2025

Children’s Trust of Alachua County

Financial Statements and Independent Auditor’s Report

September 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

CHILDREN'S TRUST OF ALACHUA COUNTY

SEPTEMBER 30, 2025

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT

To CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Children's Trust of Alachua County (CTAC) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise CTAC'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 each major fund of CTAC as of September 30, 2025, and the respective changes in financial position, for the 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 CTAC 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 CTAC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities 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 CTAC'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 CTAC'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise CTAC's basic financial statements. The accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2026, on our consideration of CTAC'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 solely 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 the effectiveness of CTAC's 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 CTAC's internal control over financial reporting and compliance.

Purvis Gray

June 5, 2026
Gainesville, Florida

MANAGEMENT’S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Children's Trust of Alachua County (CTAC) management's discussion and analysis presents an overview of CTAC's financial activities for the fiscal year ended September 30, 2025. CTAC's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

Government-Wide Statements

- CTAC's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2025, by $11,265,725, the net position. Of this amount, $8,946,923 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

Fund Statements

- At September 30, 2025, CTAC's governmental funds reported a combined ending fund balance of $10,007,835, a decrease of $1,489,666 from the prior fiscal year.
- At September 30, 2025, the total fund balance for the General Fund was $8,813,116. CTAC's General Fund assigned ending fund balance totaled $3,594,174; with $2,756,844 assigned for grants outstanding and carried over to fiscal year 2026 and $837,330 assigned for subsequent year's reserves.
- At September 30, 2025, the total fund balance for the Special Revenue Fund was $194,324, which is all restricted externally by the contributors. The total fund balance for the Capital Projects Fund was $1,000,395, which is all assigned for capital projects.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to CTAC's basic financial statements. CTAC's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of CTAC's finances, in a manner similar to a private sector business.

- The Statement of Net Position presents financial information on all of CTAC's assets and deferred outflows of resources and liabilities and deferred inflows of 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 CTAC is strengthening or weakening.
- The Statement of Activities presents information showing how the government's net position changed during fiscal year 2025. All changes in net position are reported as soon as the event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused paid time off).

The government-wide financial statements can be found on pages 10-11 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fund Financial Statements
A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. CTAC, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All CTAC funds are governmental funds.

Governmental Funds
Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the 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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. CTAC maintains three individual governmental funds; General Fund, Special Revenue Fund, and the Capital Projects Fund.

CTAC adopts an annual budget for all funds. Budgetary comparison schedules have been provided to demonstrate budgetary compliance, which is in the Required Supplementary Information on pages 33-34 and Supplementary Information on page 38 of this report.

Notes to the Financial Statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16-32 of this report.

Other Information
Required pension fund information is shown on pages 35-36 and required OPEB information is shown on page 37.

Government-Wide Financial Analysis
Changes in net position over time may serve as a useful indicator of a government's financial position. In the case of CTAC, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $11,265,725 as of September 30, 2025.

Condensed Financial Information

The following tables present condensed, government-wide comparative data about net position and changes in net position.

NET POSITION

September 30	Governmental Activity 2024	Governmental Activity 2025	Change
Assets			
Current Assets	$ 13,963,341	$ 12,889,272	$ (1,074,069)
Non-Current Assets	2,059,103	2,124,478	65,375
Total Assets	16,022,444	15,013,750	(1,008,694)
Deferred Outflows of Resources	678,901	645,552	(33,349)
Liabilities			
Current Liabilities	2,538,559	2,930,574	392,015
Long-Term Liabilities	1,240,127	1,240,777	650
Total Liabilities	3,778,686	4,171,351	392,665
Deferred Inflows of Resources	111,466	222,226	110,760
Net Position			
Invested in Capital Assets	2,024,435	2,118,208	93,773
Net Invested in Right-to-Use Assets	826	6,270	5,444
Restricted:			
Special Revenue Fund	88,829	194,324	105,495
Unrestricted	10,697,103	8,946,923	(1,750,180)
Total Net Position	$ 12,811,193	$ 11,265,725	$ (1,545,468)

At the end of the year, any of CTAC's net position that is unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

Unrestricted net position decreased by $1,750,180 over the prior fiscal year. Total net position decreased by $1,545,468 over the prior fiscal year. The decrease was primarily attributable to strategic programmatic investments, augmentation of directed resources toward community initiatives and improvement of the newly acquired administrative facility, which exceeded growth in ad valorem tax revenues and other revenues during the fiscal year. Ad valorem tax revenues remained CTAC's primary source of funding and increased as a result of continued growth in the local tax base. Management continues to maintain a strong financial position while utilizing available resources to advance CTAC's strategic priorities and mission-driven investments that support children, youth, and families throughout Alachua County.

The Special Revenue Fund ended the year with $194,324 in restricted net position. This has been restricted for specific programming and revenue generated from third party sources.

CHANGES IN NET POSITION

	Governmental Activity 2024	Governmental Activity 2025	Change
Program Expenses			
Program - Children's Services	$ 8,577,773	$ 11,136,384	30%
Administration	1,572,838	1,829,955	16%
Interest Expense	3,399	1,611	-53%
Unallocated - Amortization Expense	27,736	25,083	-10%
Total Program Expenses	10,181,746	12,993,033	28%
Program Revenues			
Operating Grants and Contributions	371,759	406,753	9%
Total Program Revenues	371,759	406,753	9%
Net Program (Expense) Revenue	(9,809,987)	(12,586,280)	28%
General Revenues			
Ad Valorem Taxes	9,478,822	10,163,016	7%
Intergovernmental Revenues	-	112,500	100%
Interest and Other Income	837,281	765,296	-9%
Total General Revenues	10,316,103	11,040,812	7%
Change in Net Position	506,116	(1,545,468)	-405%
Net Position - Beginning of Year	12,305,077	12,811,193	4%
Net Position - End of Year	$ 12,811,193	$ 11,265,725	-12%

Governmental Activities

Program Revenues – CTAC recognized intergovernmental and private grant awards in fiscal year 2025 in the amount of $406,753.

General Revenues – CTAC's primary operating revenue source is property taxes and for the year ended September 30, 2025, CTAC collected $10,163,016 in taxes. CTAC earned $765,296 in interest earnings on investment of surplus funds and other sources of income. Interest and other income totaled $765,296 during fiscal year 2025, a decrease of $71,985 from the prior year. The decrease was primarily attributable to lower market interest rates and changes in investment yields compared to fiscal year 2024. Despite the decrease, investment earnings continued to provide a meaningful supplemental revenue source due to CTAC's strong cash and investment position. The increase in intergovernmental revenue compared to the prior fiscal year is primarily driven by additional grant and collaborative funding received to support targeted community initiatives, such as Early Learning and Literacy. The increase reflects expanded programmatic activity and corresponding resource commitments associated with these externally funded efforts.

Net Position – The CTAC's total ending net position is $11,265,725. CTAC's net position decreased by $1,545,468 over the prior fiscal year**.** The decrease was primarily attributable to augmented directed funding for Grants and Aid expenditures, which increased by approximately $2.56 million (30%) compared to the prior year, reflecting expanded investments in programs supporting children, youth, and families. In addition, capital improvements to the administrative facility contributed to higher expenditures which exceeded growth in ad valorem tax revenues and other revenues during the fiscal year. Ad valorem tax revenues remained CTAC's primary source of funding and increased as a result of continued growth in the local tax base. While fiscal year 2025 resulted in a planned decrease in net position, CTAC continues to maintain a strong financial position while utilizing available resources to advance CTAC's strategic priorities and mission-driven investments that support children, youth, and families throughout Alachua County.

Fund Financial Analysis
CTAC uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements.

Governmental Funds
The primary purpose of CTAC's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing CTAC's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

CLASSIFICATIONS OF FUND BALANCE

	General Fund	Special Revenue Fund	Capital Projects Fund
Total Fund Balance	$ 8,813,116	$ 194,324	$ 1,000,395
Less Classified Fund Balance			
Restricted:			
Pritzker Grant	-	77,923	-
Early Learning Coalition Grant	-	9,500	-
Collaborative Task Force	-	106,901	-
Assigned For:			
Grants Carryover to Fiscal Year 2026	2,756,844	-	-
Subsequent Year's Reserve	837,330	-	-
Capital Projects	-	-	1,000,395
Unassigned Fund Balance	$ 5,218,942	$ -	$ -

As of the end of fiscal year 2025, CTAC's governmental fund reported an ending fund balance of $10,007,835, a decrease of $1,489,666 over the prior year.

Major Funds
CTAC reported three major funds - the General Fund, Special Revenue Fund, and Capital Projects Fund for the year ended September 30, 2025.

The General Fund is the chief operating fund of CTAC. The total fund balance at September 30, 2025, is $8,813,116. For the fiscal year, the General Fund had a net decrease in fund balance of $1,499,713. The fund balance decrease is primarily attributable to budgeted increases in strategic programmatic investments and community initiatives. As a measure of the General Fund's liquidity, it is useful to compare total fund balance to total fund revenues. For fiscal year 2025, the ending fund balance represents 81.1% of total General Fund operating revenue. Despite the planned decrease in fund balance, CTAC maintained a strong liquidity position with over $5.2 million in unassigned fund balance and total governmental fund balance exceeding $10.0 million at year end.

The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The total Special Revenue Fund Balance at September 30, 2025, is $194,324. For the fiscal year, the Special Revenue Fund had a net increase in fund balance of $105,495. This increase was due to flow of revenues and expenditures related to specific programs and initiatives in the current and prior years.

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and infrastructure. The total Capital Projects Fund Balance at September 30, 2025, is $1,000,395. For the fiscal year, the Capital Projects Fund had a net decrease in fund balance of $95,448. This decrease was primarily due to continued implementation of CTAC's long-term strategic infrastructure plan through investment in its administrative facility and related capital improvements. While these expenditures reduced available current financial resources and contributed to a decrease in governmental fund balance and unrestricted net position, the investments support CTAC's long-term operational capacity and service delivery objectives.

General Fund Budgetary Highlights

The General Fund's total final budget (see schedule on page 33) reflects all amendments approved during the fiscal year.

Overall actual revenues varied from final budgeted revenues positively by $348,062. This positive variance is primarily due to interest income coming in higher than budgeted. Actual expenditures were less than final budgeted expenditures by $4,224,609 (positive variance).

Economic Factors and Next Year's Budgets and Rates

- Total taxable assessed value of residential properties increased 7.73% for fiscal year 2025.
- Population increased by approximately 0.73% from the prior calendar year to an estimated 298,485.

