



**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT
FISCAL YEAR ENDED
SEPTEMBER 30,
2025**



Connecting Community. Empowering Families.

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Jeffrey S. Wood
Governor Appointee
Chair



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Governor Appointee
Vice Chair



Senator Nan Rich
Broward County Commission
Secretary



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Broward County Public Schools



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Child Protection Director, Southeast
& Southern Regions
Department of Children & Families



Dr. Paula Thaqi
Broward County Health
Dept.
Director



Honorable
Francis Viamontes
Judicial Member



Vacant
Governor Appointee

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**Children's Services Council
Of Broward County, Florida**

**FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Issued by:

Cindy J. Arenberg Seltzer, J.D., M.P.A., President/CEO

Prepared by:

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Table of Contents

INTRODUCTORY SECTION

| | |
|--|----|
| Letter of Transmittal | 11 |
| Organizational Chart and Principal Officials | 25 |
| GFOA Certificate of Achievement | 26 |

FINANCIAL SECTION

| | |
|--|----|
| Independent Auditor's Report | 28 |
| Management's Discussion and Analysis ("MD&A") (Unaudited) | 32 |
| Basic Financial Statements | |
| Government-Wide Financial Statements | |
| Statement of Net Position | 50 |
| Fund Financial Statements | |
| Balance Sheet-Governmental Funds | 53 |
| Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position | 54 |
| Statement of Revenues, Expenditures and Changes In Fund Balance - Governmental Funds | 55 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities | 56 |
| Notes to the Financial Statements: | |
| Summary of Significant Accounting Policies | 58 |
| Cash and Investments | 66 |
| Receivables and Payables | 71 |
| Property Taxes | 72 |
| Capital Assets Activity | 72 |
| Retirement Plans | 73 |
| Post-Employment Benefits Other Than Pensions | 82 |
| Insurance Activities | 84 |
| Leases Payable | 84 |

Table of Contents

| | |
|-----------------------------------|----|
| Subscriptions Payable | 86 |
| Long-Term Liabilities | 87 |
| Commitments and Contingencies | 87 |
| Fund Balance | 88 |
| Grant Funding | 88 |
| Contingency - Legislative Matters | 89 |

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

| | |
|--|-----|
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual | 92 |
| Schedule of Proportionate Share of the Council's Net Pension Liability - Florida Retirement System - Pension Plan- Last Ten Years | 94 |
| Schedule of Council's Contributions-Florida Retirement System- Pension Plan - Last Ten Years | 96 |
| Schedule of Proportionate Share of the Council's Net Pension Liability - Florida Retirement System - Health Insurance Subsidy Program - Last Ten Years | 98 |
| Schedule of the Council's Contributions - Florida Retirement System - Health Insurance Subsidy Program - Last Ten Years | 100 |
| Schedule of Changes in Total OPEB Liability and Related Ratios | 102 |

STATISTICAL SECTION (UNAUDITED)

| | |
|--|-----|
| Net Position by Component - Last Ten Fiscal Years | 107 |
| Changes in Net Position - Last Ten Fiscal Years | 108 |
| Fund Balance, Governmental Funds - Last Ten Fiscal Years | 110 |
| Changes in Fund Balance, Governmental Funds -Last Ten Fiscal Years | 112 |
| Assessed Value and Actual Value of Taxable Property- Last Ten Fiscal Years | 114 |
| Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years | 116 |
| Principal Property Taxpayers - Current Year and Nine Years Ago | 118 |

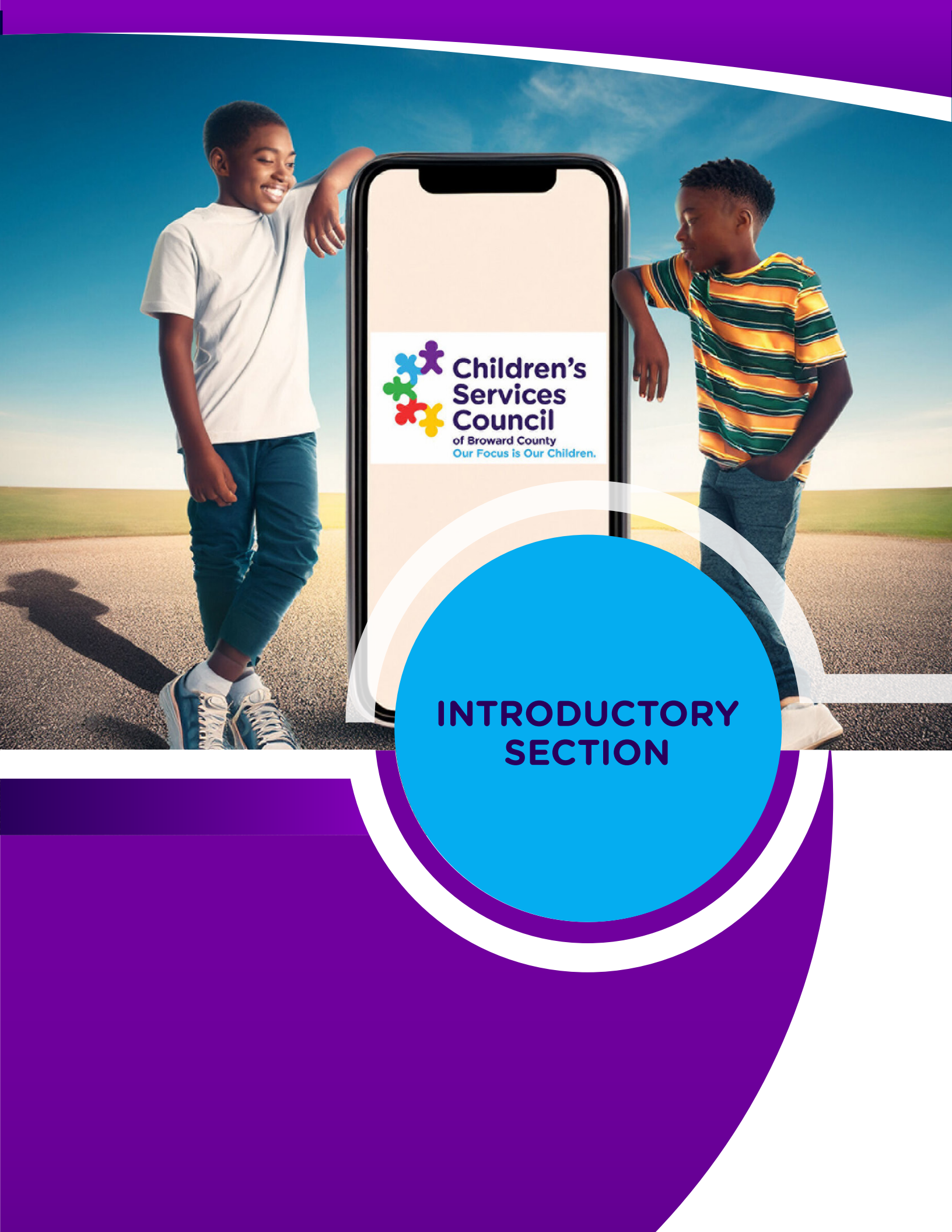
Table of Contents

| | |
|--|-----|
| Property Tax Levies and Collections - Last Ten Fiscal Years | 120 |
| Demographic and Economic Statistics - Last Ten Calendar Years | 122 |
| Principal Employers - Current Year and Nine Years Ago | 124 |
| Full-Time Equivalent Employees by Function - Last Ten Fiscal Years | 126 |
| Operating Indicators - Last Ten Fiscal Years | 127 |
| Program Budget Indicators - Last Ten Fiscal Years | 128 |

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 Government Auditing Standards | 133 |
| Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required By The Uniform Guidance | 135 |
| Schedule of Expenditures of Federal Awards | 138 |
| Notes to the Schedule of Expenditures of Federal Awards | 139 |
| Schedule of Findings and Questioned Costs | 140 |
| Management Letter in Accordance with the Rules of the Auditor General of the State of Florida | 141 |
| Independent Accountants' Report on Compliance with the Requirements of Section 218.415 Florida Statutes | 144 |





 **Children's
Services
Council**
of Broward County
Our Focus is Our Children.

**INTRODUCTORY
SECTION**





**CHILDREN'S SERVICES COUNCIL OF
BROWARD COUNTY MEMBERS:**

*Jeffrey S. Wood, Chair
Governor Appointee*

*Dr. Christine Thompson, Vice Chair
Governor Appointee*

*Senator Nan Rich, Secretary
Broward County Commission*

*Honorable Lauren M. Alperstein
Judicial Member*

*Alyssa Foganholi
Governor Appointee*

*Dr. Howard Hepburn
Superintendent
Broward County Public Schools*

*Debra Hixon
Board Member
Broward County Public Schools*

*Julia Musella
Governor Appointee*

*Robert Shea
Child Protection Director, Southeast &
Southern Regions
Department of Children & Families*

*Dr. Paula Thaqi
Director
Broward County Health Dept.*

*Vacant
Governor Appointee*

STAFF

*Cindy J. Arenberg Seltzer
President/CEO*

LEGAL COUNSEL

*John Milledge
Garry Johnson*

March 19, 2026

Members of the Children's Services Council
and the Citizens of Broward County
6600 West Commercial Boulevard
Lauderhill, Florida 33319

Dear Council Members and Citizens:

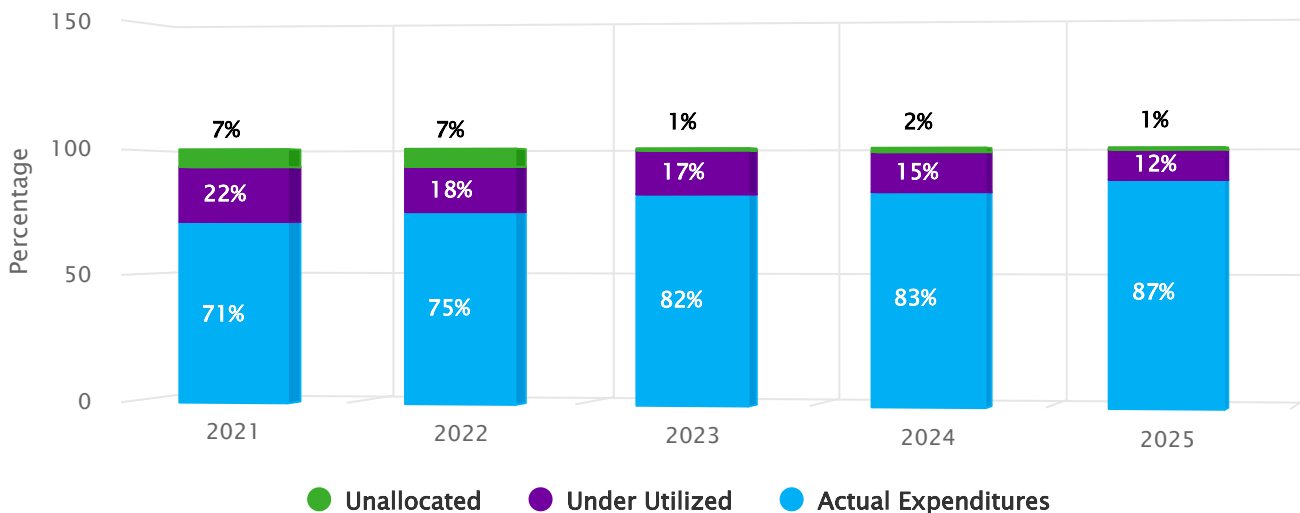
In the spirit of good stewardship, we respectfully submit the Annual Comprehensive Financial Report ("ACFR") of the Children's Services Council of Broward County ("the Council") or ("CSC") for the fiscal year that ended September 30, 2025. Florida Statutes require that our financial statements are prepared in conformance with United States Generally Accepted Accounting Principles ("GAAP") and that an external audit be performed by an independent certified public accounting firm in accordance with generally accepted auditing standards. This report is the primary method of reporting the Council's financial activities and satisfies those requirements.

Responsibility for the integrity, objectivity, accuracy, completeness, and fairness of the presentation of these financial statements rests with management. Prepared in conformity with United States Generally Accepted Accounting Principles ("GAAP") for governmental entities, the financial information is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and operating results for the Council, on a Government-wide and Fund basis. This report includes all disclosures necessary to enable the reader to gain an understanding of the financial affairs of the Council.

Program utilization continued an upward trend as depicted in the graph below, inching closer to pre-pandemic levels. The Council's

administrative functions continue to maintain a high level of productivity while keeping our administrative expenses under 5%.

CSC's Contracted Programs Budget Utilization *per Fiscal Year*



Management is responsible for maintaining an internal control framework that is designed to protect the Council's assets from loss, theft, or misuse. The concept of reasonable assurance recognizes that the cost of a control should not exceed the expected benefits, and evaluation of costs and benefits requires management's estimates. The Council Members and management have strategies in place to safeguard assets, validate the reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies and procedures. We believe these existing internal accounting controls adequately safeguard assets and provide reasonable, but not absolute, assurance of proper recording and reporting of the Council's finances.

The Council's financial statements are audited by Citrin Cooperman, a firm of licensed certified public accountants. On June 16, 2022, the Council Members competitively selected Keefe McCullough, CPAs LLP (KMC) as their audit firm. However, in 2024, Keefe McCullough was acquired by Citrin Cooperman, resulting in the acquisition of KMC's attest assets by Citrin Cooperman. This is the fourth year of a five-year term of the audit engagement since Council policy mandates a five-year audit firm rotation. The goal of the independent audit was to provide

reasonable assurance that the financial statements of the Council for the fiscal year ended September 30, 2025, are free of material misstatement. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditors concluded that, based upon the audit, there was a reasonable basis for rendering an unmodified opinion that the Council's basic financial statements for fiscal year ended September 30, 2025, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the Council's basic financial statements includes part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. This federal requirement is the result of receiving federal grants as listed on the Schedule of Expenditures of Federal Awards. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the Council's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The Council had three federal grants for fiscal year ended September 30, 2025, one from the Federal Title IV E for Adoption, a second Title IV E Foster Care Assistance through the Florida Department Children and Families; and the third grant is Promise Neighborhood which previously awarded through Broward College (BC) but is now awarded through Florida Atlantic University (FAU). The related reports are presented in the Compliance Section of this report.

United States GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter is designed to complement the MD&A and should be read in conjunction with it. The Council's MD&A can be found immediately following the report of the independent auditors.

CSC Profile

The Children's Services Council of Broward County was approved by the voters of Broward County Florida by special referendum on September 5, 2000. Consequently, the Council was established as an Independent Special Taxing District by State Statute (Ch 2000-461 Laws of Florida) on

January 2, 2001, and amended July 2004. Further, the Florida Legislature required reauthorization by the voters and in November 2014 the voters overwhelmingly and enthusiastically endorsed the work and worth of the CSC. The Council's mission is to provide the leadership, advocacy, and resources necessary to enhance children's lives and empower them to become responsible, productive adults through collaborative planning of a continuum of quality care. To accomplish this task, the statute allows for the Council to levy taxes up to .5 mills of the assessed property tax value.

The eleven Member Council is comprised of five (5) individuals recommended by the Broward County Board of County Commissioners and appointed by the Governor and six (6) members appointed by virtue of the office or position they hold within the community. Council Members are responsible for setting policies and prioritizing and approving program and administrative funding. Each member brings an understanding of the diverse and multi-cultural needs of the Broward community and a firm commitment to improving the welfare of children and their families. Currently, there is one vacant gubernatorial appointment bringing the current number of sitting Council Members to ten.

The Council is not a component unit of any other governmental unit, nor does it meet the criteria to include any governmental organization as a component unit. The jurisdiction of the Council is contiguous with Broward County, the second most populated county in the state and one of the most diverse counties in Florida, touting a higher Diversity Index (84.3) than both Florida (76.8) and the United States (72.1) (Esri Diversity Index, 2023). Interesting facts from the US Census Bureau include Broward County as a minority-majority county with 35.7% White Non-Hispanic, 27.7% Black Non-Hispanic, 34.4% Hispanic or Latino, and 3.9% Asian and other. There are an estimated 2 million people living in Broward County, of which 415,564, or 20.4% are children under 18 years old (source: American Community Survey, 2024).

Broward Partnership for Kids Leadership

The Council has established a robust leadership role within the child serving community and continues to build partnerships and children's programs that place an emphasis on prevention and meeting the needs of the community. These efforts are research-driven emphasizing evidence-based practices and performance outcomes. The Council's goals and objectives are very closely connected to the CSC-led Broward Partnership for Kids (formerly Broward County Children's Strategic Plan), which provides a valuable framework for the community to foster public dialog on trends and benchmarks and to develop action plans for system improvements. There are over 30



different working committees and subcommittees comprised of representatives from all facets of the Broward child-serving community including parents and youth who meet both virtually and in-person throughout the year, with the support of Council staff, to fill gaps and lend their voice of lived experience to find more efficient ways to provide services.

The Council utilizes Results Based Accountability (“RBA”) to improve collaboration and transparency in reporting results to the community. Using this RBA framework, each Committee produces a one-page “story” (also known as a Turn the Curve Report) of the desired result, providing community indicator data, analysis of the trend and why progress moves up or down. This structure identifies community partners to help achieve the desired results, and action steps using evidence-based research and local wisdom about what works. Additionally, the Committees share their work with local policy makers and civic leaders to address barriers that impact quality of life issues for Broward’s children and families.

The Council continually enhances its technology to improve tracking and analysis of various data elements including performance-based outcomes and community impact data which is used to assess the performance of funded programs. A web-enabled database maintains provider and client data and accounts for the reimbursement of expenditures both on a units of service basis, as well as by cost reimbursement . Additionally, the Council collaborates with state and local agencies on integrated data sharing initiatives. This comprehensive approach allows the Council to evaluate programs to ensure effectiveness.

