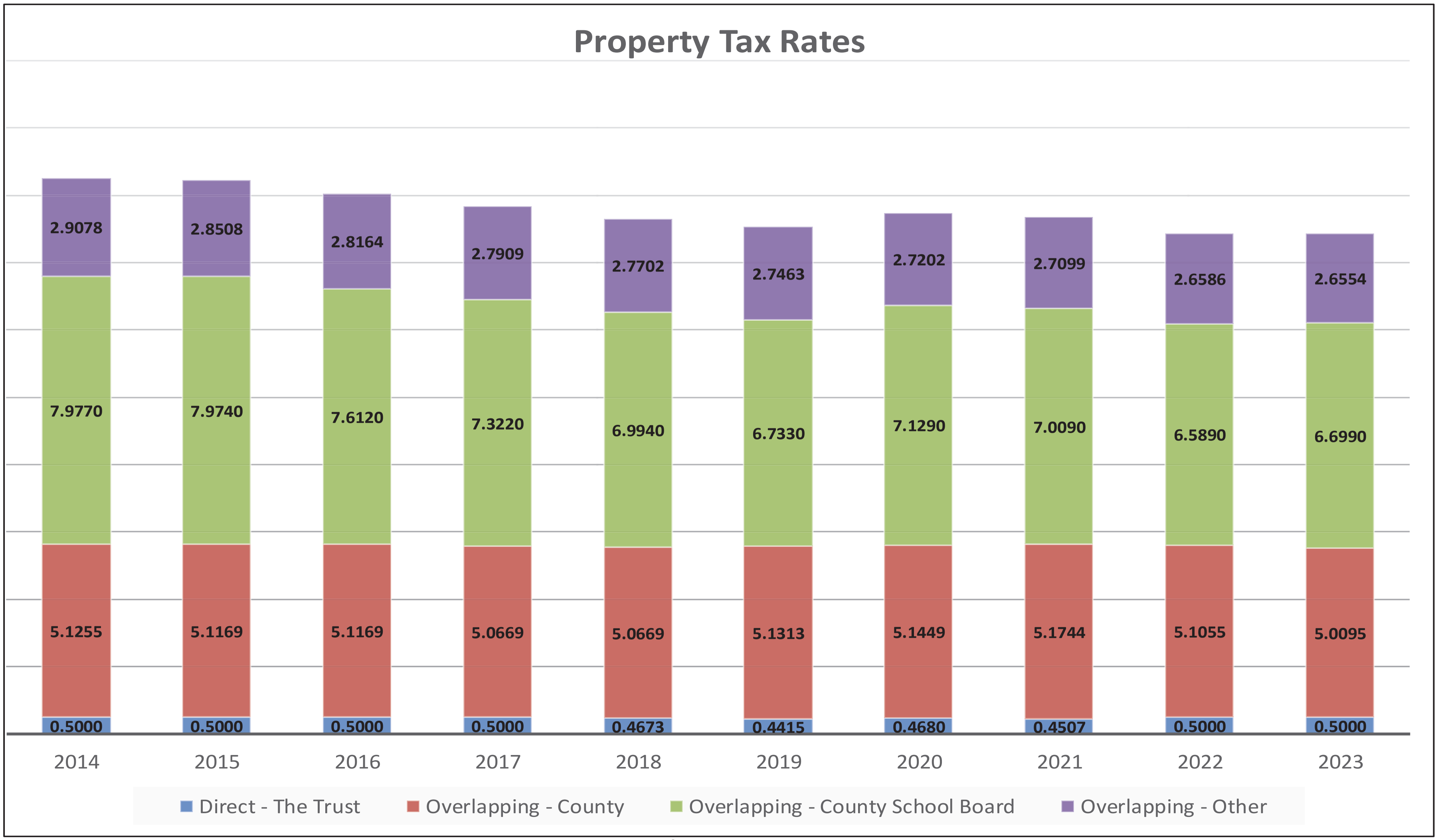


Exhibit XI

The Children's Trust

Total Property Tax Levies and Collections [1]
(Unaudited)
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Total Taxes Collected: Amount	Total Taxes Collected: Percentage of Levy	Total Uncollected Taxes: Amount	Total Uncollected Taxes: Percentage of Levy
2014	$ 99,554,399	$ 93,382,166	93.80%	$ 6,172,233	6.20%
2015	106,307,780	100,978,419	94.99%	5,329,361	5.01%
2016	116,239,802	109,390,359	94.11%	6,849,443	5.89%
2017	126,668,576	121,452,284	95.88%	5,216,292	4.12%
2018	128,355,889	122,509,168	95.44%	5,846,721	4.56%
2019	129,067,234	123,289,413	95.52%	5,777,821	4.48%
2020	145,503,907	139,040,709	95.56%	6,463,198	4.44%
2021	147,181,720	140,156,043	95.23%	7,025,677	4.77%
2022	170,030,217	162,597,700	95.63%	7,432,517	4.37%
2023	189,966,566	181,939,130	95.77%	8,027,436	4.23%

