

Annual Comprehensive Financial Report



For the Fiscal Year Ended September 30, 2025



Nurturing Greatness

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



Because All Children Are Our Children

THE CHILDREN'S TRUST

(An Independent Special Taxing District located in Miami-Dade County, Florida)

**Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2025**

Issued By:

James R. Haj
President & Chief Executive Officer

Prepared By the Finance Department:

William Kirtland, CPA, Chief Financial Officer

TABLE OF CONTENTS

Introductory Section

Letter of Transmittal	i
GFOA Certificate of Achievement	xii
Organizational Chart	xiii
List of Principal Officials	xiv

Financial Section

Independent Auditor's Report	1-3
Management's Discussion and Analysis (Required Supplementary Information)	4-23

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Position	24
Statement of Activities	25

Fund Financial Statements

Governmental Fund Financial Statements

Balance Sheet – Governmental Fund	26
Reconciliation of the Balance Sheet of the Governmental Fund to the Government-wide Statement of Net Position	27
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund	28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Government-wide Statement of Activities	29

Notes to the Basic Financial Statements	30-71
--	--------------

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) - General Fund	72
Notes to the Required Supplementary Information – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	73
Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability, Florida Retirement System Pension Plan	74
Schedule of The Children's Trust's Contributions, Florida Retirement System Pension Plan	75
Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability, Health Insurance Subsidy Pension Plan	76
Schedule of The Children's Trust's Contributions, Health Insurance Subsidy Pension Plan	77
Schedule of Changes in the Total OPEB Liability and Related Ratios	78

Statistical Section

Introduction to Statistical Section	79
---	----

Financial Trend Information

Changes in Net Position – Governmental Activities	80
Changes in Net Position – Governmental Activities – Percentage of Total.....	81
Government-wide Net Position by Component	82
Chart-Total Government-wide Net Position	83
General Governmental Revenues by Source and Other Financing Sources	84
Chart-Total General Governmental Revenues by Source and Other Financing Sources	85
General Governmental Expenditures by Function	86
General Governmental Expenditures by Type.....	87
Chart-Total General Governmental Expenditures.....	88
Summary of Changes in Fund Balance – Governmental Fund	89
Chart-Summary of Changes in Fund Balance – Governmental Fund	90
Fund Balance - Governmental Fund	91

Revenue Capacity Information

Actual Value and Assessed Value of Taxable Property by Type	92
Chart-Total Actual Value and Assessed Value of Taxable Property by Type.....	93
Direct and Overlapping Property Tax Rates.....	94
Chart-Direct and Overlapping Property Tax Rates.....	95
Total Property Tax Levies and Collections.....	96
Principal Real Property Taxpayers.....	97

Debt Capacity Information

Ratios of Outstanding Debt by Type.....	98
---	----

Demographic and Economic Information

Demographic and Economic Statistics.....	99
Principal Employers	100

Operating Information

Full-time Employees by Function/Program	101
Operating Statistics by Program.....	102
Capital Asset Statistics	103

Compliance Section

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 <i>Government Auditing Standards</i>	104-105
Independent Auditor's Management Letter	106-108
Independent Accountant's Report.....	109



Introductory Section





Board of Directors

Kenneth C. Hoffman
Chair
Pamela Hollingsworth
Vice-Chair
Matthew Arsenault
Treasurer
Laurie Weiss Nuell
Secretary

Laura Adams
Islamiyat Nancy Adebisi
Daniel Armstrong, Ph.D.
Alex Auguste
Daniel Bagner, Ph.D.
Hon. Dorothy Bendross-Mindingall, Ph.D.
Cathy Burgos
Silvia Castellanos
Norie del Valle
Lourdes Diaz
Gilda Ferradaz
Gioia Ploy Gentile
Hon. Norman S. Gerstein (Ret.)
Lourdes P. Gimenez
Valrose Graham
Mindy Grimes-Festge
Osmani Gonzalez
Hon. Keon Hardemon
Malou C. Harrison, Ph.D.
Ilia Molina
Benjamin Nussbaum
Clara Lora Ospina, Psy.D.
Hon. Orlando Prescott
Hon. Alex Rizo
Hon. Isaac Salver
Alfred Sanchez
Miriam Soler Ramos, J.D.
Luis E. Suarez, J.D.

David Lawrence Jr.
Founding Chair

James R. Haj
President & CEO

County Attorney's Office
Legal Counsel

March 9, 2026

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

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of The Children's Trust, Miami, Florida (The Trust), for the fiscal year ended September 30, 2025. Florida Statutes require that every independent special taxing district of local government publish, within nine months of the close of each fiscal year, a complete set of audited financial statements. In addition to meeting this legal requirement, this report represents The Trust's tradition of full financial disclosure.

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

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

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

Forvis Mazars, LLP, independent auditors, have issued unmodified opinions of The Trust's financial statements for the fiscal year ended September 30, 2025. The independent auditors' report is located at the front of the financial section of this report. The Trust's financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). The Trust's Management Discussion and Analysis document (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Accounting and Internal Controls:

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

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

Profile:

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

The Trust operates under the guidance of a thirty-three (33) member board of directors (the Board) comprised of: seven individuals recommended by the Miami-Dade Board of County Commissioners and appointed by the Governor; twenty-one (21) members appointed by virtue of the office or position they hold within the community; and five members-at-large appointed by a majority of the Board. Board members appointed by the Governor serve four-year terms. The youth representative member and the State of Florida legislative delegate member each serve a one-year term. Members appointed by reason of their position are not subject to term limits. All at-large members serve three-year terms.



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

Miami-Dade County is the most populous county in Florida and the seventh-most populous in the United States, with an estimated population of approximately 2.9 million residents. Geographically, it occupies a unique position on the southeastern tip of the Florida peninsula, spanning roughly 2,400 square miles of land and water. The county is famously "sandwiched" between two national parks: the vast sawgrass marshes of the Everglades to the west and the vibrant coral reefs of Biscayne National Park to the east. With an average elevation of just 6 feet above sea level, the terrain is exceptionally flat, defined by limestone bedrock and a tropical monsoon climate that brings hot, humid summers and remarkably mild, dry winters.

Demographically, Miami-Dade is one of the most culturally diverse regions in the country, with roughly 54% of its residents being foreign-born. It serves as a major gateway to Latin America and the Caribbean, reflected in a population that is over 70% Hispanic or Latino and where more than three-quarters of households speak a language other than English at home. The economic landscape is equally dynamic; while the median household income hovers around \$68,694, the county is a study in financial contrasts. It boasts immense wealth concentrated in exclusive enclaves like Indian Creek and Fisher Island, alongside a poverty rate of approximately 14%. As a global hub for international trade and tourism, it is home to the **Port of Miami**—the "Cruise Capital of the World"—and a GDP that exceeds \$190 billion, making it the primary economic engine of Florida.

Strategic & Operational Leadership Highlights:

The Children's Trust's goals are to plan, advocate for and fund its priority investment areas specified in The Trust's Strategic Framework (available for download at TheChildrensTrust.org/StrategicPlanning). Each priority investment area goal is pursued through objectives to implement specified initiatives that forward the goal. Performance measures and standards include the quantity, quality, outcome/ impact measures and results, which are detailed throughout this report. These programs and activities of The Children's Trust are aligned with the goals established by Section 125.901 of the Florida Statutes to:

- Provide and maintain preventive, developmental and other services for all children's general welfare.
- Collect information and statistical data and conduct research helpful to determining the needs of children in the county.
- Consult and coordinate with other agencies dedicated to the welfare of children to prevent overlapping services and to fill critical gaps.

With continued guidance from its board of directors in the 2024- 2025 fiscal year, The Children's Trust demonstrated its ongoing commitment to serving children and families by partnering with 303 agencies to execute 437 contracts and numerous service agreements. These collaborations enabled the delivery of high-quality, accessible services tailored to address critical areas such as health, education, safety and family support. Significant advancements were made across key initiatives, including large-scale collaborations. These programs, along with data-driven decision-making tools, strategic funding allocations and extensive community engagement efforts, reflect the organization's dedication to fostering positive outcomes for children and their families. Key initiative highlights include:

Thrive by 5: Early Childhood Development

- With 60% of Miami-Dade kindergarteners (roughly 12,000 children) lacking readiness skills in 2024, The Trust invests over \$77.2 million in the Thrive by 5 continuum.
- Quality Improvement System (QIS): This system targets high-poverty areas, requiring providers to serve a minimum of 25% of children on subsidies. The percentage of high-quality (Tier 4 and 5) programs grew from 71% to 80% this year.
- A\$CEND Salary Supplements: To address low wages, 1,427 educators received a median award of \$1,950. This effectively increased hourly wages by an average of \$0.94, supporting staff retention in a field with a 15% national turnover rate.
- ElevatEd: This new online professional development portal launched in October 2024, attracting over 6,800 users. It provided 2,611 Continuing Education Units (CEUs) to educators.
- Mental Health Consultation: The Jump Start program serves 114 programs and 258 educators. Following 5,312 teacher sessions, 86% of children showed significant improvement in self-control and behavior.
- Literacy Success: The Children's Trust Book Club reached over 63,000 children, distributing more than 554,000 free books in English, Spanish, and Haitian Creole.

Youth Development / Health & Wellness

- Summer Youth Internship Program (SYIP): In its 10th year, SYIP provided paid internships to a record 3,661 students from 92 high schools. These students contributed over 500,000 work hours across nearly 1,000 organizations.
- HealthConnect in Our Schools: The initiative doubled its reach for the 2025-2026 school year, now serving all public schools and select charter schools through mobile units and telehealth.
- General Youth Development: More than 47,000 children participated in after-school and summer camp programs. The 7th annual Battle of the Books specifically engaged 1,000 participants to boost literacy.
- Zero Drownings Miami-Dade: This safety initiative expanded to deliver nearly 16,000 swim lessons to more than 2,200 children.

Technology, Innovation, and Engagement

- Artificial Intelligence (AI): Staff utilized AI tools to enhance productivity in strategic planning, data processing, and visual creation, contributing to executing all program contracts ahead of schedule.
- Accountability: Eight contract-level Comprehensive Performance Reviews (CPRs) were held, involving over 45 hours of data review for hundreds of contracts.
- Community Hubs: The Parent Club held 1,765 workshops for over 20,000 participants. The annual Family Expo attracted over 5,200 attendees for health screenings and community resources.
- Youth Leadership: The Youth Advisory Committee (YAC) grew to 220 active members from 52 high schools, providing thousands of community service hours.

Fiscal and Budget Policy:

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

The Children's Trust has more than a decade-long tradition of financial excellence consistent with its quality and sound financial practices. For thirteenth consecutive year, The Trust's Annual Comprehensive Financial Report (ACFR) as of September 30, 2024, was awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

This report celebrates the achievements of fiscal year 2024-2025 and highlights the ongoing efforts to create a healthier, safer and more equitable future for all children and families in Miami-Dade County. All this vital work continues to accelerate thanks to the board's leadership, commitment and vision.

2024-2025 Budget & Millage Rate

The approved 2024-2025 budget includes total operating expenditures of \$256.3 million, the largest operating budget in Trust history, and total ad valorem tax revenues of approximately \$224.9 million. Fiscal year 2024-2025 marked the beginning of the funding cycle for most major initiatives. The Children's Trust committed an additional \$28 million annually, and \$284.7 million over the five-year cycle in additional funds earmarked for program services for the fiscal years 2024-2028. This five-year commitment continues to emphasize the importance of program spending that provides critical services for children and families in Miami-Dade. The 2024-2025 millage rate of 0.5000 mills will ensure the continuity and expansion of essential program services. The property tax for a residential property having a median taxable value with a \$50,000 homestead exemption for the 2024-2025 tax year is \$83.03 representing an increase of just \$7.49 from the prior fiscal year. The 2024-2025 budget reflects management expenses of 5.56 percent of total budgeted expenditures.

Look Ahead: 2025-2026 Budget & Millage Rate

Looking ahead, The Children's Trust remains committed to deepening its impact and expanding access to critical services. Guidance from the board of directors led to the adoption of a historic \$260.1 million budget for fiscal year 2025-2026, reflecting a continued focus on addressing the needs of children and families in Miami-Dade County. With a current millage (rolled-back) rate of 0.4638, the organization is well-positioned to sustain and enhance its programs while minimizing financial strain on taxpayers. The property tax for a residential property commitment, assuming a median taxable value with a \$50,000 homestead exemption for the 2025-2026 tax year is \$83.03, representing a zero-increase tax effect from the previous fiscal year. The budget includes a low management expense ratio (5.58 percent). This balanced approach ensures the continuity of essential services for children and families.

(See budget detail on the subsequent page)

BUDGET BY PRIORITY INVESTMENT AREA

DESCRIPTION	2024-25 BUDGETED EXPENDITURES	2025-26 BUDGETED EXPENDITURES	PERCENTAGE DIFFERENCE
SUSTAIN & EXPAND DIRECT SERVICES			
Parenting	30,809,460	31,009,460	0.65%
Thrive by 5 (early childhood development)	59,128,357	58,585,357	-0.92%
Youth development	83,303,115	83,303,115	0.00%
Health & wellness	30,891,778	32,341,778	4.69%
Family & neighborhood supports	16,164,176	16,662,450	3.08%
TOTAL SUSTAIN & EXPAND DIRECT SERVICES	\$220,296,886	\$221,902,160	0.73%
COMMUNITY ENGAGEMENT, AWARENESS & ADVOCACY			
Promote public policy & legislative agendas	215,300	215,300	0.00%
Public awareness & program promotion	3,085,000	2,965,000	-3.89%
Promote citizen engagement & leadership	1,315,000	1,435,000	9.13%
Cross-funder collaboration	1,735,000	1,735,000	0.00%
TOTAL COMMUNITY ENGAGEMENT, AWARENESS & ADVOCACY	\$6,350,300	\$6,350,300	0.00%
LEARNING & QUALITY IMPROVEMENT			
Supports for quality program implementation	3,650,000	3,650,000	0.00%
Information technology	2,050,000	2,050,000	0.00%
Program evaluation & community research	570,000	570,000	0.00%
Innovation fund	1,619,000	1,619,000	0.00%
TOTAL LEARNING & QUALITY IMPROVEMENT	\$7,889,000	\$7,889,000	0.00%
ADMINISTRATION & NON-OPERATING EXPENDITURES			
Management of The Children's Trust	14,237,534	14,522,534	2.00%
Non-operating expenditures	7,500,000	9,500,000	26.67%
TOTAL ADMINISTRATION & NON-OPERATING	\$21,737,534	\$24,022,534	10.51%
TOTAL	\$256,273,720	\$260,163,994	1.52%

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

Conditions, Outlook & Responses:



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

Assessed Miami-Dade property values for the prior 5-years are as follows: Fiscal Year	Total Actual Value	% Change
2021-22	340,060,434,617	4.13%
2022-23	379,933,131,965	11.73%
2023-24	427,809,390,459	12.60%
2024-25	473,186,843,524	10.68%
2025-26	503,228,457,044	6.28%

The Trust generates a long-term forecasting model assuming each fiscal year will yield an increase of at least 5% ad valorem taxes. During years when market growth exceeds or does not meet this expectation, The Trust adopts the appropriate millage rate to maintain committed program services, potentially invest in additional program services, and maintain the Government Finance Officers Association (GFOA) best practices fund balance. Historical market trends not only indicate steady growth in Miami-Dade property values, but as of recent, increased overall growth of 6.28%. To assure our service providers of grant funding and continuity, The Trust monitors any potential market threats or indicators that may affect economic conditions and the overall value of county commercial and residential properties.

A spirit of resilient optimism defines the current landscape of Miami-Dade County, where a record of robust property growth continues to serve as a powerful economic engine for the region. This growth has enabled historic investments in the community. However, this period of prosperity is met with a necessary posture of caution regarding the shifting legislative and regulatory environment. Impending property tax reform at the state level creates a landscape of uncertainty for future local revenue and the sustainability of long-term community projects. Furthermore, the introduction of additional state and federal government oversight, signals a new era of rigorous accountability and potential restructuring of public funding. While The Trust continues to demonstrate operational

excellence, it must remain vigilant and adaptable to these evolving standards to ensure that local growth is not stifled by external bureaucratic shifts.

Economic Outlook: Labor, Inflation, and Service Continuity

Economic data for 2026 indicates a "tightening" labor market, with regional unemployment projected to an average of 4.2%.

- **Wage Pressure:** Rising costs for food, fuel, and housing (projected 1.1% gain in Miami-Dade, defying statewide declines) have increased the "cost-of-service" for our 200+ non-profit partners.
- **Strategic Response:** Our risk management plan now includes contingency grant adjustments. Rather than expanding the number of programs, we are prioritizing the "health" of current high-impact contracts. Ensuring they are adequately funded to attract and retain quality staff in a high-inflation environment.

Regulatory Oversight & Response

The Children's Trust acknowledges the findings of the 2026 Department of Government Efficiency (DOGE) report regarding local taxing authorities. We recognize that as a dedicated taxing district, we must align our operations with the rigorous standards of transparency and austerity being championed at the state level. In response, our forward-looking strategy incorporates the following core pillars:

- **Zero-Based Planning & Operational Efficiency:** This involves a granular review of every grant and administrative function to ensure they remain strictly necessary. We are committed to identifying "stoppable" activities and capping personnel compensation growth to ensure it does not exceed the combined rate of inflation and population growth.
- **Reserve Realignment & Tax Relief:** While professional organizations have traditionally suggested higher reserve targets, we are evaluating our fund balances to align more closely with the state's statutory benchmarks. Furthermore, recognizing the "stealth tax" effect of rising property values, The Trust is prepared to evaluate its millage rate and provide relief to Miami-Dade taxpayers whenever possible.
- **Strategic Refocusing of Funding:** In accordance with the DOGE report's emphasis on core mission activities, we are conducting a comprehensive vetting (CPRs) of our non-profit grants. Ensuring that every dollar is directed toward measurable, high-impact youth outcomes such as health and early childhood literacy.

Legislative Outlook & Response

The Trust is actively monitoring several significant financial and legislative trends that could impact its operations. These include:

- **Property Tax Reform:** Proposed state legislation to reduce or eliminate property taxes could result in the loss of hundreds of millions of dollars in local revenue. This threatens funding for essential services like programs for seniors and children, public safety, and infrastructure maintenance.
- **Economic Pressures:** Persistent inflation continues to strain both households and local businesses, particularly through the rising costs of food and fuel.

- Labor Market Shifts: The workforce faces potential displacement from Artificial Intelligence (AI) and a tight labor market driven by negative migration trends, making it difficult to fill both skilled and blue-collar positions.
- Federal Funding Risks: Changes in federal priorities may lead to reductions in grant funding, specifically FEMA support, which would leave the county vulnerable during major storms or disasters.

The fiscal year 2025-26 serves as a critical transition period. While Miami-Dade County remains a premier destination for investment, the convergence of shifting state policy and a cooling real estate market necessitates a rigorous risk-mitigation strategy.

The most immediate risk to our long-term solvency is the "perfect storm" of property tax reform. Specifically, House Joint Resolution (HJR) 201 and its companion bills (HJR 205, 207) threaten to eliminate or severely curtail ad valorem collections for non-school homestead properties by January 2027.

- The "Stealth Tax" Challenge: While the Trust has benefited from tax roll growth in recent years, this has been characterized in recent efficiency reports as a "stealth tax increase" fueled by soaring valuations.
- Risk Mitigation: To pre-empt legislative mandates, we are exploring a proactive millage reduction strategy. By lowering the millage rate to offset valuation spikes, The Trust can demonstrate fiscal restraint, potentially insulating our core mission from more radical "zero-out" proposals being considered in Tallahassee.

The Children's Trust derives its revenue primarily from ad valorem property tax revenue. Considering the additional risk factors mentioned above, The Trust further seeks to leverage its reserves and investment strategy to mitigate the risk of property tax revenue adjustments. The Trust has recently engaged with an investment advisory services firm, PFM Asset Management, LLC, with the goal of leveraging existing fund balances and annual average operating balances to achieve increased financial stability. Managing The Children's Trust investments is governed by Florida Statute 218.415, as well as the Trust Investment policy. With the Federal Reserve pausing its rate-cutting cycle in early 2026, leaving the target range at 3.50% to 3.75%, the window to capture high yields is narrowing. Our asset management focus for the fiscal year 2026, includes the following highlights:

- Liquidity Focus: Managing liquidity is a top priority to ensure The Trust can meet its financial obligations without incurring losses.
- Diversification: Officials are evaluating a re-entry into the Florida Prime & Florida Palm Local Government Investment Pools (LGIPs) to provide a high-rated, liquid short-term investment option.
- Duration Management: The Trust is extending investment maturities to lock in current higher yields before anticipated interest rate cuts in 2026. Establishing a core portfolio that designed with longer maturities. This locks in higher coupon income to act as a hedge against future property tax revenue losses.