Management continues to monitor property value growth, inflationary pressures affecting service providers, labor market conditions, and proposed legislative changes impacting Florida property tax structures. As ad valorem taxes represent CTAC's primary funding source, changes in assessed values, millage limitations, or homestead exemption provisions could affect future revenues. CTAC remains committed to maintaining prudent reserves and evaluating long-term funding strategies to support program sustainability and service delivery.

The ad valorem tax rate for the General Fund for the upcoming 2026 fiscal year budget is 0.45 mills.

Requests for Information

This financial report is designed to present users with a general overview of CTAC's finances. If you have questions concerning any of the information provided in this report or need additional financial information, please contact the Children's Trust of Alachua County, Finance and Accounting, 4010 NW 25th Place, Gainesville, Florida 32606. Additional financial information can be found on CTAC's website: https://www.childrenstrustofalachuacounty.us/.

BASIC FINANCIAL STATEMENTS

CHILDREN'S TRUST OF ALACHUA COUNTY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Assets	
Current Assets:	
Cash and Cash Equivalents	$ 12,858,696
Due from Other Governments	30,576
Total Current Assets	12,889,272
Non-Current Assets:	
Capital Assets, Net	2,118,208
Right-to-Use Assets, Net	6,270
Total Non-Current Assets	2,124,478
Total Assets	15,013,750
Deferred Outflows of Resources	
Pension Related	537,220
OPEB Related	108,332
Total Deferred Outflows of Resources	645,552
Liabilities	
Current Liabilities:	
Accounts Payable and Accrued Liabilities	54,197
Grants Payable	2,780,721
Due to Other Governments	6,362
Unearned Revenue	40,157
Current Portion of Long-Term Debt:	
Accrued Compensated Absences	49,137
Total Current Liabilities	2,930,574
Non-Current Liabilities:	
Accrued Compensated Absences	16,379
Net Pension Liability	1,017,265
Net OPEB Liability	207,133
Total Non-Current Liabilities	1,240,777
Total Liabilities	4,171,351
Deferred Inflows of Resources	
Pension Related	197,401
OPEB Related	24,825
Total Deferred Inflows of Resources	222,226
Net Position	
Invested in Capital Assets	2,118,208
Net Invested in Right-to-Use Assets	6,270
Restricted:	
Special Revenue Fund	194,324
Unrestricted	8,946,923
Total Net Position	$ 11,265,725

See accompanying notes.

CHILDREN'S TRUST OF ALACHUA COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Program Expenses	
Program - Children's Services	$ 11,136,384
Administration	1,829,955
Interest Expense	1,611
Unallocated - Amortization Expense	25,083
Total Program Expenses	12,993,033
Program Revenues	
Operating Grants and Contributions	406,753
Total Program Revenues	406,753
Net Program (Expense) Revenue	(12,586,280)
General Revenues	
Ad Valorem Taxes	10,163,016
Intergovernmental Revenue	112,500
Interest and Other Income	765,296
Total General Revenues	11,040,812
Change in Net Position	(1,545,468)
Net Position - Beginning of Year	12,811,193
Net Position - End of Year	$ 11,265,725

See accompanying notes.

CHILDREN'S TRUST OF ALACHUA COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash and Cash Equivalents	$ 11,578,711	$ 279,590	$ 1,000,395	$ 12,858,696
Due from Other Governments	30,576	-	-	30,576
Total Assets	11,609,287	279,590	1,000,395	12,889,272
Liabilities				
Accounts Payable and Accrued Liabilities	46,697	7,500	-	54,197
Grants Payable	2,743,112	37,609	-	2,780,721
Due to Other Governments	6,362	-	-	6,362
Unearned Revenue	-	40,157	-	40,157
Total Liabilities	2,796,171	85,266	-	2,881,437
Fund Balances				
Restricted:				
Pritzker Grant	-	77,923	-	77,923
Early Learning Coalition Grant	-	9,500	-	9,500
Collaborative Task Force	-	106,901	-	106,901
Assigned:				
Grants Outstanding and Carryover to Fiscal Year 2026	2,756,844	-	-	2,756,844
Subsequent Year's Reserves	837,330	-	-	837,330
Capital Projects	-	-	1,000,395	1,000,395
Unassigned	5,218,942	-	-	5,218,942
Total Fund Balances	8,813,116	194,324	1,000,395	10,007,835
Total Liabilities and Fund Balances	$ 11,609,287	$ 279,590	$ 1,000,395	$ 12,889,272

See accompanying notes.

CHILDREN'S TRUST OF ALACHUA COUNTY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Fund Balances - Total Governmental Funds		$ 10,007,835
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Capital Assets	$ 2,197,915	
(Accumulated Depreciation)	(79,707)	2,118,208
Right-to-Use Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Right-to-Use Assets	75,249	
(Accumulated Amortization)	(68,979)	6,270
Deferred outflows and inflows of resources do not affect current financial resources, and, therefore, are not reported in the government funds. Deferred outflows and inflows of resources at year-end consist of:		
Deferred Outflows Related to Pensions	537,220	
Deferred Outflows Related to OPEB	108,332	
Deferred Inflows Related to Pensions	(197,401)	
Deferred Inflows Related to OPEB	(24,825)	423,326
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities at year-end consist of:		
Accrued Compensated Absences	(65,516)	
Net Pension Liability	(1,017,265)	
Net OPEB Liability	(207,133)	(1,289,914)
Net Position of Governmental Activities		$ 11,265,725

See accompanying notes.

CHILDREN'S TRUST OF ALACHUA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
Ad Valorem Taxes	$ 10,163,016	$ -	$ -	$ 10,163,016
Intergovernmental Revenues	-	112,500	-	112,500
Contributions From Private Sources	-	406,753	-	406,753
Interest and Other Income	701,596	8,311	55,389	765,296
Total Revenues	10,864,612	527,564	55,389	11,447,565
Expenditures				
Program - Children's Services:				
Operating	1,327,914	9,717	-	1,337,631
Capital Outlay	-	-	150,837	150,837
Grant Awards	9,271,047	412,352	-	9,683,399
Total Program - Children's Services	10,598,961	422,069	150,837	11,171,867
Administration:				
Operating	1,733,225	-	-	1,733,225
Total Administration	1,733,225	-	-	1,733,225
Debt Service:				
Principal	30,528	-	-	30,528
Interest	1,611	-	-	1,611
Total Debt Service	32,139	-	-	32,139
Total Expenditures	12,364,325	422,069	150,837	12,937,231
Net Change in Fund Balance	(1,499,713)	105,495	(95,448)	(1,489,666)
Fund Balances - Beginning of Year	10,312,829	88,829	1,095,843	11,497,501
Fund Balances - End of Year	$ 8,813,116	$ 194,324	$ 1,000,395	$ 10,007,835

See accompanying notes.

CHILDREN'S TRUST OF ALACHUA COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Net Change in Fund Balances - Total Governmental Funds		$ (1,489,666)
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Governmental funds report lease and SBITA principal and interest repayments as an expenditure. However, in the Statement of Activities the cost of those leases and SBITAs are allocated over the term of the specific agreement and reported as amortization expense.		(25,083)
Governmental funds report capital outlay as an expenditure. 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 ($43,732) was less than capital additions of $137,505 in the current period.		
Capital Additions	$ 137,505	
Depreciation Expense	(43,732)	93,773
The repayment of long-term debt expends current financial resources in governmental funds, while it has no effect on the Statement of Activities.		30,528
The changes in the net pension liability and pension related deferred outflows and inflows of resources result in an adjustment to pension expense in the statement of activities, but not in the governmental funds.		
Change in Net Pension Liability	119,641	
Change in Deferred Outflows	(108,303)	
Change in Deferred Inflows	(103,060)	(91,722)
The changes in the net OPEB liability and OPEB related deferred outflows and inflows of resources result in an adjustment to pension expense in the statement of activities, but not in the governmental funds.		
Change in Net OPEB Liability	(117,816)	
Change in Deferred Outflows	74,954	
Change in Deferred Inflows	(7,700)	(50,562)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These include the net change in the compensated absences.		(12,736)
Change in Net Position of Governmental Activities		$ (1,545,468)

See accompanying notes.

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

The Children's Trust of Alachua County (CTAC) is an independent special district established under County Ordinance 18-08 and approved by the electors of Alachua County, Florida (the County) voting in the November 6, 2018, election. CTAC is governed by a board of directors which consists of 10 members, including the Superintendent of Schools, a local School Board member, the District III Administrator from the Florida Department of Children and Families or designee; one member of the Board of County Commissioners, a Judge assigned to juvenile cases and the remaining five members are appointed by the Governor for four-year terms. CTAC operates in accordance with Section 125.901, Florida Statutes.

CTAC funds and supports a coordinated system of community services that allows all youth and their families to thrive. CTAC's vision statement is to facilitate equitable access and opportunities for all children, youth, and families in Alachua County to ensure every child reaches their maximum potential.

CTAC follows the standards promulgated by Government Accounting Standards Board (GASB) Codification Section 2100, *Defining the Financial Reporting Entity*. The accompanying financial statements include all operations over which CTAC is financially accountable.

CTAC provides funding to various agencies; however, each agency is financially independent. CTAC has no authority to appoint or hire management of the agencies nor does it have responsibility for routine operations of the agencies. Based upon application of these factors, CTAC has concluded that it has no financial oversight responsibility for the various agencies and, therefore, their financial statements are excluded from the reporting entity. CTAC has not identified any component units and is not a participant in any joint ventures.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of CTAC.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds.

CTAC's major funds are presented in separate columns on the governmental funds financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB Statement No. 34. The funds that do not meet the criteria of major fund are considered non-major funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
The government-wide financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Ad valorem taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

CTAC reports the following major governmental funds:

- General Fund – The government's primary operating fund. It accounts for all financial resources of the general government.
- Special Revenue Fund – used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes other than capital projects.
- Capital Projects Fund – accounts for the acquisition and construction of major capital facilities.

Budgets and Budgetary Accounting
The budget is prepared and adopted after public hearings, pursuant to Section 200.065 of the Florida Statutes. The budget was adopted by CTAC for all funds for the period October 1, 2024 through September 30, 2025, utilizing generally accepted accounting principles. Throughout the year, there were CTAC approved budget transfers and budget amendments.

Cash and Cash Equivalents
Cash and cash equivalents, which are cash and short-term investments with maturities of three months or less, include cash on hand and in banks, repurchase agreements, and cash placed with the State Treasurer's investment pool.