Budget and Fiscal Policy

The annual budget serves as the foundation for the Council’s financial planning and control. Each year, the Council Members hold an annual retreat in May to set the budget for the upcoming fiscal year. At that retreat they consider County-wide trend data, reaffirm existing goals, or establish new goals and or objectives based on community and program data (including indicators of need and Return on Investment) feedback from the on-going work of the various Committees from the County-wide Children’s Strategic Plan and input from Council Members. Next, they review the outcome and utilization history of funded goal areas, as well as individual programs. For those contracts that are performing well, they are renewed for the upcoming year. If any new goals or initiatives are identified by the Council or staff a placeholder or budget amount is determined. Staff then researches best practice, evidence-informed programs to address any of these newly identified areas, procures specific services through the social service network, and assesses the performance of programs to ensure the desired results are obtained. The Council revisits the

May budget recommendations at their monthly meetings in June and August to ensure the final budget is aligned with the goals and objectives and establishes a tentative millage rate that will ensure that sufficient resources can be available in preparation for the Truth-in-Millage (“TRIM”) hearings, as discussed below.

By statute, the Council must submit a tentative budget and millage rate to the Broward County Commission by July 1st. Once the final property tax values are determined by the Property Appraiser’s Office, the Council must hold two public hearings in September as required under the TRIM Act. Each year, following the required disclosures and the conduct of hearings for taxpayer comments, the Council Members set the final tax rates and adopt a budget. The budget is organized by function, and any transfers of funds between programs require Council approval. Budget-to-Actual comparisons are provided in this report in the Financial Section. Encumbrance accounting is used to reserve budgeted appropriations for obligations incurred but not yet received. All encumbrances lapse at year end.

Accountability to the taxpayer, as well as to the children and families that are served, remains a high priority of the Council. All funded programs are monitored using a three-part approach: doctoral and master level researchers analyze outcome measures, program experts including staff with advanced degrees and off-duty teachers and doctoral students, review the quality of the services delivered including client satisfaction; and accountants monitor the administrative/ financial functions. This three-part methodology has been very successful, ensuring accountability while providing useful information used to improve program design and to inform the training and technical assistance needs of funded providers.

In recognition of our fiduciary responsibility to Broward taxpayers and to ensure funded agencies are well-positioned to meet their service obligations, the Council continues to use a financial viability test to verify that agencies have the necessary administrative infrastructure to successfully manage CSC funding. Provisions for smaller maximum funding awards and Fiscal Sponsor partnership opportunities help smaller and niche organizations succeed in receiving Council funding while maintaining high standards for financial and administrative accountability.

Long term Financial Planning

Long-term financial planning for a government usually includes those aspects involved with capital budget, revenue, and expenditure forecasts. However, the Council is limited regarding capital expenditures, as its authorizing statute explicitly prohibits the issuance of bonds or incurring any form of debt. In accordance with governmental accounting standards, SBITAs (Subscription-Based Information Technology Arrangements) and leases are required to be

recorded as debt in the financial statements, even though the statute does not permit debt obligations. In October 2009, the Council moved into its 31,500-square foot Silver LEED (Leadership in Energy and Environmental Design) headquarters building which was completely paid for through Reserves. The building remains a central place for community meetings and training. Staff growth has outpaced the available office space but was able to successfully transition to a hybrid work environment which has alleviated the immediate need for additional space. Additionally, we are currently in the process of conducting an office renovation to help accommodate the increase in staff members. Recognizing the statutory prohibition against debt, the Council has established a Building Commitment using Fund Balance, with a current balance of \$10 million.

Economic Conditions and Outlook

South Florida remains an exceptional place to live, work, and raise a family. Broward County—Florida's second most populous county and the 17th most populous in the nation (World Population Review, 2025)—is known for its cultural vibrancy, 24 miles of beaches, and diverse communities. With 38.4% of residents born outside the United States, compared to the national average of 15% (U.S. Census Bureau, 2024), Broward's multicultural identity contributes significantly to the region's richness and appeal.

Although Broward has avoided the direct impact of major hurricanes in recent years, storm activity continues to create localized disruptions that can threaten housing stability and essential needs for many families. CSC and community partners remain committed to preparedness and to providing rapid support when storms affect vulnerable neighborhoods. These efforts are vital, especially as families navigate an increasingly challenging economic landscape.

South Florida's cost of living has risen rapidly, outpacing wage growth and highlighting longstanding regional inequities (South Florida Regional Planning Council Annual Report, 2024). Five years after the COVID-19 pandemic, residents continue to face financial pressures stemming from inflation, high housing costs, and limited access to affordable childcare. Ongoing discussions at the state level regarding changes to property tax regulations further underscore the uncertainty of future public funding. Any reduction in local revenues could directly affect the Council's capacity to maintain or expand essential children's services (Florida Legislature, 2025).

These broader economic trends strongly influence life in Broward County. The Miami Herald reported that Broward was among the nation's 14 largest metropolitan areas in 2024, and remains one of the most expensive rental markets in the country. Housing affordability, in particular, poses a significant challenge. In 2024, Broward recorded 18,335 evictions—the highest number since

2019. Nearly half (46.5%) of homeowners with a mortgage and more than two-thirds (65.9%) of renters spend 30% or more of their income on housing, categorizing them as cost-burdened (American Community Survey, 2024). This is consistent with data from the U.S. Bureau of Labor Statistics (2024), which shows that housing, transportation, and food account for 69% of household spending in South Florida, far above the national average of 62.9%.

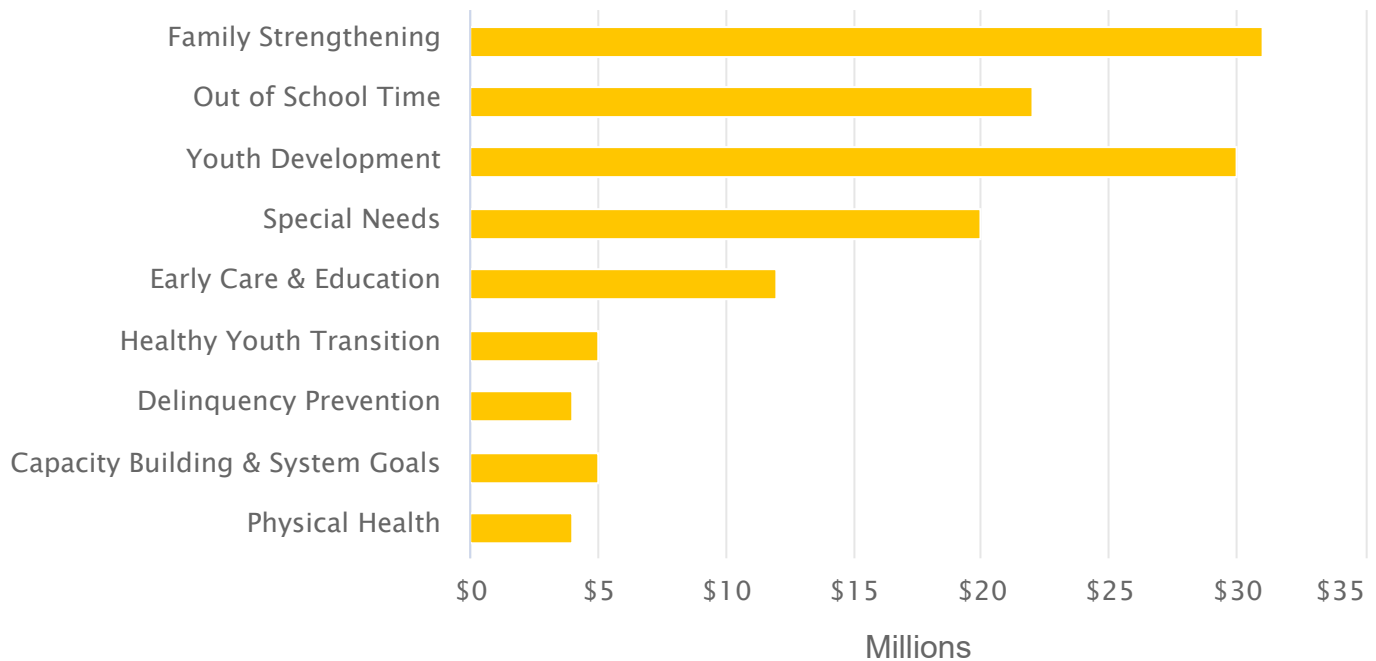
The financial strain is even more pronounced for working families. The 2025 Asset Limited, Income Constrained, Employed (ALICE) Report estimates that a single parent with one child in Broward must earn \$63,408 annually to cover basic needs—including \$712 for childcare, \$1,650 for housing, and \$817 for food each month. Broward continues to have the highest childcare costs in the state (CareerSource Broward, 2022), further complicating economic stability for parents who are employed yet unable to meet rising expenses.

These realities have translated directly into increased demand for social services. As living costs grow faster than wages, more residents are turning to CSC-funded programs for critical support. The rise in utilization is not merely a reflection of expanded access—it is evidence of significant community need and the essential role CSC plays in addressing it.

Over the past year, provider agencies drew down 87% of their budgets, demonstrating strong performance and high service demand. In addition to delivering critical supports to children and families, CSC investments strengthen Broward's economy by funding over 3,100 full-time equivalent positions across the social service sector. These programs not only help families stabilize and thrive today, but also contribute to long-term community well-being and economic resilience.

The chart below illustrates the Program Services Budget.

CSC 2025 Funding By Program Goals



The Council continues to be aware of limited resources while striving to maximize services for Broward’s children and families and maintain a high level of accountability to the taxpayer. With those guiding principles, they carefully use a blend of fund balance and increased property values to maintain and grow needed programs. The millage rate remained flat from the prior year, and the Council was able to take advantage of increased property values to generate additional revenue. By using the increased revenues and judiciously utilizing the fund balance, the program budget increased by 10%.

Major Initiatives

Over the past year, efforts have been focused on connecting communities and empowering families, fostering an environment where children can thrive and families feel supported. The annual budget allocated solely for children’s services and programs totaled \$135 million, 12% more than the prior fiscal year, and serves approximately 100,000 children. Throughout this Annual Comprehensive Financial Report (“ACFR”), there are financial highlights with explanations and analysis for the various programs. For instance, on page 128 is a ten-year trend of programmatic expenditures by goal area and beginning on page 32 in the Management’s

Discussion and Analysis section there are specific programmatic highlights for some of the larger goal areas.

The Council engages in various community partnerships and system-building initiatives throughout the Community. Since 2018, the Council has completed three community participatory action research projects to build connections between system professionals and youth and parents in a way that honors youth and parents' lived experience and informs policy and system improvements. Other significant community partnership and system-building highlights include the following:

- The Council provides backbone support and co-chairs along with other community partners a collaboration known as Broward Reads: The Campaign for Grade Level Reading. Using the Broward Partnership for Kids infrastructure, the Committee is comprised of dozens of active members from business, non-profit, philanthropy, over twenty municipalities and other governmental sectors. Broward has been recognized multiple times in the past few years as a Pacesetter Community by the National Campaign for Grade Level Reading. One of the signature events of the campaign is Broward Reads for the Record which is a national event created by JumpStart. To celebrate the 20th Anniversary of Jumpstart the Read for the Record Event has been scheduled for February 26, 2026. Broward will read *See Marcus Grow* by Marcus Bridgewater . The event will be augmented with literacy events around the county, more book giveaways and a visit by the author.
- The Back-to-School Extravaganza (BTSE) remains a key initiative in supporting students across Broward County. This year's BTSE events were successful in distributing essential school supplies and community resources to thousands of families. This year, over 8,000 children served through CSC-funded summer camps received supplies and resources. Almost 2,000 students received supplies or backpacks during CSC-sponsored boutique events throughout the county. Additionally, the Broward County Schools' Social Worker (SSW) Boutique was well-stocked with items that students and their families would need throughout the school year. These items include school supplies, backpacks, shoes, school uniforms, and undergarments. This summer, the SSW Boutique Staff received over 500 uniform assistance requests through a QR code at the three CSC BTSE events: Bair Middle School Shoe Giveaway, City of Lauderhill Education & Resource Fair, and the Deerfield Beach Back-to-School Block Party. Park Lakes Elementary and Dillard Elementary each received 240 uniform sets in various sizes, along with 100 backpacks and school supplies to support their students. The Deerfield Beach Community Cares Program received 200+ uniform sets to establish a satellite SSW Boutique serving the Deerfield Beach and Ely Innovation Zones. The CSC Shoe Boutique at Bair Middle School was a signature back-to-school initiative led by the CSC. Over 700

children were personally fitted with brand-new, quality sneakers by CSC staff and volunteers provided by HandsOn South Florida, ensuring they started the school year with confidence and pride. The 2025 BTSE and the introduction of boutique events have made a significant impact on students and families in Broward County. With the support of partner organizations, this initiative continues to enhance access to essential resources, ensuring students are equipped for success in the new school year.

- As a culminating activity to the Community Participatory Action Research (CPAR) with families with children who had experienced a Baker Act, the CSC collaborated with various organizations for the “Echoes of Empathy” interactive arts exhibition, which engaged hundreds of community members and system partners at the Hollywood Arts Park Gallery and online. What’s Your Elephant, LLC, organized several activities, including a gallery featuring works from local artists and youth with lived experiences of being Baker Acted, opening night performances, a wellness gallery walks with system leaders, a hybrid community conversation, and a closing art-making event. Around 200 people attended the opening, 20 participated in the Elected Officials/System Leaders activity, 50 engaged in the community conversation, and about 30 attended the closing event. The exhibition reached over 5,000 views on Facebook Reels and 22,000 impressions, sparking significant social media engagement. Participants—including youth, parents, and families—expressed that the experience reduced stigma around mental illness, alleviated feelings of isolation, and educated them on improving the experiences of those in mental health crises. The partnership with What’s Your Elephant demonstrated the value of the arts in communicating research, providing healing experiences, and enhancing opportunities for policy and system change.

CSC played a key role in the successful transition of the U.S. Department of Education Promise Neighborhood (PN) grant from Broward College to Florida Atlantic University (FAU). As part of this transition, CSC assumed thirteen subcontracts to align with federal PN goals while also applying CSC’s relational contract-management approach. CSC staff further supported the initiative by creating job descriptions for seven new full-time and three part-time positions, hiring new team members, and promoting staff to meet program demands.

In addition to contract oversight, CSC provided continuous data support to PN providers, working closely with FAU to complete both the PN March Ad Hoc Report and the PN August Annual Report. The twelve direct-service PN subcontracts represented nearly \$1.9 million in allocated funding, underscoring the scale of the Council’s commitment to coordinated neighborhood support.

As part of the PN work, CSC began implementing its Community Governing model grounded in Asset-Based Community Development (ABCD) across five neighborhoods: Lauderhill, Fort Lauderdale, Lauderdale Lakes, Pompano Beach/Collier City, and West Park. The ABCD approach focuses on building community leadership from within—training residents, known as Community Connectors, to identify neighborhood strengths, build relationships, and activate local solutions. Through listening campaigns, community asset mapping, and resident-led project grants, the ABCD teams helped spark a range of grassroots initiatives, including intergenerational activities, STEM and robotics programs, etiquette workshops, literacy events, and entrepreneurial fairs.

The Community Foundation of Broward (CFB) also expanded this work by funding an ABCD Civic Design Team in the Pompano Beach Ely/Sanders Park neighborhood. This site emerged from CSC's partnership with Project RYZE/Exit 36 and CFB's effort to establish a Florida Children's Initiative in the Blanche Ely community.

With the support of the PN grant, CSC increased the number of ABCD civic design teams from three to seven neighborhoods, strengthening resident-driven innovation and community cohesion across Broward County. Feedback from municipal leaders and civic design team members has been overwhelmingly positive, reflecting the meaningful impact these efforts are having at the neighborhood level.

- CSC remains committed to addressing food insecurity across Broward County by funding comprehensive, year-round hunger mitigation services that ensure children and families have reliable access to nutritious meals. These efforts reflect CSC's longstanding commitment to stabilizing families and supporting healthy childhood development. While hunger and homelessness can occur separately, they often overlap. Families facing eviction or housing instability are at heightened risk of food insecurity, and addressing one need can help alleviate the other. With this in mind, CSC's hunger initiatives work in tandem with community partners to provide holistic support. A key component of this strategy is CSC's partnership with Legal Aid Service of Broward County through the Community Collaborative Homeless Prevention Program (HPP), inspired by the Manne Foundation Homeless Prevention, Inc. This initiative supports families at imminent risk of eviction by providing legal advocacy and targeted flex-funds to help them remain housed. By preventing homelessness, the program also reduces the likelihood of hunger, strengthening the overall continuum of care for Broward's children and families. Together, CSC's hunger mitigation investments and collaborative homelessness prevention efforts help ensure children grow up in homes that are nourished, stable, and supported.

- The Council continued its efforts to create a seamless system of care for families with children with physical and developmental disabilities. The Special Needs Advisory Coalition (“SNAC”), as one of the most active committees of Broward Partnerships for Kids works to improve communication and access to services, as well as advocates for the Special Needs population to ensure that needed services are recognized both at the State and local level. Additional areas of focus include, strengthening parent advocacy, and developing a birth to age twenty-two Transition Roadmap service delivery continuum model.
- Recognizing it is necessary for the non-profit community to be strong in order to provide quality programming to our children and families, the Council leads an Agency Capacity Building Committee. The committee is comprised of key community funders and service providers in an open dialog on concerns and issues related to funding and building capacity for emerging, niche, and community-based organizations serving children and their families. Resources are then provided to help address those needs. There are 1,200 members representing over 600 organizations connected to workshops, panel discussions, training, and special events.
- Through the FY 24/25 RFPs, CSC awarded \$2.75 million for Legal Supports to serve 800 children and youth in dependency or delinquency systems and secured \$361,600 in federal Title IV-E reimbursements, while the HEAL Trauma RFP awarded approximately \$6 million to nine providers to serve 2,432 families using the Community Mental Health Worker model. Together, these investments strengthen CSC’s broader system-building strategy for FY 2024–25, which expands supports for medically fragile children, builds youth workforce pipelines, enhances school-based prevention frameworks, fortifies legal advocacy, and advances trauma-responsive community models. These coordinated efforts create consistent, countywide pathways that help families more easily access services while increasing alignment across hospitals, schools, youth-serving organizations, environmental agencies, legal systems, and neighborhood partners. The result is a more resilient and equitable ecosystem—one that scales evidence-based practices, maximizes federal reimbursement opportunities, and delivers critical services directly into underserved communities—ultimately improving access, outcomes, and long-term well-being for children and families throughout Broward County.