Certificate of Achievement for Excellence in Financial Reporting:



The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to The Trust for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2024. This is the thirteenth consecutive year that The Trust has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Acknowledgements:

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



Respectfully Submitted,

James R. Haj
President & Chief Executive Officer

William Kirtland, CPA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**The Children's Trust
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

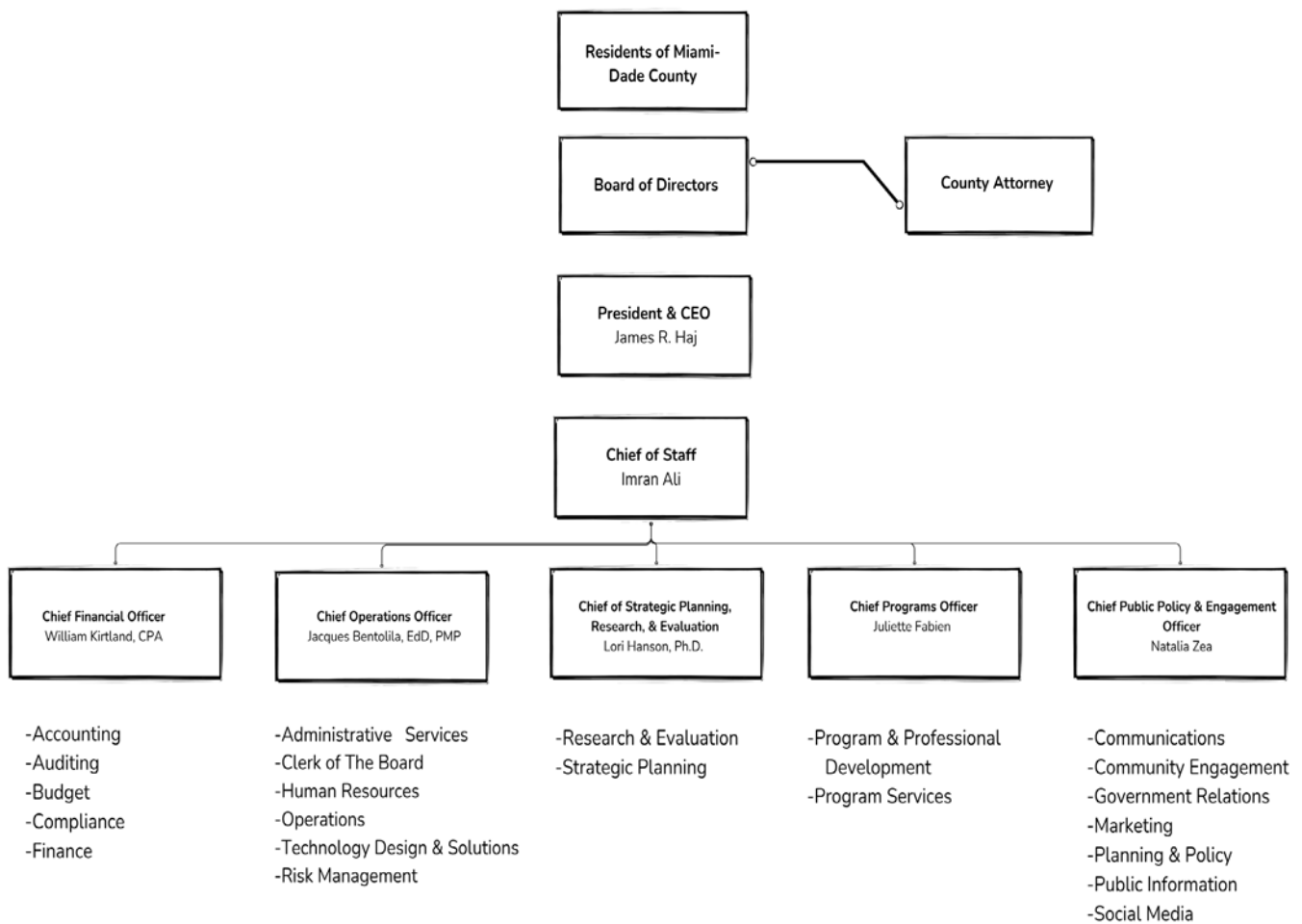
September 30, 2024

Christopher P. Morill

Executive Director/CEO



Organizational Chart





List of Principal Officials

OFFICERS/EXECUTIVE COMMITTEE

Kenneth C. Hoffman, Chair
Pamela Hollingsworth, Vice-Chair
Laurie Weiss Nuell, Executive Secretary
Matthew Arsenault, Treasurer

BOARD OF DIRECTORS

Laura Adams
Islamiyat Nancy Adebisi
Daniel Bagner, Ph.D.
Hon. Dorothy Bendross-Mindingall, Ph.D.

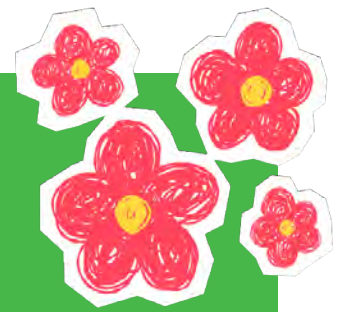
Cathy Burgos
Norie del Valle
Lourdes Diaz
Gilda Ferradaz
Hon. Norman S. Gerstein (Ret.)
Lourdes P. Gimenez
Valrose Graham
Mindy Grimes-Festge
Hon. Keon Hardemon
Malou C. Harrison, Ph.D.
Clara Lora Ospina, Psy.D.
Hon. Orlando A. Prescott
Hon. Alex Rizo
Hon. Isaac Salver
Daniel Armstrong, Ph.D.

Alex Auguste
Silvia Castellanos
Gioia Ploy Gentile
Benjamin Nussbaum
Miriam Soler Ramos, J.D.
Osmani Gonzalez
Ilia Molina
Alfred Sanchez
Luis E. Suraez, J.D.

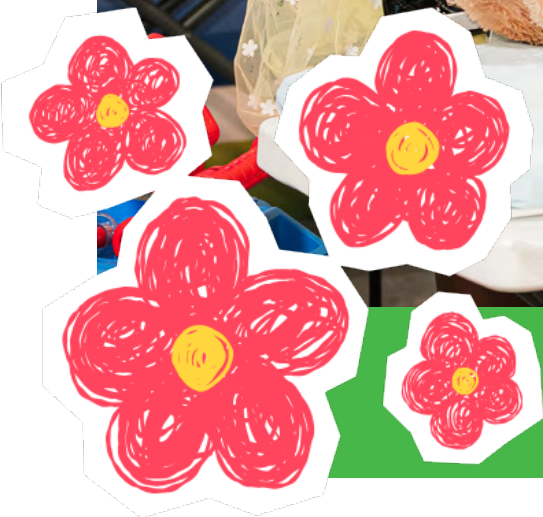


Financial Section





Independent Auditor's Report



Independent Auditor's Report

Members of the Board of Directors
The Children's Trust

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the General Fund of the Children's Trust (The Trust) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise The Trust's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of The Trust, as of September 30, 2025, and the respective changes in financial position for the year then ended in conformity 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of The Trust, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 4-E to the financial statements, in the fiscal year ended September 30, 2025, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 101, Compensated Absences. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during that audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the General Fund budgetary comparison schedule, the Pension Schedules and the OPEB Schedule, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2026, on our consideration of The Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 The Trust'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 The Trust's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
March 9, 2026**

Management's Discussion and Analysis (MD&A)



The Children's Trust Management's Discussion and Analysis

Management of The Children's Trust (The Trust) has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues; (b) provide an overview and analysis of The Trust's financial activities; (c) identify changes in The Trust's financial position; and (d) identify material deviations from the approved budget. Because the information contained in the Management's Discussion and Analysis is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with The Trust's financial statements and note disclosures found on pages 30 through 71. Additionally, comparative information for the current and prior year is presented to aid in the understanding of The Trust's financial performance.

Financial Highlights

The Children's Trust celebrated its twenty-second year during the 2024-2025 fiscal year. During this year, with continued guidance from The Trust's board of directors, The Trust continued its dedication and commitment to partner with the community to plan, advocate for and fund strategic investments that improve the lives of all children and families in Miami-Dade County. Key initiative accomplishments, which are detailed in The Trust's Annual Report (available at <https://www.thechildrenstrust.org/about-us/>) and are accounted for in provider services, included celebrating the Summer Youth Internship Program (SYIP) tenth year whereby this five-week work-based learning experience offers students practical exposure in community settings; expanded impact in early literacy by competitively awarding Book Club contracts to enhance book buying, content development, fulfillment, and community and digital programming; and dramatically expanded the Zero Drownings Miami-Dade along with community partners. An overview of significant financial information from fiscal year 2024-2025 includes:

- The Trust's total assets and deferred outflows of financial resources exceeded its total liabilities and deferred inflows of financial resources by \$62,790,237 (net position).
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$410,858, which includes computers and furniture and equipment, net of accumulated depreciation, intangible right-to-use assets (office space and subscription-based information technology arrangements (SBITA)), net of amortization and the related lease and SBITA liability, as well as other intangible assets, net of accumulated amortization; and
 - (2) Restricted net position of \$62,379,379, which reflects the portion of net position that includes The Trust's obligation for provider service contracts.
- The Trust's net position increased by \$12,150,285 for an ending balance of \$62,790,237; the increase is primarily related to incurring less than anticipated in expenses for provider services.
- The Trust's expenses were \$227,086,520 for an increase of 9.9% from the previous year; the increase is primarily related to spending \$17.1 million or 9.1% more for direct service contracts and supports (provider services) and was budgeted for in accordance with The Trust's strategic plan (available at <https://www.thechildrenstrust.org/about-us/strategic-planning/>).
- The Trust's governmental fund reported a total ending fund balance of \$70,827,030; this compares to the prior year ending fund balance of \$59,036,802, representing an increase of \$11,790,228. The Trust's fund balance supports its mission while ensuring that the minimum fund balance, as recommended by the Government Finance Officers Association, is also maintained.

The Children's Trust
Management's Discussion and Analysis

- The Trust's governmental fund restricted fund balance totaled \$70,504,511 and represents the net current financial resources that have been appropriated by the board for provider service contracts.
- The Trust's operating budget increased from the prior year, from \$227.8 million to \$256.2 million or 12.5%. This increase is aligned with The Trust's mission to expand its investment in children and families and support providers who improve the lives of children and families.

(Continued on the subsequent page)

The Children's Trust Management's Discussion and Analysis

Overview of the Financial Statements

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

Government-wide Financial Statements

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

The first of these government-wide financial statements is the *Statement of Net Position*. This is the government-wide statement of net position presenting information that includes all The Trust's assets and deferred outflows of financial resources and liabilities and deferred inflows of financial resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of The Trust, as a whole, is improving or deteriorating. The net position of The Trust as of September 30, 2025, enables The Trust to continue its pursuit of the strategic plan. Evaluation of the overall health of The Trust would also extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

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

The government-wide financial statements are presented on pages 24 and 25 of this report.

(Continued on the subsequent page)

The Children's Trust

Management's Discussion and Analysis

Fund Financial Statements

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

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of The Trust's governmental fund. These funds are reported using the current financial resources measurement focus and the modified accrual accounting method. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, that is, when they become measurable and available. Measurable means the amount of the transaction can be determined and available means the transaction is collectible within the current period or soon thereafter to be used to pay liabilities of the current period. Consequently, these statements report short-term fiscal accountability focusing on the use and balance of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The relationship – or difference - between governmental activities is reconciled in the financial statements on pages 27 and 29 of this report.

The basic governmental fund financial statements are presented on pages 26 through 29 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 30 of this report.

(Continued on the subsequent page)

The Children's Trust Management's Discussion and Analysis

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning The Trust's budget presentation. The budgetary comparison schedule i.e., the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, is included as “required supplementary information”. This schedule also includes Notes to Required Supplementary Information - Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund. Other schedules also presented include the Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan, Schedule of The Children's Trust's Contributions - Florida Retirement System Pension Plan, Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan, Schedule of The Children's Trust's Contributions - Health Insurance Subsidy Pension Plan, and Schedule of Changes in the Total OPEB Liability and Related Ratios. This information is presented on pages 72 through 78.

Financial Analysis of The Children's Trust as a Whole

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

Summary of Net Position

	September 30, 2025		September 30, 2024	
	Amount	% of Total	Amount	% of Total
Assets				
Current assets	\$ 101,011,765	97.3%	\$ 92,021,105	96.4%
Capital assets	2,779,887	2.7%	3,456,344	3.6%
Total assets	103,791,652	100.0%	95,477,449	100.0%
Deferred outflows	1,371,534	100.0%	1,769,211	100.0%
Liabilities				
Current liabilities	30,917,344	76.0%	33,597,440	74.3%
Long-term liabilities	9,744,220	24.0%	11,650,156	25.7%
Total liabilities	40,661,564	100.0%	45,247,596	100.0%
Deferred inflows	1,711,385	100.0%	1,157,493	100.0%
Net position				
Net investment in capital assets	410,858	0.7%	415,207	0.8%
Restricted	62,379,379	99.3%	50,426,364	99.2%
Total net position	\$ 62,790,237	100.0%	\$ 50,841,571	100.0%

The Trust maintains a high current ratio. The current ratio compares current assets to current liabilities and is an indication of The Trust's ability to pay current obligations. At September 30, 2025, the current ratio for governmental activities is 3.27 to 1 as compared to 2.74 to 1 at September 30, 2024.

The Children's Trust

Management's Discussion and Analysis

Total Assets

Total assets were \$103,791,652 at September 30, 2025, and consists of two components: current assets and capital assets.

- Current Assets – the largest components of current assets were cash and cash equivalents and investments, which represents \$44,768,725 and \$54,217,277, respectively or 44.3% and 53.7%, respectively, of total current assets at September 30, 2025. This amount compares to total cash and investments of \$38,251,811 and \$52,798,092, respectively or 41.6% and 57.4%, respectively, of total current assets at September 30, 2024. Cash and cash equivalents and investments represent funds that are for provider services as well as funds that are available for general operations of The Trust.
- Capital Assets – consists of depreciable capital assets that includes software, computers, website, and furniture and equipment, net of accumulated depreciation and amortization of \$523,982 and intangible right-to-use assets (leased office space and subscription-based information technology arrangements (SBITA), net of amortization of \$2,255,905 at September 30, 2025. In comparison, software, computers, website, and furniture and equipment, net of accumulated depreciation, was \$523,806 and intangible right-to-use assets, net of amortization, was \$2,932,538 at September 30, 2024. The net decrease of \$676,457 in capital assets is primarily related to the combination of several factors. These factors included the deletion of a SBITA right-to-use intangible assets and the depreciation and amortization of assets during the year.

Deferred Outflows

Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense or an expenditure) until then. Deferred outflows of financial resources were related to The Trust's proportionate share of pension liabilities as reported by the Florida Division of Retirement and was \$1,371,534 at September 30, 2025, as compared to \$1,769,211 at September 30, 2024.

Total Liabilities

Total liabilities consisted of several components and totaled \$40,661,564 as of September 30, 2025.

- The largest component of liabilities was accounts payable, which totaled \$29,635,204 and \$32,443,358 at September 30, 2025, and 2024, respectively, and accounted for 72.9% and 71.7% of total liabilities at September 30, 2025 and September 30, 2024, respectively. Payments due to providers represent the largest portion of accounts payable and were less than the prior year as The Trust made an asserted effort to collaborate with providers to timely receive reimbursement requests as well as updating fiscal procedures to reduce invoice processing time while increasing accuracy.
- Net pension liability payable represents The Trust's proportionate share of pension liabilities as reported by the Florida Division of Retirement (FRS) and totaled \$6,619,831 and \$8,129,269 at September 30, 2025 and September 30, 2024, respectively, and accounted for 16.3% and 18.0% of total liabilities at September 30, 2025 and September 30, 2024, respectively. The decrease in net pension liability is due to a decrease in the net pension liability as reported by the FRS actuary. The decrease in net pension liability resulted primarily from differences between projected and actual investment earnings experienced by the FRS plan.

The Children's Trust

Management's Discussion and Analysis

- Accrued expenses represent salaries and fringe benefits payable and totaled \$412,781, or 1.0% of total liabilities; whereas, accrued expenses totaled \$424,796 at September 30, 2024.
- Intergovernmental payable represents amounts due to the Florida Retirement System and totaled \$136,750, or less than 1%, of total liabilities; whereas, intergovernmental payable totaled \$116,149 at September 30, 2024.
- Compensated absences payable represents vacation and sick leave earned but not taken by employees and totaled \$1,469,395, or 3.6%, of total liabilities; whereas, compensated absences payable totaled \$1,079,469 at September 30, 2024. The estimated current portion at September 30, 2025 is \$220,409.
- Lease liability represents the value of the lease liability for a right-to-use leased asset (office space) that qualifies as other than a short-term lease under GASB Statement No. 87, Leases, and totaled \$2,116,334, or 5.2%, of total liabilities; whereas, lease liability totaled \$2,486,346 at September 30, 2024. The estimated current portion at September 30, 2025 is \$381,020.
- SBITA liability represents the value of the subscription-based information technology arrangements liability for a right-to-use asset following GASB Statement No. 96, Subscription-Based Information Technology Arrangements, and totaled \$252,695, or less than 1%, of total liabilities; whereas, SBITA liability totaled \$554,791 at September 30, 2024. The estimated current portion at September 30, 2025 is \$131,180. The decrease in SBITA liability is due to a modification on a SBITA agreement whereby a portion of the SBITA liability was eliminated.
- Total Other Post-Employment Benefits (OPEB) liability represents OPEB for eligible retirees for health insurance "implicit subsidy" premiums and totaled \$18,574, or less than 1%, of total liabilities; whereas, OPEB obligation totaled \$13,418 at September 30, 2024. All OPEB liability is considered to be long-term since there are currently no retirees receiving benefits under the plan as well as the actives eligible for the retiree coverage are assumed to retire at least one year after the OPEB valuation date.

Deferred Inflows

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until then. Deferred inflows of financial resources were related to The Trust's proportionate share of pension liabilities as reported by the Florida Division of Retirement and was \$1,711,385 at September 30, 2025, as compared to \$1,157,493 at September 30, 2024.

Net Position

Net position is composed of two sections: Net investment in capital assets and restricted net position. Net position totaled \$62,790,237 at September 30, 2025, as compared to \$50,639,952 (restated see Note 4E) at September 30, 2024, representing an increase of approximately \$12.2 million as opposed to an increase of approximately \$10.6 million in the prior fiscal year. The change in net position for fiscal year 2024-2025 is primarily attributable to The Trust strategically planning for this new five-year funding cycle, continuing the expansion in funding services to children and families, and the underutilization of funds by providers.

The Children's Trust
Management's Discussion and Analysis

The following table provides a summary of The Trust's changes in net position for the fiscal year ended September 30, 2025 and 2024:

Summary of Changes in Net Position				
Governmental Activities				
For the Fiscal Years Ended September 30,				
	2025		2024	
	Amount	% of Total	Amount	% of Total
Revenues:				
General:				
Ad valorem taxes	\$ 227,385,761	95.0%	\$ 206,465,506	95.0%
Investment earnings	6,138,542	2.6%	6,552,447	3.0%
Interlocal agreement	4,037,388	1.7%	3,630,722	1.7%
Miscellaneous	1,675,114	0.7%	657,197	0.3%
Total revenues	239,236,805	100.0%	217,305,872	100.0%
Program Expenses:				
Provider Services	205,342,546	90.4%	188,240,344	91.1%
General administration:				
Personnel services	11,373,293	5.0%	10,636,905	5.2%
Materials and services	1,189,522	0.6%	712,266	0.3%
Interlocal agreement, property appraiser and tax collector fees	9,181,159	4.0%	7,116,426	3.4%
Total expenses	227,086,520	100.0%	206,705,941	100.0%
Change in Net Position	12,150,285		10,599,931	
Beginning Net Position, restated (See Note 4E)	50,639,952		40,241,640	
Ending Net Position	\$ 62,790,237		\$ 50,841,571	

The Children's Trust

Management's Discussion and Analysis

Governmental Activities Revenue

The Trust realized an increase in ad valorem taxes over the prior year by \$20.9 million, or 10.1%. This increase is attributable to the increase in property tax values and is inline with the increase in budgeted ad valorem tax revenues over the prior year. The Trust is heavily reliant on property taxes to support governmental operations. During fiscal year 2024-2025, property taxes provided 95.0% of The Trust's total revenues as compared to 95.0% in fiscal year 2023-2024. The Trust's dependence on property taxes remained constant. Property values are assessed as of January 1 of each year and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4% for early payment.

Governmental Activities Expenses

During fiscal year 2024-2025, total expenses increased by approximately \$20.4 million, or 9.9%, when compared to fiscal year 2023-2024. The increase in expenses was primarily due to spending \$17.1 million more on provider service contracts and support, due to strategically investing in more programs for children and families for the current five-year funding cycle. Provider services, general and administrative expenses, and non-operating expenses make up 90.4%, 5.6% and 4.0%, respectively, of total expenses.

(Continued on the subsequent page)

The Children's Trust Management's Discussion and Analysis

Governmental Fund Financial Statement Analysis

This section presents condensed financial information from the fund financial statements. The balance sheet is found on page 26 and the statement of revenues, expenditures and changes in fund balance – governmental fund is found on page 28.

The Trust completed its twenty-second year of operations with an ending fund balance of \$70,827,030 as compared to \$59,036,802 at September 30, 2024. Of this total, \$322,519 is nonspendable at September 30, 2025, and the remaining balance of \$70,504,511 is restricted for provider services.