Capital Assets
Capital assets (property and equipment) are reported in the government-wide financial statements. Capital assets are defined by CTAC policy and include items of a non-consumable nature with an individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the

date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Property and equipment of CTAC is depreciated using the straight-line method over the estimated useful lives ranging from 5-40 years, as defined by CTAC policy.

Right-to-Use Assets
CTAC has right-to-use lease and subscription-based information technology arrangement (SBITA) assets as a result of GASB Statement No. 87, *Leases,* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* The right-to-use assets are initially measured at an amount equal to the initial measurement of the related liability plus any lease or SBITA payments made prior to the lease or SBITA term, lease or SBITA incentives, and ancillary charges necessary to place the lease or SBITA asset into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease or SBITA.

Interfund Activities and Transactions
Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Compensated Absences
The policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service within vesting limits. Separating employees shall be paid for all unused, accrued vacation leave earned through the date of separation, up to a maximum of 280 hours. GASB Statement No. 101, *Compensated Absences,* was implemented during the fiscal year. Under this new standard, CTAC accrued a liability of all accrued vacation leave earned as of September 30, 2025, and expected to be paid out at termination or used in future years. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Pensions
For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB) Liability
CTAC participates in the Alachua County OPEB Plan. For purposes of measuring net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Alachua County OPEB Plan and additions/deductions from Alachua County OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Alachua County OPEB Plan. For this purpose, the Alachua County OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources
A *deferred outflow of resources* is a consumption of net assets that is applicable to a future reporting period.

A *deferred inflow of resources* is an acquisition of net assets that is applicable to a future reporting period.

Property Taxes
Property taxes for the current year were assessed and collected by the Alachua County Tax Collector and subsequently remitted to CTAC. Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1. Under Florida law, the assessment of all properties and the collection of all county, municipal, school board, and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws for the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit Children's Trusts to levy property taxes at a rate of up to .5 mills ($.50 per $1,000 of assessed taxable valuation). The millage rate assessed by CTAC for the year ended September 30, 2025, was 0.4500 mills.

The taxes levied are established by CTAC prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the tax levy, for the County. All property is reassessed according to its fair market value as of January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of state statutes.

All real and tangible personal property taxes are due and payable on November 1 each year, or as soon as practicable thereafter as the assessment roll is certified by the County Property Appraiser. The County Property Appraiser mails to each property owner on the assessment roll a notice of the taxes due and the County Tax Collector collects the taxes on behalf of CTAC. Taxes may be paid upon receipt of such notice, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which the taxes were assessed. Procedures for the collection of delinquent taxes by the County are provided for in the laws of Florida. There were no material delinquent property taxes at September 30, 2025.

Grants and Grants Payable
CTAC provides coordination, evaluation, and funding of various programs for children which are administered by organizations throughout the County. Once CTAC decides to fund a program, CTAC executes a grant agreement with an administering organization (grantee). The grantee can then request cost reimbursements up to the total amount of the executed grant agreement on a monthly basis during the term of the grant as defined in the executed grant agreement. The grants payable at September 30, 2025, represents cost reimbursement requests submitted by grantees for costs incurred prior to September 30, 2025. No grants payable are recorded for amounts awarded through executed grant agreements for which cost reimbursement requests have not been made by grantees as of December 15, 2025.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Governmental Fund Balance
CTAC adopted a Fund Balance Policy to comply with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Governmental fund balances are now reported as non-spendable, restricted, committed, assigned and unassigned.

- Non-Spendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

- Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

- Committed Fund Balance – Amounts that can only be used for specific purposes pursuant to the constraints imposed by a formal action of the government's highest level of decision-making authority. Only the governing ten-member council may modify or rescind a fund balance commitment, by resolution.

- Assigned Fund Balance – Amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The authority to assign fund balance lies with CTAC, the budget committee, or an official who has been given the authority to assign funds.

- Unassigned Fund Balance – The residual classification for the General Fund resources. This classification represents fund balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for a governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

- Fund Balance Spending Hierarchy – When restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Adoption of New Accounting Pronouncements
During the fiscal year ended September 30, 2025, CTAC adopted GASB Statements No. 101, *Compensated Absences*.

GASB Statement No. 101 establishes a model for recognizing all types of compensated absences, including vacation leave, sick leave, paid time off, and other compensated absences. This statement replaces the guidance previously issued in GASB Statement No. 16, *Accounting for Compensated Absences*. Under GASB Statement No. 101, a liability is recognized when the leave is earned and attributed to services already rendered, rather than when it is paid or becomes vested; accumulates; or carries over beyond the current fiscal year; and more likely than not to be used for time off or otherwise paid out in cash or settled through non-cash means. CTAC evaluated its existing compensated absences policies to ensure compliance with the provisions of the statements. Based on this evaluation, management determined CTAC's methodology for calculating compensated absences is consistent with the requirements of GASB Statements No. 101. Implementation of this statement did not result in a restatement of beginning net position.

Note 2 - Deposits and Investments

Statement of Policy

The purpose of CTAC's investment policy is to set forth the investment objectives and parameters for the management of public funds, the availability of operating funds when needed, and an investment return competitive with market rates.

CTAC's policy is written in accordance with Section 218.415, Florida Statutes, which applies to funds under control of local governments and special districts. The policy and any subsequent revisions are approved by CTAC Members.

Deposits

Banks qualified as public depositories under Florida law hold cash deposits of CTAC. In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. As of September 30, 2025, CTAC's bank balance was $1,407,515 and the carrying value was $1,273,303.

The pooled cash balance of CTAC also included $11,585,393 at September 30, 2025, in Florida PRIME, which is reported at amortized costs. Florida PRIME is rated AAAm by Standard & Poor's and had a weighted average days to maturity of 47 days at September 30, 2025.

Investments

CTAC's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. Among other investments, the policy allows CTAC to invest in the State Board of Administration Local Government Surplus Trust Funds, which is the only investment vehicle CTAC is currently utilizing.

Cash placed with the State Board of Administration represents CTAC's participation in the Local Government Surplus Trust Funds Investment Pool (Florida Prime) and is reported at fair value. As a pool participant CTAC invests in pools of investments in which shares are owned in the pool rather than the underlying investments.

CTAC categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The 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. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. CTAC uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes CTAC's own data in measuring unobservable inputs.

As of September 30, 2025, CTAC did not hold any investments that meet the criteria described above.

Interest Rate Risk
Section 218.415(6), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. CTAC has a formal investment policy operating surplus funds that limits investments maturities to 3 years as a means of managing its exposure to fair value losses from increasing interest rates. Investment of non-operating funds, including construction funds, can have maturities that do not exceed 5.50 years.

Credit Risk
Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. CTAC's investment policy limits its investments to high quality investments to control credit risk.

Custodial Credit Risk
For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, CTAC will not be able to recover the value if its investment or collateral securities that are in possession of an outside party. CTAC's investment policy requires execution of a third-party custodial safekeeping agreement for all purchased securities and requires that securities be held in CTAC's name. As of September 30, 2025, CTAC did not own any securities that were required to be held in custodial safekeeping.

Note 3 - <u>Receivables</u>

The majority of receivables are due from other governmental and grantee agencies. CTAC has determined that an allowance for doubtful accounts is not necessary.

Receivables at September 30, 2025, consisted of the following:

Due From Other Governments - Tax Collector	$	30,576

Note 4 - Long-Term Liabilities

A summary of changes in long-term liabilities is as follows:

	Balance October 1, 2024	Additions	(Deletions)	Balance September 30, 2025	Due Within One Year
Compensated Absences	$ 52,779	$ 12,737	$ -	$ 65,516	$ 49,137
Leases	3,455	-	(3,455)	-	-
Subscription-Based IT Arrangement	30,389	-	(30,389)	-	-
Net OPEB Liability	89,317	117,816	-	207,133	-
Net Pension Liability	1,136,906	-	(119,641)	1,017,265	-
Total	$ 1,312,846	$ 130,553	$ (153,485)	$ 1,289,914	$ 49,137

Note 5 - State of Florida Pension Plans

CTAC participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability, or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under the FRS 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. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

The benefits under the HIS program are described in Section 112.363, Florida Statutes. In general, an eligible retiree is entitled to a benefit of $7.50 per month per year of service, with a minimum benefit of $45 per month and maximum benefit of $225 per month. The retiree must apply for and provide certification of health insurance coverage to be eligible for the subsidy.

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2025, were as follows:

	Year Ended June 30, 2025 Percent of Gross Salary		Year Ended June 30, 2026 Percent of Gross Salary	
Class	Employee	Employer (2)	Employee	Employer (2)
FRS, Regular	3.00	11.57	3.00	11.97
FRS, Elected County Officers	3.00	56.62	3.00	52.51
FRS, Senior Management Service	3.00	32.46	3.00	31.18
DROP – Applicable to Members From All of the Above Classes	0.00	19.13	0.00	20.02
FRS, Reemployed Retiree	(1)	(1)	(1)	(1)

Notes: (1) Contribution rates are dependent upon retirement class in which reemployed.
(2) These rates include the normal cost and unfunded actuarial liability contributions but do not include the contribution for HIS Program of 2.00% for the Plan fiscal year-end 2025 and 2026, and the fee of 0.06% for administration of the FRS Investment Plan and provision of education tools for both plans.

The employer's contributions for the year ended September 30, 2025, were $127,921 to the FRS Pension Plan and $25,740 to the HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2025, CTAC reported a liability for its proportionate share of the net pension liabilities. The net pension liabilities were measured as of June 30, 2025. CTAC's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net Pension Liability	$ 660,897	$ 356,368
Proportion at:		
Current Measurement Date	0.002130%	0.002780%
Prior Measurement Date	0.002043%	0.002309%
Increase in Proportionate Share	0.000087%	0.000471%
Pension Expense	$ 183,256	$ 62,125

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2025, CTAC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 70,591	$ -	$ 2,127	$ (565)
Changes of Assumptions	76,747	-	3,154	(86,196)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(110,343)	-	(297)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	183,605	-	160,545	-
Employer Contributions Subsequent to the Measurement Date	34,128	-	6,323	-
Total	$ 365,071	$ (110,343)	$ 172,149	$ (87,058)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2026.

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

Year Ending September 30,	FRS	HIS
2026	$ 208,999	$ 37,088
2027	33,731	24,278
2028	(6,859)	11,365
2029	(15,271)	3,808
2030	-	2,229
Total	$ 220,600	$ 78,768

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2025, and determined by actuarial valuations dated July 1, 2025 for FRS and July 1, 2024 for HIS. Both plans use the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Payroll Growth, Including Inflation	3.50%	3.50%
Investment Rate of Return	6.70%	N/A
Discount Rate	6.70%	5.20%

Mortality assumptions for both plans were based on the PUB-2010 base tables projected generationally with Scale MP-2021.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

The following changes in key actuarial assumptions occurred in 2025:

FRS

- There were no changes in key actuarial assumptions in 2025.