Certificate of Achievement for Excellence on 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 Children’s



Services Council of Broward for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the twenty-third consecutive year that the Council was eligible and received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. 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 our current annual comprehensive financial report will meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

We extend our sincere appreciation to the Council employees who provided countless hours of research in the preparation and production of this report and the day-to-day work of the CSC. Special thanks go to the Council Members for their vision, expertise, and dedicated service and support.

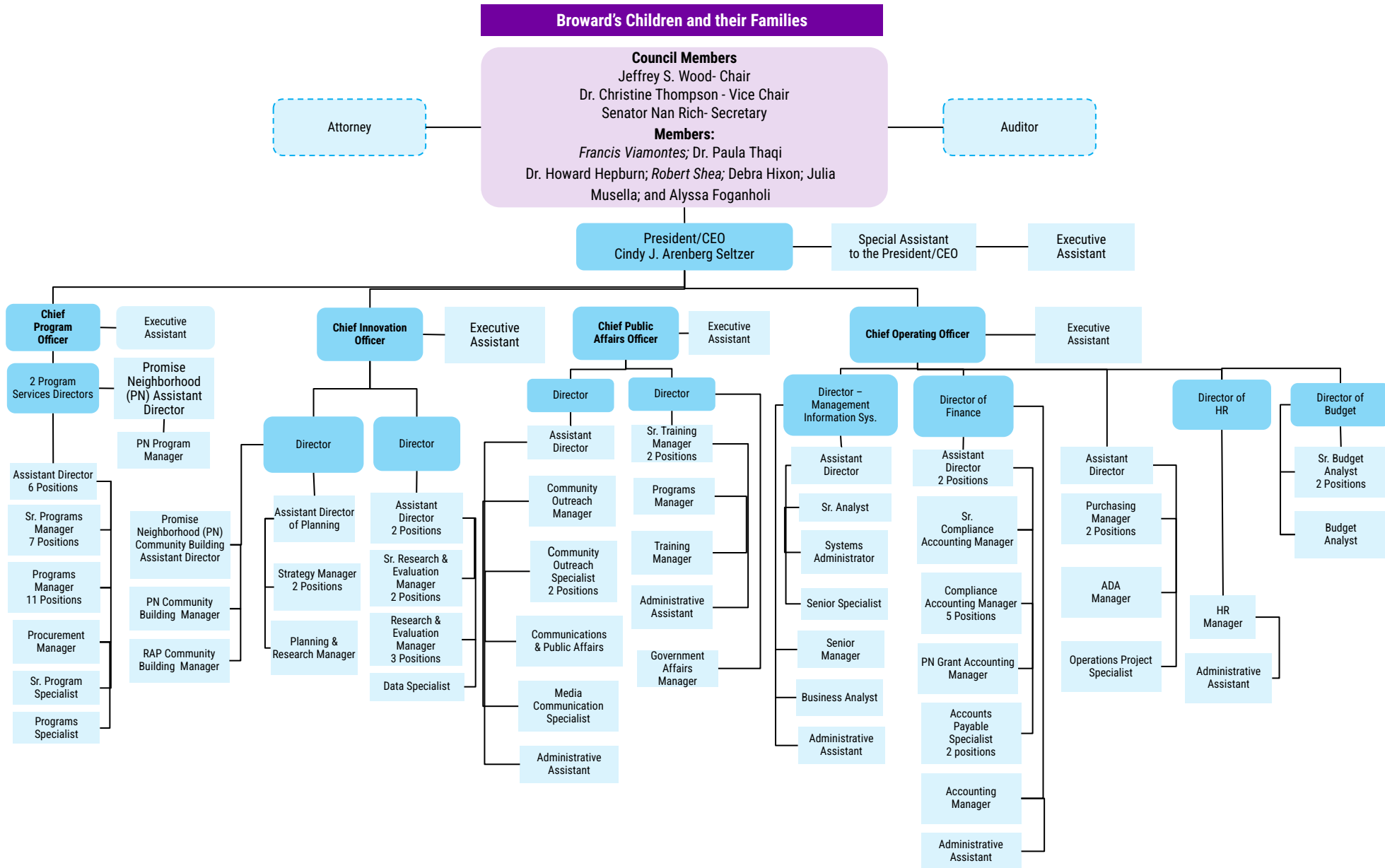
Respectfully Submitted,

Cindy J. Arenberg Seltzer
President/CEO

David H. Kenton
Chief Operating Officer

Kathleen Campbell
Director of Finance

Children's Services Council of Broward County Organizational Chart and List of Principal Officials





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Children's Services Council of Broward County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO



**FINANCIAL
SECTION**

INDEPENDENT AUDITOR'S REPORT

To the Members of the Council of
Children's Services Council of Broward County
Lauderhill, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, and the major fund, of the Children's Services Council of Broward County (the "Council"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and the major fund of the Council, as of September 30, 2025, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council'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 Council's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule, Schedules of Proportionate Share of Net Pension Liabilities and Contributions, and the Schedule of Changes in Total OPEB Liability and Related Ratios on pages 32-48 and 92-103 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

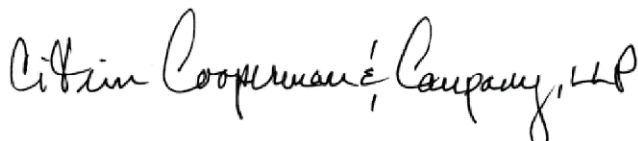
Other Information

Management is responsible for the other information included in the annual 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 19, 2026, on our consideration of the Council'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 Council'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 Council's internal control over financial reporting and compliance.



Fort Lauderdale, Florida
March 19, 2026



**Management's
Discussion and Analysis**

Our discussion and analysis of the Children's Services Council of Broward County ("the Council") or ("CSC") financial performance provides an overview of the Council's financial activities for the fiscal year ending September 30, 2025. Please read it in conjunction with the transmittal letter on page 11 and the Council's basic financial statements, which begin on page 51.

Financial Highlights

The fiscal year ending September 30, 2025, marks the Council's twenty-fourth year of funding services to support children and families through programs emphasizing evidence-based prevention strategies. This report highlights how the Council provides leadership, advocacy, and resources working with community partners and investing in evidence-based interventions and services for children and families throughout Broward County. About 174 programs are delivered by about 105 community organizations that share the Council's mission/vision, commitment to children, and expectations for excellence.

The following illustrates some of the financial highlights for the fiscal year:

- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of the fiscal year 2024/25 by \$86.0 million (total net position). Of this amount, \$80.2 million represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and providers.
- The Council's net position increased by \$795,784, from last fiscal year. This increase is \$8.3 million less than the amount by which net position increased in the prior year but this is not perceived as either a negative or positive development. Property tax revenues increased by 9.6% percent, or \$11.2 million, as the Council took advantage of the higher property values while maintaining the millage rate. Expenses for program services increased by 17.1% or \$18.7 million more than what was spent in the prior year. These increased expenses reflect a steady increase in service utilization and a corresponding expansion of programs delivered across the continuum of care. The ongoing growth and enhancement of programmatic services are highlighted throughout this report.
- At the close of the fiscal year, the Council's governmental fund reported a fund balance of \$90.3 million, an increase of 1.5% or \$1,292,382 from the prior year. The increase is attributed to unbudgeted interest earnings, unrealized gains on managed funds, and the reimbursement of excess tax commission fees, all of which contributed to the growth of the Fund Balance. Given the unpredictable nature of interest rates, CSC customarily refrains from fully budgeting for interest earnings and instead allocates these funds for future use.
- Of this \$90.3 million fund balance, \$52.5 million is available for spending at the Council's discretion (unassigned fund balance). However, this Unassigned Fund Balance includes \$26 million that is maintained as minimum fund balance following best practice policy per the GFOA and represents two months of the annual operating budget. The Council committed \$10.0 million towards the Building Fund to prepare for future growth. The assigned fund balance is \$27.5 million, which will be used for budget priorities in FY 25/26.

- Levied tax revenue generated through the TRIM process totaled \$128.4 million, which was an increase of \$11.2 million or 9.6% from the prior year. This increase was attributable to higher property values throughout the County even though the Council maintained the millage rate from the prior year. The Council is mindful of rising property values and is careful to budget accordingly. The favorable economic conditions that led to increased tax revenues help provide additional community resources for those areas that struggle economically.
- A comparison of the Operating Budgets for Fiscal Year 23/24 and Fiscal Year 24/25, shows an increase of \$14.2 million or 10.1% increase. This budgetary increase was primarily due to the increase in tax revenues.
- The Council appropriated \$25 million of fund balance and budget carry-forward in Fiscal Year 24/25 to help offset tax increases while maintaining or expanding much-needed programmatic services. The Council has historically used a portion of fund balance for this purpose. With this budget increase, many programmatic goal areas were increased based on specific needs identified with input from the county-wide Broward Partnership for Kids Committees. All programs funded by the Council remain evidence-informed and generally demonstrate strong performance outcomes. Program service delivery and related performance outcomes provide comprehensive and objective evidence for determining program effectiveness while providing data for comparison with local, state, and national indicators.

The following highlights key examples of various initiatives in support of the Council's goals and objectives:

- The Council's steadfast commitment to Family Support programs is demonstrated by their long-term funding commitment to this goal. The budget for the multiple Family Support & Child Welfare programs comprises 21% of the annual programmatic budget for a total of \$27.9 million. Within the Family Supports goal, programmatic funding includes Family Strengthening programs which focus on prevention services for at-risk and high-risk families who receive intensive in-home family therapy, parent training, and case management. Kinship programs provide relative caregiver support and other support services to prevent out-of-home placements. Another important area supported in this goal includes HEAL Trauma Programs which were co-created and implemented following extensive conversations with community members residing in historically underserved communities that have experienced high levels of gun violence. The HEAL programs use a Community Mental Health Worker model to develop trust and promote access to a wide array of services while helping to build upon existing community resiliency. The Family Supports goal also covers programs for Hunger Mitigation and Financial Stability. These include homelessness prevention efforts and the EITC program, which provides tax preparation assistance for low-income families, as well as carefully chosen hunger mitigation services that support comprehensive, year-round programs to ensure children and families have consistent access to nutritious food.
- Total expenditures for Family Support and Child Welfare programs reached \$23 million, including \$13 million expenditures for Family Strengthening programs, \$1.5 million

expenditures for Kinship programs, \$3.7 million spent on HEAL Trauma programs and \$2 million on Hunger and Financial stability programs. Outcomes reported 93% of families improved score(s) on Healthy Families Parenting Inventory; 98% of families receiving family strengthening services had no verified abuse 12 months post program, and 95% of families did not require foster or institutional care while receiving Kinship services.

- The Family Supports goal is closely connected to the MOMS (Mothers Overcoming Maternal Stress) programs, which aim to reduce pre- and post-natal depression, encourage maternal-child bonding, and provide other educational resources such as safe sleep guidance. In the 2024-2025 fiscal year, the budget for MOMS programs was set at \$3.4 million, with total expenditures amounting to \$2.9 million. Reported outcomes indicate that 97% of mothers demonstrated an acceptable level or improvement of attachment and bonding with their infants; 98% of infants and children met developmental milestones in communication, gross motor, fine motor, problem-solving, and social skills.
- The Council works closely with a network of community partners involved in the child welfare system to support programs that recruit adoptive families and provide legal advocacy and support for children in the dependency and delinquency system. These legal and adoption services were eligible for Federal Title IV-E reimbursement and received \$467,935 in reimbursement for the fiscal year.
- Literacy and early education services include various grade level reading literacy initiatives such as the Campaign for Grade Level Reading, Broward Reads for the Record, and Countdown to Kindergarten, among others. Literacy and early education also provide subsidized childcare for under-served “working poor” and for the immediate placement of children deemed especially vulnerable to being involved in the child welfare system.

Expenditures for the grade level reading initiatives noted above totaled \$983,400, an increase of \$189,300 or 23% more than the prior year. This was primarily due to the timing of purchasing the books for the annual Broward Reads for the Record.

Expenditures for the subsidized childcare programs totaled \$10.1 million, which was an increase of \$2.3 million or 29% more than the prior year. The Council increased funding for this goal due to a continued decline in the ability to transition children into federally subsidized childcare, the higher cost of services for younger aged children and an overall increased demand for these services.

Outcomes for Subsidized Childcare for the vulnerable population demonstrate that 100% of parents and caregivers report benefits by receiving childcare services (e.g., respite, pursuing/maintaining employment opportunities, therapeutic treatment, etc.).

- The Council provides funding for Maximizing Out-of-School Time (MOST) programs across the county, serving elementary school students with academically enriching and engaging activities. These initiatives create a safe and supportive environment for children in economically disadvantaged neighborhoods who attend Title I elementary schools, where more than 86% of students qualify for free or reduced lunch. Core components include homework assistance, physical fitness, project-based learning, and social-emotional

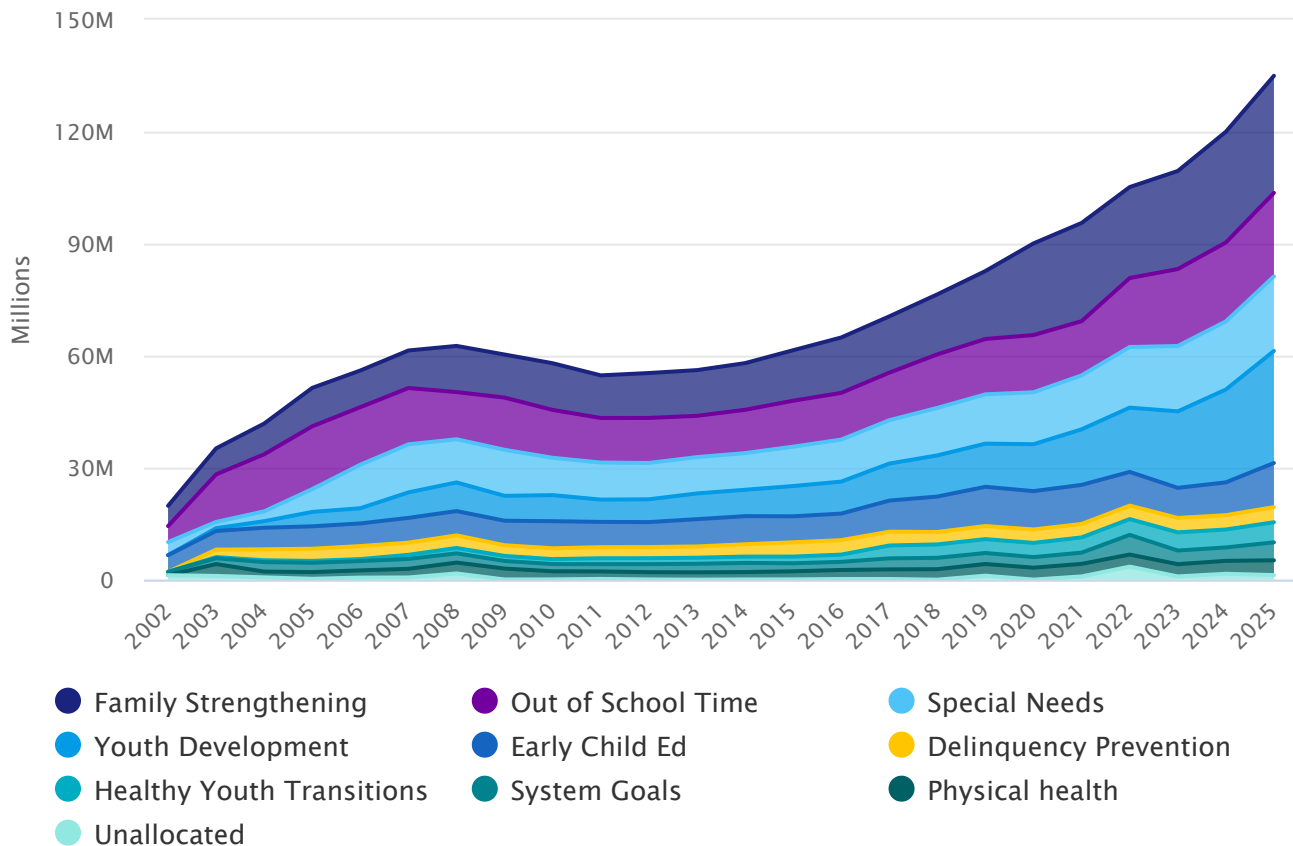
development, offered throughout the academic year and summer sessions. This continues to be one of the larger program areas, representing 16.6% or \$22.3 million of the overall program budget. Despite improvements in staff recruitment and retention, inconsistent daily school attendance continues to affect program usage. Program expenditures reached \$19.9 million this fiscal year, up by \$1.7 million or 9%. The outcomes of these notable Out of School Time programs demonstrate the high quality of services provided. Parents greatly appreciate CSC's commitment to elementary Out of School Time programs. For example, 99% of parents believe MOST programs help them keep their jobs, support children's progress in reading and language development, and 94% said the MOST programs help their children in completing homework more effectively.