Revenues and Other Financing Sources

Fiscal year 2024-2025 represents the twenty-second year of The Trust's operations and the twentieth year that The Trust levied ad valorem taxes. Revenues totaled \$239.2 million as compared to \$217.3 million reported in the previous year. The general classes of revenue reported include:

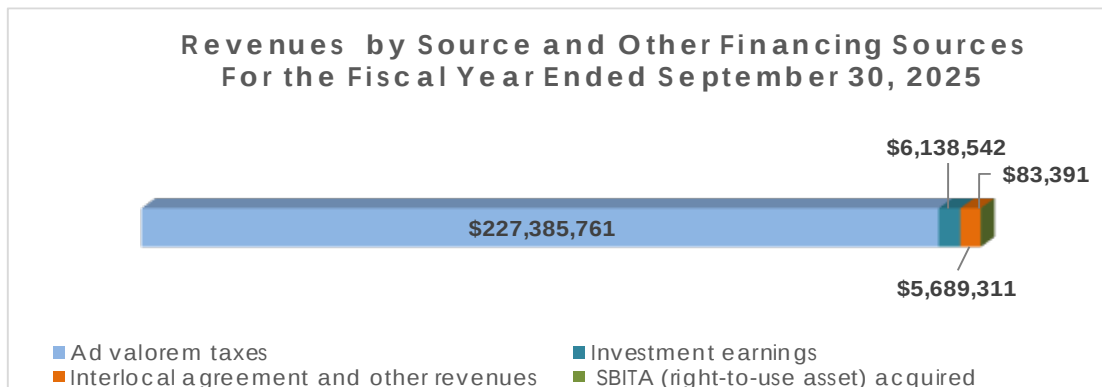
- **Ad valorem taxes** - The Trust's primary source of revenue. On September 16, 2024, The Trust levied .5000 mills. This levy resulted in revenue of \$227.4 million, or 95.0%, of total revenues, which The Trust began receiving in November 2024. The 2023-2024 levy of .5000 mills resulted in \$206.5 million. This increase of \$20.9 million is attributable to the increase in taxable values.
- **Investment earnings** - Totaled \$6.1 million and is in line with the prior fiscal year earnings. The Trust places most of its idle cash in a money market account, certificates of deposit and interest earning cash deposits. The Trust positions itself to maximize investment earnings on its idle cash (ad valorem taxes are typically collected at the beginning of The Trust's fiscal year, whereas, the monies are spent steadily throughout the fiscal year).
- **Interlocal agreement** – For the fiscal year ended September 30, 2025, The Trust had an interlocal agreement with two Community Redevelopment Agencies (CRA), which provides that The Trust is eligible to share in any tax increment revenues that remain at the end of the CRA's fiscal year. These two CRAs were required to return \$4,037,388, or 100%, of the funds paid by The Trust in relation to the CRAs. Detailed information on the CRA interlocal agreement can be found on page 70. The fiscal year 2023-2024 CRA interlocal agreements revenue totaled \$3,630,722.
- **Other revenue** – The Trust recognized \$1,651,923 for miscellaneous items for fiscal year ended September 30, 2025, which included grants from the Frederick A. DeLuca Foundation to support unlocking economic mobility for families through access to early childhood education and another for providing valuable work experiences for Miami-Dade Youth; charges for services; and event revenues. For the fiscal year 2023-2024, The Trust recognized \$657,197 in miscellaneous revenue, which included a grant from the Frederick A. DeLuca Foundation to support unlocking economic mobility for families through access to early childhood education, charges for services and event revenues.

The Children's Trust Management's Discussion and Analysis

In fiscal year 2024-2025, The Trust recognized \$83,391 as other financing sources, as opposed to \$120,744 in fiscal year 2023-2024, in relation to GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). The primary objective of this Statement is to enhance the relevance and consistency of information about governments' subscription activities as this Statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, a government generally should recognize a right-to-use subscription asset — an intangible asset — and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term — which is when the subscription asset is placed into service.

The following table represents the revenues and other financing sources of The Trust for the fiscal years 2024-2025 and 2023-2024:

Revenues by Source and Other Financing Sources - Governmental Fund				
For the Fiscal Years Ended September 30,				
	2025		2024	
	Amount	% of Total	Amount	% of Total
Revenue Source				
Ad valorem taxes	\$ 227,385,761	95.0%	\$ 206,465,506	95.0%
Investment earnings	6,138,542	2.6%	6,552,447	3.0%
Interlocal agreement and other revenues	5,689,311	2.4%	4,287,919	2.0%
Total Revenues	<u>\$ 239,213,614</u>	<u>100.0%</u>	<u>\$ 217,305,872</u>	<u>100.0%</u>
Other Financing Sources				
SBITA (right-to-use asset) acquired	\$ 83,391	100.0%	\$ 120,744	100.0%
Total Other Financing Sources	<u>\$ 83,391</u>	<u>100.0%</u>	<u>\$ 120,744</u>	<u>100.0%</u>

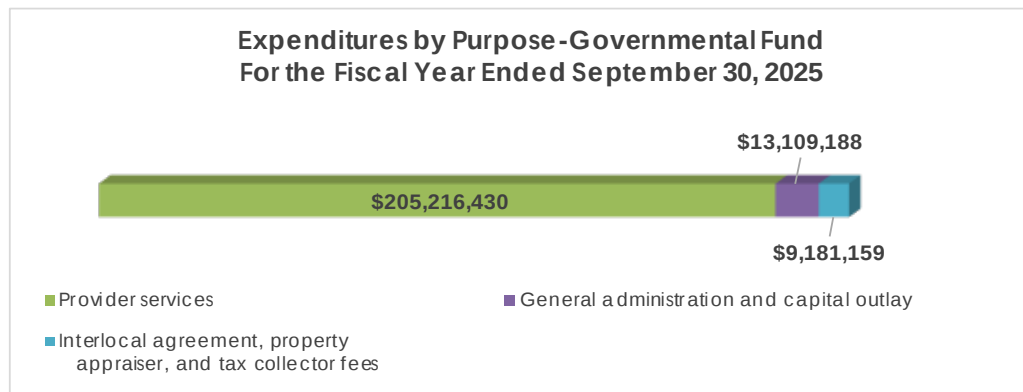


The Children's Trust Management's Discussion and Analysis

Expenditures

Expenditures of the governmental fund totaled \$227,506,777 for fiscal year 2024-2025 as compared to \$207,324,132 in fiscal year 2023-2024, an increase of \$20.2 million which was planned for with the 2024-2025 budget. The following table represents the expenditures of The Trust for fiscal years 2024-2025 and 2023-2024:

Purpose	Expenditures - Governmental Fund For the Fiscal Years Ended September 30,			
	2025		2024	
	Amount	% of Total	Amount	% of Total
Provider services	\$ 205,216,430	90.2%	\$ 188,203,072	90.8%
General administration and capital outlay	13,109,188	5.8%	12,004,634	5.8%
Interlocal agreement, property appraiser, and tax collector fees	9,181,159	4.0%	7,116,426	3.4%
Total	<u>\$ 227,506,777</u>	<u>100%</u>	<u>\$ 207,324,132</u>	<u>100.0%</u>

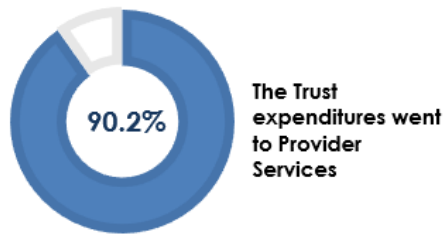


(Continued on the subsequent page)

The Children's Trust Management's Discussion and Analysis

During its twenty-second year of operations, The Trust's total expenditures were 9.7% more than the prior year (The Trust budgeted 12.5% more in expenditures for fiscal year 2024- 2025 over the prior year) primarily due to spending 9.0% more for provider services. Total expenditures during fiscal year 2024-2025 were approximately \$227.5 million, which represents an increase of \$20.2 million from fiscal year 2023-2024.

- Provider services, representing 437 contracts and numerous service agreements that were delivered by over 303 community organizations, as well as numerous service agreements with community partners, totaled \$205.2 million and accounted for approximately 90.2% of The Trust's expenditures in fiscal year 2024-2025; whereas, provider services totaled \$188.2



million in fiscal year 2023-2024 for an increase of \$17.0 million, or 9.0%, from the prior year. This increase is attributable to an additional \$27.0 million budgeted for provider services and improved contract utilization within existing provider contracts. Provider services continue to be guided by The Trust's strategic plan, which includes planning, advocating for and funding The Trust's priority investment areas specified in The

Trust's Strategic Framework (available at <https://www.thechildrenstrust.org/about-us/strategic-planning/>). The Trust's strategic plan is aligned with the goals of Section 125.901 of the Florida Statutes to: provide and maintain preventive, developmental and other services for all children's general welfare; collect information and statistical data and conduct research helpful to determining the needs of the children in the county; and consult and coordinate with other agencies dedicated to the welfare of children to prevent overlapping services and to fill critical gaps. The Trust's major initiatives included:



Youth development programs, which have been funded by The Trust for the twenty-second consecutive year, are The Trust's largest investment initiative and provide youth development programs that are accessible, affordable, and inclusive to school-age children and youth. The Trust's youth development investment aims to ensure that all children and youth have access to safe and engaging supervision and care when not in school, addressing the needs of working parents. These programs include after-school programs and summer camp and experiences; reading enhancements; and youth enrichment, employment and supports, providing stimulating academic, athletic, cultural and social learning in nurturing, supervised environments that implement evidence-based practices. High-quality youth programs may increase school attendance, improve academic performance, decrease risky behaviors, prevent summer learning loss and support working families. ¹ In fiscal year 2024-2025, 32,959 children and youth were served in 137 after-school and summer camp programs at 386 sites. Other youth development programs funded by The Trust included the summer youth internship program (SYIP) whereby 3,661 students successfully completed meaningful paid summer internships at 924 companies. The focus of SYIP is on providing students with employability skills that are critical for success in the workplace. The Trust spent approximately \$76.9 million, or 37.5%, of the total provider services expenditures on youth development programs.

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

The Children's Trust Management's Discussion and Analysis



Health and wellness related programs had its eighteenth consecutive year of operations in fiscal year 2024-2025. The Trust recognizes that a child's health and wellness significantly impacts learning, behavior and overall quality of life; therefore, The Trust spent \$24.2 million, or 11.8%, of the total provider services expenditures for this initiative, in support of multiple strategies: school-based health, vision follow-up services, oral health training and preventive services, food and nutrition services, benefits enrollment, and injury and drowning prevention education. In fiscal year 2024-2025, 66,871 students made 231,195 visits to school health clinics and 16,777 children and youth accessed health, vision and dental care, and injury prevention education through mobile unit service delivery. School-based health centers are one of the most effective ways to deliver preventive services to school-age children and youth.² Our strategies take into consideration the powerful influence of social determinants and the interdependent nature of health, well-being, and education. Those with higher levels of education generally have better health outcomes across their lifespan, and access to health care and resources can improve school attendance, learning, and educational attainment. Thus Trust investments aim to equalize access to care for children. Families who lack health insurance or are underinsured, are socioeconomically disadvantaged, or have children with special needs can especially benefit from school-based health centers.



Thrive by 5 (early childhood development) programs, which is another one of The Trust's major initiatives, focuses on improving the quality of early childhood education programs; increasing access to these programs for families with the greatest needs; and encouraging developmental screening, assessment, and when needed, early intervention. School readiness is about children, families, early learning environments, schools and communities. It relates to children's development across health, physical, cognitive and social-emotional domains, along with approaches to learning. For children to build capabilities across key developmental domains, such as health, physical, cognitive, social-emotional and approaches to learning, families must be ready to support their children's learning, and schools must be ready to meet the needs of all children. During fiscal year 2024-2025, The Trust spent \$48.9 million, or 23.8%, of total provider services expenditures for early childhood development programs. Investments in Thrive by 5 programs included serving 32,376 children in 361 programs in the early childhood quality improvement system (QIS); improving the median hourly wages for teachers in the QIS through A\$CEND salary supplements (the salary supplement component of the QIS is crucial to supporting the early learning workforce, which has among the lowest hourly wages of any workforce in the county); enabling early child care directors and teaching staff to access career advising services, professional development trainings and formal educational scholarships; tiered payment differentials allowing early learning programs, with tight budgets, more support to invest in program quality improvements by adding financial incentives for high-quality early learning; and provision of developmental screenings, formative child assessments and other early intervention services.

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

The Children's Trust Management's Discussion and Analysis



Family and Neighborhood Supports (FNSP) programs' overarching goal is to connect families and youth with community resources, such as health, human and social service networks to further support them as they pursue their individual goals. Children and youth growing up in neighborhoods with fewer economic opportunities are less likely to have access to quality schools, other public services and safe places to live and play that can help them thrive.³ During fiscal year 2024-2025, 49,326 callers were assisted through the 211 Helpline (a centralized point of coordination for information and referral for health and human services in Miami-Dade County) and 4,126 families, with 6,073 children and youth were served by FNSPs. The Trust spent \$15.1 million, or 7.4%, of total provider services expenditures for family and neighborhood supports programs.



Parenting programs are offered along a continuum of care in which universal, selective and indicated services are provided so that children are supported by nurturing and involved families. Effective, consistent and supportive parenting prepares children for a lifetime of success. Specifically, nurturing and involved parenting and family supports strengthen positive child outcomes related to emotional, behavioral, social and cognitive competence, and physical health and safety. This stability typically results in an increase in academic success, a decrease in youth violence and disruptive behavior, and positive mental health outcomes for both children and parents.^{4,5} Universal services provide brief, generally relevant service that offer effective and low-cost strategies, such as books and other informational resources targeting children and parents or one-time workshops, that can reach large, diverse groups of parents and caregivers. In fiscal year 2024-2025, 745,496 books were distributed through the Book Club, Reach Out & Read, Books for Free, Reading Explorers, and the Summer Battle of the Books; 63,140 Book Club members received at least one book during the year; and 20,044 participants attended 1,765 Parent Club workshops. Selective services are designed to meet the needs of families who may be more likely to face parenting challenges, such as health or behavior problems related to social, educational, economic or environmental factors. Selective services include in-person group and individual sessions or home visitation, typically involving multiple contacts over a specific timeframe of several months. Indicated services are more intensive, therapeutic services for families experiencing challenges with child or youth behavior, parent-child relationships, and/or consequences of youth violence or parent mental health or substance abuse issues. Services are more intensive and frequent, typically delivered by trained clinicians. Fiscal year 2024-2025 also included the accomplishments of 6,338 families of 10,456 children who received ongoing parenting supports and behavioral health services from 33 programs in selective services, and 1,729 families of 3,256 received indicated services. In the achievement of these accomplishments, The Trust spent approximately \$27.9 million, or 13.6%, of total provider services expenditures for parenting programs.

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

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

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

The Children's Trust Management's Discussion and Analysis



Community Engagement, Awareness and Advocacy represents another Trust major initiative. The Trust understands that funding alone is not enough; lasting impact requires stakeholders and organizations to take the lead through collaboration and shared decision-making. Meaningful involvement of community members in The Trust's strategic planning and processes is essential. The purpose of this initiative includes: promoting public policy and legislative agendas in order to effectuate passage of laws and public policies that will improve the lives of our children at the state, local and federal level with focus areas including early learning and care, health, safety, child welfare, and juvenile justice; public awareness and program promotion to foster awareness, understanding and support for our many programs and services; citizen engagement and leadership to support the capacity of communities to find solutions to problems; and cross-funder collaboration of shared goals, strategies and resources to allow for the alignment of multiple funders pooling of resources and knowledge to address complex issues, resulting in more than can be accomplished alone. Additionally, The Trust provides community engagement funds to build upon existing community assets, encourage collaboration, and to support the sustainability of grassroots and innovative programs and projects. In fiscal year 2024-2025, The Children's Trust provided small grants to 127 local organizations serving children and families. Nearly 73 were supported through direct services program enhancement grants, 22 organizations were awarded community outreach grants, and an additional 32 organizations were awarded promotion of citizen engagement, advocacy and leadership grants. During fiscal year 2024-2025, The Trust spent \$5.7 million, or 2.8%, of total provider services expenditures for community awareness and advocacy.

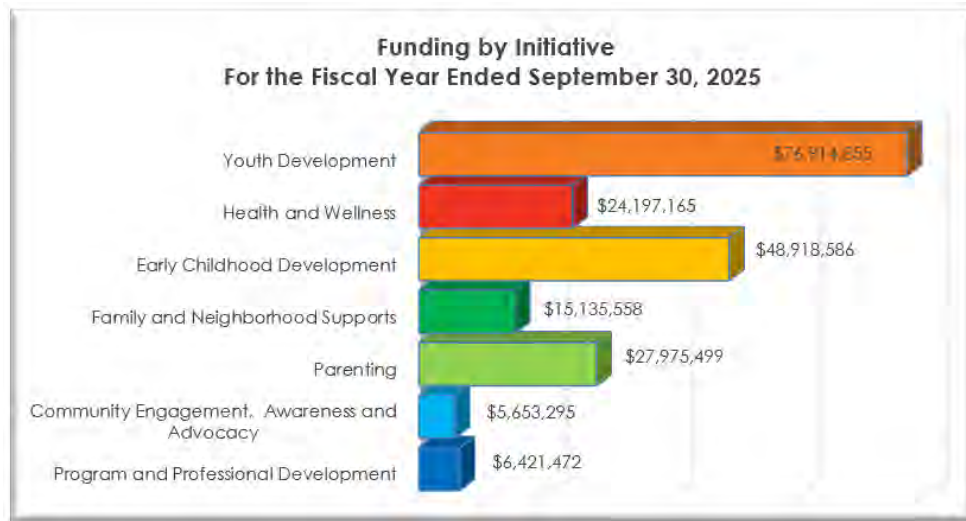


Program and Professional Development is another major initiative of The Trust in recognition that key organizational supports and staff competencies are essential to delivering high-quality programs. The purpose of program and professional development includes providing supports for quality program implementation (to strengthen providers' abilities to effectively deliver high-quality services and manage operations); program evaluation and community research (ensuring the availability of key data and information to inform policy decisions in support of children and families); innovation programs (to seed new ideas, to identify and address new or evolving social problems, and pilot new program designs promoting the optimal development of children); and technical supports (leveraging data and technology for greater provider partnership, prioritizing data-driven decision-making to improve program delivery and impact, and to maximize programmatic and business process efficiencies). During fiscal year 2024-2025, The Trust spent \$6.4 million, or 3.1%, of total provider services expenditures for program and professional development.

(Continued on the subsequent page)

The Children's Trust Management's Discussion and Analysis

The chart below illustrates expenditures for provider services by initiative for fiscal year 2024-2025.



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

- General administration and capital outlay totaled \$13,109,188 of The Trust's expenditures. Of this total, general administration accounted for approximately \$12.7 million. Expenditures for staff salaries and benefits were approximately \$11.7 million and accounted for 92.2% of total administration expenditures. The remaining expenditures balance was expended on professional services, rent for office space, insurance, office supplies and other general administration costs. Capital outlay was \$376,111 and pertained to the addition of furniture and equipment and a right-to-use SBITA asset. General administration and capital outlay costs totaled \$12,004,634 for fiscal year 2023-2024. Of this total, general administration was approximately \$11.9 million, reflecting that The Trust continues to be vigilant with taxpayer's monies.

The Children's Trust spent less than 6% towards General Administration



General administration expenditures were kept at a low 5.8%, reflecting a strong commitment to fiscal responsibility and maximizing resources for direct services, while enhancing operational efficiency.

The Children's Trust Management's Discussion and Analysis

- Other expenditures in fiscal year 2024-2025 were \$9,181,159 and represented expenditures pertaining to the interlocal agreement to the two CRAs of \$4,037,388 and to the property appraiser and tax collector of \$5,143,771. More detailed information on the CRA interlocal agreement can be found on page 70. Fees paid to the property appraiser and tax collector are tied to the operating budgets of these agencies, as permitted by the Florida Statutes, and are allocated among the taxing districts served. Other expenditures in fiscal year 2023-2024 were \$7,116,426.

Capital Assets and Debt Administration

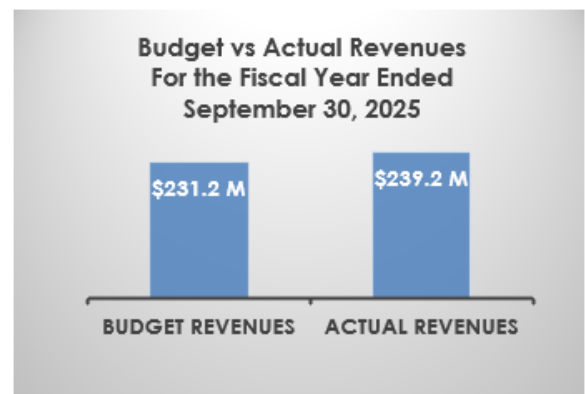
The Trust's net investment in capital assets (furniture, computer hardware and software, and intangible assets, including right-to-use assets), net of accumulated amortization and depreciation, and a lease and SBITA liability for governmental activities was \$410,858 at September 30, 2025. 44.2% of the right-to-use assets are amortized and 42.7% of the computers and furniture are depreciated. Capital assets, including capital assets related to the lease and SBITA liability, are considered in the annual budget since The Trust is prohibited from incurring debt of any type. Additional information on The Trust's capital assets and certain long-term liability obligations (lease and SBITA liability) can be found on pages 36 (Note 1-E-4), 46 (Note 3-D), 47 - 51 (Notes 3-F and 3-G), and 68 (Note 3-L) of this report.

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

General Fund Budget

Annual budgets have been legally adopted in accordance with a budget format required by the State of Florida Department of Financial Services Uniform Accounting System. The Trust's board may amend the budget in accordance with the time limitation specified in the Florida Statutes. The Trust's 2024-2025 annual budget was amended. The original and amended budget may be found on page 72 (budgetary comparison schedule i.e., Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund) in the required supplementary information section.

In fiscal year 2024-2025, the most significant variance between the amended budgeted revenues of \$231.2 million and actual revenues of \$239.2 million was attributable to collections for ad valorem taxes, investment earnings, and revenues related to the interlocal agreement being greater than the budgeted amount by \$8.0 million. Both ad valorem tax and revenues related to the interlocal agreement are closely tied to property tax values. Investment earnings exceeded budgeted earnings by \$5.4 million, primarily due to interest earnings being conservatively budgeted due to the volatility of the markets.