HIS

- The municipal bond index rate and the discount rate used to determine the total pension liability increased from 3.93% to 5.20%.

The long-term expected investment rate of return was not based on historical returns but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation.

For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation:

Asset Class	Annual Target Allocation	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.00%	3.20%	3.20%	1.10%
Fixed Income	29.00%	5.50%	5.40%	4.00%
Global Equity	45.00%	8.50%	6.90%	18.30%
Real Estate	12.00%	8.40%	7.10%	16.80%
Private Equity	11.00%	12.40%	8.80%	28.40%
Strategic Investments	2.00%	6.50%	6.10%	8.70%
Total	100.00%			

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70% and consisted of two building block components: 1) a real return of 4.30% and 2) a long-term average annual inflation assumption of 2.40%. The 6.70% rate of return assumption is reasonable and appropriate per actuarial Standards of Practice.

The discount rate used for calculating the total HIS pension liability is equal to the single rate that results in the same actuarial present value as would be calculated by using two different discount rates for the discount at the long-term expected rate of return for benefit payments prior to the projected depletion of the fiduciary net pension (trust assets) and the discount at a municipal bond rate for benefit payments after the projected depletion date. Because the HIS Program is essentially funded on a pay-as-you-go basis and the depletion date is considered to be immediate, the single municipal bond rate of 5.20% was used to determine the total pension liability for the program. The Bond Buyer General Obligation 20-Year Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis
The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Employer's Proportionate Share of the Net Pension Liability	$ 1,297,000	$ 660,897	$ 127,597	$ 401,862	$ 356,368	$ 318,213

Pension Plans' Fiduciary Net Position
Detailed information about the pension plans' fiduciary net position is available in the state's separately issued financial reports.

Defined Contribution Plan
Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan (FRS Investment Plan), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the FRS in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2025, totaled $80,308.

Note 6 - Postemployment Benefits Other Than Pensions (OPEB)

Plan Description
CTAC employees are provided with OPEB through the Alachua County OPEB Plan, a cost-sharing multiple employer defined benefit OPEB Plan administered by the Alachua County Board of County Commissioners (the County). The County can amend the benefit provisions provided by the OPEB Plan. The County established the Alachua County OPEB Trust, a qualifying trust, with the adoption of resolution 08-104. A separate stand-alone financial statement for the OPEB Plan is not prepared.

Benefits Provided
The OPEB Plan provides postemployment life insurance benefits, as well as, both an explicit and implicit health insurance subsidy for retirees and eligible dependents of the CTAC, Clerk of Court, Supervisor of Elections, Property Appraiser, Sheriff, Tax Collector, Library District, and County.

The life insurance benefit is provided at no charge to retirees. The life insurance benefit is $15,000 for all retirees under the age of 65 and $5,000 for retirees age 65 and older.

An explicit monthly health insurance subsidy is provided to retirees with at least 6 years of service who retire and begin receiving benefits from the FRS. Retirees must maintain health care coverage after employment to be eligible for the subsidy. The amount of the monthly subsidy is based on the number of years of total service with CTAC and is equal to $7.50 a month for each year of service. The minimum monthly subsidy is $45 and the maximum monthly subsidy is $225 for employees that retire with 30 or more years of service.

Additionally, in accordance with Florida Statute 112.0801, currently, active CTAC employees who retire and immediately begin receiving benefits from FRS have the option of paying premiums to continue in the County's Self-funded Health Insurance Plan at the same group rate as active employees. The retiree pays 100% of the blended group rate premium therefore receiving an implicit subsidy.

Contributions

The contribution requirements of plan members and the participating employers are established and may be amended by the County. CTAC's required contribution, actuarially determined, is based on a combination of projected pay-as-you-go financing, with an additional amount to prefund benefits when earned. Contributions are not based on a measure of pay. CTAC's actuarially determined contribution for the year ended September 30, 2025, was $16,169. Actual contributions to the OPEB Plan from CTAC were $13,081 for the year ended September 30, 2025. CTAC retiree plan members receiving benefits contributed to pay-as-you-go financing through their required contributions of $783.94 per month for retiree-only coverage, $1,864.88 per month for retiree and spouse coverage and $2,629.06 per month for family coverage.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2025, CTAC reported a liability of $207,133 for its proportionate share of the net OPEB liability. The net OPEB liability was determined by a simplified actuarial valuation as of September 30, 2025. CTAC's proportion of the net OPEB liability was based on employee headcount. At the measurement date, September 30, 2025, CTAC's proportion of net OPEB liability was 0.49%.

For the year ended September 30, 2025, CTAC recognized OPEB expense of $21,218. At September 30, 2025, CTAC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 68,693	$ (680)
Changes of Assumptions or Other Inputs	39,639	(23,064)
Net Difference Between Projected and Actual Investments	-	(1,081)
Total	$ 108,332	$ (24,825)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	Amount
2026	$ 8,033
2027	7,633
2028	7,698
2029	8,075
2030	7,786
Thereafter	44,282
Total	$ 83,507

Actuarial Methods and Assumptions

The total OPEB liability in the September 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation Rate	2.0%
Projected Annual Salaries Increase	3.5%
Investment Rate of Return	7.76%, based on expected long-term rate of return where assets are projected to cover all future benefit payments.
Healthcare Cost Trend Rate	8.50% initial year reduced 0.25% each year until reaching ultimate trend rate of 4.0%.
Mortality	PUB-2010 generational table scaled using MP-2021 and applied on a gender-specific basis.

An actuarial experience study has not yet been performed for the plan.

The long-term expected rate of return is based on Plan investments where assets are projected to cover all future benefit payments. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Rate of Return (with Inflation)
Broad Market HQ Bond Fund	14.80%	1.50%
Core Plus Fixed Income	15.50%	2.64%
Diversified Large Cap	26.70%	13.23%
Core Real Estate	8.90%	4.47%
Diversified Small to Mid-Cap	13.00%	11.62%
International Blend	20.90%	8.07%
Cash (T-Bill)	0.20%	0.00%
Total	100.00%	7.76%

Discount Rate

The discount rate used to measure the total OPEB liability was 7.76%. The discount rate is based on the expected long-term rate of return on plan investments where assets are projected to cover all future benefit payments.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents CTAC's proportionate share of the net OPEB liability, as well as what CTAC's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (6.76%) or 1 percent point higher (8.76%) than the current discount rate:

	1% Decrease (6.76%)	Current Discount Rate (7.76%)	1% Increase (8.76%)
Net OPEB Liability	$ 231,197	$ 207,133	$ 186,695

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents CTAC's proportionate share of the net OPEB liability, as well as what CTAC's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percent lower (7.50%) or 1 percent point higher (9.50%) than the current healthcare cost trend rates:

	1% Decrease (7.50% Decreasing to 3.00%)	Current Discount Rate (8.50% Decreasing to 4.00%)	1% Increase (9.50% Decreasing to 5.00%)
Net OPEB Liability	$ 194,074	$ 207,133	$ 223,112

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Alachua County Board of County Commissioners annual financial report.

Note 7 - Capital Assets

Capital asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	$ 476,780	$ -	$ -	$ 476,780
Construction in Progress	38,520	-	(38,520)	-
Total Not Being Depreciated	515,300	-	(38,520)	476,780
Capital Assets Being Depreciated				
Building	1,460,987	-	-	1,460,987
Building Improvements-Renovations	84,123	176,025	-	260,148
Total Being Depreciated	1,545,110	176,025	-	1,721,135
Less Accumulated Depreciation for				
Building	(33,481)	(36,525)	-	(70,006)
Building Improvements-Renovations	(2,494)	(7,207)	-	(9,701)
Total Accumulated Deprecation	(35,975)	(43,732)	-	(79,707)
Total Being Depreciated, Net	1,509,135	132,293	-	1,641,428
Capital Assets, Net	$ 2,024,435	$ 132,293	$ (38,520)	$ 2,118,208

Depreciation expense was charged to functions as follows:

Program - Children's Services	$ 24,599
Administration	19,133
Total Depreciation Expense	$ 43,732

Note 8 - Right-to-Use Assets

Right-to-use assets include leases and SBITAs. Right-to-use asset activity for the fiscal year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Leased Assets Being Amortized				
Copier	$ 7,958	$ -	$ (7,958)	$ -
Less Accumulated Amortization	(4,643)	-	4,643	-
Total Leased Assets Being Amortized, Net	3,315	-	(3,315)	-
SBITA Assets Being Amortized				
Software	75,249	-	-	75,249
Less Accumulated Amortization	(43,896)	(25,083)	-	(68,979)
Total SBITA Assets Being Amortized, Net	31,353	(25,083)	-	6,270
Total Right-to-Use Assets Being Amortized, Net	$ 34,668	$ (25,083)	$ (3,315)	$ 6,270

Note 9 - Leases

CTAC entered into a lease agreement for the use of a copier for 36 months in fiscal year 2023. The lease agreement was cancelled at the beginning of fiscal year 2025.

CTAC did not enter into any lease agreements during fiscal year 2025.

See Note 4 for a summary of the lease liability balances as of September 30, 2025.

Note 10 - Subscription-Based Information Technology Arrangements

CTAC entered into a SBITA for the use of software for tracking program funding for 33 months in fiscal year 2023. CTAC is required to make yearly payments of $32,000. CTAC's SBITA liability is amortized at a rate of 5.3%. See Note 4 for a summary of SBITA liabilities as of September 30, 2025. Principal and interest components of future minimum SBITA payments are $0 as of September 30, 2025.

CTAC did not enter into any SBITAs during fiscal year 2025.

Note 11 - Risk Management

CTAC 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. CTAC purchases commercial insurance coverage to cover the various risks. There have been no significant reductions in insurance coverage and there were no settled claims which exceeded insurance coverage in the last year.

Note 12 - Commitments and Contingencies

At September 30, 2025, CTAC had tentatively approved funding for next year's programs in the amount of $12,639,820.

Note 13 - Grants

CTAC provides coordination, evaluation, and funding of various programs for children which are administered by organizations throughout the County in the following program areas:

1. All children are born healthy and remain healthy.
2. All children can learn what they need to be successful.
3. All children have nurturing, supportive caregivers and relationships.
4. All children live in a safe community.

As of September 30, 2025, $2,756,845 of $12,027,892 that CTAC awarded for grants in the 2025 budget has not been expended.