- Also, the Council provides out-of-school time programs for children with Special Needs including those with special physical, developmental, and behavioral conditions. The programs provide a secure and supportive environment after school and throughout the summer, with the goal of enhancing academic achievement, promoting social, developmental, and physical activities, and offering educational field trips as well as cultural arts opportunities. Special Needs programs maintain flexible and individualized staff-to-child ratios to facilitate effective interactions tailored to each child. Expenditures for these programs during FY25 amounted to \$18.9 million, reflecting an increase of 13.3% or \$2.2 million from the previous year. Performance outcomes included 100% of children demonstrating acceptable social interactions and 100% of children remaining safe.
- The Council provides funding for a range of youth development programs procured via the Positive Youth Development ("PYD") Request for Proposals. These initiatives include after-school programming for middle and high school students, targeted interventions for hard-to-reach middle school youth, and employment and independent living skills training for youth with special needs. While school-based programs serving older youth experienced some challenges in recent years, they demonstrated increased enrollment and enhanced youth engagement this year compared to prior years.
- A brief description of the PYD and other youth initiatives include:
 - The Youth FORCE programs provide year-round programming for youth to promote positive youth development and school community attachment. The program reaches youth transitioning from middle to high school who are at risk of dropping out, and it includes assigning a Success coach for every 35 students enrolled. Services within this area focus on supporting high-risk middle school students, including those with behavioral health challenges and other special needs. Engaging this age group presents unique challenges, but these programs effectively foster environments that encourage positive decision-making and long-term skill development. These year-round programs are located at middle schools identified by the Broward County School District as having the highest need, based on criteria such as poverty levels, academic performance, disciplinary actions, delinquency referral rates, and unexcused absenteeism rates. Expenditures for this fiscal year totaled \$14.0 million, a 42.8%

increase of \$ 4.2 million from last fiscal year, due to increased enrollment and student retention. Outcomes reflect that 90% of youth demonstrated gains in Youth Development Competencies, including character and confidence, leadership, civic engagement, self-esteem, and self-worth.

- The LEAP High programs offer high school students structured academic support to help them meet or surpass state standards and improve graduation rates. This High School Initiative features tiered case management services designed to help youth graduate and achieve their post-secondary ambitions. Youth Leadership initiatives encourage self-advocacy, legislative involvement, career exploration, and smooth transitions after high school. These programs are available at 18 high-need high schools throughout the county. Expenditures for this fiscal year totaled \$6.0 million, a 42.8% increase of \$ 1.8 million from last fiscal year, due to improved student attendance and retention. Outcomes indicate that 90% of youth improved their reading grade level, and 92% improved their daily school attendance.
- The Supported Training and Employment Programs (“STEP”) provide year-round support for youth with special needs to learn independence, social skills, and daily living skills, and provide the chance to explore career opportunities through hands-on learning experiences. These innovative programs are an important component of a continuum of care for high school teens with physical and developmental disabilities. Once skills are mastered, youth are given the opportunity to demonstrate those new skills in various work environments. For the majority of youth, it is the first time they have experienced the “workplace world” and an opportunity for independence. For the first time, many parents see potential for their children’s independence, and employers see benefits for both the youth and business co-workers. Expenditures for this fiscal year totaled \$4.3 million, a 65.3% increase of \$1.7 million from last fiscal year. Outcomes reflect that participating youth reported that earning their own money had a positive impact on their confidence, allowed them to save money, and helped their families, and 93 % demonstrated improvement in employability skills.
- The Summer Youth Employment Program (“SYEP”) typically provides young people 16-18 years old who participate in CSC High School programming and are economically disadvantaged or aging out of foster care the opportunity to improve their workplace skills with real job experience, earning slightly higher than minimum wage. It is often difficult for youth to find meaningful summer employment opportunities regardless of economic conditions. This year, 1,226 youth were served in the program, which is 161 more than the prior year. Total expenditures reached \$5.2 million, a 23.8% increase or \$1.0 million higher than last fiscal year’s amount. The primary contributor to this increase was the introduction of a new leverage partner that received funding for a Pre-Apprenticeship Program. This new initiative is designed to prepare graduating high school seniors for registered apprenticeships and careers. It provides coverage for youth wages for up to 90 days, partial staffing costs, and expenses required for essential certifications. Ninety-seven percent (97%) of youth

CSC Program Funding Over Time (Chart)



Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position (on pages 51 and 51) and the Statement of Activities (on page 52) provide information about the activities of the Council as a whole and present a long-term view of the Council's finances. Fund financial statements begin on page 53. For governmental activities, these statements depict how services were financed in the short term and what remains for future spending. Fund financial statements also report operations in more detail by providing information about the Council's expenditures. The notes to the financial statements (on pages 58 – 88) provide information that is essential to a full understanding of data provided in the government-wide and fund financial statements and is required by United States Generally Accepted Accounting Principles ("GAAP").

This report also contains required supplementary information other than management's discussion and analysis (this section) in addition to the basic financial statements starting on page 92. The Council remains current in its implementation of all GASB Statements.

Overview Of The Financial Statements

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Council's finances in a manner similar to a private-sector business. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All current year's revenues and expenses are considered regardless of when cash is received or paid.

For financial reporting purposes, the Council is considered a special-purpose government engaged in a single governmental program. As such, the Statement of Activities is presented utilizing an alternative format of a single column that reports expenses first followed by revenues.

The Statement of Net Position presents information on the Council's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between 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 Council is improving or deteriorating.

The Statement of Activities presents information showing how the Council's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). In this Statement, the expenses are presented in two primary categories: Program Services and General Administration. The Program Services category includes expenses that directly fund provider agencies for services to children and families, as well as the related support to manage these contracts. The General Administration category includes common support expenses.

These two statements report the Council's net position and changes in net position. You can think of the Council's net position—the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources—as one way to measure the Council's financial health, or financial position. However, a decrease in net position over the next few years is not necessarily an indication of deteriorating financial health. It is anticipated that net position will decrease over the next few years as the Council very carefully weighs the local economic environment with the need for services, and strategically uses fund balance to avoid raising millage rates while growing programs in areas where the community need is greatest.

Fund Financial Statements

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

Governmental funds – All of the Council's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides.

Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. The reconciliation statement describes the differences between government-wide activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds (reported in the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance) at the end of the related governmental fund financial statement.

While some funds are required to be established by State law, the Council only used a General Fund this fiscal year. All governments are required to present consistent fund balance information which will improve financial reporting. More information on fund balance categories and the respective amounts can be found in the Notes to the Financial Statements on page 88.

The Council adopts an annual appropriated budget for all its funds. Budgetary comparison schedules are available starting on page 92 of the report.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 58 - 88 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The individual fund statements with budget to actual comparisons, as well as information on other postemployment benefits and pension plans can be found on pages 92 to 103 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Council's twenty-fourth year of generating tax revenue, assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$86.0 million at the close of the fiscal year. As property values fluctuate and the Council's ability to increase its millage rate is constrained by State statute, it is anticipated that net position will decrease over time. This is not an indication of the Council's deteriorating financial condition.

This current year, there was an increase in total net position, as explained below.

CSC's Summary Net Position As of September 30,

| | 2025 | 2024 | Variance |
|---------------------------------------|----------------------|----------------------|--------------------|
| Assets | | | |
| Current Assets | \$ 104,444,162 | \$ 103,264,521 | \$ 1,179,641 |
| Capital Assets | 5,924,248 | 6,192,572 | (268,324) |
| Total Assets | <u>110,368,410</u> | <u>109,457,093</u> | <u>911,317</u> |
| Deferred Outflows of Resources | 1,982,057 | 2,431,172 | (449,115) |
| Liabilities | | | |
| Current Liabilities | 14,526,062 | 14,557,600 | (31,538) |
| Noncurrent Liabilities | 9,988,154 | 10,964,296 | (976,142) |
| Total Liabilities | <u>24,514,216</u> | <u>25,521,896</u> | <u>(1,007,680)</u> |
| Deferred Inflows of Resources | 1,829,941 | 1,155,843 | 674,098 |
| Net Position | | | |
| Net Investment in Capital Assets | 5,818,583 | 5,987,232 | (168,649) |
| Unrestricted | 80,187,727 | 79,223,294 | 964,433 |
| Total Net Position | <u>\$ 86,006,310</u> | <u>\$ 85,210,526</u> | <u>\$ 795,784</u> |

- The overall net position of the Council increased for fiscal year 2025 by 0.9%. The net increase of \$795,784, is primarily attributable to underutilization of the programs and earnings on investments. While program utilization is trending upward, the total utilization rate on program services contracts in fiscal year 2025 was 87%.
- The change in current assets from Fiscal Year 2024 to Fiscal Year 2025 totaled \$1,179,641. This increase is due to higher accounts and interest receivable balances, resulting from a refund of excess commission fees from the Tax Collector subsequent to year end.
- Net Investment in Capital Assets decreased 2.8% from the prior year in the amount of \$168,649 and is the result of the depreciation and disposal of various capital assets and reduction in the GASB 87 and 96 liabilities included in this category. Once it is determined that the capital assets are no longer useful, they are donated to a local organization that recycles/refurbishes electronic equipment to help address the digital divide. Total depreciation/amortization expense was \$523,268, of which \$223,808 was building-related, \$123,241 was for computer hardware/software and furniture and equipment, \$84,886 was for software subscription assets, \$72,550 was for Intangible software enhancements, and \$18,783 for leased equipment.

- Deferred outflows of resources represent a consumption of net position that is applicable to a future period reporting the Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) pension liabilities and related components with other funds within the state. This amount decreased by \$449,115 this year. The net change from this year is attributable to the recognition of prior year actuarial losses and improved investment performance. At fiscal year end, the Council recognizes its allocated proportional share of the state's deferred outflows of resources related to applicable pensions, as determined by the Florida Department of Financial Services, Statewide Financial Reporting Section.
- The current liabilities category is composed primarily of accounts payable, which decreased by \$31,538 and is chiefly due to the timing of provider invoices for September services. The noncurrent liabilities category reflects a decrease of \$976,142 which is primarily due to recognizing the proportionate share of the FRS and HIS liability. The total OPEB liability for eligible retirees for health insurance "implicit subsidy" premiums that may be paid in the future, as well as compensated absences slightly increased due changes in assumptions and the implementation of GASB Statement 101. The FRS and HIS liability decreased based on several factors including changes in actuarial assumption and covered payroll.
- Deferred inflows of resources represent an acquisition of net position that is applicable to a future reporting period. This amount increased by \$674,098 this fiscal year. The Council shares the reported FRS and HIS pension liabilities and related components with other funds within the state. At fiscal year-end, the Council recognizes its allocated share of the state's deferred inflows of resources related to applicable pensions, as determined by the Florida Department of Financial Services, Statewide Financial Reporting Section.
- Unrestricted net position increased by 1.2% or \$964,433 from the prior year primarily because of cumulative unallocated budget and provider underutilization. Because the Council is prohibited from incurring debt of any type, these resolutions establish setting aside one-time funds for future growth.

Key elements of the Council's changes in net position are as follows:

**CSC's Summary Changes in Statement of Activities
Fiscal Years Ended September 30,**

| | 2025 | 2024 | Variance |
|---|----------------------|----------------------|-------------------|
| Revenues | | | |
| Property Taxes | \$ 128,444,140 | \$ 117,207,208 | \$ 11,236,932 |
| Investment Earnings | 6,775,712 | 7,265,618 | (489,906) |
| Other | 3,394,506 | 2,497,097 | 897,409 |
| Total Revenues | <u>138,614,358</u> | <u>126,969,923</u> | <u>11,644,435</u> |
| Expenses | | | |
| Program Services & Support | 127,595,291 | 108,939,011 | 18,656,280 |
| General Administration | 5,734,230 | 4,858,840 | 875,390 |
| Community Redevelopment and Tax Collector Fees | 4,489,053 | 4,044,337 | 444,716 |
| Total Expenses | <u>137,818,574</u> | <u>117,842,188</u> | <u>19,976,386</u> |
| Change In Net Position | 795,784 | 9,127,735 | (8,331,951) |
| Net Position - Beginning Balance | 85,210,526 | 76,082,791 | 9,127,735 |
| Net Position - End of Year | <u>\$ 86,006,310</u> | <u>\$ 85,210,526</u> | <u>\$ 795,784</u> |

- **Property taxes** are the Council's primary source of revenue. For fiscal year 2025, property tax revenue significantly increased by 9.6% or \$11,236,932 from the prior year. The millage rate for FY25 remained at .4500, reflecting a thoughtful decision by the Council to maintain stability while taking advantage of the increased property values. While they have authorization to levy up to .5 mills, the Council Members remain quite attentive to millage rate increases and their effect on taxpayers. The Council continues to utilize fund balance to provide vital services that meet the identified needs of Broward County's children and families. This approach emphasizes both fiscal responsibility and the desire to foster a thriving community.
- **Investment earnings (or losses)** experienced a 6.7% decrease of \$0.5 million, totaling \$6,775,712. This is attributed to fluctuation in market conditions during the fiscal year. GASB requirements mandate the recognition of gains and losses on investments as of a specific date. It is important to note that for the long-term Managed fund, the underlying securities have not matured yet, and fluctuations in the total value are expected over time.
- **Other revenue** includes grants, local foundations, training registration, and miscellaneous revenue, and for the current year equals \$3,394,506, which reflects an increase from the prior year. The 35.9% increase of \$897,409 primarily stems from funding received through the federally funded Promised Neighborhood grant.

This classification includes \$467,935 from Federal Title IV-E Foster Care, Legal Representation, and other Adoption Programs through an agreement with the State of Florida Department of Children and Families. Due to lower reimbursement rates, this reflects a 0.9% decrease of (\$4,319) from the prior year.

Revenue from Local Foundations and collaborative events totaled \$982,330, representing a 39.6% decrease of \$642,824 compared to the previous year. This reduction is primarily

attributable to the conclusion of funding provided through the DeLuca Foundation's partnership with the Youth FORCE middle school programs.

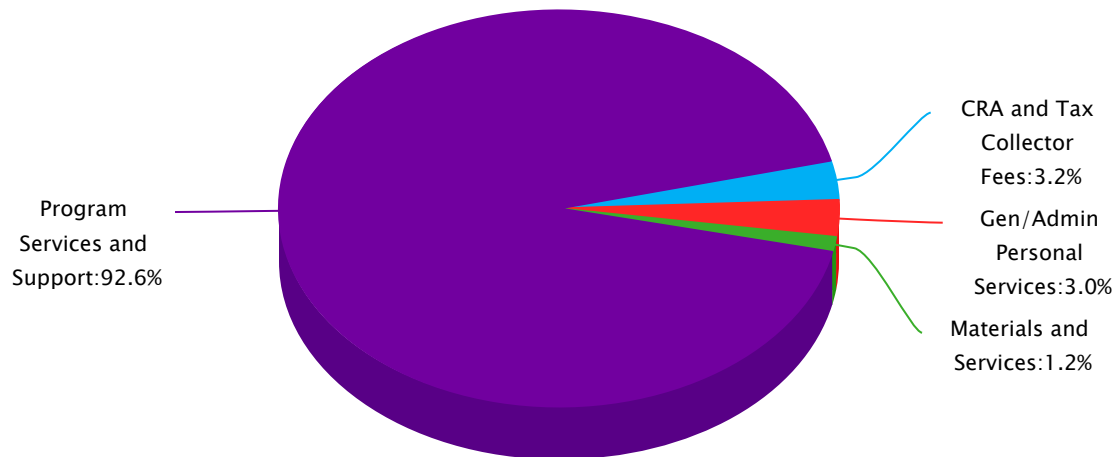
Training revenues declined by \$4,050, resulting in a total of \$5,960 for the current fiscal year. The Council remains committed to meeting the community's training needs through a blend of in-person and virtual sessions. The decrease in training revenues is attributable to the change in policy whereby CSC-funded service providers are no longer required to pay registration fees. Despite strong participation, this change has resulted in lower overall fee collection.

- **Expenses for Program Services and Support**, which includes related program administration, totaled \$127.6 million in fiscal year 2025; an increase of \$18.7 million or 17.1%. This increase is higher than the percentage increase in the prior year, this continues the upward trend and reflects a steady increase in utilization of program services. The need for social services continues to increase as children and families adjust to these extraordinary times. As a result, the budget for program services increased by \$15.0 million or 12.5% from the prior fiscal year, and expenses, as noted above, increased along those same trends. The graph on the following page illustrates that 92.6 % of total expenses support various programs and support services for children and families of Broward County.
- **Expenses for General Administration** totaled \$5.7 million in fiscal year 2025, a increase of \$875,390 or 18% more than fiscal year 2024. This increase is attributable to higher staff costs associated with new hires, as well as an increase in compensated absences liability, both of which contributed to the growth in personnel services expenses. Additionally, other general administrative expenses, such as facilities management, and software maintenance, also increased. General administrative costs excluding the non operating costs related to Community Redevelopment and Tax Collector fees represent 4.2 % of the overall expenses, which demonstrates the Council's fiscal prudence, very resourceful staff, and effective use of technology. The Council's focus continues to be providing services throughout the community with minimal administration costs.
- **Community Redevelopment and Tax Collector fees**. The total of these two functions for the fiscal year 2025 increased by \$444,716 for a total of \$4.5 million. The Community Redevelopment (CRA) fees had the majority, \$396,012 of this increase. This was due to the increase of property values within the CRA districts even though the Council maintained the millage rate from the prior year. The Tax Collector fees are based on the operating budget of the Property Appraisers Office and are allocated among the taxing districts. These fees slightly increased by 7.2 % or \$48,704 from the prior year.

The Community Redevelopment Agency tax increment fees are tied to the increased incremental property tax values in specific areas, as well as the Council's established millage rate. Generally, throughout the County, property values within the CRA districts continue to increase. In those districts wherein, the Council and the CRA have formed a partnership, \$2,469,819 CRA fees were used for programs and services for children in lieu of fees. These successful collaborations between the Council and many of the CRA Districts have been able to place programs and services for children in these targeted communities.

The illustration below shows the total CSC expenses, by percentage, for the fiscal year ending September 30, 2025.

CSC Expenses FY 2025



The analysis below separately considers the operations of governmental fund activities.

Financial Analysis Of The Governmental Fund

As the Council completed its twenty-third year of operations, the governmental funds (as presented in the balance sheet on page 53) reported a total fund balance of \$90.3 million. The fund balance categories are fully described in the Notes to the Financial Statements on page 63.

- Fund balance** increased by a total of \$1,292,382 or 1.5% from the prior year. While underutilization of the provider’s contracts contributed to an increase in fund balance, it is important to note the substantial amount of \$6.7 million of unbudgeted interest earnings and unrealized gains, also significantly contributed to the increase in fund balance. Additionally, the fund balance included \$259,472 of non-spendable funds for prepaid items in FY 2025 and \$10.0 million Committed to future office space.