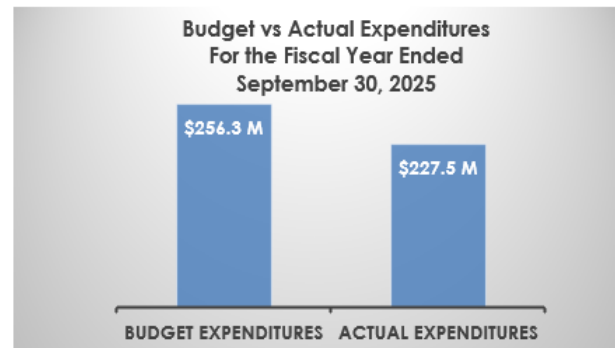
The Children's Trust Management's Discussion and Analysis

The budget variance related to the interlocal agreement revenues was driven by higher than anticipated property values in a CRA district in which The Trust and the CRA formed a partnership. This agreement provides for The Trust to remit to the CRA the associated tax increment revenues. These funds are then returned to The Trust provided that these revenues are not needed for certain CRA debt services in exchange for The Trust making an equivalent amount of funding available for children's programs within the CRA's area. Consequently, non-operating expenditures pertaining to the interlocal agreement exceeded the budget by the same amount. Detailed information on the CRA interlocal agreement can be found on page 70.

Variances between the amended budgeted expenditures of \$256.3 million and total actual expenditures of \$227.5 million were primarily attributable to providers incurring less expenditures than budgeted. Conservatively, The Trust prepares its budget based on full contract award amounts; whereas providers typically do not spend their awards at full value. In recognition that providers may need a network to provide much needed services to our children and families and to reduce the under-utilization of contracted funds, The Trust monitors the utilization of its contracts throughout the year, working closely with providers to facilitate collaboration efforts with community partners in effort to improve contract utilization.

Economic Factors, Next Year's Budget and Tax Rates

The Trust's economic condition is closely aligned to Miami-Dade County's (County) fiscal and economic growth, in particular to the real estate market. Overall, the County's economic activity reflects that residential properties continue to increase in value. This is supported by the 2024-2025 final gross taxable value on which property taxes were accessed was \$475.2 billion and the valuation for fiscal year 2025-2026 being \$514.8 billion, for an increase of \$39.6 billion, or 8.3%.



The Trust is authorized to levy up to .5000 mills. In the 2025-2026 fiscal year, the board, following the recommendation of its finance and operations committee to strategically and prudently meet The Trust's goal and objectives, adopted the rate of .5000 mills. This millage rate ensures the continued successful implementation of the board's strategic plan while considering the impact that the millage has on taxpayers. This will enable The Trust to deliberately increase investments in children and families programs by deepening its impact and expanding access to critical services.

The operating budget for fiscal year 2025-2026 is \$260.1 million, a \$3.9 million increase from fiscal year 2024-2025 final amended operating budget of \$256.2 million, represents the largest programmatic investment in The Trust's history, coupled with a rolled-back millage rate of 0.4638, ensuring no property tax increases for residents and the continuation of program services. The operating budget was strategically planned for and is continuously monitored as The Trust released a funding cycle in the 2018-2019 fiscal year, with the first year of the five-year funding cycle commencing with the 2019-2020 fiscal year and ending in the 2024-2025 fiscal year. The Trust began its release of another funding cycle during the 2021-2022 fiscal year, with most of the release occurring in the 2022-2023 fiscal year. The first year of this five-year funding cycle commenced during the 2022-2023 fiscal year and ends in the 2026-2027 fiscal year. This funding cycle was The Trust's largest competitive solicitations since its inception, allowing for the increased investment in children and families programs.

The Children's Trust Management's Discussion and Analysis

Requests for Information

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



Basic Financial Statements



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

The Children's Trust
Statement of Net Position
September 30, 2025

	Governmental Activities
Assets	
Current Assets	
Cash	\$ 44,768,725
Investments	54,217,277
Receivables:	
Property taxes	1,687,306
Other	5,918
Prepaid items	322,519
Other current assets	10,020
Total Current Assets	101,011,765
Non-Current Assets	
Capital assets:	
Intangible right-to-use leased asset and SBITA, net of amortization	2,255,905
Property and equipment, net of accumulated depreciation	523,982
Total Non-Current Assets	2,779,887
Total Assets	103,791,652
Deferred Outflows of Financial Resources	
Pension Plans:	
Florida Retirement System	1,208,180
Health Insurance Subsidy	163,354
Total Deferred Outflows of Financial Resources	1,371,534
Total Assets and Deferred Outflows of Financial Resources	105,163,186
Liabilities	
Current Liabilities	
Accounts payable	29,635,204
Accrued expenses payable	412,781
Intergovernmental payable	136,750
Compensated absences payable	220,409
Current portion of lease liability	381,020
Current portion of SBITA liability	131,180
Total Current Liabilities	30,917,344
Long-Term Liabilities	
Compensated absences payable (net of current portion)	1,248,986
Lease liability (net of current portion)	1,735,314
SBITA liability (net of current portion)	121,515
Net pension liability:	
Florida Retirement System	4,279,049
Health Insurance Subsidy	2,340,782
Total Other Post Employment Benefits (OPEB) liability	18,574
Total Long-Term Liabilities	9,744,220
Total Liabilities	40,661,564
Deferred Inflows of Financial Resources	
Pension Plans:	
Florida Retirement System	1,040,343
Health Insurance Subsidy	671,042
Total Deferred Inflows of Financial Resources	1,711,385
Total Liabilities and Deferred Inflows of Financial Resources	42,372,949
Net Position	
Net investment in capital assets	410,858
Restricted for:	
Provider services	62,379,379
Total Net Position	\$ 62,790,237

See accompanying notes to the basic financial statements

The Children's Trust
Statement of Activities
For the Fiscal Year Ended September 30, 2025

	Governmental Activities
Expenses - Provider Services	
Provider services	\$ 205,342,546
General administration:	
Personnel services	11,373,293
Materials and services	1,189,522
Interlocal agreement, property appraiser and tax collector fees	9,181,159
Total Expenses - Provider Services	227,086,520
General Revenues:	
Ad valorem taxes	227,385,761
Investment earnings	6,138,542
Interlocal agreement	4,037,388
Miscellaneous	1,675,114
Total General Revenues	239,236,805
Change in Net Position	12,150,285
Net Position - Beginning of Year, Restated for GASB 101 (See Note 4E)	50,639,952
Net Position - End of Year	\$ 62,790,237

See accompanying notes to the basic financial statements

The Children's Trust
Balance Sheet - Governmental Fund
September 30, 2025

	<u>General Fund</u>
Assets	
Cash	\$ 44,768,725
Investments	54,217,277
Receivables:	
Property taxes	1,687,306
Other	5,918
Prepaid items	322,519
Other assets	<u>10,020</u>
Total Assets	<u><u>\$ 101,011,765</u></u>
Liabilities and Fund Balance	
Liabilities	
Accounts payable	\$ 29,635,204
Accrued expenditures payable	412,781
Intergovernmental payable	<u>136,750</u>
Total Liabilities	<u>30,184,735</u>
Fund Balance	
Nonspendable	322,519
Restricted	<u>70,504,511</u>
Total Fund Balance	<u>70,827,030</u>
Total Liabilities and Fund Balance	<u><u>\$ 101,011,765</u></u>

See accompanying notes to the basic financial statements

The Children's Trust
Reconciliation of the Balance Sheet of the Governmental Fund
to the Government-wide Statement of Net Position
September 30, 2025

Total Governmental Fund Balance	\$ 70,827,030
--	---------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental fund.

Cost of capital assets, including right-to-use assets	\$ 4,956,175	
Less accumulated amortization and depreciation	<u>(2,176,288)</u>	2,779,887

Deferred outflows for pensions reported on the government-wide statement of net position but not reported on the balance sheet - governmental fund.	1,371,534
---	-----------

Deferred inflows for pensions reported on the government-wide statement of net position but not reported on the balance sheet - governmental fund.	(1,711,385)
--	-------------

Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheet but are reported on the government-wide statement of net position.

Total OPEB liability	(18,574)	
Net pension liability	(6,619,831)	
Leased asset liability	(2,116,334)	
SBITA liability	(252,695)	
Compensated absences	<u>(1,469,395)</u>	<u>(10,476,829)</u>

Net Position of Governmental Activities	\$ <u>62,790,237</u>
--	-----------------------------

See accompanying notes to the basic financial statements

The Children's Trust
Statement of Revenues, Expenditures and
Changes in Fund Balance - Governmental Fund
For the Fiscal Year Ended September 30, 2025

		General Fund
Revenues		
Ad valorem taxes		\$ 227,385,761
Investment earnings		6,138,542
Interlocal agreement		4,037,388
Miscellaneous		1,651,923
Total Revenues		239,213,614
Expenditures		
Personnel:		
Salaries	\$ 8,253,080	
Benefits	3,484,619	11,737,699
Provider services:		
Provider services and support	205,067,152	
SBITA principal payment	139,167	
SBITA principal interest	10,111	205,216,430
Operating:		
Professional services	6,948	
Accounting, auditing and legal	238,667	
Other contractual services	10,002	
Travel, per diem and conferences	77,685	
Communications and freight services	54,209	
Rental and leases	9,768	
Insurance	113,556	
Postage and courier	4,058	
Printing and binding	9,493	
Office	5,300	
Operating	36,133	
Dues and fees	27,255	
Lease principal payment	370,012	
Lease interest payment	32,292	995,378
Capital outlay		376,111
Non-operating allocations: Interlocal agreement, property appraiser and tax collector fees		9,181,159
Total Expenditures		227,506,777
Other Financing Sources		
SBITA (right-to-use asset) acquired		83,391
Total Other Financing Sources		83,391
Net Change in Fund Balance		11,790,228
Fund Balance - Beginning of Year		59,036,802
Fund Balance - End of Year		\$ 70,827,030

See accompanying notes to the basic financial statements

The Children's Trust
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance of the Governmental Fund to the Government-wide Statement of Activities
For the Fiscal Year Ended September 30, 2025

Net Changes In Fund Balance - Governmental Fund	\$	11,790,228
--	-----------	-------------------

Amounts reported for governmental activities in the statement of activities are different because:

The Governmental fund reports capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays, meeting the threshold for capitalizing assets in the current period. The details are as follows:

Capital outlay	\$ 241,718	
Amortization and depreciation expense	(695,589)	(453,871)

The change in the carrying value of a capital asset and the related SBITA liability resulting from a SBITA termination. This net effect is not reported in the governmental fund but is reported in the statement of activities.

23,734

The issuance of long-term leases provides current financial resources to governmental funds, while the repayment of the principal of long term leases consumes the current financial resources of governmental funds. The detail is as follows:

Lease (right-to-use asset) payment	370,012	370,012
------------------------------------	---------	---------

The issuance of long-term SBITA provides current financial resources to governmental funds, while the repayment of the principal of long term SBITA consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details are as follows:

SBITA (right-to-use asset)	(83,391)	
SBITA (right-to-use asset) payment	139,167	55,776

The difference between pension contributions reported on the government-wide statement of activities and the governmental fund statement of revenues, expenditures and changes in fund balance.

557,869

Some expenses reported in the statement of activities do not require current financial resources and, therefore, are not reported as expenditures in the governmental fund. The details are as follows:

The increase in total other post employment benefits (OPEB) liability is reported on the government-wide statement of activities but not in the governmental fund's operating statement.

Liability at 9/30/2025	(18,574)	
Liability at 9/30/2024	13,418	(5,156)

Compensated absences payable reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.

Liability at 9/30/2025	(1,469,395)	
Liability at 9/30/2024, restated (Note 4E)	1,281,088	(188,307)

Change In Net Position of Governmental Activities	\$	12,150,285
--	-----------	-------------------

See accompanying notes to the basic financial statements

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Index

Summary of Significant Accounting Policies	1
Reporting Entity	1-A
Basis of Presentation	1-B
Measurement Focus	1-C
Basis of Accounting	1-D
Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity.....	1-E
Cash and Investments.....	1-E-1
Receivables	1-E-2
Prepaid Items.....	1-E-3
Capital Assets	1-E-4
Compensated Absences Payable	1-E-5
Accrued Liabilities and Long-term Obligations.....	1-E-6
Deferred Outflows/Inflows of Resources	1-E-7
Fund Equity	1-E-8
Estimates	1-E-9
Implementation of New Accounting Pronouncements	1-E-10
 Stewardship, Compliance and Accountability.....	 2
Budgetary Information	2-A
 Detailed Notes on All Funds.....	 3
Deposits and Investments	3-A
Receivables	3-B
Property Taxes	3-C
Capital Assets	3-D
Unearned Revenue	3-E
Long-term Liability Obligations.....	3-F
Leases and SBITA.....	3-G
Retirement Plan.....	3-H
Deferred Inflows/Outflows of Resources	3-I
Post-Employment Benefits Other Than Pensions (OPEB)	3-J
Deferred Compensation Plan	3-K
Fund Equity	3-L
 Other Notes.....	 4
Risk Management	4-A
Commitments.....	4-B
Interlocal Agreement	4-C
Related Party Transactions	4-D
Prior Period Adjustment	4-E

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

The Children's Trust

The Children's Trust (The Trust) is an independent special taxing district established pursuant to Section 1.01(A) (11) of the Miami-Dade County (County) Home Rule Charter, Ordinance #02-247 of Miami-Dade County, Florida and Section 125.901 of the Florida Statutes. The Trust's mission is to partner with the community to plan, advocate for and fund strategic investments that improve the lives of all children and families in Miami-Dade County.

Note 1 - Summary of Significant Accounting Policies

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

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

1-A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of The Trust consists of all funds, departments, boards and agencies that are not legally separate from The Trust. For The Trust, this entity is limited to the legal entity, The Children's Trust. The Trust is controlled by a governing board consisting of thirty-three (33) members. The thirty-three (33) member board is comprised of seven individuals recommended by the Miami-Dade Board of County Commissioners and appointed by the Governor, twenty-one (21) members appointed by virtue of the office or position they hold within the community and five members-at-large appointed by a majority of the sitting members of The Trust. Members appointed by the Governor serve four-year terms. The youth representative member and the State of Florida legislative delegate member serve a one-year term. Members appointed by reason of their position are not subject to length of terms. All at-large members serve two-year terms.

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

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

1-B. Basis of Presentation

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

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

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

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

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets, all liabilities, and deferred inflows/outflows associated with the operation of The Trust are included in the statement of net position. The statement of activities reports revenues and expenses. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows

Fund Financial Statements - The governmental fund is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Revenues are recognized when they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. The statement of revenues, expenditures and changes in fund balance – governmental fund reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation of the government-wide statements to the governmental fund statements, with brief explanations, to better identify the relationship between the measurement focus of each statement.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting

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

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

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

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

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred, including compensated absences, pensions, the total OPEB obligations, leases and subscription-based information technology arrangements (SBITA). On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable. Under the modified accrual basis, expenditures related to compensated absences, pensions, the total OPEB obligations, leases SBITA are recorded only when payment is due.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

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

1-E-1. Cash and Investments

Cash - Cash is considered to be cash on hand.

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

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

Investments are categorized according to the fair value hierarchy established by GASB Statement No. 72. As of September 30, 2025, there were no investments categorized according to the fair value hierarchy established by GASB Statement No. 72.

1-E-2. Receivables

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-3. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2025, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable, as this amount is not available for general appropriation.

1-E-4. Capital Assets

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

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

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

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

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

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

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

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-5. Compensated Absences Payable

The Trust accounts for compensated absences by recording a liability for employees' compensation of future absences according to the guidelines set by GASB Statement No. 101, Compensated Absences. These guidelines require compensated absences to be estimated and accrued as liabilities on the government-wide financial statements to the extent that it is more likely than not that the leave will be used for time off or otherwise paid in cash or settled through noncash means.

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

All compensated absence payables include salary-related payments and employer social security and medicare tax, at current fiscal year-end rates. Compensated absences for vacation are calculated and recorded as a liability when the benefits are earned. Compensated absences for sick leave are calculated based on the employee's sick leave balance. The liability is measured at the employee's pay rate in effect at the financial reporting date.

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

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

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

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

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

1-E-8. Fund Equity

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

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

- **Nonspendable** – Fund balance is reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balance is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by The Trust or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balance is reported as committed when they can only be used for specific purposes pursuant to constraints imposed by formal action of the Board through the approval of a resolution. Only the Board may modify or rescind the commitment.
- **Assigned** – Fund balance is reported as assigned when amounts are constrained by The Trust's intent to be used for specific purposes but are neither restricted nor committed. Only the Board may assign fund balance.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

- Committed
- Assigned
- Unassigned

Net Position - Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by The Trust or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted. As The Trust was created pursuant to Section 1.01(A) (11) of the Miami-Dade County (County) Home Rule Charter, Ordinance #02-247 of Miami-Dade County, Florida and Section 125.901 of the Florida Statutes for the sole purpose of funding improvements for the children of Miami-Dade County in the areas of health, development, safety, parental responsibility, community responsibility and other necessary and important children's services, in addition to the Board awarded contracts to third parties and/or contracts had not expired and had a remaining balance on or prior to September 30, 2025, for at least the net position amount, the entire net position is deemed to be restricted at September 30, 2025.

1-E-9. Estimates

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-10. Implementation of New Accounting Pronouncements

In fiscal year 2024-2025, The Trust implemented the following Accounting Pronouncements:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The adoption of GASB No. 101 impacted the beginning compensated absences liability and beginning net position (refer to Note 4E).

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to enhance transparency by requiring state and local governments to disclose certain risks that could negatively affect the level of service they provide or their ability to meet their obligations as they come due. This statement aims to improve financial reporting by ensuring stakeholders have relevant information about potential vulnerabilities due to concentrations or constraints. The adoption of GASB No. 102 did not have an impact on The Trust's financial statements.

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 2 –Stewardship, Compliance and Accountability

2-A. Budgetary Information

The Trust adopts an annual operating budget for its general fund. The budget is prepared using the modified accrual basis of accounting.

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

Only the Board may amend the budget; all budget appropriations lapse at year-end even if there are related encumbrances (commitments related to unperformed contracts for goods or services such as purchase orders, contracts, or other commitments). Since goods or services have not been received for encumbrances, expenditures or liabilities have not been recognized. Although encumbrances lapse at year-end, the succeeding year's budget provides for the re-appropriation of certain year-end encumbrances.

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits - Florida statutes authorize the deposit of The Trust's funds in demand deposits or time deposits of financial institutions approved by the State Treasurer, defined as qualified public depositories (QPD). In the event of a bank failure, the remaining public depositories would be responsible for covering any losses. All deposits of The Trust are held in a QPD. As of September 30, 2025, the balances of The Trust's cash deposits and certificates of deposit were \$44,768,725 and \$50,000,000, respectively. The Trust's main operating account and certificates of deposit are interest bearing.

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

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

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

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

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

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

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

As of September 30, 2025, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

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

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

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

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

The Trust's investments include certificates of deposit and money market account deposits which are held in qualified public depositories. The Trust investments also include Florida PRIME which is reported at amortized cost. Accordingly, these investment types are not included in the fair value hierarchy. As of September 30, 2025, The Trust does not maintain any investments subject to fair value measurement.

Investments, stated at their reported value, consist of the following at September 30, 2025:

<u>Investment type</u>	<u>Amount</u>
Certificates of deposit	\$ 50,000,000
Money market account	3,950,801
State Board of Administration:	
Florida Prime	<u>266,476</u>
Total	<u>\$ 54,217,277</u>

State Board of Administration Florida PRIME - Investments at September 30, 2025, were in the Florida PRIME with weighted average days to maturity (WAM) of 47 days. The Trust's investment in the Florida PRIME investment pool is rated AAAM by Standard and Poor's.

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

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

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of The Trust's investment in a single issuer. The Trust's investment policy states that assets shall be diversified to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issuer, dealer, or bank through which these securities are bought and sold. At September 30, 2025, The Trust invested in certificates of deposit, a money market account and in the State Board of Administration.

3-B. Receivables

Receivables at September 30, 2025, included property taxes and other receivables. Receivables are recorded on The Trust's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

3-C. Property Taxes

Property taxes consist of ad valorem taxes on real and personal property within Miami-Dade County. Property values are determined by the Property Appraiser of Miami-Dade County, and property taxes are collected by the Miami-Dade County tax collector. The Miami-Dade County tax collector remits monies collected on taxes levied by The Trust, less allowable statutory fees. The Trust is permitted, by Ordinance #02-247 of Miami-Dade County, to levy taxes up to .5000 mills per \$1,000 of assessed valuation. Property taxes are levied each November 1 on the assessed value listed as of January 1 of the same year for real and personal property located within Miami-Dade County. The Trust adopted the tax levy for fiscal year 2024-2025 on September 16, 2024. Tax bills are mailed in October, and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to four percent for early payment.

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

All property taxes are collected by the Miami-Dade County tax collector and are remitted to The Trust.

The adjusted assessed value on July 1, 2024, which the fiscal year 2024-2025 levy was based upon, approximated \$475 billion. The Trust levied .5000 mills, which resulted in tax revenue of \$227,385,761 on the 2024 tax roll for fiscal year 2024-2025.