Total Program Grants Awarded as of September 30, 2025	$ 12,027,892
Total Expended Through September 30, 2025	(9,271,047)
Grants Outstanding at September 30, 2025	**$ 2,756,845**

Note 14 - Board-Assigned Fund Balance

CTAC has assigned fund balance as follows as of September 30, 2025:

	General Fund	Capital Projects Fund	Total
Assigned – Grants Outstanding and Carryover to Fiscal Year 2026	$ 2,756,845	$ -	$ 2,756,845
Assigned – Subsequent Year's Reserves	837,330	-	837,330
Assigned – Capital Projects	-	1,000,395	1,000,395
Total Assigned	$ 3,594,175	$ 1,000,395	$ 4,594,570

Note 15 - Interlocal Agreement

On October 1, 2024, CTAC entered into a restated interlocal agreement with the County and the Board for the provision of the following services on an ongoing basis:

1) To allow the employees of CTAC to participate in the Employee Benefit Plan offered by the County to its Employees to the same extent the program is available to County Employees. This includes Health, Dental, Vision and such other supplemental coverages as CTAC wishes to participate.
2) Additional services to be provided by the County Attorney's office, Department of Information Technology and the County's Department of Facilities Management.
3) Additional services may be requested in writing by CTAC.

All services provided by the County under the interlocal agreement must be provided at no less than the cost to the County in providing those services.

Note 16 - Subsequent Event

CTAC has evaluated subsequent events through the date the financial statements were available to be issued and determined there were no events that occurred that required disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

CHILDREN'S TRUST OF ALACHUA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Ad Valorem Taxes	$ 10,029,054	$ 10,029,054	$ 10,163,016	$ 133,962
Interest and Other Income	487,496	487,496	701,596	214,100
Total Revenues	10,516,550	10,516,550	10,864,612	348,062
Expenditures				
Program - Children's Services:				
Personal Services	1,230,601	1,230,601	971,603	258,998
Operating	574,007	574,007	356,311	217,696
Grant Awards	12,027,891	12,027,891	9,271,047	2,756,844
Total Program	13,832,499	13,832,499	10,598,961	3,233,538
Administration:				
Personal Services	829,656	829,656	794,568	35,088
Operating	1,089,449	1,089,449	938,657	150,792
Reserve for Contingencies	837,330	837,330	-	837,330
Total Administration	2,756,435	2,756,435	1,733,225	1,023,210
Debt Service:				
Principal	-	-	30,528	(30,528)
Interest	-	-	1,611	(1,611)
Total Debt Service	-	-	32,139	(32,139)
Total Expenditures	16,588,934	16,588,934	12,364,325	4,224,609
Excess of Revenues Over (Under) Expenditures	(6,072,384)	(6,072,384)	(1,499,713)	4,572,671
Other Financing Sources (Uses)				
Transfers Out	(312,500)	(312,500)	-	312,500
Total Other Financing Sources (Uses)	(312,500)	(312,500)	-	312,500
Fund Balances - Beginning of Year	7,612,371	7,612,371	10,312,829	2,700,458
Fund Balances - End of Year	$ 1,227,487	$ 1,227,487	$ 8,813,116	$ 7,585,629

Notes to Budgetary Schedule:
The budget is prepared by the Board of Directors. The final budgeted revenues and expenditures reflect all amendments approved by the Board of Directors. The budget is prepared on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles. The fund is the legal level of control.

CHILDREN'S TRUST OF ALACHUA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Contributions from Private Sources	$ 305,000	$ 382,146	$ 406,753	$ 24,607
Intergovernmental Revenues	112,500	112,500	112,500	-
Interest and Other Income	-	-	8,311	8,311
Total Revenues	417,500	494,646	527,564	32,918
Expenditures				
Program - Children's Services:				
Operating	175,000	175,000	9,717	165,283
Grant Awards	305,000	382,146	412,352	(30,206)
Total Program	480,000	557,146	422,069	135,077
Total Expenditures	480,000	557,146	422,069	135,077
Excess of Revenues Over (Under) Expenditures	(62,500)	(62,500)	105,495	167,995
Other Financing Sources (Uses)				
Transfers In	62,500	62,500	-	(62,500)
Total Other Financing Sources (Uses)	62,500	62,500	-	(62,500)
Fund Balances - Beginning of Year	-	-	88,829	88,829
Fund Balances - End of Year	$ -	$ -	$ 194,324	$ 194,324

Notes to Budgetary Schedule:
The budget is prepared by the Board of Directors. The final budgeted revenues and expenditures reflect all amendments approved by the Board of Directors. The budget is prepared on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles. The fund is the legal level of control.

CHILDREN'S TRUST OF ALACHUA COUNTY
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS *

Florida Retirement System (FRS)	**2025**	**2024**	**2023**	**2022**	**2021**
Employer's Proportion of the Net Pension Liability (Asset)	0.002130%	0.002043%	0.001865%	0.001553%	0.077400%
Employer's Proportionate Share of the Net Pension Liability (Asset)	$ 660,897	$ 790,502	$ 743,031	$ 577,811	$ 58,433
Employer's Covered Payroll	$ 1,286,682	$ 989,674	$ 854,584	$ 670,705	$ 330,081
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	51.36%	79.87%	86.95%	86.15%	17.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.26%	83.70%	82.38%	82.89%	96.40%

Health Insurance Subsidy Program (HIS)	**2025**	**2024**	**2023**	**2022**	**2021**
Employer's Proportion of the Net Pension Liability (Asset)	0.002780%	0.002309%	0.002189%	0.001840%	0.088900%
Employer's Proportionate Share of the Net Pension Liability (Asset)	$ 356,368	$ 346,404	$ 347,632	$ 194,884	$ 108,990
Employer's Covered Payroll	$ 1,286,682	$ 989,674	$ 854,584	$ 670,705	$ 330,081
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	27.70%	35.00%	40.68%	29.06%	33.02%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	6.36%	4.80%	4.12%	4.81%	3.56%

Notes to Schedules:
The amounts presented for each fiscal year for the FRS and HIS were determined as of the measurement date, which was June 30 of the current fiscal year.

*GASB Statement No. 68 was implemented in 2021. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

CHILDREN'S TRUST OF ALACHUA COUNTY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST 10 FISCAL YEARS *

Florida Retirement System	**2025**	**2024**	**2023**	**2022**	**2021**
Contractually Required Contribution	$ 127,921	$ 119,644	$ 100,517	$ 68,339	$ 46,006
Contributions in Relation to the Contractually Required Contribution	(127,921)	(119,644)	(100,517)	(68,339)	(46,006)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Employer's Covered Payroll	$ 1,369,246	$ 1,038,913	$ 920,275	$ 738,470	$ 468,440
Contributions as a Percentage of Covered Payroll	9.34%	11.52%	10.92%	9.25%	9.82%

Health Insurance Subsidy Program	**2025**	**2024**	**2023**	**2022**	**2021**
Contractually Required Contribution	$ 25,740	$ 19,861	$ 16,098	$ 12,259	$ 7,520
Contributions in Relation to the Contractually Required Contribution	(25,740)	(19,861)	(16,098)	(12,259)	(7,520)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Employer's Covered Payroll	$ 1,369,246	$ 1,038,913	$ 920,275	$ 738,470	$ 468,440
Contributions as a Percentage of Covered Payroll	1.88%	1.91%	1.75%	1.66%	1.61%

Notes to Schedules:

*GASB Statement No. 68 was implemented in 2021. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

CHILDREN'S TRUST OF ALACHUA COUNTY
SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS
LAST 10 FISCAL YEARS *

	2025	2024	2023	2022	2021
Proportionate Share					
Proportion of the Net OPEB Liability	0.49%	0.31%	0.31%	0.20%	0.20%
Proportionate Share of the Net OPEB Liability	$ 207,133	$ 89,317	$ 100,996	$ 31,844	$ 24,922
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.81%	9.01%	6.79%	12.05%	16.88%
Contributions					
Contractually Required Contribution	$ 16,169	$ 11,558	$ 5,479	$ 3,553	$ 2,518
Contributions in Relation to the Contractually Required Contribution	13,081	8,718	5,740	6,398	4,198
Contribution Deficiency (Excess)	$ 3,088	$ 2,840	$ (261)	$ (2,845)	$ (1,680)

Notes to Schedules:
Contributions to the OPEB plan are not based on a measure of pay, therefore, no measure of payroll is presented.

*GASB Codification P52 requires an employer to disclose a 10-year history. However, until a full 10-year trend is compiled, information for those years for which it is available will be presented.

SUPPLEMENTARY INFORMATION

CHILDREN'S TRUST OF ALACHUA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Revenues				
Interest and Other Income	$ -	$ -	$ 55,389	$ 55,389
Total Revenues	-	-	55,389	55,389
Expenditures				
Program - Children's Services:				
Operating	50,000	50,000	-	50,000
Capital Outlay	200,000	200,000	150,837	49,163
Total Expenditures	250,000	250,000	150,837	99,163
Excess of Revenues Over (Under) Expenditures	(250,000)	(250,000)	(95,448)	154,552
Other Financing Sources (Uses)				
Transfers In	250,000	250,000	-	(250,000)
Total Other Financing Sources (Uses)	250,000	250,000	-	(250,000)
Fund Balances - Beginning of Year	-	-	1,095,843	1,095,843
Fund Balances - End of Year	$ -	$ -	$ 1,000,395	$ 1,000,395

Notes to Budgetary Schedule:
The budget is prepared by the Board of Directors. The final budgeted revenues and expenditures reflect all amendments approved by the Board of Directors. The budget is prepared on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles. The fund is the legal level of control.

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 CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

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 each major fund of the Children's Trust of Alachua County (CTAC) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise CTAC's basic financial statements, and have issued our report thereon dated June 5, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered CTAC'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 CTAC's internal control. Accordingly, we do not express an opinion on the effectiveness of CTAC'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 CTAC'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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. As described below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

To CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

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*

2025-1

- **Bank Reconciliations**

  Condition - Timely and accurate bank reconciliations are a key component of internal control over multiple financial reporting processes, including cash receipting, cash disbursements, and payroll functions, as one of the means of detecting possible errors or irregularities. Bank reconciliations were not completed on a timely basis throughout the fiscal year. Additionally, during the audit and upon reconciliation of cash, adjustments were necessary to correct cash balances.

  Effect - Lack of timely and accurate bank reconciliations could result in errors or irregularities not being detected on a timely basis. Upon reconciliation of cash by CTAC, adjustments were made to correct cash balances.