Notes:

[1] Information pertaing to the collections of property taxes in subsequent years is not available from the Miami Dade County Finance Department (the County), Tax Collector's Division. The Trust will include the subsequent year's collection information, on a prospective basis, at such time that this information becomes available from the County.

Data Source:

The Trust's Finance Department

The Children's Trust

Principal Real Property Taxpayers

(Unaudited)

Fiscal Years Ended September 30, 2023 and 2014

2023				2014			
Principal Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Principal Taxpayer**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Florida Power & Light Company	$ 7,910,604,555	1	2.11%	Florida Power & Light Company	$ 5,048,256,757	1	2.64%
Aventura Mall Venture	771,891,557	2	0.21%	AT&T	502,551,302	2	0.26%
Publix Supermarkets Inc.	583,878,021	3	0.16%	Aventura Mall Venture	443,226,640	3	0.23%
Dolphin Mall Assoc LTD PRTSHP	399,855,938	4	0.11%	SDG Dadeland Associates Inc TRS	329,816,614	4	0.17%
SDG Dadeland Associates Inc	393,289,370	5	0.10%	The Graham Companies	292,104,750	5	0.15%
Ponte Gadea Biscayne LLC	380,000,000	6	0.10%	Fontainbleau Florida Hotel LLC	289,285,904	6	0.15%
TWJ 1101 LLC	370,168,692	7	0.10%	Dolphin Mall Assoc LTD PRTSHP	278,300,000	7	0.15%
AT&T Corp	320,570,966	8	0.09%	Publix Supermarkets Inc	249,808,287	8	0.13%
Fontainbleau Florida Hotel LLC	307,047,125	9	0.08%	200 S Biscayne LLC	242,509,522	9	0.13%
PSBP Industrial LLC	289,160,560	10	0.08%	WRC Properties Inc	209,740,373	10	0.11%
Total Principal Taxpayers	11,726,466,784		3.12%	**Total Principal Taxpayers**	7,885,600,149		4.12%
All Other Taxpayers	363,920,092,216		96.88%	**All Other Taxpayers**	183,511,355,093		95.88%
Total	$ 375,646,559,000		100.00%	**Total**	$ 191,396,955,242		100.00%

Data Source:

Miami-Dade County Property Appraiser

Exhibit XIII

The Children's Trust
Demographic and Economic Statistics
(Unaudited)
Last Ten Calendar Years

Calendar Year	Population [1]	(in $1,000) Total Personal Income [2]	Per Capita Personal Income [2]	Median Age [1]	Unemployment Rate: County [3]	Unemployment Rate: State of Florida [3]	Unemployment Rate: United States [4]
2014	2,586,290	$ 111,528,866	$ 43,123	39	7.2%	6.3%	6.2%
2015	2,653,934	116,553,169	43,917	40	6.2%	5.4%	5.3%
2016	2,696,353	123,276,064	45,440	40	5.8%	4.9%	4.9%
2017	2,743,095	132,712,999	49,166	40	5.0%	4.4%	4.5%
2018	2,779,322	144,595,849	53,584	40	3.6%	3.7%	4.0%
2019	2,812,130	151,522,206	56,137	40	2.9%	3.3%	3.7%
2020	2,701,767	155,391,172	57,713	40	6.1%	7.3%	7.3%
2021	2,731,939	172,678,816	64,849	40	6.9%	5.4%	6.0%
2022	2,757,592	183,806,449	69,028	40	2.9%	3.2%	3.8%
2023	2,779,788	(1)	(1)	40	1.9%	2.7%	3.6%

Data Sources:

[1] 2014-2022, Miami-Dade County annual comprehensive financial report; 2022 estimated by management.

[2] 2014-2021, Miami-Dade County annual comprehensive financial report; 2022 estimated by management.

[3] Real Estate Center: https://www.recenter.tamu.edu/data/employment/#!/state/Florida

[4] U.S. Department of Labor, Bureau of Labor Statistics:
http://data.bls.gov/timeseries/LNU04000000?years_option=all_years&periods_option=specific_periods&periods=Annual+Data

(1) Information not available as of the date of this report.