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

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

Asset Class	Balance 10/1/2024	Additions	Deletions	Balance 9/30/2025
Governmental activities:				
Capital assets being depreciated/amortized:				
Software	\$ 229,134	\$ 65,459	\$ -	\$ 294,593
Computers	28,583	-	-	28,583
Furniture and equipment	327,026	92,868	-	419,894
Website	170,950	-	-	170,950
Right-to-Use Assets (intangible assets):				-
Leased Office space	3,553,903	-	-	3,553,903
SBITA	687,731	83,391	282,870	488,252
Total capital assets being depreciated/amortized	4,997,327.00	241,718	282,870	4,956,175
Less accumulated depreciation and amortization for:				
Software	20,116.00	59,102	-	79,218
Computers	17,122.00	4,167	-	21,289
Furniture and equipment	189,900.00	37,899	-	227,799
Website	4,749.00	56,983	-	61,732
Right-to-Use Assets (intangible assets):				
Leased Office space	1,163,097.00	387,697	-	1,550,794
SBITA	145,999.00	149,741	60,284	235,456
Total accumulated depreciated/amortized	1,540,983.00	695,589	60,284	2,176,288
Governmental activities capital assets, net	\$ 3,456,344	\$ (453,871)	\$ 222,586	\$ 2,779,887

Depreciation and amortization expense was charged to the following functions for the fiscal year ended September 30, 2025:

	Depreciation	Amortization	Total
Provider services	\$ 116,085	\$ 149,741	\$ 265,826
Materials and services	42,066	387,697	429,763
Total	\$ 158,151	\$ 537,438	\$ 695,589

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Unearned Revenue

Resources that do not meet revenue recognition requirements (not earned) are recorded as unearned revenue in the government-wide and fund financial statements.

3-F. Long-term Liability Obligations

Changes in Long-term Debt - Changes in The Trust's long-term debt consisted of the following for the fiscal year ended September 30, 2025:

	Outstanding 10/1/2024	Additions	Reductions	Outstanding 9/30/2025	Amounts Due in One Year
Governmental Activities:					
Compensated absences payable*	\$ 1,281,088	\$ 868,231	\$ 679,924	\$ 1,469,395	\$ 220,409
Lease liability	2,486,346	-	370,012	2,116,334	381,020
SBITA liability	554,791	83,391	385,487	252,695	131,180
Total Governmental Activities	<u>\$ 4,322,225</u>	<u>\$ 951,622</u>	<u>\$ 1,435,423</u>	<u>\$ 3,838,424</u>	<u>\$ 732,609</u>

*The Trust adopted the provisions of GASB Statement No. 101, Compensated Absences. Accordingly, the beginning balance was restated as of October 1, 2024. See Note 4E

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

3-G. Leases and SBITA

Leases

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

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

As of October 1, 2021, an initial lease liability was recorded in the amount of \$3,553,903 and the estimated useful life of the lease was approximately nine years, the remaining term of the amended lease agreement. As of September 30, 2025, the value of the lease liability is \$2,116,334. During the fiscal year ended September 30, 2025, The Trust was required to make monthly lease payments of \$33,539. The lease utilized an imputed interest rate of 1.41%. The initial value of the right to use leased asset (office space) of \$3,553,903 with accumulated amortization of \$1,550,794 as of September 30, 2025 is included in Note 3-D - Capital Assets, under leased office space (intangible asset).

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

The amount of lease assets by major class of underlying asset at September 30, 2025, is as follows:

Asset Class	Lease Asset Value	Accumulated Amortization
Office Space	\$ 3,553,903	\$ 1,550,794

Future lease payments under the lease agreement are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 381,020	\$ 26,984	\$ 408,004
2027	392,611	21,515	414,126
2028	404,458	15,879	420,337
2029	422,395	10,034	432,429
2030	441,479	3,922	445,401
2031	74,371	44	74,415
Total	\$ 2,116,334	\$ 78,378	\$ 2,194,712

SBITA

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

At the commencement of each subscription meeting the requirements of GASB Statement No. 96, the liability is measured at the present value of the payments expected to be made during the term. Subsequently, the subscription liability is reduced by the principal portions of payments made. The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. SBITA assets are amortized on a straight-line basis over the life of the related contract. The costs of normal maintenance and repairs that do not add to the values of the assets or materially extend the asset lives are not capitalized and are expensed as incurred. The Trust monitors changes in circumstances that would require a remeasurement of its SBITAs and will do so if certain changes occur that would be expected to significantly affect the amount of the SBITA liability. SBITA assets are reported with other capital assets and SBITA lease liabilities are reported with long-term debt on the statement of net position.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

- The Trust uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments.

The Trust recorded multiple subscription-based information technology arrangement (SBITA) assets and liabilities. The SBITA liability for active agreements for the fiscal year ended September 30, 2025 is included in Note 3-F – Long-term Liability Obligations, under SBITA liability. The initial value of the active right to use SBITAs totaled \$488,252 with accumulated amortization of \$235,456 as of September 30, 2025, and is included in Note 3-D - Capital Assets, under SBITA (intangible asset). For the fiscal year ended September 30, 2025, The Trust had the following subscription agreements:

During July 2023, The Trust recorded subscription-based information technology arrangement (SBITA) assets and liabilities for an integrated data repository and analytics solution. The initial lease liability for this agreement was recorded in the amount of \$566,987 and the estimated useful life was five years. During fiscal year 2024-2025, the SBITA agreement was modified, resulting in the elimination of a portion of the liability. As of September 30, 2025, the value of the SBITA liability was \$173,759. During the fiscal year ended September 30, 2025, The Trust was required to make monthly payments of \$5,000 to total \$60,000 on an annual basis. The SBITA utilized an imputed interest rate of 2.876%. The initial value of the active right to use SBITA of \$284,117 with accumulated amortization of \$116,441 as of September 30, 2025, is included in Note 3-D - Capital Assets, under SBITA (intangible asset).

During the fiscal year 2023-2024, The Trust entered into multiple SBITA agreements related to transitioning into a new accounting software. The initial SBITA liability for these agreements was recorded in the amount of \$120,744 and the estimated useful life ranged from fourteen months to three years. As of September 30, 2025, the value of the SBITA liability was \$42,986. During the fiscal year ended September 30, 2025, The Trust was required to make payments totaling \$40,729. The SBITA utilized an imputed interest rate ranging from 3.177% to 3.591%. The initial value of the right to use SBITA of \$120,744 with accumulated amortization of \$81,291 as of September 30, 2025, is included in Note 3-D - Capital Assets, under SBITA (intangible asset).

During the fiscal year 2024-2025, The Trust entered into a SBITA agreement related to the accounting software. The initial SBITA liability for this agreement was recorded in the amount of \$83,391 and the estimated useful life is twenty-one months. As of September 30, 2025, the value of the SBITA liability was \$35,950. During the fiscal year ended September 30, 2025, The Trust was required to make payments totaling \$48,549. The SBITA utilized an imputed interest rate of 2.503%. The initial value of the right to use SBITA of \$83,391 with accumulated amortization of \$37,724 as of September 30, 2025, is included in Note 3-D - Capital Assets, under SBITA (intangible asset).

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Amount of SBITA assets by major class of underlying asset at September 30, 2025, is as follows:

<u>Asset Class</u>	<u>SBITA Asset Value</u>	<u>Accumulated Amortization</u>
Integrated data repository and analytics	\$ 284,117	\$ 116,441
Accounting software	204,135	119,015
Total	\$ 488,252	\$ 235,456

Future SBITA payments under SBITA agreements are as follows:

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 131,180	\$ 5,982	\$ 137,162
2027	57,381	2,619	60,000
2028	64,134	947	65,081
Total	\$ 252,695	\$ 9,548	\$ 262,243

3-H. Retirement Plan

General Information

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

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

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

FRS Pension Plan

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

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

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

Employer Contribution Rates	Regular class	Senior Management Service Class	DROP - Regular Class and Senior Management Service Class
Effective 7/1/23	13.57%	34.52%	21.13%
Effective 7/1/24	13.63%	34.52%	21.13%
Effective 7/1/25	14.03%	33.24%	22.02%

Employer contribution rates include the postemployment health insurance subsidy (HIS). The employer contribution rates reflected above include 2.0% for the HIS Plan, effective July 1, 2023, July 1, 2024 and July 1, 2025 as well as the fee of 0.06%, for all three years for administration of the FRS Investment Plan and provision of educational tools for both the Pension and the Investment Plan effective July 1, 2023, July 1, 2024, and July 1, 2025, respectively.

The Trust's contributions, for FRS and HIS, inclusive of the Investment Plan, totaled \$1,380,558 and employee contributions totaled \$227,739 for the fiscal year ended September 30, 2025.

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2025, The Trust reported a liability for its proportionate share of the net pension liability of \$4,279,049. The net pension liability was measured as of June 30, 2025. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of July 1, 2025. The Trust's proportion of the net pension liability was based upon The Trust's 2024-2025 fiscal year contributions relative to the fiscal year contributions of all participating members. At June 30, 2025, The Trust's proportionate share for FRS was .013787757%, which was a decrease from its proportionate share of .014149295% measured as of June 30, 2024.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

For the fiscal year ended September 30, 2025, The Trust recognized pension expense of \$844,095 for FRS. Additionally, The Trust reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 457,047	\$ -
Changes in assumptions	496,909	-
Changes in proportion and differences between The Trust Pension Plan contributions and proportionate share of contributions	69,647	325,913
Net difference between projected and actual earnings on Pension Plan investments	-	714,430
Contributions made subsequent to the measurement date	184,577	-
Total	<u>\$ 1,208,180</u>	<u>\$ 1,040,343</u>

The Trust contributions subsequent to the measurement date of \$184,577 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026.

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

Fiscal Year Ending September 30,	Deferred Outflows/ (Inflows), net
2026	\$ 636,029
2027	(228,565)
2028	(253,385)
2029	(170,819)
Total	<u>\$ (16,740)</u>

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial assumptions: The total pension liability in the July 1, 2025 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Valuation date	July 1, 2025
Measurement date	June 30, 2025
Discount rate	6.70%
Inflation	2.40%
Salary increases	3.50%, average, including inflation
Actuarial cost method	Individual entry age
Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2021

The actuarial assumptions that determined the total pension liability as of June 30, 2025 were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.2%	1.1%
Fixed income	29.0%	5.5%	5.4%	4.0%
Global equity	45.0%	8.5%	6.9%	18.3%
Real estate	12.0%	8.4%	7.1%	16.8%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.5%	6.1%	8.7%
Total	100.0%			
Assumed Inflation - Mean				2.4% 1.5%

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents The Trust's proportionate share of the total net pension liability calculated using the discount rate of 6.70%, as well as what The Trust's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	1% Decrease or 5.70%	Current Discount Rate 6.70%	1% Increase or 7.70%
The Trust's proportionate share of the net pension liability (asset)	\$ 8,397,567	\$ 4,279,049	\$ 826,142

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

Retiree Health Insurance Subsidy (HIS) Program

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

Benefits Provided: Eligible retirees and beneficiaries may receive a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State administered retirement system must provide proof of health insurance coverage, which may include Medicare.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Contributions: The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The HIS contribution rates were 2.0% for the HIS Plan, effective July 1, 2023, July 1, 2024, and July 1, 2025. Employees do not contribute to this plan. The Trust contributed 100% of its statutorily required contributions for the current and preceding three years. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. The HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2025, The Trust reported a liability for its proportionate share of the net pension liability of \$2,340,782. The net pension liability was measured as of June 30, 2025. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of July 1, 2024. The Trust's proportion of the net pension liability was based upon The Trust's 2024-2025 fiscal year contributions relative to the 2023-2024 fiscal year contributions of all participating members. At June 30, 2025, The Trust's proportion for HIS was .018262468%, which was an increase from its proportion measured of .017703219%, as of June 30, 2024.

For the fiscal year ended September 30, 2025, The Trust recognized pension expense of \$163,474 for HIS. The Trust reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 13,973	\$ 3,713
Changes in assumptions	20,719	566,175
Changes in proportion and differences between The Trust HIS contributions and proportionate share of contributions	90,354	99,206
Net difference between projected and actual earnings on HIS plan investments	-	1,948
Contributions made subsequent to the measurement date	38,308	-
Total	<u>\$ 163,354</u>	<u>\$ 671,042</u>

The Trust contributions subsequent to the measurement date of \$38,308 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

Fiscal Year Ending September 30,	Deferred Outflows/ (Inflows), net
2026	\$ (121,746)
2027	(149,853)
2028	(123,483)
2029	(96,751)
2030	(54,163)
Total	<u>\$ (545,996)</u>

Actuarial assumptions: The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2024
Measurement date	June 30, 2025
Discount rate	5.20%
Inflation	2.40%
Salary increases, including inflation	3.50%
Municipal bond rate	5.20%
Actuarial cost method	Individual entry age
Mortality	Generational PUB-2010 with Projection Scale MP-2021

Actuarial valuations for the HIS Program are conducted biennially. The July 1, 2024, HIS valuation is the most recent actuarial valuation and was used to develop the liabilities for June 30, 2025. The actuarial assumptions that determined the total pension liability as of June 30, 2025 were based on certain results of an actuarial experience study of the FRS for the period July 1, 2018 through June 30, 2023.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents The Trust's proportionate share of the total net pension liability calculated using the discount rate of 5.20%, as well as what The Trust's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate:

	1% Decrease or 4.20%	Current Discount Rate 5.20%	1% Increase or 6.20%
The Trust's proportionate share of the net pension liability	\$ 2,639,608	\$ 2,340,782	\$ 2,090,161

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

Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. The Trust employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment options offered under the plan. Costs of administering the Investment Plan are funded through an employer contribution of 0.06%, effective July 1, 2023, July 1, 2024, and July 1, 2025, of payroll and by forfeited benefits of plan members.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Allocations to the investment member's accounts during the 2024-2025 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

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

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to The Trust.

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

The Trust's Investment Plan pension expense totaled \$372,989 for the fiscal year ended September 30, 2025.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

3-I. Deferred Inflows/Outflows of Resources

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

For the fiscal year ended September 30, 2025, The Trust recognized pension expense of \$1,380,558 as a result of GASB Statement No. 68. Deferred outflows and inflows of resources related to pensions are as follows:

	FRS Pension	HIS Pension	Investment	Total
Deferred outflows	\$ 1,208,180	\$ 163,354	\$ -	\$ 1,371,534
Deferred inflows	1,040,343	671,042	-	1,711,385
Net pension liability	4,279,049	2,340,782	-	6,619,831
Pension expense	844,095	163,474	372,989	1,380,558
Total	\$ 7,371,667	\$ 3,338,652	\$ 372,989	\$ 11,083,308

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

General Information About the OPEB Plan

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

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

Plan Employees Covered by Benefit Terms - As of September 30, 2024, the valuation date, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	0
Inactive employees entitled to but not yet receiving benefits	0
Active Employees	<u>84</u>
Total	<u>84</u>

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

Total OPEB Liability

The Trust's total OPEB liability of \$18,574 was measured as of September 30, 2024 and was determined by an actuarial valuation as of September 30, 2023.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial assumptions and other inputs – The total OPEB liability in the September 30, 2023 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	September 30, 2024
Actuarial Cost Method	Entry Age Normal
Retirement Age	Varies based on several factors including plan-specific retirement eligibility provisions and experience
Mortality	Mortality tables used in the July 1, 2023 actuarial valuation of the Florida Retirement System for non-K-12 Instructional Regular Class members. These rates were taken from adjusted PUB-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using Scale MP-2018. Adjustments to references tables are based on the results of a statewide experience study covering the period 2013 through 2018
Actuarial Assumptions:	
Discount Rate	3.81%
Salary Increases	5.00%
Inflation	2.50%
Healthcare Cost Trend Rates	6.50% for fiscal year beginning 2024, 6.25% for fiscal year beginning 2025 and then gradually decreasing to an ultimate trend rate of 4.00%

As the Plan does not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this alternative measurement method (AMM) calculation, the municipal bond rate is 3.81% (based on the daily rate closet to but no later than the measurement date of the Bond Buyer "20-Bond GO Index"). The discount rate was 4.63% as of the beginning of the measurement year.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

Changes in the Total OPEB Liability

Measurement Year Ended September 30,	<u>2024</u>
Total OPEB Liability	
Service Cost	\$ 2,990
Interest on the Total OPEB Liability	760
Changes of benefit terms	-
Difference between expected and actual experience of the Total OPEB Liability	-
Changes in assumptions and other inputs	1,406
Benefit payments	<u>-</u>
Net change in Total OPEB Liability	\$ 5,156
Total OPEB Liability - Beginning	<u>13,418</u>
Total OPEB Liability - Ending	<u>\$ 18,574</u>

Sensitivity of the Total OPEB Liability

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents The Trust's total OPEB liability, calculated using the discount rate of 3.81% as well as what The Trust's total OPEB liability would be if it were calculated using a discount rate that is one percent lower (2.81%) or one percent higher (4.81%) than the discount rate:

	1% Decrease or 2.81%	Current Discount Rate Assumption 3.81%	1% Increase or 4.81%
Total OPEB Liability	<u>\$ 20,278</u>	<u>\$ 18,574</u>	<u>\$ 16,924</u>

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

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

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate Assumption</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 15,975</u>	<u>\$ 18,574</u>	<u>\$ 21,745</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the fiscal year ended September 30, 2025, The Trust recognized OPEB expense of \$5,156. The Trust did not have any deferred outflows of resources or deferred inflows of resources related to OPEB at September 30, 2025.

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

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

3-K. Deferred Compensation Plan

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

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 3 - Detailed Notes on All Funds (Continued)

3-L. Fund Equity

Fund Balance – Fund balance is classified as follows as of September 30, 2025:

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

General Fund:

Prepaid items	\$ 322,519
---------------	------------

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

General Fund:

Provider services - contracts	\$ 70,504,511
-------------------------------	---------------

Net Investment in Capital Assets

The “*net investment in capital assets*” amount as reported on the government-wide statement of net position as of September 30, 2025, is as follows:

Net investment in capital assets:	<u>Governmental Activities</u>
Cost of capital assets	\$ 4,956,175
Less:	
Accumulated amortization and depreciation	2,176,288
Lease liability	2,116,334
SBITA liability	<u>252,695</u>
Net investment in capital assets:	<u>\$ 410,858</u>

(Continued on the subsequent page)

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 4 - Other Notes

4-A. Risk Management

The Trust is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Trust purchases commercial insurance coverage to mitigate the various risks. Retention of risks is limited to the excess of those that are insured and those that are uninsurable, with deductibles ranging from \$0 to \$50,000 per occurrence, except for windstorm, whereby the deductible is 5% of the value of the insured contents. There were no settled claims which exceeded insurance coverage since the inception of The Trust.

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

4-B. Commitments

Contract Commitments - As of September 30, 2025, The Trust had the following contract commitments:

Youth Development	\$ 69,888,818
Early Childhood Development	40,853,014
Parenting	29,438,043
Health and Wellness	26,726,100
Family and Neighborhood Supports	16,653,480
Non-operating expenditures	9,500,000
Trust Academy partners	2,972,228
Public Awareness and Program Promotion	2,514,000
Cross-funder Collaboration of Goals, Strategies and Resources	1,125,000
Promote Citizen Engagement and Leadership to Improve Child and Family Conditions	1,124,942
Management of The Children's Trust	505,578
Information Technology	412,968
Program Evaluation and Community Research	150,000
Innovation	67,082
Capacity Building	11,405
Total	<u><u>\$ 201,942,658</u></u>

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 4 - Other Notes (Continued)

4-C. Interlocal Agreement

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

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

The Trust revenues provided to the CRAs for the fiscal year ended September 30, 2025, were \$4,037,388.

4-D. Related Party Transactions

In the course of pursuing its mission, The Trust engages agencies in the community at large to provide services. The Trust's Board of Directors is comprised of a broad spectrum of members of the community, some of whom have extensive knowledge, background and experience with matters of importance to conducting The Trust's services. From time to time, matters come before the Board where a board member, or a relative, may have a personal or financial interest that could be considered to potentially cause a conflict of interest. When such a circumstance occurs, The Trust's procedures require that board member abstain from voting on the matter and document the reason for the abstention. During the fiscal year ended September 30, 2025, a number of resolutions came before the Board relating to organizations in which board members may have had a conflict of interest. In those circumstances, the board members who had identified the potential conflicts abstained from voting.

During the fiscal year ended September 30, 2025, The Trust awarded a total of \$37.2 million to providers in which seventeen Board of Directors members are considered to have a personal, financial or employment interest.