Given this era of ongoing needs within the community and the limitations on raising property taxes, the Council assigned a portion of the fund balance to expand services for children and their families. Accordingly, the Council appropriated \$27.5 million of fund balance and budget carry-forward for the next fiscal year 2025-2026. Within Unassigned Fund Balance, the Council voted to maintain a minimum balance of two months (17%) of budgeted operating expenditures or \$26,038,293 to manage cash inflows and outflows until tax revenue is received since the Council is prohibited from issuing short-term debt instruments such as RAN (Revenue Anticipation Notes) or TAN (Tax Anticipation Notes). This minimum amount is

based on best practices as outlined by the Government Finance Officers Association (GFOA). This leaves a remaining Unassigned Fund Balance of \$26,508,566.

- **Budget amendments** are prepared over the course of the year allocating appropriations from one line item to another to prevent budget overruns. Actual charges (expenditures) to appropriations (budget) were \$20.7million below the final budget amounts.
- **Budget variances** - The most significant positive variance (\$17.3 million) occurred in Program Services reflected in the Council's General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual found on pages 92-93. This variance is due to several factors related to programs and services as highlighted below:
 - For fiscal year 2024-2025 the total utilization of the programs is 87% which reflects a 4% increase from the prior year, compared with an average of 78% over the past four years. For most contracts, the Council requires that the service provider's invoice be based on "units of service", not reimbursement of expenses. Consequently, if a provider does not provide all of the services that were anticipated, the contract is under-utilized. This method of invoicing allows the Council to only pay for services actually provided. The Council monitors utilization throughout the year and continues to work closely with those providers to help them provide the services and, therefore, utilize the available funds. The total budget variance affected by unallocated and underutilization of the program services contracts is 15% or \$17.3 million. See the chart in the Transmittal Letter on page 12 for a utilization visualization of all the programs.
 - During the fiscal year 2024-2025, the Promised Neighborhood (PN) grant transitioned from Broward College to Florida Atlantic University, resulting in CSC receiving an increased award, taking on thirteen subcontracts, and hiring support staff. As a result, the program services and support budget was amended to include \$3.7 million in additional grant funding.
 - The program services budget for Fiscal Year 2025 included \$1.2 million that was not allocated to any specific program and could be appropriated in the subsequent fiscal year. Because various local economic conditions may arise at any time, the Council purposefully left these funds unallocated to have flexibility in meeting unexpected needs of the community.
 - The budget variance for Program Support was \$2,013,506 of which 85% was related to salary/benefit lapse. General Administration budget variances totaled \$1,118,228 of which \$373,311 or 33.3% was related to salary/benefit lapses. Budget variances for facilities management add to building maintenance reserves. Additionally, \$319,468 of budget variance in Capital Outlay will be carried into next fiscal year for Capital reserves as needed for larger projects.

Alternatively, resources available for appropriation (revenues) were \$5,450,135 over the final budgeted amount. This variance is primarily the result of higher than anticipated interest revenue. Appropriations for interest earnings are minimally budgeted due to the volatility of the markets.

Other Assets And Other Obligations

At the end of Fiscal Year 2025, the Council had a \$5.8 million investment in capital assets net of depreciation, amortization, and related debt, including land, buildings, and related infrastructure, as well as leased equipment, computer hardware, software, and software subscriptions. More detailed information about the Council's policies concerning capital assets is presented in Notes 1 and 5 of the Notes to the Financial Statements.

As presented in Note 8 of the Notes to the Financial Statements, the Council purchases commercial insurance for property and casualty claims. Other obligations include accrued vacation pay and sick leave, a proportionate share of pension costs, and the total OPEB liability. More detailed information about the Council's long-term liabilities is presented in Notes 6, 7, 11, 9, 10 and 13 of the Notes to the Financial Statements.

Economic Factors, Next Year's Budget And Tax Rates

The Council Members carefully evaluate numerous factors when deciding on the budget and tax rates for the next fiscal year at their annual May Budget Retreat. They approach setting the tax rate with caution, striving to balance the growing demand for services with property values and voters' concerns about taxes. Additionally, the Council keeps in mind the current fund balance, the .5 mill maximum tax levy, and economic pressures in the local community.

A snapshot of the local economy presents a complex mix of economic indicators. Within Broward County, the economic outlook for Fort Lauderdale in 2025–2026, according to the Greater Fort Lauderdale Alliance, is positive, with resilient growth, continued diversification away from a purely tourism-based economy, and a strong, high-value, pro-business climate. In 2025, Broward County saw employment gains, adding 3,400 jobs, and had a 4.2% unemployment rate at the end of the year. Professional services, financial activities, and tourism remain strong sectors. The region continues to attract new businesses, aided by a pro-business climate and the absence of state income tax. High demand for residential and commercial property is expected to continue in 2026, with over 4,000 new multifamily units projected for 2025 and condominium prices forecasted to rise by 5%–7% in 2026. The greatest challenge for business leaders is the cost and availability of employee housing, which affects workforce retention and recruitment. (source: Greater Fort Lauderdale Alliance). CSC has observed this manifestation in the CSC-funded programs and in provider agencies' challenges with recruiting and retaining staff. Most workers earn wages that do not keep pace with local housing costs. Many of these households are cost-burdened, meaning they spend a high share of their income on rent or mortgages. As a result, there is a growing demand for services related to housing and food insecurity. Despite high business confidence, inflation, competition for skilled labor, housing instability, and food insecurity persist as concerns within Broward County.

At present, the Council's goals and objectives are shaped by the County-wide Broward Partnership for Kids (formerly the Children's Strategic Plan), data trends, and input from the community and

staff. The budget is then developed around those identified service and system needs. For the upcoming 2025-2026 fiscal year, local property values increased by 7.5 percent, allowing the Council Members to maintain the millage rate at 0.4500 mills while generating an additional \$9.6 million in tax revenue. The Council members approved a 3% increase in service provider staff salaries for the 2025-2026 fiscal year budget, intended to address immediate service provider recruitment and retention challenges. Additionally, the Council members voted to appropriate a total of \$27 million in fund balance and budget carry forward to expand programs and services to help meet the ever-growing needs of the community.

The CSC remains vigilant regarding potential legislative changes to the tax structure. A proposed constitutional amendment concerning the collection of ad valorem taxes—CSC's primary source of revenue—is under review in the Florida Legislature. Additional revenue streams, which account for less than 5% of total income and serve as partnerships to complement core funding, would also be eliminated should ad valorem taxes be discontinued.

Requests For Information

This financial report has been designed to provide Broward County's citizens, taxpayers and providers with a general overview of CSC's finances and to show CSC's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Operating Officer at 6600 W Commercial Blvd., Lauderhill, Florida 33319 or visit the Council's website at: www.cscbroward.org.



Basic Financial Statements

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Statement of Net Position
September 30, 2025

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| Assets | |
| Current Assets | |
| Cash | \$ 4,901,902 |
| Investments | 97,215,635 |
| Accounts and Interest Receivable | 1,267,971 |
| Due From Other Governments | 799,182 |
| Prepaid Items | 259,472 |
| Total Current Assets | <u>104,444,162</u> |
| Capital Assets | |
| Capital Assets, Not Being Depreciated/Amortized | |
| Land | 2,500,000 |
| Intangibles - Work In Progress | 47,580 |
| Capital Assets, Being Depreciated/Amortized | |
| Building and Related Infrastructure | 3,137,974 |
| Computer Hardware/Software | 44,212 |
| Furniture and Equipment | 90,542 |
| Software Subscription Assets | 84,885 |
| Intangible Right to Use Leased Equipment | 19,055 |
| Total Capital Assets | <u>5,924,248</u> |
| Total Assets | <u>110,368,410</u> |
| Deferred Outflows of Resources | |
| Pension Plans | |
| Florida Retirement System | 1,548,760 |
| Health Insurance Subsidy | 380,434 |
| Other Post Employment Benefits (OPEB) | 52,863 |
| Total Deferred Outflows Of Resources | <u>1,982,057</u> |

See accompanying notes to basic financial statements.

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Statement of Net Position
September 30, 2025 (continued)

| | Governmental Activities |
|--|------------------------------------|
| Liabilities | |
| Current Liabilities | |
| Accounts Payable and Accrued Liabilities | \$ 14,086,887 |
| Unearned Revenue | 100,190 |
| Expected to be paid within one year | |
| Compensated Absences | 233,320 |
| Software Subscription Liability | 86,259 |
| Lease Liability | 19,406 |
| Total Current Liabilities | <u>14,526,062</u> |
| Noncurrent Liabilities | |
| Expected to be paid after one year | |
| Compensated Absences | 2,099,885 |
| Total OPEB Liability | 113,155 |
| Net pension Liability | |
| Florida Retirement System | 5,104,259 |
| Health Insurance Subsidy | 2,670,855 |
| Total Noncurrent Liabilities | <u>9,988,154</u> |
| Total Liabilities | <u>24,514,216</u> |
| Deferred Inflows of Resources | |
| Pension Plans | |
| Florida Retirement System | 1,150,687 |
| Health Insurance Subsidy | 652,471 |
| Other Post Employment Benefits (OPEB) | 26,783 |
| Total Deferred Inflows Of Resources | <u>1,829,941</u> |
| Net Position | |
| Net Investments in Capital Assets | 5,818,583 |
| Unrestricted | 80,187,727 |
| Total Net Position | <u>\$ 86,006,310</u> |

See accompanying notes to basic financial statements.

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Statements of Activities
Fiscal Year Ended September 30, 2025

| | Governmental Activities |
|---|------------------------------------|
| Expenses: | |
| Program Services: | |
| Program Services | \$ 117,803,850 |
| Program Support | 9,791,441 |
| Total Program Services | 127,595,291 |
| General Administration: | |
| Personal Services | 4,088,289 |
| Materials and Services | 1,645,941 |
| Community Redevelopment and Tax Collector Fees | 4,489,053 |
| Total General Administration | 10,223,283 |
| Total Expenses | 137,818,574 |
| General Revenues: | |
| Property Taxes | 128,444,140 |
| Investment Earnings | 6,775,712 |
| Grant Funding, Unrestricted | 2,406,216 |
| Miscellaneous Local | 988,290 |
| Total General Revenues | 138,614,358 |
| Change In Net Position | 795,784 |
| Net Position - Beginning | 85,210,526 |
| Net Position - Ending | \$ 86,006,310 |

See accompanying notes to basic financial statements.

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Balance Sheet - Governmental Fund
September 30, 2025**

| | <u>General Fund</u> |
|--|-----------------------|
| Assets | |
| Cash | \$ 4,901,902 |
| Investments | 97,215,635 |
| Accounts and Interest Receivable | 1,267,971 |
| Due From Other Governments | 799,182 |
| Prepaid Items | 259,472 |
| Total Assets | <u>\$ 104,444,162</u> |
| Liabilities | |
| Accounts Payable and Accrued Liabilities | \$ 14,086,887 |
| Unearned Revenue | 100,190 |
| Total Liabilities | <u>14,187,077</u> |
| Fund Balances | |
| Nonspendable | 259,472 |
| Committed | 10,000,000 |
| Assigned | 27,450,754 |
| Unassigned | 52,546,859 |
| Total Fund Balances | <u>90,257,085</u> |
| Total Liabilities and Fund balances | <u>\$ 104,444,162</u> |

See accompanying notes to basic financial statements.

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Reconciliation of the Governmental Fund Balance Sheet to
the Government-Wide Statement of Net Position
September 30, 2025

| | | |
|---|--------------------|----------------------|
| Fund Balance - Total Governmental Fund (page 53) | | \$ 90,257,085 |
| <p>Amounts reported for governmental activities in the government-wide Statement of Net Position are different because:</p> <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p> | | |
| Governmental capital assets | \$ 10,232,526 | |
| Less accumulated depreciation/amortization | <u>(4,412,218)</u> | 5,820,308 |
| Software Subscription Assets | \$ 339,541 | |
| Less accumulated amortization for software subscription assets | <u>(254,656)</u> | 84,885 |
| Intangible right to use leased assets | \$ 74,941 | |
| Less accumulated amortization for intangible right to use leased asset | <u>(55,886)</u> | 19,055 |
| Deferred outflows of resources related to Pensions and OPEB are recorded in the Statement of Net Position | | 1,982,057 |
| Deferred inflows of resources related to Pensions and OPEB are recorded in the Statement of Net Position | | (1,829,941) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | |
| Compensated Absences | | (2,333,205) |
| Software Subscription Liability | | (86,259) |
| Lease Liability | | (19,406) |
| Total OPEB Liability | | (113,155) |
| Florida Retirement System | | (5,104,259) |
| Health Insurance Subsidy | | <u>(2,670,855)</u> |
| Net Position of Governmental Activities (page 51) | | <u>\$ 86,006,310</u> |

See accompanying notes to basic financial statements.

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Statement of Revenues, Expenditures and
Changes In Fund Balance - Governmental Fund
Fiscal Year Ended September 30, 2025**

| | <u>General Fund</u> |
|---|----------------------|
| Revenues | |
| Ad Valorem Taxes | \$ 128,444,140 |
| Grant Funding | 2,406,216 |
| Investment Earnings | 6,775,712 |
| Miscellaneous Local | 988,290 |
| Total Revenues | <u>138,614,358</u> |
| Expenditures | |
| Program Services & Support | |
| Program Services | 117,702,694 |
| Monitoring/Outcome Materials | 101,156 |
| Employee Salaries and Benefits | 9,504,167 |
| Other Consultants | 7,464 |
| Material and Supplies | 14,208 |
| Printing and Advertising | 9,249 |
| Software Maintenance | 141,044 |
| Travel and Other Expenditures | 108,067 |
| Total Program Services & Support | <u>127,588,049</u> |
| General Administration | |
| Employee Salaries and Benefits | 3,950,331 |
| Legal Fees | 31,136 |
| Auditors and Other Consultants | 53,464 |
| Materials and Supplies | 90,502 |
| Printing and Advertising | 6,521 |
| Other General Administration | 581,269 |
| Telecommunications | 32,967 |
| Travel and Other Expenditures | 178,563 |
| Tax Collection Fees | 720,235 |
| Community Redevelopment Area Fees | 3,768,818 |
| Total General Administration | <u>9,413,806</u> |
| Capital Outlay | |
| Computer Hardware/Software | 47,246 |
| Furniture/Equipment | 56,033 |
| Remodeling/Renovations | 108,296 |
| Total Capital Outlay | <u>211,575</u> |
| Lease and Subscription Software Expenditures | |
| Lease Principal Payment | 18,851 |
| Lease Interest Payment | 495 |
| Subscription Software Principal Payment | 83,416 |
| Subscription Software Interest Payment | 5,784 |
| Total Lease And Subscription Software Expenditures | <u>108,546</u> |
| Total Expenditures | <u>137,321,976</u> |
| Net Change in Fund Balances | 1,292,382 |
| Beginning Fund Balance | 88,964,703 |
| Ending Fund Balance | <u>\$ 90,257,085</u> |

See accompanying notes to basic financial statements.

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
**Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balance
of Governmental Funds to the
Statement of Activities**
Fiscal Year Ended September 30, 2025

| | |
|------------------------------------|--------------|
| Net Change in Fund Balance | |
| Total Governmental Funds (page 55) | \$ 1,292,382 |

Amounts reported for governmental activities in the government-wide Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated/amortized over their estimated useful lives. This is the amount by which capital outlay exceeded depreciation/amortization expense.

| | | |
|---|------------|-----------|
| Expenditures for capital assets, net | \$ 261,748 | |
| Less disposed capital assets, net | (6,804) | |
| Less current year depreciation/amortization | (419,599) | |
| Less amortization expense for software subscription assets | (84,886) | |
| Less amortization expense for intangible right to use leased assets | (18,783) | (268,324) |

Some expenses 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 Funds.

| | | |
|--|--|-----------|
| Change in Compensated Absences | | (766,298) |
| Change in Software Subscription Liability | | 83,416 |
| Change in Lease Liability | | 16,259 |
| Change in OPEB Liability and related pension items | | 2,766 |
| Change in Net Pension Liability and related pension items: | | |
| Florida Retirement System | | 393,665 |
| Health Insurance Subsidy | | 41,918 |

| | |
|---|------------|
| Change in Net Position of Governmental Activities (page 52) | \$ 795,784 |
|---|------------|

See accompanying notes to basic financial statements.



Notes to the Financial Statements

The Children's Services Council of Broward County ("the Council") is a special independent taxing district with a mission to provide leadership, advocacy, and resources necessary to enhance children's lives and empower them to become responsible, productive adults through collaborative planning of a continuum of quality care. That mission provides the framework through which the Council's vision will be achieved: "That all children in Broward County will have the opportunity to realize their full potential, their hopes and dreams, supported by a nurturing family and community".

Note 1. Summary Of Significant Accounting Policies

The accompanying financial statements conform to United States Generally Accepted Accounting Principles ("GAAP") for governmental units as prescribed by the Governmental Accounting Standards Board ("GASB") and other recognized authoritative sources. GASB is the accepted standard-setting body for governmental accounting and financial reporting. The more significant accounting policies are summarized in the following paragraphs.

A. Reporting Entity

The Council is a special independent taxing district authorized under Florida Law, Chapter 2000-461, as amended. The law became effective January 2, 2001, and was reaffirmed by an overwhelmingly positive vote for reauthorization on November 4, 2014. The eleven-member governing board is comprised of five (5) individuals recommended by the Broward County Board of County Commissioners and appointed by the Governor and six (6) members appointed by virtue of the office or position they hold within the community. The five members appointed by the governor serve for a four-year term. The Council Members bring to the Council an understanding of policies and programs affecting children, an understanding of the diverse and multi-cultural needs of the Broward community and a firm commitment to improving the welfare of children and their families. The Council is contiguous with Broward County.