Exhibit XIV

The Children's Trust
Principal Employers
(Unaudited)
For the Fiscal Years Ended September 30, 2023 and 2014

Employer	Business	2023 [1] Number of Employees	2023 [1] % of Total County Employment	Rank
Miami-Dade County Public Schools	Education	39,959	2.91%	1
Miami-Dade County	Local Government	27,862	2.03%	2
University of Miami	Education	19,996	1.46%	3
Publix Super Markets	Retail	12,524	0.91%	4
Jackson Memorial Hospital	Health Care	12,173	0.89%	5
American Airlines	Aviation	11,102	0.81%	6
Miami-Dade College	Education	7,111	0.52%	7
Florida International University	Education	6,608	0.48%	8
United State Postal Service	Federal Government	5,134	0.37%	9
Baptist Health South Florida	Health Care	5,133	0.37%	10
Total Principal Employers		147,602	10.75%	

Employer	Type of Business	2014 Number of Employees	2014 % of Total County Employment	Rank
Miami-Dade County Public Schools	Education	33,477	2.61%	1
Miami-Dade County	Government	25,502	1.99%	2
U.S. Federal Government	Government	19,200	1.50%	3
Florida State Government	Government	17,100	1.33%	4
University of Miami	Healthcare	12,818	1.00%	5
Baptist Health South Florida	Healthcare	11,353	0.88%	6
American Airlines	Aviation	11,031	0.86%	7
Jackson Health System	Healthcare	9,797	0.76%	8
Publix Super Markets	Retail	4,604	0.36%	9
City of Miami	Government	3,997	0.31%	10
Total Principal Employers		148,879	11.60%	

Data Source:

Miami-Dade County, Florida 2022 annual comprehensive financial report

[1] Information is based on data from 2022. The data for year 2023 is not available as of the date of this report.

Miami-Dade County, Florida 2014 annual comprehensive financial report

Exhibit XV

The Children's Trust

Full-time Employees by Function/Program

(Unaudited)

Last Ten Fiscal Years

	Fiscal Years									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Function/program										
Executive	2	2	2	2	2	2	2	2	9	8
Programs	33	24	26	23	26	27	24	26	24	24
Operations	10	12	13	10	10	10	10	10	8	7
Finance	13	14	12	12	13	14	14	14	13	13
Research and Evaluation	11	13	13	13	15	15	15	15	12	11
Information Systems	8	7	3	4	5	5	5	5	5	9
Public Policy, Community Engagement and Communications	7	11	12	11	11	11	12	13	11	13
Total Employees	84	83	81	75	82	84	82	85	82	85
Percentage Change From Prior Year	0.0%	-1.2%	-2.4%	-7.4%	9.3%	2.4%	-2.4%	3.7%	-3.5%	3.7%

Data Source:

The Trust's Finance Department

Exhibit XVI

The Children's Trust

Operating Statistics by Program

(Unaudited)

Last Ten Fiscal Years

Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Fiscal Years									
SUSTAIN AND EXPAND DIRECT SERVICES										
Parenting programs	22	31	31	35	48	54	51	49	48	53
Thrive by 5 (early childhood development)	32	20	23	33	22	32	31	35	32	28
Youth development	128	112	113	119	175	177	175	173	172	173
Health and wellness	33	15	16	18	28	24	24	26	23	22
Family and neighborhood supports	23	22	21	18	21	20	20	19	19	25
Total sustain and expand direct services	238	200	204	223	294	307	301	302	294	301
COMMUNITY AWARENESS AND ADVOCACY										
Promote public policy and legislative agendas	4	-	-	-	-	-	-	-	-	-
Public awareness and program promotion	-	-	-	-	-	-	-	-	-	-
Promote citizen engagement and leadership to improve child and family conditions	-	3	3	3	-	-	-	-	37	91
Cross-funder collaboration of goals, strategies and resources	6	4	4	3	7	11	14	13	9	8
Total community awareness and advocacy	10	7	7	6	7	11	14	13	46	99
PROGRAM AND PROFESSIONAL DEVELOPMENT										
Supports for quality program implementation	1	2	25	24	2	26	23	22	4	6
Information technology	-	-	-	-	-	-	-	-	-	-
Program evaluation and community research	1	1	-	-	-	-	-	-	-	-
Innovation fund	-	-	5	5	-	12	16	22	22	17
Total program and professional development	2	3	30	29	2	38	39	44	26	23
TOTAL	250	210	241	258	303	356	354	359	366	423

Data Source:

The Trust's Finance Department

Exhibit XVII

The Children's Trust

Capital Asset Statistics

(Unaudited)

Last Ten Fiscal Years

	Fiscal Years									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Computers:										
Computers	9	9	2	2	-	-	-	-	-	-
Laptops	86	88	94	94	66	34	46	46	12	-
Printers	21	21	21	21	20	13	13	13	-	-
Servers	29	29	33	33	2	2	2	2	2	1
Routers	10	10	13	13	6	9	9	9	2	1
Software/licenses	6	12	17	18	6	6	6	6	1	-
Other	7	7	2	3	3	4	4	4	2	-
Software development (work in progress)	-	-	-	-	-	-	-	-	-	1
	168	176	182	184	103	68	80	80	19	3
Furniture and Equipment:										
Projectors	2	2	6	6	6	5	5	5	-	-
Televisions	-	-	-	-	3	3	3	3	3	3
Telephones	2	2	-	-	-	-	-	-	-	-
Chairs/desks	8	8	8	8	8	8	8	8	8	8
Cameras	-	-	2	2	2	2	2	2	2	2
Boating equipment	8	8	-	-	-	-	-	-	-	-
Dental equipment	39	39	39	39	39	39	39	39	-	-
Playground/sports equipment	13	13	9	9	1	1	1	1	-	-
Kitchen equipment	6	6	1	1	-	-	-	-	-	-
Vehicles	-	-	-	-	-	1	1	1	1	1
Air Conditioning Units	-	-	-	-	1	1	1	1	1	1
Other furniture & equipment	13	13	9	11	8	6	6	6	11	10
	91	91	74	76	68	66	66	66	26	25
Right-to-use Asset:										
Office space	-	-	-	-	-	-	-	-	1	1
SBITA	-	-	-	-	-	-	-	-	-	1
	-	-	-	-	-	-	-	-	1	2
Total	259	267	256	260	171	134	146	146	46	30

Data Source:

The Trust's Finance Department

Compliance Section

MSL

Certified Public Accountants

INDEPENDENT AUDITOR'S 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*

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

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 the governmental activities and the General Fund of The Children's Trust (the "Trust") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Trust's basic financial statements, and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

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

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Trust's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements, and contracts, 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*.

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General*, we reported certain matters to management of the Trust in a separate management letter and Independent Accountant's Report dated March 8, 2024.

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 results of that testing, and not to provide an opinion on the effectiveness of the entity'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.

MSL, P.A.
Certified Public Accountants

Fort Lauderdale, Florida
March 8, 2024

MSL
Certified Public Accountants

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

Report on the Financial Statements

We have audited the financial statements of The Children's Trust (the "Trust"), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon March 8, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United State and Chapter 10.550, *Rules of the Auditor General.*

Other Reporting Requirements

We have also issued our Independent Auditor's 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;* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards,* AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports and schedule, which are dated March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General,* requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General,* requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Trust has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the Trust did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the Trust's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes. The information below has not been subject to auditing procedures, therefore no assurance is given on the provided information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, the Trust reported:

a. The total number of Trust employees compensated in the last pay period of the Trust's fiscal year as 83.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Trust's fiscal year as 151.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $7,213,562.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $6,810,280.

e. Each construction project with a total cost of at least $65,000 approved by the Trust that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as none.

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Trust amends a final adopted budget under Section 189.016(6), Florida Statutes, as noted in the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund.

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

Specific Information For an Independent Special District that Imposes Ad Valorem Taxes

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)7., *Rules of the Auditor General,* the Trust reported:

a. The millage rate or rates imposed by the Trust as 0.500.
b. The total amount of ad valorem taxes collected by or on behalf of the Trust as $181,939,130.
c. The total amount of outstanding bonds issued by the Trust and the terms of such bonds as $0.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Finance and Operations Committee, the Board Members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.
Certified Public Accountants

Fort Lauderdale, Florida
March 8, 2024

MSL

Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

To the Finance and Operations Committee, Members of the Board
of Directors and the Chief Executive Officer
The Children's Trust

We have examined The Children's Trust's (the "Trust") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2023. Management is responsible for the Trust's compliance with those requirements. Our responsibility is to express an opinion on the Trust's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Trust complied, in all material respects, with the specific requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Trust complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, include an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Trust's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Trust complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

MSL, P.A.

Certified Public Accountants

Fort Lauderdale, Florida
March 8, 2024

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TheChildrensTrust.org

Mission

The Children's Trust partners with the community to plan, advocate for and fund strategic investments that improve the lives of all children and families in Miami-Dade County.