  Recommendation - We recommend CTAC implement procedures to ensure that all bank accounts are reconciled within the following month, and that any identified discrepancies be promptly investigated and corrected.

2025-2

- **Financial Close and Reporting**

  Condition - At the commencement of final fieldwork, the preliminary working trial balance did not reflect all entries. As a result, several adjustments were required after we began the audit process, including entries to correct cash, correct compensated absences activity, record interest in pooled cash accounts, correct and record capital assets including depreciation, and reclassify miscellaneous revenue.

  Effect - The lack of an effective financial close and reporting process increases the risk that material misstatements will not be detected in a timely manner. It also results in delays in performing and completing the audit.

  Recommendation - We recommend CTAC evaluate its monthly and annual financial close and reporting process to reduce the risk of inaccurate financial information during the year and at year-end.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CTAC's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

To CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

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*

CTAC's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on CTAC's response to the findings identified in our audit and disclosed in the accompanying management's response. CTAC's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 CTAC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CTAC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

June 5, 2026
Gainesville, Florida

MANAGEMENT LETTER

To CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

Report on the Financial Statements
We have audited the financial statements of the Children's Trust of Alachua County (CTAC) as of and for the year ended September 30, 2025, and have issued our report thereon dated June 5, 2026.

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 States, and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements
We have 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 the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated June 5, 2026, 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 report.

Tabulation of Uncorrected Findings		
Current Year Finding #	**2023-24 FY Finding #**	**2022-23 FY Finding #**
2025-1	2024-1	2023-1
2025-2	2024-2	2023-2
N/A	N/A	2023-3

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General,* requires 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 name and legal authority for CTAC were disclosed in the notes to the financial statements. There were no component units related to CTAC.

To CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

MANAGEMENT LETTER

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 CTAC met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that CTAC 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 conditions assessment procedures for CTAC. It is management's responsibility to monitor CTAC'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 the same.

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, CTAC is required to include a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within CTAC's geographical boundaries during the fiscal year under audit. CTAC has not authorized the operation of a PACE program, and management is not aware of the operation of any such program, within its geographical boundaries.

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 Statues.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, *Rules of the Auditor General*, CTAC reported:

<u>UNAUDITED</u>

a. The total number of CTAC employees compensated in the last pay period of CTAC's fiscal year as 20.
b. The total number of independent contractors to whom non-employee compensation was paid in the last month of CTAC's fiscal year as 13.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $1,369,246.

To CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

MANAGEMENT LETTER

d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as $429,732.
e. Each construction project with a total cost of at least $65,000 approved by CTAC 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 $0.
f. A budget variance based in the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if CTAC amends a final adopted budget under Section 189.016(6), Florida Statutes, as $0.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, *Rules of the Auditor General*, CTAC reported:

a. The millage rate imposed by CTAC as 0.4500.
b. The total amount of ad valorem taxes collected by or on behalf of CTAC as $10,163,016.
c. The total amount of outstanding bonds issued by CTAC 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 non-compliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has 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 note 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 Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the CTAC members, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 5, 2026
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH FLORIDA STATUTE, SECTION 218.415 – INVESTMENT OF PUBLIC FUNDS

To CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

We have examined the Children's Trust of Alachua County's (CTAC) compliance with Section 218.415, Florida Statutes during the fiscal year ended September 30, 2025. CTAC management is responsible for CTAC's compliance with those requirements. Our responsibility is to express an opinion on CTAC's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether CTAC complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether CTAC complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including assessment of the risks of material non-compliance, 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.

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

Our examination does not provide a legal determination on CTAC's compliance with the specified requirements.

In our opinion, CTAC complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2025.

This report is intended solely for the information and use of the Florida Auditor General, CTAC Members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 5, 2026
Gainesville, Florida

CHILDREN'S TRUST
OF ALACHUA COUNTY

June 5th, 2026
Purvis, Gray & Company, LLP
22 NE 1st Street
Gainesville, Florida 32601

CHILDREN'S TRUST OF ALACHUA COUNTY

MANAGEMENT'S RESPONSE TO AUDIT FINDINGS

Fiscal Year Ended September 30, 2025

The Children's Trust of Alachua County ("CTAC") appreciates the professionalism, collaboration, and recommendations provided by Purvis Gray & Company during the Fiscal Year 2025 audit process.

Management acknowledges the findings identified in the Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance and recognizes the importance of maintaining a strong system of internal controls, timely financial reporting, and sound fiscal stewardship over public resources.

Management's responses to each finding are presented below.

Management concurs with the findings reported by the auditors and acknowledges the opportunities identified to further strengthen the Trust's internal control environment and financial reporting processes.

As part of its ongoing commitment to sound financial stewardship and continuous improvement, management has conducted a comprehensive review of internal controls, reconciliation procedures, financial reporting practices, accounting policies, and month-end close processes. This review identified several areas where additional formalization, documentation, oversight, and monitoring would enhance the effectiveness of existing controls.

Management has already implemented significant corrective actions designed to address the conditions identified during the audit. Many of these improvements were implemented prior to the completion of audit fieldwork and have been incorporated into CTAC's ongoing financial management framework. Management remains committed to continually evaluating and strengthening its control environment to support accurate financial reporting, regulatory compliance, and responsible stewardship of public resources.

FINDING 2025-1
Bank Reconciliations

Management Response:

Management concurs with the finding. The auditors noted that bank reconciliations were not consistently completed and reviewed on a timely basis during Fiscal Year 2025 and that adjustments were required during the audit process to reconcile cash balances.

Management recognizes the importance of timely bank reconciliations as a foundational internal control over cash management, financial reporting, payroll, and disbursement activities. The audit finding highlighted opportunities to strengthen the timeliness, documentation, review, and monitoring of reconciliation procedures.

Management has evaluated the reconciliation process and implemented enhancements designed to improve accountability, consistency, supervisory review, and overall effectiveness of the control environment.

Corrective Actions Implemented

Management has implemented the following corrective actions:

- Established a formal month-end close calendar requiring completion of all bank reconciliations within the first ten (10) business days following month-end.
- Assigned clear responsibility for preparation and review of reconciliations, including documented supervisory approval procedures.
- Implemented monthly reconciliation review meetings to identify and resolve outstanding reconciling items.
- Enhanced reconciliation documentation standards to ensure sufficient audit trails and support.
- Incorporated reconciliation completion into management's monthly financial reporting process.
- Established CFO oversight and monitoring procedures to ensure ongoing compliance with reconciliation deadlines and internal control requirements.

Current Status

These corrective actions have been implemented and are operating as part of CTAC's standard monthly financial management processes. Management believes the underlying causes of the finding have been substantially addressed and that the control environment surrounding cash management and financial reporting has been significantly strengthened.

Responsible Official:
Chief Financial Officer

Implementation Status:
Implemented and Ongoing

FINDING 2025-2
Financial Close and Reporting

Management Response

Management concurs with the finding. The auditors noted that several adjustments were required during the audit process related to cash, compensated absences, pooled cash allocations, capital assets, depreciation, and revenue classifications. Management acknowledges that these adjustments indicate a need for a more formalized and comprehensive financial close and reporting process.

Management acknowledges that the audit adjustments identified opportunities to further strengthen the Trust's financial close and reporting processes. In response, management performed a comprehensive assessment of the financial reporting framework and identified enhancements related to month-end close procedures, balance sheet reconciliations, capital asset accounting, financial statement review processes, and year-end audit preparation.

The resulting improvements are intended to enhance the accuracy, timeliness, consistency, and transparency of financial reporting while reducing the risk of future audit adjustments.

Corrective Actions Implemented

Management has implemented the following improvements:

- Developed a comprehensive monthly and annual financial close checklist covering all significant accounting and reporting activities.
- Established formal balance sheet reconciliation requirements for all significant accounts.
- Implemented monthly reviews of cash, payroll liabilities, compensated absences, capital assets, deferred inflows, fund balance classifications, and other key financial statement accounts.
- Strengthened capital asset accounting procedures, including documentation requirements for additions, disposals, depreciation, and construction-in-progress activity.
- Enhanced review controls over journal entries and financial statement preparation.
- Implemented a structured month-end close process designed to be completed within ten (10) business days following month-end.
- Established year-end financial reporting schedules and audit preparation procedures designed to reduce audit adjustments and improve reporting accuracy.
- Increased executive oversight and accountability for the completeness and accuracy of monthly financial reporting.

Current Status:

The majority of these enhancements have been implemented prior to the conduction of the Fiscal Year 2025 audit. Management believes these corrective actions have significantly improved the reliability, accuracy, timeliness, and transparency of CTAC's financial reporting process and have substantially reduced the risk of future material audit adjustments.

Responsible Official:
Chief Financial Officer

Implementation Status:
Implemented and Ongoing

CONCLUSION

CTAC remains committed to maintaining the highest standards of financial stewardship, accountability, transparency, and compliance in the administration of public resources.

Management concurs with the findings identified by the auditors and views the audit process as a valuable opportunity to strengthen internal controls, enhance financial reporting processes, and reinforce organizational accountability. The corrective actions described above have been incorporated into CTAC's day-to-day operations and are actively monitored by management.

These enhancements include formalized month-end close procedures, strengthened reconciliation processes, improved financial reporting controls, enhanced documentation standards, expanded management oversight, and increased accountability throughout the finance function. Management believes these actions have substantially addressed the conditions identified in the audit findings and have further strengthened CTAC's overall financial management environment.

CTAC remains dedicated to continuous improvement and will continue to evaluate and refine its policies, procedures, and internal controls to support effective operations and responsible stewardship of public funds.

Sincerely,

Molly Allison Greenwald, MSA
Children's Trust of Alachua County, Chief Financial Officer

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

We have audited the financial statements of the governmental activities and each major fund of the Children's Trust of Alachua County (CTAC) for the year ended September 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards,* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 9, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by CTAC are described in Note 1 to the financial statements.

As described in Note 1 to the financial statements, CTAC adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences,* during the fiscal year ended September 30, 2025. See Note 1 and Note 4 for the impact from adopting GASB Statement No. 101. The application of existing policies was not changed during 2025.

We noted no transactions entered into by CTAC during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of depreciation and accumulated depreciation of fixed assets, which are based on useful lives determined by asset type.

- Management's estimate of the net Other Postemployment Benefits (OPEB) liability for CTAC's OPEB provided to its employees is based on an actuarial valuation performed by a qualified actuary. The net OPEB liability represents the difference between the value of OPEB plan assets and the total OPEB liability, which is measured using various actuarial assumptions. These actuarial assumptions, if changed, could have a significant impact on the recorded amounts.