The Children's Services Council of Broward County follows the standards and related amendments promulgated by GASB to define the reporting entity. The financial statements include all operations over which the Council is financially accountable. While the Council provides funding for various agencies, each agency is financially independent. The Council has no authority to appoint or hire management of the agencies nor does it have responsibility for routine operations of the agencies. Based upon application of these factors, the Council has concluded that it has no financial accountability for the various agencies and therefore, their financial statements are excluded from the reporting entity. The Council has not identified any component units and is not a participant in any joint ventures.

Children's Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 1. Summary Of Significant Accounting Policies (Continued)

B. Basis of Presentation

Government-wide Financial Statements – The government-wide financial statements include the statement of net position and the statement of activities and report information on all the activities of the Council. These governmental activities are normally supported by taxes and intergovernmental revenues with any interfund activity removed from these statements.

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

Fund Financial Statements – Separate financial statements are provided for the governmental funds. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Major individual governmental funds are reported as separate columns in the fund financial statements. The General Fund is the Council's primary operating fund and accounts for all financial resources not accounted for in another fund.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

C. Measurement Focus and Basis of Accounting

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

All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the activities of the Council are included on the Statement of Net Position. The Statement of Activities reports revenues and expenses.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough

Note 1. Summary Of Significant Accounting Policies (Continued)

thereafter to pay liabilities of the current period. For this purpose, the Council considers revenues available if they are collected within sixty days of the end of the current fiscal year. Property taxes and net investment earnings are susceptible to accrual. Property taxes are recorded as revenues in the fiscal year in which they are levied, provided they are collected in the current period or within sixty days thereafter. Interest on invested funds is recognized when earned. Grant funding from federal, state, and local governments is recorded as revenues if expected to be collected within one year of the fiscal year's end. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are measured and available when earned.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to leases, subscription based information technology agreements (SBITAs), compensated absences, pensions and the total OPEB obligations are recorded only when a payment is due. General capital asset acquisitions, including entering into contracts giving the Council the right to use assets, are reported as expenditures in the governmental fund.

Unearned Revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. On both the government-wide and the governmental fund financial statements, revenues are recognized when all eligibility requirements are met.

D. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with United States GAAP. The reported budgetary data represents the original and the final amended budgets as approved by the Council Members. Budgets are adopted for all funds and transfers of appropriations between functions require Council approval. The level of control at which expenditures may not legally exceed the budget is at the function level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized as an extension of the formal budgetary process to reflect the estimated amount of future expenditures arising from the issuance of purchase orders, contracts or other forms of legal commitments existing at year-end, which will be paid in the future. Encumbrances lapse at year-end; however, the succeeding year's budget provides for the re-appropriation of certain year-end encumbrances.

These "open" encumbrances are included in the Assigned Fund Balance at fiscal year-end in accordance with their spending constraint. Encumbrances do not constitute expenditures or liabilities since goods and services are not yet received.

Children's Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 1. Summary Of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Balance/Net Position

Cash and Investments – The Council utilizes pooled cash accounting whereby excess monies are aggregated for investment purposes. Florida Statutes authorize a variety of investment mechanisms, and the Council follows this best practice by diversifying its investments among the Local Government Surplus Funds Trust Fund, and the Florida Public Assets for Liquidity Management. The Local Government Surplus Funds Trust Fund is a state pool managed by the Florida State Board of Administration (“SBA”), which provides regulatory oversight. To accommodate pool participants with readily available cash, a substantial portion of the portfolio is placed in short-term securities (“Florida PRIME”). The Local Government Surplus Funds Trust Fund is governed by the rules of Chapter 19-7 of the Florida Administration code. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Surplus Funds Trust Fund.

Additionally, the Office of the Florida Auditor General performs the operational audit of the activities and investments of the SBA. According to the SBA, the pool follows GASB Statement No. 31 “Accounting and Financial Reporting for Certain Investments and for External Investment Pools”, and GASB No. 79 “Certain External Investment Pools and Pool Participants” where the Council owns a share of the respective pool, not the underlying securities. Accordingly, the Council’s investment in the Florida PRIME is stated at amortized cost. Florida PRIME is exempt from the GASB No. 72 fair value hierarchy disclosures and reports at amortized cost. Additionally, the investments in the Florida PRIME are not insured by FDIC or any other governmental agency.

The Florida Public Assets for Liquidity Management (FL PALM) is a common law trust organized under the laws of the State of Florida. The sponsors of the Fund are the Florida School Boards Association and the Florida Association of District School Superintendents. The Fund is designed to meet cash management and short-term investment needs of school districts, political subdivisions of the State of Florida, or instrumentalities of political subdivisions of the State.

FL PALM is a local government investment pool (LGIP), which follows GASB Statement No. 79 criteria. The Council’s funds invested in the FL PALM are exempt from GASB Statement No. 72, and reports are at amortized cost. Additionally, the investments in the FL PALM are not insured by FDIC or any other governmental agency. All other investments are reported at fair value as discussed in Note 2.

Inventory and Prepaid Items – The Council does not utilize any inventory items. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in government-wide and fund statements. The Council utilizes the consumption method to account for these costs.

Capital Assets – Capital assets, which include land, intangibles, building and related infrastructure, computer hardware/software, furniture, and equipment, are reported in

Note 1. Summary Of Significant Accounting Policies (Continued)

the government-wide financial statements. Items purchased or acquired are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art, historical works of art and similar items and capital assets received in a service concession arrangement are recorded at acquisition value. Maintenance, repairs, and minor renovations are not capitalized. Expenditures that significantly increase values or extend useful lives are capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Asset</u> | <u>Years</u> |
|----------------------------|--------------|
| Computer Hardware/Software | 3 |
| Intangible Assets | 3 |
| Furniture and Equipment | 5 |
| Building Infrastructure | 20 |
| Building | 30 |

The Council has recorded a right to use lease asset and a software subscription asset as a result of implementing GASB 87 and GASB 96, respectively. These assets are initially measured at an amount equal to the initial measurement of the related liability plus any payments made prior to the terms of these arrangements, less incentives, and plus ancillary charges necessary to place the assets into service. The assets are amortized on a straight-line basis over the life of the respective lease and subscription arrangements. Depreciation/amortization expense is reflected in the financial statements in accordance with GASB Statement No. 34 requirements for capital assets greater than \$5,000 and an estimated economic life greater than one year.

Per Florida State Statutes as well as for internal control purposes, assets with a historical cost greater than \$5,000 and a projected useful life of one year or more, are also tagged and tracked in the capital assets system. Attractive items under the threshold must be tagged and tracked for inventory purposes. Attractive items are officially defined as “tangible personal property used in operations that has a cost less than an established threshold and that requires special attention to ensure legal compliance, protect public safety, and avoid potential liability, or to compensate for a heightened risk of theft”.

Deferred outflows/inflows of resources – In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources,

Children's Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 1. Summary Of Significant Accounting Policies (Continued)

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.

Fund Balance and Flow Assumptions – Generally, Fund Balance represents the difference between the assets and deferred outflows of resources and liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications based on the nature and extent to which the Council is bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable Fund Balance – amounts that are not in spendable form (such as prepaid items) or are legally or contractually required to be maintained intact.
- Restricted Fund Balance – amounts constrained to specific purposes by external providers (such as grantors) or imposed by law through constitutional provisions, or by enabling legislation.
- Committed Fund Balance – amounts constrained to specific purposes by formal action of the Council itself, using its highest level of decision-making authority (i.e., the Council Members) through an Issue Paper. To be reported as committed, amounts cannot be used for any other purpose unless the Council Members take the same highest-level action (i.e., Issue Paper) to remove or change the constraint.
- Assigned Fund Balance – amounts the Council intends to use for a specific purpose but are neither restricted nor committed. Assignments can be made by the Executive Committee or by an official which the Council Members delegate the authority at their direction. Through the Issue Paper process, the Council approves assigned fund balance.
- Unassigned Fund Balance – amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the Council considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the Council considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Council Members or its delegated official or body has provided otherwise in its commitment or assignment actions.

Minimum Fund Balance Policy – In the General Fund, the Council strives to maintain a minimum unassigned fund balance of 17% or two months of the budgeted operating expenditures. This minimum amount is required to manage cash inflows and outflows

Note 1. Summary Of Significant Accounting Policies (Continued)

until tax revenue is received since the Council is prohibited from issuing short-term debt instruments such as RAN (Revenue Anticipation Notes) or TAN (Tax Anticipation Notes).

This policy strives to maintain additional unassigned fund balance liquidity to mitigate current and future risks such as revenue shortfalls and unanticipated expenditures, maintain reserves due to the vulnerability of being in a hurricane zone, and other unforeseen events. Additional amounts are to be determined each year by the Council during the budget process.

Net Position and Flow Assumptions – The Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Net Position of the government wide funds are categorized as net investment in capital assets, which consists of capital assets, net of accumulated depreciation/amortization and is reduced by debt attributable to the acquisition, construction or improvement of those assets, as well as any related deferred outflows/inflows of resources attributable to those assets or debt. The net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation or through external restrictions imposed by grantors or laws or regulations of other governments. The balance of net position is reported as unrestricted. In order to report an amount as Restricted Net Position – net position and an unrestricted – net position in the government-wide financial statements, the Council would first use restricted net position before using unrestricted net position.

F. Revenues and Expenditures/Expenses

Program Revenues – Amounts reported as miscellaneous local revenue include 1) local grants for various programs, 2) donations and contributions for events and 3) charges to customers for training. All taxes are reported as general revenues rather than program revenues.

Property Taxes – Florida laws restrict millage rate increases that a government may levy. In addition to multiple exemptions for most homeowners, a four percent discount is also allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent April 1 of each year. Delinquent property tax certificates are sold to the public beginning June 1, at which time a lien attaches to the property. By fiscal year end, virtually all property taxes are collected either directly or through tax certificate sales. Property tax revenues are recorded by the Council based on the amount of receipts reported by the County Tax Collector.

Use of Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources, disclosure of contingent assets and deferred outflows of resources and liabilities and deferred inflows of resources at the date of the financial statements, and the reported amount of revenue and expenses/expenditures during the reporting period. Actual results may differ from those estimates.

Children's Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 1. Summary Of Significant Accounting Policies (Continued)

Compensated Absences – The Council employees are granted a specific number of paid vacation and sick leave days. Employees are permitted to accumulate a maximum of 450 hours (60 days) of vacation as of September 30. Excess time is forfeited if not used by the end of the fiscal year.

Employees can accrue unlimited sick leave but are only reimbursed for a percentage of unused sick leave upon retirement after at least 5 years of service. The costs of vacation and sick leave benefits (compensated absences) are budgeted and expended in the respective fund when payments are made to employees. In addition, the Council will record expenditures at employment termination in the applicable fiscal year at the fund level. The estimated liability for all accrued vacation and vested sick leave benefits is recorded in the government-wide financial statements.

G. New Accounting Pronouncements

Effective October 1, 2024 the Council implemented 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. In addition, the statement amends the disclosure requirements for compensated absences to allow governments to disclose only the net change in the liability for compensated absences. Governments are also no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The effects of the implementation of this standard was not considered material to the financial statements.

Effective October 1, 2024 the Council implemented 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. The statement aims to improve financial reporting by ensuring stakeholders have relevant information about potential vulnerabilities due to concentrations or constraints. The implementation of this standard did not alter the presentation of the financial statements, and no risks were identified during this fiscal year that satisfied the criteria outlined in Statement 102.

The Council is currently evaluating the implementation requirements related to the following statements:

GASB Statement No. 103 – In April 2024, the GASB issued Statement No. 103 - Financial Reporting Model Improvements. The objective of this Statement is to improve key elements of the financial reporting model, making it more effective for decision-making and accountability. It covers issues related to the management discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statement of revenues, expenses, and changes in

Note 1. Summary Of Significant Accounting Policies (Continued)

fund net position, major component unit information, and budgetary comparison information. The requirements of this Statement are effective for the fiscal year that ends June 30, 2026.

GASB Statement No. 104 – In September 2024, the GASB issued Statement No. 104 - Disclosure of Certain Capital Assets. State and local governments must provide detailed note disclosures regarding capital assets in their financial statements, as outlined in Statement No. 34. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures and includes separate reporting by major asset class for lease assets (per Statement No. 87), intangible right-to-use assets (per Statement No. 94), and subscription assets (per Statement No. 96), along with other intangible assets. The Statement also requires additional disclosures for capital assets held for sale, requiring governments to assess these assets each reporting period and disclose balances, historical costs, accumulated depreciation, and any related debt by asset class, ensuring users have essential information for decision-making and accountability. The requirements of this Statement are effective for the fiscal year that ends June 30, 2026.

GASB Statement No. 105 – In December 2025, the GASB issued Statement No. 105 – Subsequent Events. This Statement aims to enhance financial reporting for subsequent events by increasing consistency and meeting the information needs of financial statement users. It defines subsequent events as those occurring after the financial statement date but before the statements are issued and requires disclosure of the date through which subsequent events have been evaluated. The Statement also distinguishes between events that should be recognized in the financial statements and those that require only note disclosure. The requirements of this Statement are effective for the fiscal year that ends June 30, 2027.

Note 2. Cash and Investments

Statement of Policy

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

The Council's investment policy is written in accordance with Section 218.415, Florida Statutes, which applies to funds under the control of local governments and special districts. The policy and any subsequent revisions are approved by the Council Members. Florida statutes authorize the deposit of the Council funds in demand deposits or time deposits of financial institutions approved by the State Treasurer, defined as qualified public depositories. Pursuant to Chapter 280, Florida Statutes, the State Treasurer requires Qualified Public Depositories ("QPD") to deposit with the Treasurer or other banking institution, eligible collateral. In the event of a failure, the remaining public depositories would be responsible

**Children’s Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025**

Note 2. Cash and Investments (Continued)

for covering any losses. All bank balances of the Council are held in a QPD. As of September 30, 2025, the carrying amount of the Council’s deposits was \$4,901,902 with a bank balance of \$4,904,983. The Council’s deposits at year-end that exceed the FDIC insured amount of \$250,000 are considered collateralized for custodial credit risk purposes.

Investments

The Council’s investment policy allows management to invest funds in investments permitted under Florida Statutes Section 218.415. This statute explicitly allows deposits and investments in QPDs, intergovernmental investment pools, money market funds, and other investments authorized by law or by resolution for a special district, which are the only vehicles the Council is currently utilizing.

Cash and investments as of September 30, 2025, are composed of the following:

| | | Reported Amount | Fair Value |
|-----------------------------|---------------|----------------------------|-----------------------|
| Cash Deposits | | \$ 4,901,902 | \$ 4,901,902 |
| Investments with the SBA: | | | |
| Florida PRIME | | 31,806,071 | 31,806,071 |
| Investments with FL PALM: | | | |
| FL PALM Portfolio | | 37,185,919 | 37,185,919 |
| Managed Funds with US Bank: | | | |
| Assets | \$ 27,982,051 | | |
| Accrued Income | 241,594 | 28,223,645 | 28,223,645 |
| Total Investments | | <u>97,215,635</u> | <u>97,215,635</u> |
| Total Cash and Investments | | <u>\$ 102,117,537</u> | <u>\$ 102,117,537</u> |

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Council’s investment policy limits its investments to high-quality investments to control credit risk. For liquidity purposes as well as to control risk, 71% of the Council’s operating investments for fiscal year 2025 were invested with the SBA and the Florida Public Assets for Liquidity Management (FL PALM). The remaining 29% of operating investments were managed by PFM Asset Management and held in trust at US Bank.

The SBA Florida PRIME investment pool, and the FL PALM are AAAM rated by Standard and Poor’s. This rating is the highest creditworthiness rate given by the national agency.

The Managed Funds portfolio is rated by Moody’s Investor Services as follows:

Note 2. Cash and Investments (Continued)

| Rating | Fair Value |
|----------------------------|----------------------|
| Managed Funds Investments: | |
| A1 | \$ 2,559,371 |
| A2 | 2,523,551 |
| A3 | 773,137 |
| AA1 | 10,476,740 |
| AA2 | 1,551,938 |
| AA3 | 1,117,949 |
| AAA | 2,590,038 |
| Not Rated | 6,389,327 |
| Total | <u>\$ 27,982,051</u> |

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Council's investment policy limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The dollar weighted average days to maturity (WAM) for the Florida PRIME was 47 days, and 42 days for the FL PALM on September 30, 2025. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM.

As of September 30, 2025, the weighted average life (WAL) of Florida PRIME, was 73 days. The average maturity in years of the Managed Funds investments held at US Bank on September 30, 2025, are:

| Investment Type | Total Fair Value | Average Maturity in Years | | | Percent Distribution |
|---------------------------|----------------------|---------------------------|----------------------|-------------------|----------------------|
| | | Less than 1 | 1 to 5 | More than 5 | |
| Cash Equivalents | \$ 156,927 | \$ 156,927 | \$ - | \$ - | 0.56% |
| U.S Government Securities | 15,838,395 | 301,453 | 15,536,942 | - | 56.60% |
| Corporate Issues | 9,138,906 | 267,803 | 8,746,169 | 124,934 | 32.66% |
| Foreign Issues | 2,847,823 | 664,934 | 2,182,889 | - | 10.18% |
| Total | <u>\$ 27,982,051</u> | <u>\$ 1,391,117</u> | <u>\$ 26,466,000</u> | <u>\$ 124,934</u> | <u>100.00%</u> |

Concentration Risk

The Council's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from the concentration of assets in a specific issuer. Specific limits have been established that limit the percentage of portfolio assets that can be invested with a specific issuer. GASB Statement No. 40, Deposit, and Investment Risk Disclosures, requires disclosure when the percentage is 5% or more in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, or other pooled investments are excluded from this requirement. At September 30, 2025, the Council had no investment in any one issuer of 5% or more requiring disclosure.

Children's Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 2. Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Council's investment policy requires securities, with the exception of certificates of deposit, to be registered in the Council's name and held with a third-party custodian.

Foreign Credit Risk

For an investment, foreign credit risk is the risk that fluctuations in currency exchange rates may affect transactions conducted in currencies other than U.S. dollars and the carrying value of foreign investments. The Council's is not exposed to foreign credit risk. The total of the investments in foreign issues, which consist of corporate notes and Supra-national agency bonds, was \$2,847,823.