The Children's Trust
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2025

Note 4 - Other Notes

4-E. Prior Period Adjustment

Effective October 1, 2024, The Trust implemented GASB Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences and requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

The effect of the implementation of GASB Statement No. 101 is an increase in compensated absences and a decrease in net position as shown below:

	Government-Wide Governmental Activities	
	Compensated Absences	Net Position
Statement of Net Position		
Balances September 30, 2024, as previously reported	\$ 1,079,469	\$ 50,841,571
Change to implement GASB No. 101	201,619	(201,619)
Balances October 1, 2024, as restated	<u>\$ 1,281,088</u>	<u>\$ 50,639,952</u>



Required Supplementary Information



The Children's Trust
Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis) – General Fund
For the Fiscal Year Ended September 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Original Budget - Over (Under) Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Over (Under) Actual</u>
Revenues and Beginning Fund Balance					
Ad valorem tax revenue	\$ 224,917,858	\$ 224,917,858	\$ -	\$ 227,385,761	\$ (2,467,903)
Interlocal agreement	3,775,830	3,775,830	-	4,037,388	(261,558)
Investment earnings and miscellaneous	1,986,083	2,486,083	(500,000)	7,790,465	(5,304,382)
Fund balance, October 1, 2024	52,282,284	52,282,284	-	59,036,802	(6,754,518)
Total Revenues and Beginning Fund Balance	282,962,055	283,462,055	(500,000)	298,250,416	(14,788,361)
Expenditures					
Provider Services	234,036,186	234,536,186	(500,000)	205,216,430	29,319,756
Operating Expenditures:					
General Administration:					
Salaries and fringe benefits	12,522,534	12,522,534	-	11,737,699	784,835
Professional/legal/ other contracted services	407,000	407,000	-	255,617	151,383
Rent/insurance	610,000	610,000	-	525,628	84,372
Travel	98,000	98,000	-	77,685	20,315
Supplies/postage/printing/communications	185,000	185,000	-	109,193	75,807
Promotional/dues/miscellaneous	65,000	65,000	-	27,255	37,745
Total General Administration	13,887,534	13,887,534	-	12,733,077	1,154,457
Capital:					
Furniture & equipment	350,000	350,000	-	292,720	57,280
Total Capital	350,000	350,000	-	292,720	57,280
Total Operating Expenditures	14,237,534	14,237,534	-	13,025,797	1,211,737
Non-operating Expenditures:					
Interlocal agreement	3,775,830	3,775,830	-	4,037,388	(261,558)
Property appraiser/tax collector fees	3,724,170	3,724,170	-	5,143,771	(1,419,601)
Total Non-operating Expenditures	7,500,000	7,500,000	-	9,181,159	(1,681,159)
Total Expenditures	255,773,720	256,273,720	(500,000)	227,423,386	28,850,334
Fund Balance, September 30, 2025	27,188,335	27,188,335	-	70,827,030	(43,638,695)
Total Expenditures and Ending Fund Balance	\$ 282,962,055	\$ 283,462,055	\$ (500,000)	\$ 298,250,416	\$ (14,788,361)

See accompanying notes to required supplementary information

The Children's Trust
Notes to the Required Supplementary Information – Schedule of Revenues, Expenditures,
and Changes in Fund Balance – Budget and Actual – General Fund
For the Fiscal Year Ended September 30, 2025

Note 1 – Budgetary Information

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

All budget amendments require The Trust's Board approval. During the fiscal year ended September 30, 2025, the general fund had \$500,000 in supplemental appropriations relating to provider services.

Note 2 – Budgetary Variances

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

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

Note 2 – Budget and Actual Comparisons

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

	<u>Expenditures</u>	<u>Other Financing Sources</u>
Budgetary Basis	\$ 227,423,386	\$ -
SBITA principal and interest payments	149,278	
Lease principal and interest payments	402,304	
Provider services and support	(149,278)	
Rent/insurance	(402,304)	
Capital Outlay - Right-to-use SBITA asset	83,391	
SBITA (right-to-use asset) acquired	-	83,391
	<u> </u>	<u> </u>
GAAP Basis	\$ 227,506,777	\$ 83,391
	<u> </u>	<u> </u>

The Children's Trust
Required Supplementary Information
Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability
Florida Retirement System Pension Plan
Last Ten Fiscal Years

June 30th *	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
The Trust's proportion of the net pension liability	0.013787757%	0.014149295%	0.014550755%	0.015809210%	0.015374300%	0.014407887%	0.014660597%	0.014906226%	0.015534481%	0.014060833%
The Trust's proportionate share of the net pension liability	\$ 4,279,049	\$ 5,473,613	\$ 5,798,015	\$ 5,882,297	\$ 1,161,354	\$ 6,244,591	\$ 5,048,905	\$ 4,489,833	\$ 4,594,995	\$ 3,550,371
The Trust's covered-employee payroll	\$ 7,724,750	\$ 7,810,219	\$ 7,048,865	\$ 6,894,114	\$ 6,651,391	\$ 6,443,213	\$ 6,366,350	\$ 5,956,845	\$ 6,151,426	\$ 6,138,167
The Trust's proportionate share of the net pension liability as a percentage of its covered-employee payroll	55.39%	70.08%	82.25%	85.32%	17.46%	96.92%	79.31%	75.37%	74.70%	57.84%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	83.89%	83.89%	84.88%

* Measurement date.

The Children's Trust
Required Supplementary Information
Schedule of The Children's Trust's Contributions
Florida Retirement System Pension Plan
Last Ten Fiscal Years

September 30th	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 844,095	\$ 822,138	\$ 658,104	\$ 618,837	\$ 650,230	\$ 515,760	\$ 377,670	\$ 445,104	\$ 403,300	\$ 392,593
Contributions in relation to the contractually required contribution	844,095	822,138	658,104	618,837	650,230	515,760	377,670	445,104	403,300	392,593
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 8,173,687	\$ 7,592,244	\$ 7,202,747	\$ 6,629,287	\$ 6,728,842	\$ 6,487,142	\$ 6,250,124	\$ 6,030,881	\$ 6,570,277	\$ 6,247,195
Contributions as a percentage of covered payroll	10.33%	10.83%	9.14%	9.33%	9.66%	7.95%	6.04%	7.38%	6.14%	6.28%

The Children's Trust
Required Supplementary Information
Schedule of The Children's Trust's Proportionate Share of the Net Pension Liability
Health Insurance Subsidy Pension Plan
Last Ten Fiscal Years*

June 30th *	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
The Trust's proportion of the HIS net pension liability	0.018262468%	0.017703219%	0.018359128%	0.018270897%	0.018849818%	0.018532665%	0.018520718%	0.018073048%	0.020640039%	0.019146054%
The Trust's proportionate share of the HIS net pension liability	\$ 2,340,782	\$ 2,655,656	\$ 2,915,674	\$ 1,935,180	\$ 2,312,214	\$ 2,262,808	\$ 2,072,283	\$ 1,912,872	\$ 2,206,928	\$ 2,231,393
The Trust's covered- employee payroll	\$ 7,724,750	\$ 7,810,219	\$ 7,048,865	\$ 6,894,114	\$ 6,651,391	\$ 6,443,213	\$ 6,366,350	\$ 5,956,845	\$ 6,151,426	\$ 6,138,167
The Trust's proportionate share of the HIS net pension liability as a percentage of its covered-employee payroll	30.30%	34.00%	41.36%	28.07%	34.76%	35.12%	32.55%	32.11%	35.88%	36.35%
Plan fiduciary net position as a percentage of the total pension liability	6.36%	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

* Measurement date.

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

September 30th	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required HIS contribution	\$ 163,474	\$ 151,845	\$ 144,055	\$ 110,046	\$ 111,699	\$ 107,687	\$ 103,752	\$ 100,113	\$ 109,067	\$ 103,703
HIS contributions in relation to the contractually required HIS contributions	163,474	151,845	144,055	110,046	111,699	107,687	103,752	100,113	109,067	103,703
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$8,173,687</u>	<u>\$ 7,592,244</u>	<u>\$ 7,202,747</u>	<u>\$ 6,629,287</u>	<u>\$ 6,728,842</u>	<u>\$ 6,487,142</u>	<u>\$ 6,250,124</u>	<u>\$ 6,030,881</u>	<u>\$ 6,570,277</u>	<u>\$ 6,247,195</u>
Contributions as a percentage of covered payroll	<u>2.00%</u>	<u>2.00%</u>	<u>2.00%</u>	<u>1.66%</u>	<u>1.66%</u>	<u>1.66%</u>	<u>1.66%</u>	<u>1.66%</u>	<u>1.66%</u>	<u>1.66%</u>

The Children's Trust
Required Supplementary Information
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

September 30th**	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service Cost	\$ 2,990	\$ 2,984	\$ 4,480	\$ 12,029	\$ 10,956	\$ 15,188	\$ 15,242	\$ 15,448
Interest on the Total OPEB Liability	760	1,331	737	2,447	2,340	5,325	4,281	3,307
Changes of benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience of the Total OPEB Liability	-	(19,714)	-	(73,079)	-	(51,099)	-	-
Changes in assumptions and other inputs	1,406	1,558	(7,131)	(1,736)	2,074	(19,115)	(2,740)	(2,923)
Benefit payments	-	-	-	-	-	-	-	-
Net change in Total OPEB Liability	5,156	(13,841)	(1,914)	(60,339)	15,370	(49,701)	16,783	15,832
Total OPEB Liability - Beginning	13,418	27,259	29,173	89,512	74,142	123,843	107,060	91,228
Total OPEB Liability - Ending	<u>\$ 18,574</u>	<u>\$ 13,418</u>	<u>\$ 27,259</u>	<u>\$ 29,173</u>	<u>\$ 89,512</u>	<u>\$ 74,142</u>	<u>\$ 123,843</u>	<u>\$ 107,060</u>
Covered-Employee Payroll	\$ 7,195,369	\$ 6,708,102	\$ 6,215,097	\$ 6,523,881	\$ 6,539,001	\$ 5,871,446	\$ 6,026,231	\$ 6,030,881
Total OPEB Liability as a percentage of Covered- Employee Payroll	0.26%	0.20%	0.44%	0.45%	1.37%	1.26%	2.06%	1.78%

Notes to Schedule:

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

2024	2023	2022	2021	2020	2019	2018	2017
3.81%	4.63%	4.40%	2.19%	2.41%	2.75%	3.83%	3.50%

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

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

** Measurement date.



Statistical Section



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

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

Contents

Exhibits

Financial Trends

These tables contain trend information that may assist the reader in assessing
The Trust's current financial performance by placing it in historical perspective. I - VIII

Revenue Capacity

These tables contain information that may assist the reader in assessing the
viability of The Trust's most significant "own-source" revenue source, property
taxes. IX - XII

Debt Capacity

These tables present information that may assist the reader in assessing The
Trust's current debt burden. XIII
The Trust is prohibited, per Florida State Statute 125.901, from issuing any type of
debt instrument, including the issuance of bonds of any nature.

Demographic and Economic Information

These tables present demographic and economic information intended (1) to
assist users in understanding the socioeconomic environment within which The
Trust operates and (2) to provide information that facilitates comparisons of
financial statement information over time and among Children Service Councils. XIV-XV

Operating Information

These tables contain service and infrastructure indicators that can inform one's
understanding how the information in The Trust's financial statements relates to
the services The Trust provides and the activities it performs. XVI-XVIII

Data Source:

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

The Children's Trust
Changes in Net Position - Governmental Activities
(Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Years Ended September 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
Provider services	\$ 91,252,586	\$ 93,207,918	\$ 109,649,071	\$ 126,605,995	\$ 137,495,564	\$ 139,769,834	\$ 147,532,239	\$ 161,577,920	\$ 188,240,344	\$ 205,342,546
General administration:										
Personnel services	9,073,088	9,087,197	8,844,235	9,712,404	10,078,773	8,802,022	9,340,616	11,714,954	10,636,905	11,373,293
Materials and services	1,459,123	1,396,526	1,363,121	1,209,163	1,144,211	1,037,039	1,118,426	1,272,032	712,266	1,189,522
Interlocal agreement, property appraiser and tax collector fees	4,546,478	6,220,217	3,803,729	3,832,138	4,491,280	5,015,795	5,651,259	6,550,621	7,116,426	9,181,159
Total Expenses	106,331,275	109,911,858	123,660,156	141,359,700	153,209,828	154,624,690	163,642,540	181,115,527	206,705,941	227,086,520
General Revenues:										
Ad valorem taxes	109,390,359	121,452,284	122,509,168	123,289,413	139,040,709	140,156,043	162,597,700	181,939,130	206,465,506	227,385,761
Investment earnings	383,094	762,253	1,397,650	2,414,442	1,312,355	256,447	288,123	4,448,744	6,552,447	6,138,542
Interlocal agreement	3,455,550	3,978,199	1,479,394	1,459,908	1,944,939	2,369,104	2,768,036	3,231,351	3,630,722	4,037,388
Settlement proceeds	-	-	-	-	-	-	180,000	-	-	-
Miscellaneous	164,392	227,140	308,096	359,107	148,891	248,780	359,866	612,591	657,197	1,675,114
Total General Revenues	113,393,395	126,419,876	125,694,308	127,522,870	142,446,894	143,030,374	166,193,725	190,231,816	217,305,872	239,236,805
Change in Net Position	\$ 7,062,120	\$ 16,508,018	\$ 2,034,152	\$ (13,836,830)	\$ (10,762,934)	\$ (11,594,316)	\$ 2,551,185	\$ 9,116,289	\$ 10,599,931	\$ 12,150,285

Data Source:

Applicable years' annual comprehensive financial report.

The Children's Trust
Changes in Net Position - Governmental Activities - Percentage of Total
(Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Years Ended September 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Provider services	85.8%	84.7%	88.7%	89.6%	89.7%	90.4%	90.2%	89.2%	91.1%	90.4%
General administration:										
Personnel services	8.5%	8.3%	7.2%	6.9%	6.6%	5.7%	5.7%	6.5%	5.2%	5.0%
Materials and services	1.4%	1.3%	1.1%	0.9%	0.8%	0.7%	0.7%	0.7%	0.3%	0.5%
Interlocal agreement, property appraiser and tax collector fees	4.3%	5.7%	3.0%	2.6%	2.9%	3.2%	3.5%	3.6%	3.4%	4.1%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:										
Ad valorem taxes	96.5%	96.1%	97.5%	96.7%	97.6%	98.0%	97.8%	95.7%	95.0%	94.9%
Investment earnings	0.3%	0.6%	1.1%	1.9%	0.9%	0.2%	0.2%	2.3%	3.0%	2.6%
Interlocal agreement	3.1%	3.1%	1.2%	1.1%	1.4%	1.6%	1.7%	1.7%	1.7%	1.7%
Settlement proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Miscellaneous	0.1%	0.2%	0.2%	0.3%	0.1%	0.2%	0.2%	0.3%	0.3%	0.7%
Total General Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.1%	100.0%	100.0%

Data Source:

Applicable years' annual comprehensive financial report.

The Children's Trust
Government-wide Net Position by Component¹
(Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	September 30,									
	2016	2017	2018	2019	2020	2021	2022 ²	2023 ³	2024	2025
Governmental Activities										
Net investment in capital assets	\$ 296,006	\$ 350,841	\$ 256,827	\$ 325,275	\$ 266,279	\$ 197,529	\$ 167,220	\$ 148,283	\$ 415,207	\$ 410,858
Restricted	45,617,456	62,070,639	64,511,419	50,606,141	39,902,203	28,376,637	30,958,131	40,093,357	50,426,364	62,379,379
Total Governmental Activities	\$ 45,913,462	\$ 62,421,480	\$ 64,768,246	\$ 50,931,416	\$ 40,168,482	\$ 28,574,166	\$ 31,125,351	\$ 40,241,640	\$ 50,841,571	\$ 62,790,237

Notes:

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

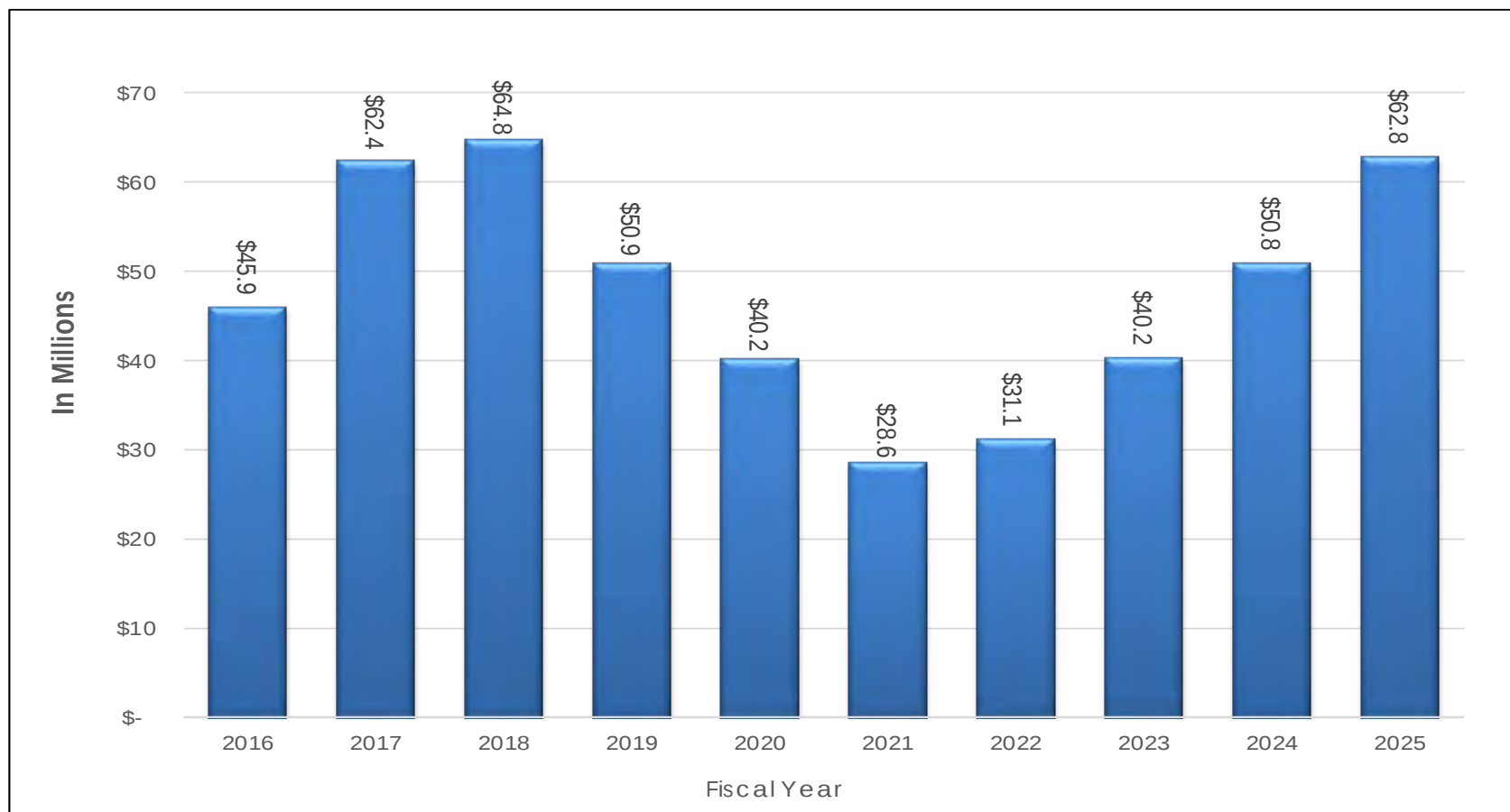
² The Trust implemented GASB Statement No. 87, Leases, whereby a lessee is required to recognize a lease liability and an intangible right-to-use lease asset.

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

Data Source:

Applicable years' annual comprehensive financial report.

The Children's Trust
Chart-Total Government-wide Net Position
(Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)



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

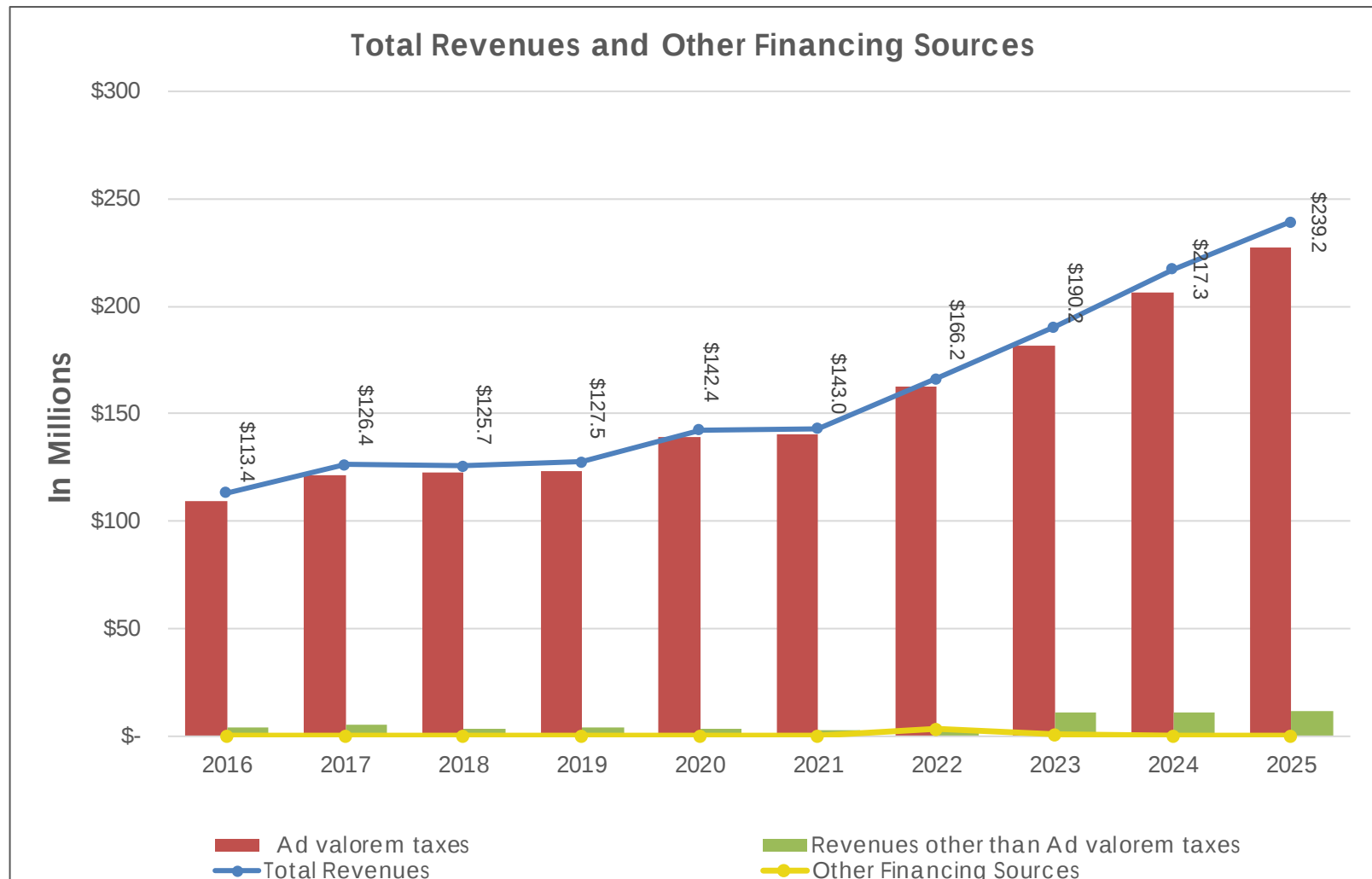
For the Fiscal Years Ended September 30,										
Revenue Source	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Ad valorem taxes	\$ 109,390,359	\$ 121,452,284	\$ 122,509,168	\$ 123,289,413	\$ 139,040,709	\$ 140,156,043	\$ 162,597,700	\$ 181,939,130	\$ 206,465,506	\$ 227,385,761
Investment earnings	383,094	762,253	1,397,650	2,414,442	1,312,355	256,447	288,123	4,448,744	6,552,447	6,138,542
Interlocal agreement	3,455,550	3,978,199	1,479,394	1,459,908	1,944,939	2,369,104	2,768,036	3,231,351	3,630,722	4,037,388
Settlement proceeds	-	-	-	-	-	-	180,000	-	-	-
Miscellaneous	164,392	227,140	308,096	359,107	148,891	248,780	359,866	612,591	657,197	1,651,923
Total Revenues	\$ 113,393,395	\$ 126,419,876	\$ 125,694,308	\$ 127,522,870	\$ 142,446,894	\$ 143,030,374	\$ 166,193,725	\$ 190,231,816	\$ 217,305,872	\$ 239,213,614
% change from prior year	8.5%	11.5%	-0.6%	1.5%	11.7%	0.4%	16.2%	14.5%	14.2%	10.1%
Other Financing Sources										
Lease (right-to-use asset) acquired	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,553,904	\$ -	\$ -	\$ -
SBITA (right-to-use asset) acquired	-	-	-	-	-	-	-	566,987	120,744	83,391
Total Other Financing Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,553,904	\$ 566,987	\$ 120,744	\$ 83,391
% change from prior year	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	-84.0%	-78.7%	-30.9%

Percentage of Total Revenues by Source and Other Financing Sources										
Revenue Source										
Ad valorem taxes	96.5%	96.1%	97.5%	96.7%	97.6%	98.0%	97.8%	95.7%	95.0%	95.0%
Investment earnings	0.3%	0.6%	1.1%	1.9%	0.9%	0.2%	0.2%	2.3%	3.0%	2.6%
Interlocal agreement	3.1%	3.1%	1.2%	1.1%	1.4%	1.6%	1.7%	1.7%	1.7%	1.7%
Settlement proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Miscellaneous	0.1%	0.2%	0.2%	0.3%	0.1%	0.2%	0.2%	0.3%	0.3%	0.7%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other Financing Sources										
Lease (right-to-use asset) acquired	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%
SBITA (right-to-use asset) acquired	0%	0%	0%	0%	0%	0%	0%	100%	100%	100%
Total Other Financing Sources	0%	0%	0%	0%	0%	0%	100%	100%	100%	100%

Data Source:

Applicable years' annual comprehensive financial report.