- As a participating employer in the Florida Retirement System (FRS), a cost-sharing multiple-employer pension plan, CTAC records its share of the FRS net pension liability and deferred outflows and inflows. These amounts are based on an actuarial valuation performed by a qualified actuary retained by the FRS. The net pension liability represents the difference between the value of pension plan assets and the total pension liability, which is measured using various actuarial assumptions. Further, CTAC's allocation of the total net pension is based on its contributions for the year as a percentage of total contributions into the plan. If these assumptions were changed, the reported amounts could have a significant impact on the amounts recorded.

- Management's estimate of compensated absences, which is based on payroll data as of year-end, including employees' current rate of pay and accrued hours for paid time off.

We evaluated the methods, assumptions, and data used to develop the estimates described above in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Upcoming Accounting Pronouncements
The GASB has recently issued new accounting and financial reporting pronouncements which will become effective in CTAC's upcoming fiscal year ending September 30, 2026: GASB Statements No. 103, *Financial Reporting Model*, and No. 104, *Disclosure of Certain Capital Assets*.

- GASB Statement No. 103 will become effective for the year ending September 30, 2026. This statement will enhance the effectiveness of financial reporting for government entities. Key changes include standardization of sections in the Management's Discussion and Analysis, revised presentation of unusual or infrequent items, clearer definitions of operating and non-operating revenues and expenses in proprietary funds, providing details of each major component unit, and new requirements for budgetary comparison schedules.

- GASB Statement No. 104 will become effective for the year ending September 30, 2026. This statement requires a government to disclose separate information about specific types of capital assets and establishes criteria for identifying and reporting capital assets held for sale. The objective of this statement is to enhance transparency and improve the usefulness of financial statements for stakeholders by providing more detailed information on these assets.

Difficulties Encountered in Performing the Audit
We encountered no difficulties in dealing with CTAC management in performing and completing our audit; however, delays in the audit process occurred due to timing of receipt of the trial balance and related correcting and closing journal entries.

CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Misstatements detected as a result of audit procedures were corrected by management. See attached Schedule of Audit Adjustments.

Disagreements with Management
For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated June 5, 2026.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to CTAC's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as CTAC's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, the budgetary comparison information, and the required pension schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Projects Fund, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our

CTAC Members
Children's Trust of Alachua County
Gainesville, Florida

audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of CTAC Members and management of CTAC, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 5, 2026
Gainesville, Florida

Children's Trust of Alachua County

Year End: September 30, 2025

Number	Date	Name	Account No	Debit	Credit
PGC-1	9/30/2025	Deferred Outflow Resources Deferred Outflow - OPEB	950.190.3075 950	74,954.00	
PGC-1	9/30/2025	Other Postemployment Benefits (OPEB) Net OPEB Liab	950.237.1510 950		117,816.00
PGC-1	9/30/2025	Deferred Inflow Resources Deferred Inflow - OPEB	950.290.3075 950		7,700.00
PGC-1	9/30/2025	Postemployment Benefit OPEB Expense - Admin	950.00.0000.510.26.15 950	22,121.00	
PGC-1	9/30/2025	Postemployment Benefit OPEB Expense - Programs	950.00.0000.510.26.20 950	28,441.00	
		(PGC-AUDIT ASSISTANCE) To record current year activity related to OPEB			
PGC-2	9/30/2025	Deferred Outflow Resources Deferred Outflow - FRS	950.190.3060 950		38,786.00
PGC-2	9/30/2025	Deferred Outflow Resources Deferred Outflow - FRS	950.190.3060 950		109,968.00
PGC-2	9/30/2025	Other Postemployment Benefits (OPEB) Net Pension L	950.237.1010 950	119,641.00	
PGC-2	9/30/2025	Deferred Inflow Resources Deferred Inflow - FRS	950.290.3060 950		103,060.00
PGC-2	9/30/2025	Postemployment Benefit Pension Expense - Administ	950.00.0000.510.26.05 950	67,044.00	
PGC-2	9/30/2025	Postemployment Benefit Pension Expense - Programs	950.00.0000.510.26.10 950	65,129.00	
		(PGC-AUDIT ASSISTANCE) To record change (current year activity) in Pension NPL, DOR, DIR, and Pension Expense			
PGC-3	9/30/2025	Deferred Outflow Resources Deferred Outflow - FRS	950.190.3060 950	40,451.00	
PGC-3	9/30/2025	Postemployment Benefit Pension Expense - Administ	950.00.0000.510.26.05 950		20,519.00
PGC-3	9/30/2025	Postemployment Benefit Pension Expense - Programs	950.00.0000.510.26.10 950		19,932.00
		(PGC-AUDIT ASSISTANCE) To record DOR for pension contributions subsequent to the measurement date			
PGC-4	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001	138.77	
PGC-4	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001		138.77
PGC-4	9/30/2025	Property Capital Leases Property Lease Right to U	950.168.9000 950		7,958.06
PGC-4	9/30/2025	Property Capital Leases Lease Accumulated Amortiz	950.168.9500 950	4,642.20	
PGC-4	9/30/2025	Lease Lease Liability GASB 87	950.225.9000 950	3,454.63	
PGC-4	9/30/2025	Professional Services Professional Services	001.15.1500.569.31.00 001		138.77
PGC-4	9/30/2025	Principal Expense - Leases/SBITAs	001.15.1500.584.71.00 001	138.77	
PGC-4	9/30/2025	Principal Expense - Leases/SBITAs	950.15.1500.584.71.00 950		138.77
		(PGC-AUDIT ASSISTANCE) To remove ccancelled opier lease			

PGC-5	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001	32,000.00	
PGC-5	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001		32,000.00
PGC-5	9/30/2025	Property Capital Leases Lease Accumulated Amortiz	950.168.9500 950		25,083.05
PGC-5	9/30/2025	Amortization/Depreciation of SIBTA's Amortization/	950.240.0000 950	30,389.37	
PGC-5	9/30/2025	Professional Services Professional Services	001.15.1500.569.31.00 001		32,000.00
PGC-5	9/30/2025	Principal Expense - Leases/SBITAs	001.15.1500.584.71.00 001	30,389.36	
PGC-5	9/30/2025	Interest Expense - Leases/SBITAs	001.15.1500.584.72.00 001	1,610.64	
PGC-5	9/30/2025	Amortization/Depreciation Expense - Leases/SBITAs	950.15.1500.584.59.00 950	25,083.05	
PGC-5	9/30/2025	Principal Expense - Leases/SBITAs	950.15.1500.584.71.00 950		30,389.37

(PGC-AUDIT ASSISTANCE) To record SBITA activity related to GASB 96

PGC-6	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001		34,185.66
PGC-6	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	801.104.805 801	34,185.66	
PGC-6	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	34,185.66	
PGC-6	9/30/2025	Equity in Pooled Cash Payroll Account	805.291.801 805		34,185.66
PGC-6	9/30/2025	Payroll Deduction Accounts Payable-Expense	001.202.0100 001	34,185.66	
PGC-6	9/30/2025	Accounts Payable Accounts Payable	801.201.0000 801		130.55
PGC-6	9/30/2025	Payroll Deduction-Benefit Health Insurance	801.202.0510 801		56,173.74
PGC-6	9/30/2025	Payroll Deduction-Benefit Dental Insurance	801.202.0520 801		1,096.31
PGC-6	9/30/2025	Payroll Deduction-Benefit Life Insurance	801.202.0530 801		437.30
PGC-6	9/30/2025	Payroll Deduction-Benefit 457 Deduction	801.202.0540 801	3,127.42	
PGC-6	9/30/2025	Payroll Deduction-Benefit FSA Deduction	801.202.0550 801		2,313.91
PGC-6	9/30/2025	Payroll Deduction Vision Deduction	801.202.0560 801	76.83	
PGC-6	9/30/2025	Payroll Deduction AFLAC	801.202.0570 801	6,447.10	
PGC-6	9/30/2025	Payroll Deduction-Benefit FRS Retirement	801.202.0600 801	16,314.80	

(PGC-AUDIT) To clear Fund 801 (payroll Clearing Fund) at year-end and add to General Fund for FS presentation purposes

PGC-8	9/30/2025	Cash Cash	805.101.0100 805		207,987.27
PGC-8	9/30/2025	Cash Cash	805.101.0100 805		471,386.68
PGC-8	9/30/2025	Interest And Other Earnings General Government Int	805.00.0000.361.1410 805	207,987.27	
PGC-8	9/30/2025	Interest And Other Earnings General Government Int	805.00.0000.361.1410 805	471,386.68	

(PGC-AUDIT) To reverse a portion of JE 2025-968 and record interest in pooled G/L

PGC-9	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001		300,174.87
PGC-9	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	301.104.805 301	300,174.87	
PGC-9	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	300,174.87	
PGC-9	9/30/2025	Equity in Pooled Cash Capital Project Fund	805.291.301 805		300,174.87
PGC-9	9/30/2025	Fund Balance Unassigned Fund Balance	001.271.9900 001	300,174.87	
PGC-9	9/30/2025	Fund Balance Unassigned Fund Balance	301.270.9900 301		300,174.87

(PGC-AUDIT) To reverse JE 2025-838 as fund balance should be moved through a transfer in/out