Fair Value Measurements

The Council reports investment at fair value. 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 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 are valued using quoted prices in active markets for identical securities.

Level 2 – Investments are valued using matrix pricing and other observable inputs, including benchmark yields, reported trades, broker-dealer quotes, and issuer spreads.

Level 3 – Investments (if any) would be valued using unobservable inputs, including internally-developed assumptions.

There were no changes in valuation techniques during the fiscal year.

The Florida PRIME and FL PALM are not included in the fair value hierarchy as they are reported at amortized cost. At September 30, 2025, the investments by fair value are:

Note 2. Cash and Investments (Continued)

| Investment Type | Total Fair Value | Quoted Prices in Active Market for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|--------------------------------|-------------------------|--|--|--|
| Cash Equivalents | \$ 156,927 | \$ 156,927 | \$ - | \$ - |
| U.S. Government Securities | 15,838,395 | 13,302,932 | 2,535,463 | - |
| Corporate Issues | 9,138,906 | - | 9,138,906 | - |
| Foreign Issues-Corporate Notes | 2,847,823 | - | 2,847,823 | - |
| Total | \$ 27,982,051 | \$ 13,459,859 | \$ 14,522,192 | \$ - |

Investment Pools and Pool Participants

Florida PRIME Portfolio: With regard to redemption dates, 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 or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

FL PALM Portfolio is available to be redeemed upon proper notice without restrictions under normal operating conditions. There are no limits to the number of redemptions that can be made as long as an investor has a sufficient number of shares to meet their redemption request. The Board of Trustees can suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of the FL PALM Portfolio's securities or determination of its net asset value not reasonably practical. Premature redemption penalties may apply.

**Children’s Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025**

Note 3. Receivables and Payables

Accounts and Interest Receivable as of September 30, 2025, consist of the following:

| | General Fund |
|--|---------------------|
| Taxes Receivable | \$ 1,223,161 |
| Interest Receivable | \$ 44,790 |
| Other | \$ 20 |
| Total Accounts and Interest Receivable | <u>\$ 1,267,971</u> |

Accounts Payable, and Accrued Liabilities as of September 30, 2025, consist of the following:

| | General Fund |
|--|----------------------|
| Funded Providers | \$ 13,010,405 |
| Salaries and Wages Payable | 576,859 |
| Administrative & Other | 496,788 |
| Employee Reimbursements | 2,835 |
| Total Accounts Payable and Accrued Liabilities | <u>\$ 14,086,887</u> |

Note 4. Property Taxes

Florida Statutes permit the Council to levy taxes up to 0.5 mills per \$1,000 of assessed valuation. The rate levied for the Council for fiscal year 2025 was 0.4500 mills. Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for real and personal property located within Broward County. The adjusted assessed value on July 1, 2024, upon which the fiscal year 2025 levy was based, was approximately \$297.6 billion. There was \$1,223,161 in property taxes receivable from the tax collector on September 30, 2025.

Note 5. Capital Assets Activity

The following is a summary of capital asset activity for the fiscal year ended September 30, 2025:

| | <u>Balance at Oct. 1, 2024</u> | <u>Additions & Transfers</u> | <u>Retirements & Transfers</u> | <u>Balance at Sept. 30, 2025</u> |
|--|------------------------------------|--------------------------------------|--|--------------------------------------|
| Capital Assets: | | | | |
| Capital Assets Not Depreciated/Amortized: | | | | |
| Land | \$ 2,500,000 | \$ - | \$ - | \$ 2,500,000 |
| Intangibles-Work in Progress | 55,004 | 47,580 | (55,004) | 47,580 |
| Capital Assets Depreciated/Amortized: | | | | |
| Building | 6,141,162 | 150,776 | (27,144) | 6,264,794 |
| Building Infrastructure | 287,130 | 12,524 | - | 299,654 |
| Computer Hardware/Software | 447,025 | 47,247 | (22,793) | 471,479 |
| Intangible Assets | 474,468 | - | - | 474,468 |
| Furniture and Equipment | 118,518 | 56,033 | - | 174,551 |
| Software Subscription Assets | 339,541 | - | - | 339,541 |
| Intangible right to use leased equipment | 72,349 | 2,592 | - | 74,941 |
| Total Capital Assets | <u>10,435,197</u> | <u>316,752</u> | <u>(104,941)</u> | <u>10,647,008</u> |
| Less Accumulated Depreciation/Amortization: | | | | |
| Building | 3,048,743 | 210,244 | (20,340) | 3,238,647 |
| Building Infrastructure | 174,263 | 13,564 | - | 187,827 |
| Computer Hardware/Software | 346,883 | 103,177 | (22,793) | 427,267 |
| Intangible Assets | 401,918 | 72,550 | - | 474,468 |
| Furniture and Equipment | 63,945 | 20,064 | - | 84,009 |
| Software Subscription Assets | 169,770 | 84,886 | - | 254,656 |
| Intangible right to use leased equipment | 37,103 | 18,783 | - | 55,886 |
| Total Accumulated Depreciation/ Amortization | <u>4,242,625</u> | <u>523,268</u> | <u>(43,133)</u> | <u>4,722,760</u> |
| Capital Assets, Net | <u>\$ 6,192,572</u> | <u>\$ (206,516)</u> | <u>\$ (61,808)</u> | <u>\$ 5,924,248</u> |

Depreciation and amortization expense was charged to the following functions during the year:

| | |
|---|-------------------|
| Program Support | \$ 28,828 |
| General Administration | 494,440 |
| Total Depreciation & Amortization Expense | <u>\$ 523,268</u> |

**Children’s Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025**

Note 6. Retirement Plans

Florida Retirement System

General Information - All the Council’s employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost-sharing, multiple-employers defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (“Investment Plan”) alternative to the FRS Pension Plan, which is administered by the State Board of Administration (“SBA”).

Various classes of membership include Regular class members, Special Risk Administrative Support class members, Special Risk class members (sworn law enforcement officers, firefighters, correctional officers, etc.), Senior Management Service class members, and Elected Officers’ class members. The Council only has employees in two of these classes – Regular Class and Senior Management Service Class. Detailed plan information on the other classes can be found on the website referenced below.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:

www.dms.myflorida.com/workforce_operations/retirement/publications.

Generally, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county agency, district school board or state university or college within the State of Florida. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes and amendments to the law can be made only by an act of the Florida State Legislature.

The aggregate net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense as of September 30, 2025, for the FRS Pension and HIS Plans are listed below:

| | FRS | HIS | Total |
|--------------------------------|--------------|--------------|--------------|
| Net Pension Liability | \$ 5,104,259 | \$ 2,670,855 | \$ 7,775,114 |
| Deferred Outflows of Resources | 1,548,760 | 380,434 | 1,929,194 |
| Deferred Inflows of Resources | 1,150,687 | 652,471 | 1,803,158 |
| Pension Expense | 393,665 | 41,918 | 435,583 |

Note 6. Retirement Plans (Continued)

The Pension Plan

Plan Description – The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided – Benefits under the Pension Plan are computed based on age and/or years of service, average final compensation, and service credit. 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, are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. 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 for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular and Senior Management Service class members. In addition, the final average compensation for these members will be based on the eight highest years of salary. As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year.

If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 96 months beginning any time after the normal retirement date. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. Effective July 1, 2023, DROP accounts will accrue at an effective annual rate of 4%, compounded monthly on the prior month's accumulated ending balance, up to the month of termination or death, except as provided in Section 121.053(7), Florida Statutes. There are no required contributions by DROP participants.

The Investment Plan Option: 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. Council employees participating in DROP are not eligible to participate in the

Children's Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 6. Retirement Plans (Continued)

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, 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 choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts through September 30, 2025, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 11.30% and Senior Management Service class 12.67%.

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 related to the number of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Council.

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 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.

Contributions – 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, governmental employers are required to contribute to the FRS based on statewide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods

Note 6. Retirement Plans (Continued)

from October 1, 2024, through June 30, 2025, and from July 1, 2025, through September 30, 2025, respectively, were as follows: Regular—13.63% and 14.03%; Senior Management Service—34.52% and 33.24%; and DROP participants—21.13 % and 22.02%. These employer contribution rates include 2% HIS Plan subsidy for the periods October 1, 2024, through September 30, 2025. The Council's contributions, including employee contributions to the Pension Plan totaled \$1,768,284 for the fiscal year ended September 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the Council reported a liability of \$5,104,259 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The Council's proportionate share of the net pension liability was based on the Council's 2024/25 fiscal year contributions relative to the 2023-24 fiscal year contributions of all participating members. At June 30, 2025, the Council's proportionate share was 0.016446713 percent, which was a decrease of 0.001222781 percent from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the Council recognized pension expense of \$393,665. In addition, the Council reported deferred outflows of resources and deferred inflows of resources related to the Pension Plan from the following sources:

| Description | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Differences between expected and actual experience | \$ 545,189 | \$ - |
| Change of assumptions | 592,737 | - |
| Net difference between projected and actual earnings on Pension Plan investments | - | 852,208 |
| Changes in proportion and differences between Council Pension Plan contributions and proportionate share of contributions | 148,243 | 298,479 |
| Council Pension Plan contributions subsequent to measurement date | 262,591 | - |
| Total | <u>\$ 1,548,760</u> | <u>\$ 1,150,687</u> |

The deferred outflows of resources related to the Pension Plan, totaling \$262,591 resulting from Council contributions to the Plan subsequent to the measurement date, but before the end of the Council's reporting period, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026.

Children’s Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 6. Retirement Plans (Continued)

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

| Fiscal Year Ending September 30: | Amount |
|-------------------------------------|------------|
| 2026 | \$ 855,281 |
| 2027 | (216,579) |
| 2028 | (300,921) |
| 2029 | (202,300) |
| 2030 | - |

Actuarial Assumptions – The total pension liability in the July 1, 2026, actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.40 % |
| Salary increases | 3.50%, average, including inflation. |
| Investment rate of return | 6.70%, net of pension plan investment expense, including inflation. |

Mortality assumptions for the FRS Pension Plan were based on the PUB-2010 base table, projected generationally with Scale MP-2018. Actuarial assumptions used in the July 1, 2025, valuation, were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

Long-Term Expected Rate of Return – The long-term expected rate of return assumption of 6.70 percent consists of two building block components: 1) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2024 by the FRS Actuarial Assumption Conference; and 2) an inferred real (in excess of inflation) return of 4.20 percent. In the opinion of the FRS consulting actuary, Milliman, both components and the overall 6.70 percent return assumption were determined to be reasonable and appropriate per the Actuarial Standards of Practice.

The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The FRS 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 real return assumptions from Milliman’s model combined with the FRS Actuarial Assumption Conference’s 2.4% inflation assumption. These assumptions are not based on historical returns but instead are based on a forward-looking capital market economic model.

Note 6. Retirement Plans (Continued)

| Asset Class | Target Allocation⁽¹⁾ | Annual Arithmetic Return | Compound Annual (Geometric) Return | Annual Standard Deviation |
|--------------------------|--|---------------------------------|---|----------------------------------|
| Cash Equivalents | 1.0% | 3.2% | 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% | 1686.0% |
| Private Equity | 11.0% | 12.4% | 8.8% | 28.4% |
| Strategic Investments | 2.0% | 6.5% | 6.1% | 8.7% |
| Assumed Inflation – Mean | | | 2.4% | 1.5% |

⁽¹⁾ Summarized current target allocation policy, provided by AON Hewitt Investment Consulting to Milliman.

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 Council’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following represents the Council’s proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the Council’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 (5.70%) | Current Discount Rate (6.70%) | 1% Increase (7.70%) |
|--|--------------------------------|--|--------------------------------|
| Council’s proportionate share of the net pension liability | \$ 10,017,029 | \$ 5,104,259 | \$ 985,463 |

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.

Payables to the Pension Plan – At September 30, 2025, the Council reported a payable in the amount of \$154,439 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2025.

Children's Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 6. Retirement Plans (Continued)

HIS Plan

Plan Description – The 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 retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – Effective July 1, 2023, the level of monthly benefits increased from \$5 for each year of creditable service completed at the time of retirement, to \$7.50, with an increased minimum HIS payment of \$45 and a maximum HIS payment of \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS-participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the HIS contribution was 2% for the period October 1, 2024, through September 30, 2025. The Council contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The Council's contributions to the HIS Plan totaled \$20,095 for the fiscal year ended September 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the Council reported a liability of \$2,670,855 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The Council's proportionate share of the net pension liability was based on the Council's 2024/25 fiscal year contributions relative to the 2023/24 fiscal year contributions of all participating members.

At June 30, 2025, the Council's proportionate share was 0.020837657 percent, which was an increase of 0.001542138 percent from its proportionate share measured as of June 30, 2024. For the fiscal year ended September 30, 2025, the Council recognized HIS pension expense of \$41,918.

In addition, the Council reported deferred outflows of resources and deferred inflows of resources related to the HIS plan from the following sources:

Note 6. Retirement Plans (Continued)

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 15,943 | \$ 4,237 |
| Change of assumptions | 23,640 | 646,011 |
| Net difference between projected and actual earnings on HIS Plan investments | - | 2,223 |
| Changes in proportion and differences between Council HIS Plan contributions and proportionate share of contributions | 290,957 | - |
| Council HIS Plan contributions subsequent to the measurement date | 49,894 | - |
| Total | <u>\$ 380,434</u> | <u>\$ 652,471</u> |

The deferred outflows of resources related to the HIS Plan, totaling \$49,894 resulting from Council contributions to the Plan subsequent to the measurement date, but before the end of the Council's reporting period, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026.

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: | Amount |
|-------------------------------------|-------------|
| 2026 | \$ (46,273) |
| 2027 | (90,160) |
| 2028 | (80,167) |
| 2029 | (63,738) |
| 2030 | (41,593) |
| Thereafter | - |

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

| | |
|---------------------|--------------------------------------|
| Inflation | 2.40 % |
| Salary increases | 3.50%, average, including inflation. |
| Municipal bond rate | 5.20% |

Mortality rates were based on the PUB-2010 with Projection Scale MP-2018 tables. The actuarial assumptions used in the July 1, 2025, valuation was based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

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

**Children’s Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025**

Note 6. Retirement Plans (Continued)

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, and the single equivalent discount rate is equal to the municipal bond rate adopted by the FRS Actuarial Assumption Conference. The discount rate used in the June 30, 2025, liability measurement was 5.20%, an increase of 1.27% from the discount rate of 3.93% used in the previous year. The change is the result of changes in the applicable municipal bond index between the dates.

Sensitivity of the Council’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following represents the Council’s proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the Council’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 (4.20%) | Current Discount Rate (5.20%) | 1% Increase (6.20%) |
|--|--------------------------------|--|--------------------------------|
| Council’s proportionate share of the net pension liability | \$ 3,011,819 | \$ 2,670,855 | \$ 2,384,895 |

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.

Payables to the Pension Plan – At September 30, 2025, the Council reported a payable in the amount of \$1,740 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2025.

Deferred Compensation Plan

The Council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The Plan is managed by the State of Florida Department of Retirement Services, is available to all full-time employees and permits them to defer a portion of their salary. Under the provisions of IRC Section 457, all assets and income are managed by a third-party administrator with no relationship to the Council. Accordingly, the assets and liabilities of the Plan are not included in the Council’s financial statements.

Note 7. Post-Employment Benefits Other Than Pensions (OPEB)

General Information about the OPEB Plan

Plan description – The Council's defined benefit OPEB plan, provides OPEB for all permanent full-time employees, and is a single employer benefit plan administered by the Council. Chapter 627 of the Florida Statutes requires that the Council make health coverage available to retirees at the employer's group rate. The Council provides no funding for any portion of the premiums after retirement. However, the Council recognizes that there is an "implicit subsidy" arising because of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. 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. It is the Council's current policy to fund the plan on a "pay-as-you-go" basis. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided – Employees who retire from the Council and their dependents are eligible to continue to participate in the Council's health insurance, life insurance, and long-term care benefits currently offered through the Council at the "blended" employee group rate, which the Council determines on an annual basis. The retiree must continue to meet all participation requirements and pay all applicable premiums by the specified due date. Life insurance and long-term care benefits are portable, and the retiree must pay premiums to the carrier directly.

Employees covered by the benefit terms – As of September 30, 2025, there are no retirees participating in the group health program, and ninety-four (94) active employees with health insurance coverage. There are twelve (12) active employees without coverage who are assumed not to elect retiree health coverage and do not generate GASB Statement No.75 liabilities.

Total OPEB Liability

The Council's total OPEB liability of \$113,155 was measured on September 30, 2025, and determined by an interim actuarial valuation as of that date.

Actuarial assumptions and other inputs: The discount rate used in the interim valuation on September 30, 2025, was 4.42%. This represents an increase of 0.54% from the previous year's discount rate of 3.88%. The change is due to fluctuations in the applicable municipal bond index between these dates. The healthcare trend rate used was 4.5%, a decrease of 3.5% from the 8.00% used in prior year and is based on the ultimate healthcare rate. The payroll growth assumption is based on the Florida Retirement Systems actuarial valuation as of July 1, 2024. Mortality rates used for healthy retirees were based on Pub 2016 General Employee Mortality Table, Headcount weighted, Fully Generational using scale MP-2021, while rates for Surviving Spouses were based on Pub 2016 Contingent Survivor Mortality Table, Headcount weighted, Fully Generational using scale MP-2021.