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



The Children's Trust
General Governmental Expenditures by Function
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function	For the Fiscal Years Ended September 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Current:										
Personnel Costs:										
Salaries	\$ 6,377,367	\$ 5,977,428	\$ 6,119,116	\$ 6,419,586	\$ 6,539,001	\$ 6,725,811	\$ 6,631,065	\$ 7,213,562	\$ 7,618,631	\$ 8,253,080
Benefits	2,316,538	2,354,555	2,256,810	2,274,199	2,290,389	2,451,142	2,483,941	2,893,866	3,248,797	3,484,619
Total personnel costs	8,693,905	8,331,983	8,375,926	8,693,785	8,829,390	9,176,953	9,115,006	10,107,428	10,867,428	11,737,699
% Change From Prior Year	13.9%	-4.2%	0.5%	3.8%	1.6%	3.9%	-0.7%	10.9%	7.5%	8.0%
Provider Services	91,252,586	93,335,919	109,606,544	126,699,768	137,495,564	139,769,834	147,532,239	161,571,560	188,203,072	205,216,430
% Change From Prior Year	13.3%	2.3%	17.4%	15.6%	8.5%	1.7%	5.6%	9.5%	16.5%	9.0%
Operating:										
Professional services	153,662	35,132	78,700	44,288	62,360	67,616	58,850	68,831	9,510	6,948
Accounting/auditing/legal	216,492	319,297	319,875	318,186	243,139	268,294	206,483	232,939	254,604	238,667
Other contractual services	30,990	24,559	62,848	27,831	4,365	7,897	27,753	24,524	29,234	10,002
Travel, per diem and conferences	88,761	98,410	94,554	87,463	64,946	1,736	40,967	50,035	61,823	77,685
Communications and freight services	117,489	121,000	120,343	107,539	116,233	57,588	56,045	52,208	51,224	54,209
Rental and leases	510,852	474,133	385,803	392,217	400,912	401,780	5,916	6,044	7,455	9,768
Insurance	84,054	83,595	67,269	69,123	73,732	77,994	92,205	100,775	109,304	113,556
Postage and courier	8,893	7,775	5,428	6,038	9,186	8,534	5,551	4,912	6,037	4,058
Printing and binding	23,059	15,079	12,572	9,071	7,610	10,994	9,908	7,476	8,191	9,493
Office	18,256	8,368	10,056	9,140	8,201	7,611	5,655	6,498	4,512	5,300
Operating	73,502	64,412	97,183	46,696	37,229	40,610	46,016	38,532	33,842	36,133
Dues and fees	37,955	35,290	23,586	41,846	38,656	17,635	16,474	30,481	40,423	27,255
Lease principal payment	-	-	-	-	-	-	348,965	355,761	362,832	370,012
Lease interest payment	-	-	-	-	-	-	47,529	42,550	37,471	32,292
Other current charges and obligations	2,833	3,208	1,191	-	-	-	-	-	-	-
Total Operating	1,366,798	1,290,258	1,279,408	1,159,438	1,066,569	968,289	968,317	1,021,566	1,016,462	995,378
% Change From Prior Year	1.2%	-5.6%	-0.8%	-9.4%	-8.0%	-9.2%	0.0%	5.5%	-0.5%	-2.1%
Capital Outlay	196,638	33,102	32,225	24,400	18,646	-	3,673,704	804,876	120,744	376,111
% Change From Prior Year	1523.4%	-83.2%	-2.6%	-24.3%	-23.6%	-100.0%	100.0%	-78.1%	-85.0%	211.5%
Non-operating Expenditures	4,546,478	6,220,217	3,803,729	3,832,138	4,491,280	5,015,795	5,651,259	6,550,621	7,116,426	9,181,159
% Change From Prior Year	15.5%	36.8%	-38.8%	0.7%	17.2%	11.7%	12.7%	15.9%	8.6%	29.0%
Total Expenditures	\$ 106,056,405	\$ 109,211,479	\$ 123,097,832	\$ 140,409,529	\$ 151,901,449	\$ 154,930,871	\$ 166,940,525	\$ 180,056,051	\$ 207,324,132	\$ 227,506,777
% Change From Prior Year	13.5%	3.0%	12.7%	14.1%	8.2%	2.0%	7.8%	7.9%	15.1%	9.7%

Data Source:

Applicable years' annual comprehensive financial report.

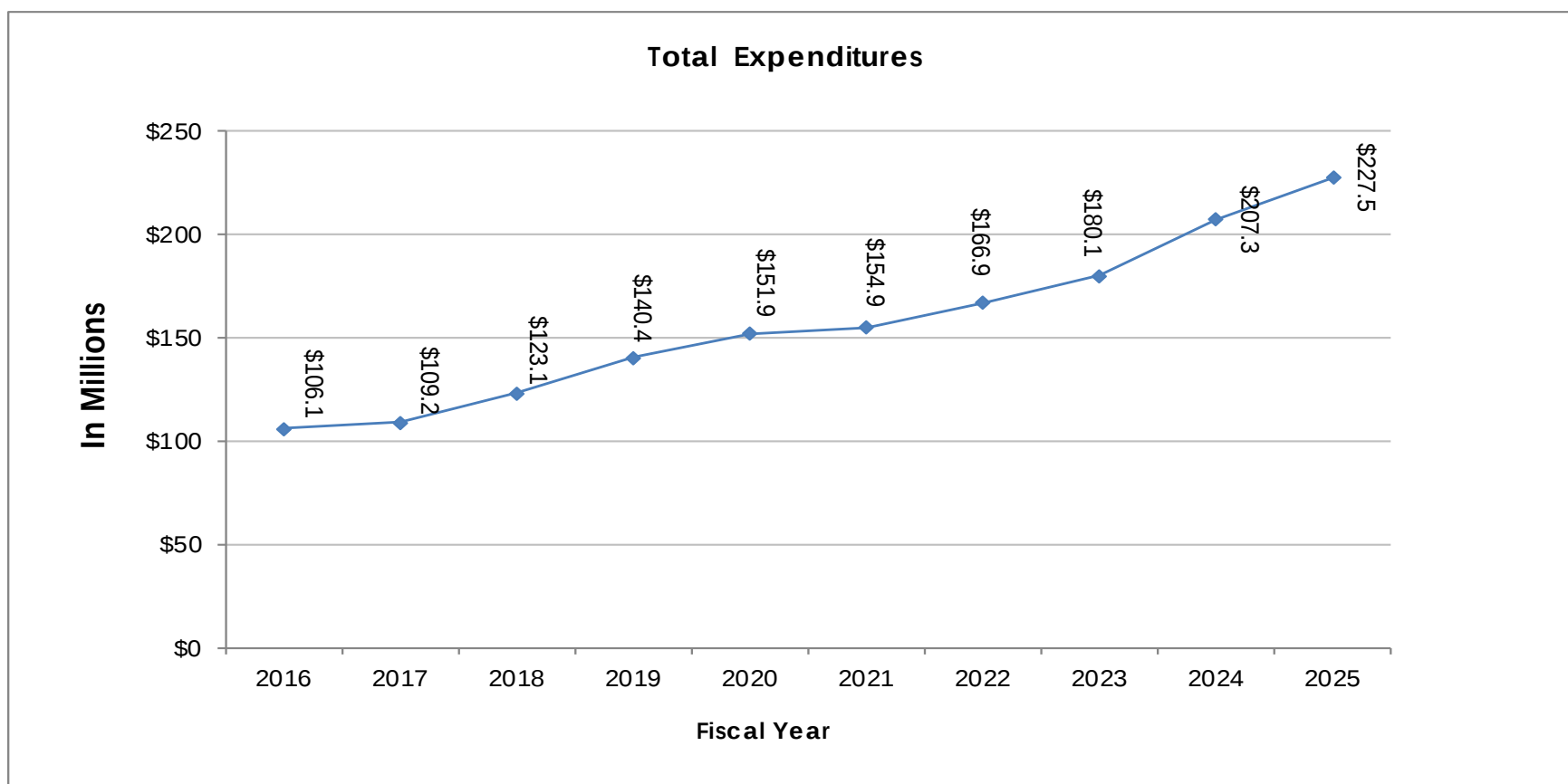
The Children's Trust
General Governmental Expenditures by Type
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

For the Fiscal Years Ended September 30,										
Type	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Current:										
Provider services	\$ 91,252,586	\$ 93,335,919	\$ 109,606,544	\$ 126,699,768	\$ 137,495,564	\$ 139,769,834	\$ 147,532,239	\$ 161,571,560	\$ 188,203,072	\$ 205,216,430
Personnel	8,693,905	8,331,983	8,375,926	8,693,785	8,829,390	9,176,953	9,115,006	10,107,428	10,867,428	11,737,699
Operating	1,366,798	1,290,258	1,279,408	1,159,438	1,066,569	968,289	968,317	1,021,566	1,016,462	995,378
Capital outlay	196,638	33,102	32,225	24,400	18,646	-	3,673,704	804,876	120,744	376,111
Non-operating	4,546,478	6,220,217	3,803,729	3,832,138	4,491,280	5,015,795	5,651,259	6,550,621	7,116,426	9,181,159
Total Expenditures	\$ 106,056,405	\$ 109,211,479	\$ 123,097,832	\$ 140,409,529	\$ 151,901,449	\$ 154,930,871	\$ 166,940,525	\$ 180,056,051	\$ 207,324,132	\$ 227,506,777
Percentage of Total Expenditures										
Current:										
Provider services	86.0%	85.5%	89.1%	90.3%	90.5%	90.2%	88.4%	89.7%	90.8%	90.2%
Personnel	8.2%	7.6%	6.8%	6.2%	5.8%	5.9%	5.4%	5.6%	5.2%	5.2%
Operating	1.3%	1.2%	1.0%	0.8%	0.7%	0.6%	0.6%	0.6%	0.5%	0.4%
Capital outlay	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	2.2%	0.5%	0.1%	0.2%
Non-operating	4.3%	5.7%	3.1%	2.7%	3.0%	3.3%	3.4%	3.6%	3.4%	4.0%
Total Expenditures	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:

Applicable years' annual comprehensive financial report.

The Children's Trust
Chart-Total General Governmental Expenditures
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



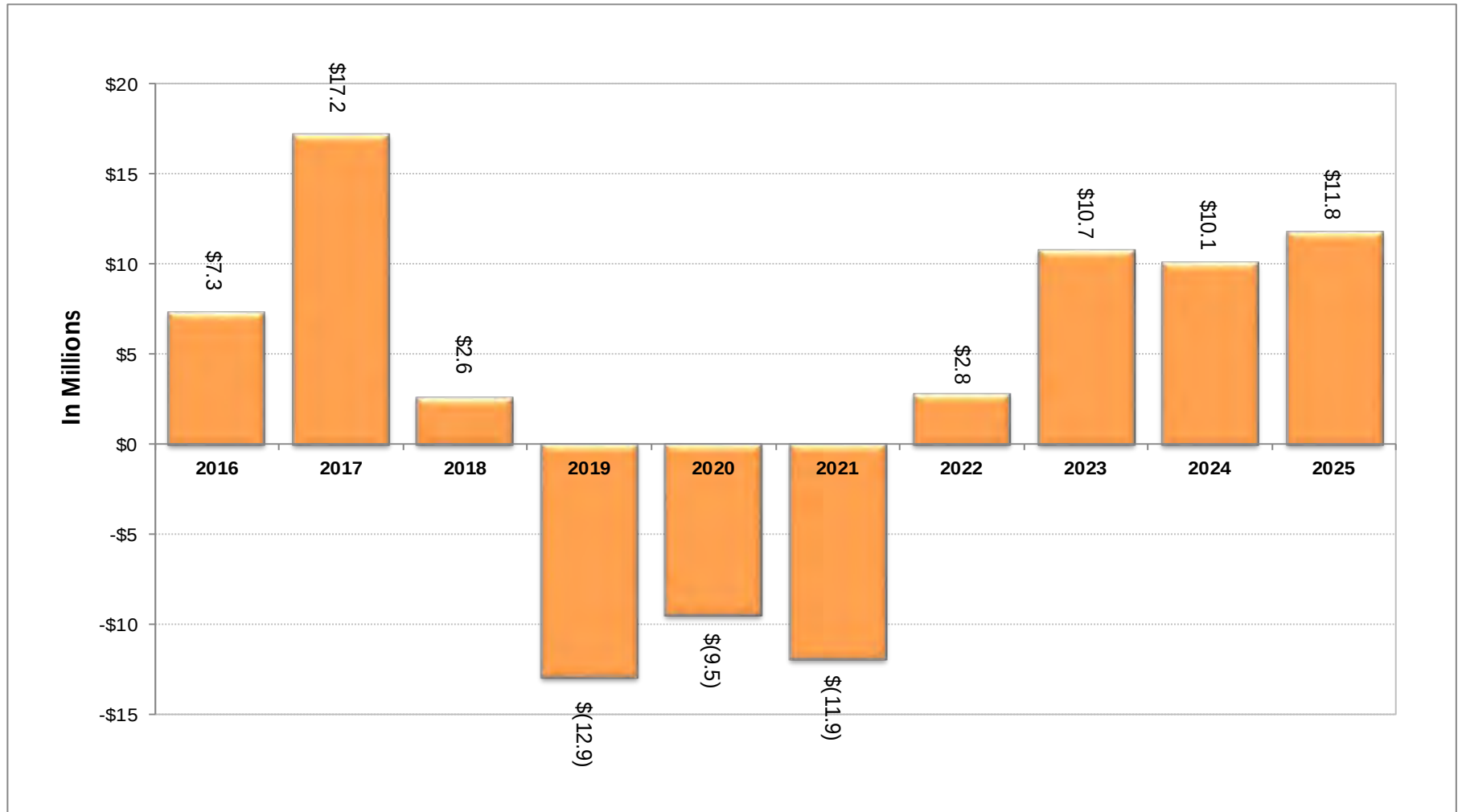
The Children's Trust
Summary of Changes in Fund Balance - Governmental Fund
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Years Ended September 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Revenues	\$ 113,393,395	\$ 126,419,876	\$ 125,694,308	\$ 127,522,870	\$ 142,446,894	\$ 143,030,374	\$ 166,193,725	\$ 190,231,816	\$ 217,305,872	\$ 239,213,614
Total Expenditures	106,056,405	109,211,479	123,097,832	140,409,529	151,901,449	154,930,871	166,940,525	180,056,051	207,324,132	227,506,777
Other Financing Sources	-	-	-	-	-	-	3,553,904	566,987	120,744	83,391
Net Change in Fund Balance	<u>\$ 7,336,990</u>	<u>\$ 17,208,397</u>	<u>\$ 2,596,476</u>	<u>\$ (12,886,659)</u>	<u>\$ (9,454,555)</u>	<u>\$ (11,900,497)</u>	<u>\$ 2,807,104</u>	<u>\$ 10,742,752</u>	<u>\$ 10,102,484</u>	<u>\$ 11,790,228</u>
Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	0.2%

Data Source:

Applicable years' annual comprehensive financial report.

The Children's Trust
Chart-Summary of Changes in Fund Balance - Governmental Fund
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



The Children's Trust
Fund Balance - Governmental Fund
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	September 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Nonspendable:										
Prepaid items	\$ 38,727	\$ 3,404	\$ 68,050	\$ 77,108	\$ 2,352	\$ 40,656	\$ 37,904	\$ 123,584	\$ 211,310	\$ 322,519
Restricted:										
Contracts	49,782,573	67,026,293	69,558,123	56,662,406	47,282,607	35,343,806	38,153,662	48,810,734	58,825,492	70,504,511
Total General Fund	\$ 49,821,300	\$ 67,029,697	\$ 69,626,173	\$ 56,739,514	\$ 47,284,959	\$ 35,384,462	\$ 38,191,566	\$ 48,934,318	\$ 59,036,802	\$ 70,827,030
General Fund % Change										
From Prior Year	17.27%	34.54%	3.87%	-18.51%	-16.66%	-25.17%	7.93%	28.1%	20.6%	20.0%

Data Source:

Applicable years' annual comprehensive financial report.