PGC-10	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001		30,485.47
PGC-10	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	801.104.805 801		61,703.01
PGC-10	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	805.104.805 805		259,247.12
PGC-10	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	34,170.02	
PGC-10	9/30/2025	Equity in Pooled Cash Payroll Account	805.291.801 805	35,431.48	
PGC-10	9/30/2025	Accounts Payable Accounts Payable	801.201.0000 801		365.78
PGC-10	9/30/2025	Payroll Deduction-Benefit Deductions Payable	801.202.0500 801	28,366.85	
PGC-10	9/30/2025	Payroll Deduction-Benefit Health Insurance	801.202.0510 801	49,774.85	
PGC-10	9/30/2025	Payroll Deduction-Benefit Dental Insurance	801.202.0520 801	334.52	
PGC-10	9/30/2025	Payroll Deduction-Benefit Life Insurance	801.202.0530 801		147.71
PGC-10	9/30/2025	Payroll Deduction-Benefit 457 Deduction	801.202.0540 801		1,719.16
PGC-10	9/30/2025	Payroll Deduction-Benefit FSA Deduction	801.202.0550 801	89.19	
PGC-10	9/30/2025	Payroll Deduction Vision Deduction	801.202.0560 801		174.41
PGC-10	9/30/2025	Payroll Deduction AFLAC	801.202.0570 801		6,701.08
PGC-10	9/30/2025	Payroll Deduction-Benefit FRS Retirement	801.202.0600 801		7,754.26
PGC-10	9/30/2025	Cash Cash	805.101.0100 805	189,645.62	
PGC-10	9/30/2025	Executive Salaries Executive Salaries and Wages	001.15.1500.512.11.00 001	3,057.69	
PGC-10	9/30/2025	FICA FICA Taxes	001.15.1500.512.21.00 001	233.91	
PGC-10	9/30/2025	Workers Compensation Workers Comp	001.15.1500.512.24.00 001	8.31	
PGC-10	9/30/2025	Regular Salaries Regular Salaries & Wages	001.15.1500.513.12.00 001	9,674.19	
PGC-10	9/30/2025	FICA FICA Taxes	001.15.1500.513.21.00 001	740.08	
PGC-10	9/30/2025	Workers Compensation Workers Comp	001.15.1500.513.24.00 001	11.07	
PGC-10	9/30/2025	Professional Services Professional Services	001.15.1500.513.31.00 001	257.40	
PGC-10	9/30/2025	Regular Salaries Regular Salaries & Wages	001.15.1500.569.12.00 001	15,309.17	
PGC-10	9/30/2025	FICA FICA Taxes	001.15.1500.569.21.00 001	1,171.15	
PGC-10	9/30/2025	Workers Compensation Workers Comp	001.15.1500.569.24.00 001	22.50	
		(PGC-AUDIT) To correct cash by reversal of JE 2025-92, 2025-307, 2025-799, 2025-807, 2025-876, 2025-903, 2025-940, 2025-944, 2025-956, 2025-963, 2025-967			
PGC-11	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001	19,444.18	
PGC-11	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805		19,444.18
PGC-11	9/30/2025	Cash Cash	805.101.0100 805	19,444.18	
PGC-11	9/30/2025	Ad Valorem Taxes Current Real & Personal Property	001.15.1500.311.1000 001		19,444.18
		(PGC-AUDIT) To correct JE 2025-837 recording of excess fees due from Tax Collector			
PGC-12	9/30/2025	Due from Constitutional Officer Due from Tax Coll	001.116.4000 001	11,131.56	
PGC-12	9/30/2025	Ad Valorem Taxes Current Real & Personal Property	001.15.1500.311.1000 001		666.32
PGC-12	9/30/2025	Ad Valorem Taxes Delinquent Taxes	001.15.1500.311.2000 001		9.85
PGC-12	9/30/2025	Interest And Other Earnings Int Earn - Tax Collect	001.15.1500.361.1320 001		10,455.39
		(PGC-AUDIT) To record accrual of September 2025 taxes and interest from Tax Collector			

PGC-13	9/30/2025	Ad Valorem Taxes Current Real & Personal Property	001.15.1500.311.1000 001	2,958.05	
PGC-13	9/30/2025	Interest And Other Earnings Int Earn - Tax Collect	001.15.1500.361.1320 001		2,958.05
		(PGC-AUDIT) To correct revenue G/L accounts from JE 2025-809			
PGC-14	9/30/2025	Building Building Renovation FY24	900.162.9050 900	38,519.52	
PGC-14	9/30/2025	Construction in Progress Building Construction	900.169.9000 900		38,519.52
		(PGC-AUDIT) To move CIP for building renovations to capital assets			
PGC-15	9/30/2025	Building Building Renovation FY24	900.162.9050 900	137,505.12	
PGC-15	9/30/2025	Capital Asset Reclass Account Reclass Gov Capital	900.15.1500.500.69.99 900		137,505.12
		(PGC-AUDIT) To record FY25 Building Renovations assets			
PGC-16	9/30/2025	Accumulated Depreciation Allowance For Deprc Bldg	900.163.9000 900		3,043.72
PGC-16	9/30/2025	Accumulated Depreciation Allowance For Deprc Bldg	900.163.9000 900		3,043.72
PGC-16	9/30/2025	Accumulated Depreciation Allow For Deprc of Bldg	900.163.9050 900	3,043.72	
PGC-16	9/30/2025	Accumulated Depreciation Allow For Deprc of Bldg	900.163.9050 900		27.50
PGC-16	9/30/2025	Depreciation Depreciation	900.15.1500.500.59.00 900	3,043.72	
PGC-16	9/30/2025	Depreciation Depreciation	900.15.1500.500.59.00 900	27.50	
		(PGC-AUDIT) To correct JE 2025-699 and record additional depreciation related to building renovation final payment not included in asset additions			
PGC-17	9/30/2025	Compensated Absences Compensated Absences Short Te	950.210.1000 950	49,137.28	
PGC-17	9/30/2025	Compensated Absences Compensated Absences Short Te	950.210.1000 950		9,552.28
PGC-17	9/30/2025	Compensated Absences Compensate Absences - Long Te	950.210.1005 950	16,379.09	
PGC-17	9/30/2025	Compensated Absences Compensate Absences - Long Te	950.210.1005 950		3,185.09
PGC-17	9/30/2025	Personnel Services Compensate Absences Admin	950.90.9000.510.10.16 950		29,777.85
PGC-17	9/30/2025	Personnel Services Compensate Absences Admin	950.90.9000.510.10.16 950	5,789.26	
PGC-17	9/30/2025	Personnel Services Compensate Absences Programs	950.90.9000.510.10.26 950		35,738.52
PGC-17	9/30/2025	Personnel Services Compensate Absences Programs	950.90.9000.510.10.26 950	6,948.11	
		(PGC-AUDIT) To reverse JE 2025-798 & record change in CY compensated absences activity			
PGC-18	9/30/2025	UNEARNED REVENUE UNEARNED REVENUE	101.223.1000 101		40,156.66
PGC-18	9/30/2025	Private Contributions and Donations Private Contr	101.15.1500.366.0000 101	40,156.66	
		(PGC-AUDIT) to reclassify revenue as unearned revenue for amounts received but not spent for ELC grant in current year			

PGC-19	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001		86,909.44
PGC-19	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	102.104.805 102	86,909.44	
PGC-19	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	86,909.44	
PGC-19	9/30/2025	Equity in Pooled Cash Collaborative Task Force	805.291.102 805		86,909.44
PGC-19	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001	86,909.44	
PGC-19	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001	12,000.00	
PGC-19	9/30/2025	Private Contributions and Donations Private Contri	102.15.1500.366.0000 102		86,909.44
PGC-19	9/30/2025	Aid to Private Organization Goal 2 Education	001.15.1500.569.83.20 001		12,000.00
		(PGC-AUDIT) To reclassify miscellaneous revenues to appropriate revenue or expense G/L accounts			
PGC-20	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001		5,208.00
PGC-20	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	5,208.00	
PGC-20	9/30/2025	Cash Cash	805.101.0100 805		5,208.00
PGC-20	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001	5,208.00	
		(PGC-AUDIT) To reverse duplicate receipt of GAL rent on 9/12/2025 (2025-00000712)			
PGC-21	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001	33,556.90	
PGC-21	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805		33,556.90
PGC-21	9/30/2025	Cash Cash	805.101.0100 805	8,505.00	
PGC-21	9/30/2025	Cash Cash	805.101.0100 805	8,505.00	
PGC-21	9/30/2025	Cash Cash	805.101.0100 805	984.20	
PGC-21	9/30/2025	Cash Cash	805.101.0100 805	700.00	
PGC-21	9/30/2025	Cash Cash	805.101.0100 805	1,750.00	
PGC-21	9/30/2025	Cash Cash	805.101.0100 805	4,893.22	
PGC-21	9/30/2025	Cash Cash	805.101.0100 805	8,219.48	
PGC-21	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001		8,505.00
PGC-21	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001		8,505.00
PGC-21	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001		984.20
PGC-21	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001		700.00
PGC-21	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001		1,750.00
PGC-21	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001		4,893.22
PGC-21	9/30/2025	Other Misc Revenue Other Miscellaneous Revenue	001.15.1500.369.0000 001		8,219.48
		(PGC-AUDIT) To reverse JE 2025-696 as this entry was a reversal of JE 2025-500 which was a correct JE			
PGC-22	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	468,721.85	
PGC-22	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	13,640.93	
PGC-22	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805		937,443.70
PGC-22	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805		27,281.86
PGC-22	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	2,664.83	
PGC-22	9/30/2025	Cash Cash	805.101.0100 805		482,362.78
PGC-22	9/30/2025	Cash Cash	805.101.0100 805	964,725.56	
PGC-22	9/30/2025	Cash Cash	805.101.0100 805		2,664.83
		(PGC-AUDIT) To reverse a portion of JE 2025-817, 2025-822, & 2025-825			

PGC-23	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	001.104.805 001		1,245.56
PGC-23	9/30/2025	Equity in Pooled Cash Equity in Pooled Cash	801.104.805 801	1,245.56	
PGC-23	9/30/2025	Equity in Pooled Cash General Fund	805.291.001 805	3,352.53	
PGC-23	9/30/2025	Equity in Pooled Cash Payroll Account	805.291.801 805		3,352.53
PGC-23	9/30/2025	Accounts Payable Accounts Payable	001.201.0000 001		496.33
PGC-23	9/30/2025	Payroll Deduction Accounts Payable-Expense	001.202.0100 001	1,741.89	
PGC-23	9/30/2025	Accounts Payable Accounts Payable	801.201.0000 801	496.33	
PGC-23	9/30/2025	Payroll Deduction-Benefit Deductions Payable	801.202.0500 801	11.91	
PGC-23	9/30/2025	Payroll Deduction-Benefit Health Insurance	801.202.0510 801	6,398.89	
PGC-23	9/30/2025	Payroll Deduction-Benefit Dental Insurance	801.202.0520 801	761.79	
PGC-23	9/30/2025	Payroll Deduction-Benefit Life Insurance	801.202.0530 801	585.01	
PGC-23	9/30/2025	Payroll Deduction-Benefit 457 Deduction	801.202.0540 801		3,587.34
PGC-23	9/30/2025	Payroll Deduction-Benefit FSA Deduction	801.202.0550 801	2,224.72	
PGC-23	9/30/2025	Payroll Deduction Vision Deduction	801.202.0560 801	97.58	
PGC-23	9/30/2025	Payroll Deduction AFLAC	801.202.0570 801	253.98	
PGC-23	9/30/2025	Payroll Deduction-Benefit FRS Retirement	801.202.0600 801		8,488.43
PGC-23	9/30/2025	Cash Cash	805.101.0100 805		1,245.56
PGC-23	9/30/2025	Cash Cash	805.101.0100 805	1,245.56	

(PGC-AUDIT) To reverse JE 2025-832 & 2025-162