The Children's Trust
Actual Value and Assessed Value of Taxable Property by Type
(Unaudited)
Last Ten Fiscal Years
(in thousands)

Fiscal Year Ended September 30,	Real Property				Total Actual and Assessed Value of Taxable Property	Exemptions ¹			Total Taxable Assessed Value	Total The Children's Trust Tax Rate
	Residential Property	Commercial/ Industrial Property	Government/ Institution	Personal Property		Real Property Amendment 10 Excluded Value ²	Real Property Other Exemptions	Personal Property		
2016	\$ 225,419,272	\$ 68,407,631	\$ 26,216,817	\$ 18,447,758	\$ 338,491,478	\$ 36,988,381	\$ 70,316,704	\$ 5,659,546	\$ 225,526,847	0.5000
2017	251,922,449	74,772,583	28,085,673	18,992,073	373,772,778	46,537,562	74,497,769	5,705,672	247,031,775	0.5000
2018	268,024,739	81,589,778	29,629,048	19,489,946	398,733,511	50,050,209	74,238,845	5,819,653	268,624,804	0.4673
2019	280,291,822	87,286,260	30,206,220	20,145,146	417,929,448	51,811,572	74,785,838	5,947,123	285,384,915	0.4415
2020	288,830,204	93,489,643	30,739,343	21,558,602	434,617,792	50,682,429	74,389,035	6,000,159	303,546,169	0.4680
2021	296,927,807	97,142,940	31,525,292	18,011,248	443,607,287	49,129,880	73,726,215	2,395,608	318,355,584	0.4507
2022	311,915,883	99,493,699	32,292,331	18,934,714	462,636,627	52,349,149	74,326,443	2,506,977	333,454,058	0.5000
2023	371,895,333	133,445,166	34,844,880	20,047,059	560,232,438	85,704,713	96,305,525	2,575,641	375,646,559	0.5000
2024	456,781,230	158,310,850	37,927,831	22,390,000	675,409,911	118,647,689	129,698,961	2,384,899	424,678,362	0.5000
2025	509,777,810	175,104,930	39,981,603	22,891,880	747,756,223	139,323,199	137,409,775	2,383,204	468,640,045	0.5000

Notes:

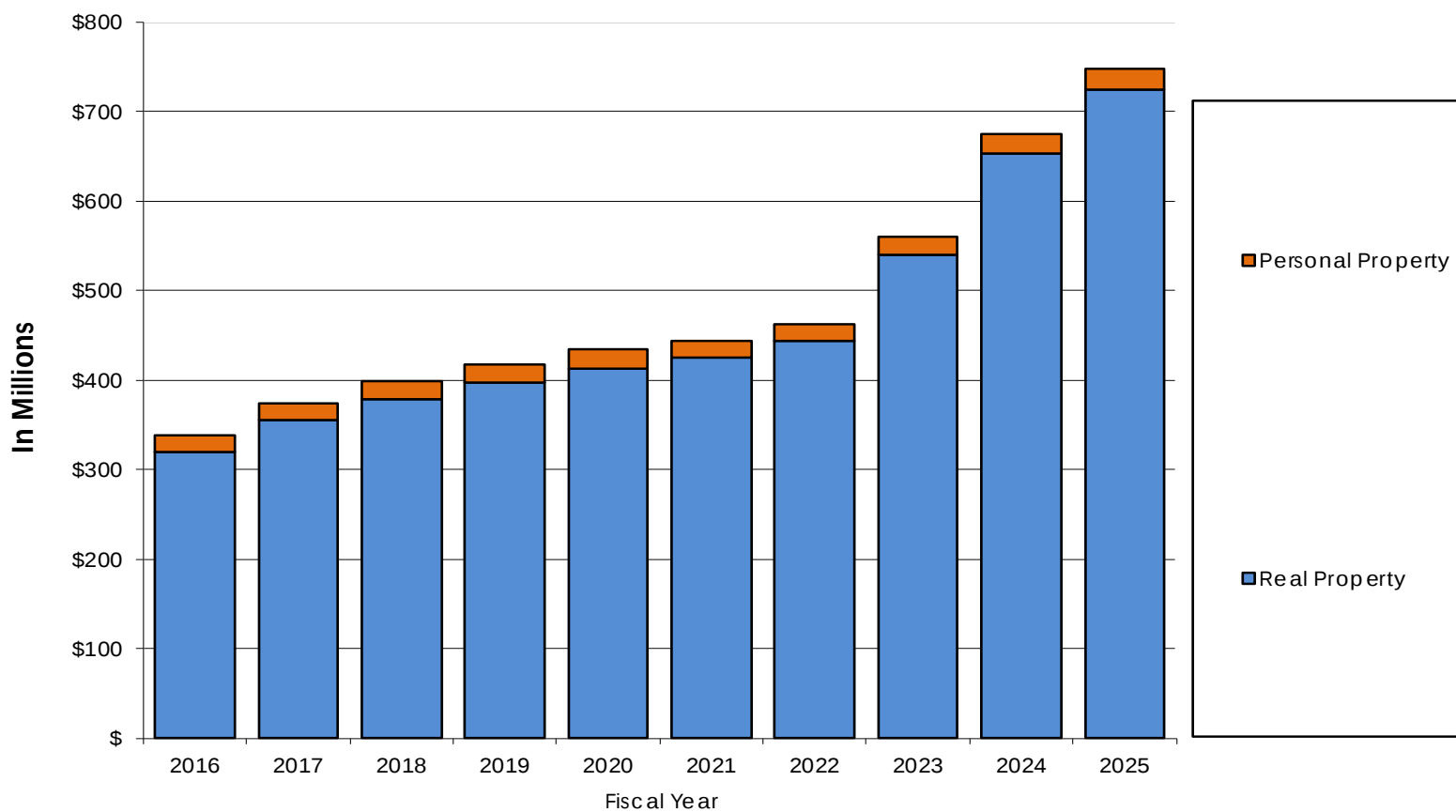
¹ Exemptions for real property include: \$25,000 homestead exemption; an additional \$25,000 homestead exemption (excluding School Board taxes) starting in FY 2009; widows/widowers exemption; governmental exemption; disability/blind age 65 and older exemption; institutional exemption; economic development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

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

Data Source:

Property Appraiser of Miami-Dade County

The Children's Trust
Chart-Total Actual Value and Assessed Value of Taxable Property by Type
(Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



The Children's Trust
Direct and Overlapping Property Tax Rates
(Unaudited)
Last Ten Fiscal Years
(rate per \$1,000 of assessed taxable value)

Overlapping Rates ¹															
Fiscal Year	Direct ²	Miami-Dade County			Miami-Dade County School Board										Total Direct and Overlapping Millage
	The Children's Trust	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Water Management District	Environmental Project	Okeechobee Basin	Special District	Fire and Rescue	Fire Debt	Public Library System	
2016	0.5000	4.6669	0.4500	5.1169	7.4130	0.1990	7.6120	0.1459	0.0506	0.1586	0.0320	2.4207	0.0086	0.2840	16.3293
2017	0.5000	4.6669	0.4000	5.0669	7.1380	0.1840	7.3220	0.1359	0.0471	0.1477	0.0320	2.4207	0.0075	0.2840	15.9638
2018	0.4673	4.6669	0.4000	5.0669	6.7740	0.2200	6.9940	0.1275	0.0441	0.1384	0.0320	2.4207	0.0075	0.2840	15.5824
2019	0.4415	4.6669	0.4644	5.1313	6.5040	0.2290	6.7330	0.1209	0.0417	0.1310	0.0320	2.4207	0.0000	0.2840	15.3361
2020	0.4680	4.6669	0.4780	5.1449	6.9360	0.1930	7.1290	0.1103	0.0380	0.1192	0.0320	2.4207	0.0000	0.2840	15.7461
2021	0.4507	4.6669	0.5075	5.1744	6.8290	0.1800	7.0090	0.1061	0.0365	0.1146	0.0320	2.4207	0.0000	0.2840	15.6280
2022	0.5000	4.6202	0.4853	5.1055	6.4240	0.1650	6.5890	0.0948	0.0327	0.1026	0.0320	2.3965	0.0000	0.2840	15.1371
2023	0.5000	4.5740	0.4355	5.0095	6.5660	0.1330	6.6990	0.0948	0.0327	0.1026	0.0288	2.3965	0.0000	0.2812	15.1451
2024	0.5000	4.5740	0.4355	5.0095	6.5660	0.1330	6.6990	0.0948	0.0327	0.1026	0.0288	2.3965	0.0000	0.2812	15.1451
2025	0.5000	4.5740	0.4271	5.0011	6.4680	0.1340	6.6020	0.0948	0.0327	0.1026	0.0288	2.3965	0.0000	0.2812	15.0397

Notes:

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

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

Data Source:

Property Appraiser of Miami-Dade County : <https://www.miamidadepa.gov/resources-pa/library/reports/millage/2024-adopted-millage-chart.pdf>

The Children's Trust
Chart-Direct and Overlapping Property Tax Rates
(Unaudited)
Last Ten Fiscal Years
(rate per \$1,000 of assessed taxable value)



The Children's Trust
Total Property Tax Levies and Collections¹
(Unaudited)
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Total Taxes Collected		Total Uncollected Taxes	
		Percentage		Percentage	
		Amount	of Levy	Amount	of Levy
2016	\$ 116,239,802	\$ 109,390,359	94.11%	\$ 6,849,443	5.89%
2017	126,668,576	121,452,284	95.88%	5,216,292	4.12%
2018	128,355,889	122,509,168	95.44%	5,846,721	4.56%
2019	129,067,234	123,289,413	95.52%	5,777,821	4.48%
2020	145,503,907	139,040,709	95.56%	6,463,198	4.44%
2021	147,181,720	140,156,043	95.23%	7,025,677	4.77%
2022	170,030,217	162,597,700	95.63%	7,432,517	4.37%
2023	189,966,566	181,939,130	95.77%	8,027,436	4.23%
2024	213,904,695	206,465,506	96.52%	7,439,189	3.48%
2025	236,755,640	227,385,761	96.04%	9,369,879	3.96%

Notes:

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

Data Source:

The Children's Trust Finance Department

The Children's Trust
Principal Real Property Taxpayers
(Unaudited)
Fiscal Years Ended September 30, 2025 and 2016

2025			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Florida Power & Light Company	\$ 8,708,879,919	1	1.86%
Aventura Mall Venture	774,371,992	2	0.17%
Publix Supermarkets Inc.	661,542,317	3	0.14%
Dolphin Mall Assoc LTD Partnership	479,825,500	4	0.10%
TWJ 1101 LLC	400,988,878	5	0.09%
Ponte Gadea Biscayne LLC	393,000,000	6	0.08%
Fontainebleau Florida Hotel LLC	392,930,204	7	0.08%
SDG Dadeland Associates Inc TRS	364,039,625	8	0.08%
PSBP Industrial LLC	349,784,802	9	0.07%
Bal Harbour Shops LLC	299,528,308	10	0.06%
Total Principal Taxpayers	12,824,891,545		2.74%
All Other Taxpayers	455,815,153,455		97.26%
Total	\$ 468,640,045,000		100.00%

2016			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Florida Power & Light Company	\$ 5,538,430,025	1	2.46%
Aventura Mall Venture	472,320,046	2	0.21%
AT&T Corp.	402,431,311	3	0.18%
SDG Dadeland Associates Inc.	401,992,752	4	0.18%
Fountainbleau Florida Hotel LLC	379,816,339	5	0.17%
The Graham Companies	336,633,118	6	0.15%
Dolphin Mall Assoc LTD Partnership	292,000,000	7	0.13%
200 S Biscayne TIC LLC	247,600,000	8	0.11%
MB Redevelopment Inc.	242,498,612	9	0.11%
WRC Properties Inc.	222,192,350	10	0.10%
Total Principal Taxpayers	8,535,914,553		3.78%
All Other Taxpayers	216,990,932,447		96.22%
Total	\$ 225,526,847,000		100.00%

Data Sources:

Property Appraiser of Miami-Dade County
Miami-Dade County Annual Comprehensive Financial Report

The Children's Trust
Ratios of Outstanding Debt by Type ¹
(Unaudited)
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Total	Percentage of	
	Obligations Under Leases (Right-to-use Asset)	Obligations Under Subscription Arrangements (SBITA)		Personal Income ²	Per Capita ²
2022	\$ 3,204,939	\$ -	\$ 3,204,939	0.002%	1.16
2023	2,849,178	558,346	3,407,524	0.002%	1.23
2024	2,486,346	554,791	3,041,137	0.002%	1.10
2025	2,116,334	252,695	2,369,029	(1)	(1)

Notes:

¹ The Trust implemented GASB Statement No. 87, Leases and GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA) in fiscal years ended September 30, 2022 and 2023, respectively. Consequently, information is not provided for fiscal year 2021 and prior. Additionally, only "Obligations Under Leases" is provided for 2022 due to GASB Statement No. 87. Obligations Under Subscription Arrangements is presented beginning in 2023 due to GASB Statement No. 96.

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

² See the Demographics and Economic Statistics schedule in this section for personal income and per capita data.

(1) The personal income data for 2025 is unavailable as of the date of this report.

Data Source:

Applicable years' annual comprehensive financial report.

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

Calendar Year	Population ¹	<i>(in \$1,000)</i>		Median Age ¹	Average Unemployment Rate		
		Total Personal Income ²	Per Capita Personal Income ²		County ³	State of Florida ⁴	United States ⁵
2016	2,696,353	\$ 123,276,064	\$ 45,720	40	5.8%	4.9%	4.9%
2017	2,743,095	132,712,999	48,381	40	5.0%	4.4%	4.5%
2018	2,779,322	143,041,608	51,466	40	3.7%	3.7%	4.0%
2019	2,812,130	149,596,954	53,197	40	2.9%	3.3%	3.7%
2020	2,701,767	151,937,700	56,236	40	8.2%	7.3%	7.3%
2021	2,731,939	173,671,361	63,571	40	5.5%	5.4%	6.0%
2022	2,757,592	188,443,548	68,336	41	2.6%	3.2%	3.8%
2023	2,768,954	202,003,477	72,953	41	1.9%	3.0%	3.6%
2024	2,774,841	202,729,297	78,286	41	2.4%	3.4%	4.0%
2025	2,847,514	(1)	(1)	40	2.7%	3.5%	4.4%

Data Sources:

¹ Miami-Dade County, Florida 2024 annual comprehensive financial report for years 2016-2024; 2025 source is the Miami-Dade Beacon Council: <https://www.beaconcouncil.com/demographics/>

² Miami-Dade County, Florida 2024 annual comprehensive financial report for years 2016-2023; 2024 estimated by management.

³ Texas Real Estate Center (data as of May 2025):
<https://trerc.tamu.edu/data/employment-bls/?data-CE=Miami-Dade=County%2C+FL>

⁴ Texas Real Estate Center (data as of May 2025):
<https://trerc.tamu.edu/data/employment-bls/?data-State=Florida>

⁵ U.S. Department of Labor, Bureau of Labor Statistics:
<https://www.bls.gov/eag/eag.us.htm>

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

The Children's Trust
Principal Employers
(Unaudited)
For the Fiscal Years Ended September 30, 2025 and 2016

Employer	Type of Business	2025 ¹		Rank
		Number of Employees	% of Total County Employment	
Miami-Dade County Public Schools	Education	35,497	2.57%	1
Miami-Dade County	Local Government	29,495	2.07%	2
University of Miami	Education	22,566	1.54%	3
Jackson Health System	Health Care	14,249	0.99%	4
Publix Super Markets	Retail	14,146	0.98%	5
American Airlines	Aviation	11,297	0.79%	6
Amazon	Retail	7,383	0.58%	7
Walmart	Retail	7,373	0.51%	8
Florida International University	Education	6,597	0.48%	9
Miami-Dade College	Education	5,958	0.42%	10
Total Principal Employers		154,561	10.93%	

Employer	Type of Business	2016		Rank
		Number of Employees	% of Total County Employment	
Miami-Dade County Public Schools	Education	31,000	2.32%	1
Miami-Dade County	Local Government	24,692	1.85%	2
U.S. Federal Government	Federal Government	19,300	1.45%	3
Florida State Government	State Government	19,200	1.44%	4
University of Miami	Education	13,864	1.04%	5
Baptist Health South Florida	Health Care	13,369	1.00%	6
American Airlines	Aviation	11,773	0.88%	7
Jackson Health System	Health Care	8,163	0.61%	8
Florida International University	Education	4,951	0.37%	9
City of Miami	Local Government	3,820	0.29%	10
Total Principal Employers		150,132	11.25%	

Data Sources:

Miami-Dade County, Florida 2024 annual comprehensive financial report

¹ Information is based on data from 2024. The data for year 2025 is not available as of the date of this report.

Miami-Dade County, Florida 2016 annual comprehensive financial report

The Children's Trust
Full-time Employees by Function/Program
(Unaudited)
Last Ten Fiscal Years

	Fiscal Years									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Function/program</u>										
Executive	2	2	2	2	2	2	9	8	8	8
Programs	26	23	26	27	24	26	24	24	24	24
Operations	13	10	10	10	10	10	8	7	6	6
Finance	12	12	13	14	14	14	13	13	15	15
Research and Evaluation	13	13	15	15	15	15	12	11	11	11
Information Systems	3	4	5	5	5	5	5	9	7	7
Public Policy, Community Engagement and Communications	12	11	11	11	12	13	11	13	14	12
Total Employees	81	75	82	84	82	85	82	85	85	83
Percentage Change From Prior Year	-2.4%	-7.4%	9.3%	2.4%	-2.4%	3.7%	-3.5%	3.7%	0.0%	-2.4%

Data Source:

The Children's Trust Finance Department

The Children's Trust
Operating Statistics by Program
(Unaudited)
Last Ten Fiscal Years

Program	Fiscal Years									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
SUSTAIN AND EXPAND DIRECT SERVICES										
Parenting programs	31	35	48	54	51	49	48	53	56	58
Thrive by 5 (early childhood development)	23	33	22	32	31	35	32	28	27	25
Youth development	113	119	175	177	175	173	172	173	146	142
Health and wellness	16	18	28	24	24	26	23	22	25	25
Family and neighborhood supports	21	18	21	20	20	19	19	25	24	24
Total sustain and expand direct services	204	223	294	307	301	302	294	301	278	274
COMMUNITY AWARENESS AND ADVOCACY										
Public awareness and program promotion	-	-	-	-	-	-	-	-	-	28
Promote citizen engagement and leadership to improve child and family conditions	3	3	-	-	-	-	37	91	59	105
Cross-funder collaboration of goals, strategies and resources	4	3	7	11	14	13	9	8	6	5
Total community awareness and advocacy	7	6	7	11	14	13	46	99	65	138
PROGRAM AND PROFESSIONAL DEVELOPMENT										
Supports for quality program implementation	25	24	2	26	23	22	4	6	22	21
Information technology	-	-	-	-	-	-	-	-	-	2
Program evaluation and community research	-	-	-	-	-	-	-	-	-	1
Innovation fund	5	5	-	12	16	22	22	17	21	20
Total program and professional development	30	29	2	38	39	44	26	23	43	44
TOTAL	241	258	303	356	354	359	366	423	386	456

Data Source:

The Children's Trust Finance Department

The Children's Trust
Capital Asset Statistics
(Unaudited)
Last Ten Fiscal Years

	Fiscal Years									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Computers:										
Computers	2	2	-	-	-	-	-	-	-	-
Laptops	94	94	66	34	46	46	12	-	-	-
Printers	21	21	20	13	13	13	-	-	1	1
Servers	33	33	2	2	2	2	2	1	1	1
Routers	13	13	6	9	9	9	2	1	1	1
Software/licenses	17	18	6	6	6	6	1	-	-	-
Other	2	3	3	4	4	4	2	-	-	-
	<u>182</u>	<u>184</u>	<u>103</u>	<u>68</u>	<u>80</u>	<u>80</u>	<u>19</u>	<u>2</u>	<u>3</u>	<u>3</u>
Furniture and Equipment:										
Projectors	6	6	6	5	5	5	-	-	-	-
Televisions	-	-	3	3	3	3	3	3	3	3
Chairs/desks	8	8	8	8	8	8	8	8	2	3
Cameras	2	2	2	2	2	2	2	2	2	2
Dental equipment	39	39	39	39	39	39	-	-	-	-
Playground/sports equipment	9	9	1	1	1	1	-	-	-	-
Kitchen equipment	1	1	-	-	-	-	-	-	-	-
Vehicles	-	-	-	1	1	1	1	1	1	1
Air Conditioning Units	-	-	1	1	1	1	1	1	1	1
Other furniture & equipment	9	11	8	6	6	6	11	10	10	10
	<u>74</u>	<u>76</u>	<u>68</u>	<u>66</u>	<u>66</u>	<u>66</u>	<u>26</u>	<u>25</u>	<u>19</u>	<u>20</u>
Software:										
Software	-	-	-	-	-	-	-	-	2	3
Software (work in progress)	-	-	-	-	-	-	-	1	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>2</u>	<u>3</u>
Website:										
Website	-	-	-	-	-	-	-	-	1	1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Right-to-use Asset:										
Office space	-	-	-	-	-	-	1	1	1	1
SBITA	-	-	-	-	-	-	-	2	8	8
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>3</u>	<u>9</u>	<u>9</u>
Total	<u>256</u>	<u>260</u>	<u>171</u>	<u>134</u>	<u>146</u>	<u>146</u>	<u>46</u>	<u>30</u>	<u>34</u>	<u>36</u>

Notes:

The Children's Trust routinely disposes of its computers and related equipment as the equipment becomes obsolete. The computers and related equipment are then replaced, as needed. During the fiscal year 2021-2022, The Trust disposed of computer equipment that was obsolete and replaced the equipment with computers that did not meet the capitalization threshold. Additionally, ownership of fully depreciated capital equipment used by providers is transferred to the respective provider. During the fiscal year 2021-2022, The Trust transferred ownership of fully depreciated dental equipment to a provider."

Data Source:

The Trust's Finance Department



Compliance Section



**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***

Independent Auditor's Report

Members of the Board of Directors
The Children's Trust

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of The Children's Trust (The Trust), which comprise The Trust's statement of financial position as of September 30, 2025, and the related statement of activities, revenues, expenditures, and changes in fund balance for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 9, 2025, which contained an "Emphasis of Matter" paragraph regarding a change in accounting principle.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of The Trust's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Trust's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Trust's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Trust's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
March 9, 2026**

Independent Auditor's Management Letter

Members of the Board of Directors
The Children's Trust

Report on the Financial Statements

We have audited the basic financial statements of The Children's Trust (The Trust) as of and for the year ended September 30, 2025, and have issued our report thereon dated March 9, 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 also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 9, 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 audit report. In connection with the preceding audit, there were no findings or recommendations.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicated the failure of a special district that is a component unit of a county, municipality, or special district, provided 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 determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

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

- (A) The total number of The Trust employees compensated in the last pay period of The Trust's fiscal year as 83.
- (B) The total number of independent contractors to whom nonemployee compensation was paid in the last month of The Trust's fiscal year as 292.
- (C) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$8,253,080.
- (D) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$10,107,845.
- (E) Each construction project with a total cost of at least \$65,000 approved by The Trust that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as none.
- (F) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if The Trust amends a final adopted budget under Section 189.016(6), Florida Statutes, as noted in the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund (Budgetary Basis).

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)8., *Rules of the Auditor General*, The Trust reported:

- (A) The millage rate or rates imposed by The Trust as 0.500.
- (B) The total amount of ad valorem taxes collected by or on behalf of The Trust as \$227,385,761.
- (C) The total amount of outstanding bonds issued by the Trust and the terms of such bonds as \$0.

Additional Matters

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

Purpose of this Letter

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
March 9, 2026**

Independent Accountant's Report

Members of the Board of Directors
The Children's Trust

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

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

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

In our opinion, The Trust complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
March 9, 2026**



3150 SW 3rd Avenue • 8th Floor • Miami, FL 33129
305.571.5700 • FAX 305.857.9592
TheChildrensTrust.org

Mission

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