**Children’s Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025**

Note 7. Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

Changes in the Total OPEB Liability

| | Total OPEB Liability |
|--|---------------------------------|
| Balance at 9/30/2024 | \$ 55,564 |
| Changes for the fiscal year: | |
| Service Cost | 3,976 |
| Interest | 2,310 |
| Differences between expected and actual experience | (10,466) |
| Changes in assumptions for other inputs | 61,771 |
| Net changes | <u>57,591</u> |
| Balance at 9/30/2025 | <u>\$ 113,155</u> |

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

The following presents the total OPEB liability of the Council, as well as what the Council’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.42%), or one percentage higher (5.42%) than the current discount rate:

| | 1% Decrease (3.42%) | Discount Rate (4.42%) | 1% Increase (5.42%) |
|----------------------|--------------------------------|----------------------------------|--------------------------------|
| Total OPEB Liability | \$118,063 | \$113,155 | \$107,747 |

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate – The following presents the total OPEB liability of the Council, as well as what the Council’s total OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower (3.5%), or one percentage higher (5.5%) than the current healthcare trend rate:

| | 1% Decrease (3.5%) | Healthcare Trend Rate (4.5%) | 1% Increase (5.5%) |
|----------------------|-------------------------------|---|-------------------------------|
| Total OPEB Liability | \$98,480 | \$113,155 | \$130,101 |

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB - For the fiscal year ended September 30, 2025, the Council recognized a decrease in OPEB expense of \$2,766. The Council reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Note 7. Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

| Description: | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ - | \$ 11,122 |
| Changes of assumptions or other inputs | 52,863 | 15,661 |
| Total | \$ 52,863 | \$ 26,783 |

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

| Fiscal Year Ending September 30: | Amount |
|-------------------------------------|------------|
| 2026 | \$ (5,877) |
| 2027 | 10,803 |
| 2028 | 10,893 |
| 2029 | 10,261 |

Note 8. Insurance Activities

The Council is exposed to the 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 Council purchases commercial insurance to cover the various risks. Retention of risks is limited to the excess of those that are insured, those that are uninsurable, and deductibles ranging generally from \$1,000 to \$2,500 per occurrence. There were no settled claims that exceeded insurance coverage since the inception of the Council. The Council 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 Council's budget for the Chair, Vice-Chair, Secretary and President/CEO. This surety bond is included in the insurance coverage purchased through commercial carriers.

Note 9. Leases Payable

For the year ended September 30, 2025, the financial statements include GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement established a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On October 1, 2024, the Council entered into a 36-month lease as Lessee for the use of a 2023 Toyota Rav4. An initial lease liability was recorded in the amount of \$23,651. As of September 30, 2025, the value of the lease liability is \$8,110. The Council is required to make monthly

**Children’s Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025**

Note 9. Leases Payable (Continued)

fixed payments of \$687. The lease has an interest rate of 3.0410%. The Equipment estimated useful life was 36 months as of the contract commencement. The value of the right to use asset as of September 30, 2025, of \$23,651 with accumulated amortization of \$15,767.

Previously, the Council entered into a 60-month lease as Lessee for the use of Toshiba E-Studio. An initial lease liability was recorded in the amount of \$48,698. As of September 30, 2025, the value of the lease liability is \$11,295. The Council is required to make monthly fixed payments of \$826. The lease has an interest rate of 0.7120%. The Equipment estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of September 30, 2025, of \$51,290 with accumulated amortization of \$40,118.

Amount of Lease Assets by Major Class of Underlying Asset

| <u>Asset Class</u> | <u>As of Fiscal Year-end</u> | |
|--------------------|------------------------------|---------------------------------|
| | <u>Lease Asset Value</u> | <u>Accumulated Amortization</u> |
| Equipment | \$ 74,941 | \$ 55,886 |

At September 30, 2025, the lease principal and interest requirements to maturity are:

| <u>Fiscal Year</u> | <u>Governmental Activities</u> | | |
|--------------------|--------------------------------|--------------------------|-----------------------|
| | <u>Principal Payments</u> | <u>Interest Payments</u> | <u>Total Payments</u> |
| 2026 | \$ 19,406 | \$ 178 | \$ 19,584 |
| Total | \$ 19,406 | \$ 178 | \$ 19,584 |

The Council is prohibited by statute from having debt, therefore lease principal and interest payments are reported in the financials as lease and subscription expenditures and not debt service expenditures.

Note 10. Subscriptions Payable

For the year ended September 30, 2025, the financial statements include GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. 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, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

Previously, the Council, entered into a 48-month subscription for the use of OpenGov Software. An initial subscription liability was recorded in the amount of \$339,541. As of September 30, 2025, the value of the subscription liability is \$86,259. The Council is required to make annual fixed payments of \$89,200. The subscription has an interest rate of 3.4090%. The value of the right to use asset as of September 30, 2025, is \$339,541 with accumulated amortization of \$254,656.

Amount of Subscription Assets by Major Class of Underlying Asset

| <u>Asset Class</u> | <u>As of Fiscal Year-end</u> | |
|--------------------|------------------------------|---------------------------------|
| | <u>Lease Asset Value</u> | <u>Accumulated Amortization</u> |
| Software | \$ 339,541 | \$ 254,656 |

At September 30, 2025, the subscription principal and interest requirements to maturity are:

| <u>Fiscal Year</u> | <u>Governmental Activities</u> | | |
|--------------------|--------------------------------|--------------------------|-----------------------|
| | <u>Principal Payments</u> | <u>Interest Payments</u> | <u>Total Payments</u> |
| 2026 | \$ 86,259 | \$ 2,941 | \$ 89,200 |
| Total | \$ 86,259 | \$ 2,941 | \$ 89,200 |

The Council is prohibited by statute from having debt, therefore subscription principal and interest payments are reported in the financials as subscription software expenditures and not debt service expenditures.

**Children’s Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025**

Note 11. Long-Term Liabilities

The following is a summary of long-term liabilities for fiscal year ended September 30, 2025:

| | Beginning Balance Oct 1, 2024 | Additions | Reductions | Ending Balance Sept 30, 2025 | Amount Due Within One Year |
|---------------------------|-------------------------------------|-------------------|-----------------------|------------------------------------|-------------------------------|
| Compensated Absences | \$ 1,566,907 | \$ 766,298 * | \$ - | \$ 2,333,205 | \$ 233,320 |
| Net Pension Liability: | - | | | - | |
| Florida Retirement System | 6,436,775 | - | (1,332,516) | 5,104,259 | - |
| Health Insurance Subsidy | 2,957,492 | - | (286,637) | 2,670,855 | - |
| Total OPEB Liability | 55,564 | 57,591 | - | 113,155 | - |
| Lease | 35,665 | 2,592 | (18,851) | 19,406 | 19,406 |
| Subscription | 169,675 | - | (83,416) | 86,259 | 86,259 |
| Total | <u>\$ 11,222,078</u> | <u>\$ 826,481</u> | <u>\$ (1,721,420)</u> | <u>\$ 10,327,139</u> | <u>\$ 338,985</u> |

*The change in the compensated absences liability is presented as a net change.

Note 12. Commitments and Contingencies

Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Significant encumbrances, which are reported within assigned fund balance as of September 30, 2025, that will be re-appropriated in the subsequent year are as follows:

| | |
|--|---------------------|
| General Fund: | |
| Program Services | \$ 2,238,026 |
| Program Support & General Administration | 602,979 |
| Facilities Reserves | 212,715 |
| Capital Outlay | 347,034 |
| Total Encumbrances | <u>\$ 3,400,754</u> |

Note 13. Fund Balance

In accordance with GASB No. 54, fund balances (Note 1) are classified as follows:

- **Nonspendable Fund Balance** – amounts that are not in spendable form or are legally or contractually required to be maintained intact. The Council classified \$259,472 of prepaid items as Nonspendable since these items are not expected to be converted to cash.
- **Restricted Fund Balance** – amounts constrained to specific purposes by external providers (such as grantors) or imposed by law through constitutional provisions, or by enabling legislation. The Council does not have any Restricted Fund Balance.
- **Committed Fund Balance** – amounts constrained to specific purposes by the formal action of the Council itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the Council Members take the same highest-level action (i.e. Issue Paper) to remove or change the constraint. The Council committed \$10,000,000 to Fund Balance for Building Fund to prepare for future growth.
- **Assigned Fund Balance** – amounts the Council intends to use for a specific purpose but are neither restricted nor committed. Intent can be expressed by the Council Members or by an official to which the Council Members delegate authority. The Council has a total of \$27,450,754 in Assigned Fund Balance, which can be further classified as follows: (1) Assigned for Outstanding Encumbrances, \$3,400,754, and (2) Assigned for Subsequent Year's Budget, \$24,050,000. This latter amount was assigned for programmatic purposes and appropriated in the subsequent year's budget to offset additional ad valorem taxes.
- **Unassigned Fund Balance** – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. The Council adopted a minimum fund balance policy to be used for unanticipated emergencies of approximately 17% or two months of the annual operating budget. This minimum fund amount of Unassigned Fund Balance for the FY25 is \$26,038,293. The remaining Unassigned Fund Balance is \$26,508,566.

Note 14. Grant Funding

Funding agreements for grants are executed on an annual basis. The release of funds is subject to terms and deliverables agreed upon with the grantor agencies. As of September 30, 2025, the Council reported \$2,406,216 of grant funding which includes \$467,935 of State matching funds from the State of Florida Department of Children and Families, \$1,938,281 Promise Neighborhood federal pass-through grant with Broward College and \$1,834,294 Promise Neighborhood federal pass-through grant with Florida Atlantic University. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

Children's Services Council of Broward County
Notes to Basic Financial Statements
September 30, 2025

Note 15. Contingency - Legislative Matters

During the 2026 Florida Legislative Session, the Florida House of Representatives passed a proposed constitutional amendment that would potentially eliminate all non-school property taxes on homesteaded properties. The constitutional amendment is subject to further legislative action and statewide voter approval. The Florida Senate has not advanced a companion measure, and the outcome of these proposals remains uncertain. If enacted, such changes could affect future property tax revenues for certain local governments. Management is monitoring these developments, but no impact to the Council's financial statements is presently determinable.





**REQUIRED
SUPPLEMENTARY
INFORMATION**

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget to Actual Comparison
Fiscal Year Ended September 30, 2025

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> |
|---------------------------------------|----------------------------|---------------------|--------------------|---------------------------------------|
| Revenues | | | | |
| Ad Valorem Taxes | \$ 127,236,430 | \$ 127,236,430 | \$ 128,444,140 | \$ 1,207,710 |
| Grant Funding | 1,030,000 | 4,427,423 | 2,406,216 | (2,021,207) |
| Investment Earnings | 500,000 | 500,000 | 6,775,712 | 6,275,712 |
| Miscellaneous Local | 800,000 | 1,000,370 | 988,290 | (12,080) |
| Total Revenues | <u>129,566,430</u> | <u>133,164,223</u> | <u>138,614,358</u> | <u>5,450,135</u> |
| Expenditures | | | | |
| Program Services & Support | | | | |
| Program Services | 132,095,231 | 134,967,959 | 117,702,694 | 17,265,265 |
| Monitoring/Outcome Materials | 124,870 | 124,870 | 101,156 | 23,714 |
| Employee Salaries and Benefits | 10,116,068 | 11,207,770 | 9,504,167 | 1,703,603 |
| Other Consultants | 15,000 | 24,423 | 7,464 | 16,959 |
| Material and Supplies | 10,200 | 35,700 | 14,208 | 21,492 |
| Printing and Advertising | 16,200 | 17,200 | 9,249 | 7,951 |
| Software Maintenance | 207,760 | 225,573 | 141,044 | 84,529 |
| Travel and Other Expenditures | 231,780 | 263,325 | 108,067 | 155,258 |
| Total Program Services & Support | <u>142,817,109</u> | <u>146,866,820</u> | <u>127,588,049</u> | <u>19,278,771</u> |
| General Administration | | | | |
| Employee Salaries and Benefits | 4,323,642 | 4,323,642 | 3,950,331 | 373,311 |
| Legal Fees | 45,000 | 48,094 | 31,136 | 16,958 |
| Auditors and Other Consultants | 113,500 | 117,258 | 53,464 | 63,794 |
| Materials and Supplies | 139,701 | 139,701 | 90,502 | 49,199 |
| Printing and Advertising | 18,600 | 18,600 | 6,521 | 12,079 |
| Other General Administration | 691,901 | 1,050,012 | 581,269 | 468,743 |
| Telecommunications | 45,430 | 48,437 | 32,967 | 15,470 |
| Travel and Other Expenditures | 258,065 | 271,808 | 178,563 | 93,245 |
| Tax Collection Fees | 727,837 | 727,837 | 720,235 | 7,602 |
| Community Redevelopment Area Fees | 3,786,645 | 3,786,645 | 3,768,818 | 17,827 |
| Total General Administration | <u>10,150,321</u> | <u>10,532,034</u> | <u>9,413,806</u> | <u>1,118,228</u> |
| Capital Outlay | | | | |
| Computer Hardware/Software | 80,000 | 366,712 | 47,246 | 319,466 |
| Furniture/Equipment | - | 56,034 | 56,033 | 1 |
| Remodeling/Renovations | - | 108,297 | 108,296 | 1 |
| Total Capital Outlay | <u>80,000</u> | <u>531,043</u> | <u>211,575</u> | <u>319,468</u> |

See accompanying independent auditor's report.

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget to Actual Comparison
Fiscal Year Ended September 30, 2025 (continued)**

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget</u> |
|--|----------------------------|------------------------|----------------------|---------------------------------------|
| Lease and Subscription Software Expenditures | | | | |
| Lease Principal Payment | \$ 28,929 | \$ 28,829 | \$ 18,851 | \$ 9,978 |
| Lease Interest Payment | 871 | 971 | 495 | 476 |
| Subscription Software Principal Payment | 86,259 | 83,416 | 83,416 | - |
| Subscription Software Interest Payment | 2,941 | 5,784 | 5,784 | - |
| Total Lease And Subscription Software Expenditures | <u>119,000</u> | <u>119,000</u> | <u>108,546</u> | <u>10,454</u> |
| Total Expenditures | <u>153,166,430</u> | <u>158,048,897</u> | <u>137,321,976</u> | <u>20,726,921</u> |
| Excess (Deficiency) of Revenues over (Under) Expenditures | <u>\$ (23,600,000)</u> | <u>\$ (24,884,674)</u> | <u>1,292,382</u> | <u>\$ 26,177,056</u> |
| Beginning Fund Balance | | | 88,964,703 | |
| Ending Fund Balance | | | <u>\$ 90,257,085</u> | |

Notes to Schedule:

Note 1 : An annual appropriated budget is adopted for the General Fund on a basis consistent with accounting principles generally accepted in the United States (GAAP). The Council follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Program budget discussions are held by the Council in May. The total tentative budget is approved by the Council in June.
- b) The Council submits a tentative budget and millage rate to the Broward County Commission by July 1st.
- c) The Council holds two public hearings in September as required under the Truth in Millage (TRIM) Act to obtain taxpayers comments.
- d) Prior to October 1, usually at the last TRIM hearing held in September, a budget is legally enacted through the passage of a resolution.
- e) The Council, by approval of an Issue Paper, may make supplemental appropriations during the year.
- f) The level of control at which expenditures may not legally exceed the budget is at the function level. Transfer of appropriations between functions require Council approval.
- g) Appropriations in all budgeted funds lapse at fiscal year-end. Encumbered amounts are re-appropriated in the following year's budget. Encumbrances are commitments related to unperformed (executory) contracts or services.
- h) Budgeted amounts are as originally adopted or as amended.

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Schedule of Proportionate Share of the Council's Net Pension Liability
Florida Retirement System - Pension Plan*
Last Ten Years

| | <u>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|---|---------------|---------------|---------------|---------------|
| Children's Services Council of Broward County's proportion of the net pension liability | 0.0164467130% | 0.0166390700% | 0.0176694940% | 0.0180398486% |
| Children's Services Council of Broward County's proportionate share of the net pension liability | \$ 5,104,259 | \$ 6,436,775 | \$ 7,040,734 | \$ 6,712,273 |
| Children's Services Council of Broward County's covered payroll | \$ 9,309,860 | \$ 8,368,207 | \$ 7,644,474 | \$ 6,852,359 |
| Children's Services Council of Broward County's proportionate share of the net pension liability as a percentage of its covered payroll | 54.83% | 76.92% | 92.10% | 97.96% |
| Plan fiduciary net position as a percentage of the total pension liability | 87.26% | 83.70% | 82.38% | 82.89% |

Notes to Schedule:

- * The amounts presented for each fiscal year were determined as of 6/30.
- ** The Council's NPL at 2017 increased by \$1,327, due to implementation of GASB 75.
- *** The Council's NPL at 2019 decreased by \$137, due to restatement as a result of a correction.

| 2021 | 2020 | 2019*** | 2018 | 2017** | 2016 |
|---------------|---------------|----------------|---------------|---------------|---------------|
| 0.0170273950% | 0.0151395620% | 0.0146091890% | 0.0141696770% | 0.0130672500% | 0.0113309120% |
| \$ 1,286,226 | \$ 6,561,709 | \$ 5,031,064 | \$ 4,267,980 | \$ 3,866,532 | \$ 2,861,064 |
| \$ 6,435,890 | \$ 5,902,575 | \$ 5,599,625 | \$ 5,261,889 | \$ 4,911,095 | \$ 4,331,964 |
| 19.99% | 111.17% | 89.85% | 81.11% | 78.73% | 66.05% |
| 96.40% | 78.85% | 82.61% | 84.26% | 83.89% | 84.88% |

See accompanying independent auditor's report.

**Schedule of the Council's Contributions
Florida Retirement System - Pension Plan*
Last Ten Years**

| | 2025 | 2024 | 2023 | 2022 |
|--|--------------|--------------|--------------|--------------|
| Contractually required contribution | \$ 1,501,948 | \$ 1,379,223 | \$ 1,201,081 | \$ 972,332 |
| Contributions in relation to the contractually required contribution | (1,501,948) | (1,379,223) | (1,201,081) | (972,332) |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Children's Services Council of Broward County's covered payroll | \$ 9,622,728 | \$ 8,577,877 | \$ 7,845,261 | \$ 6,931,431 |
| Contribution as a percentage of covered payroll | 15.61% | 16.08% | 15.31% | 14.03% |

Notes to Schedule:

* The amounts presented for each fiscal year were determined as of 9/30.

| 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|
| \$ 862,779 | \$ 699,118 | \$ 620,901 | \$ 565,166 | \$ 509,611 | \$ 432,047 |
| (862,779) | (699,118) | (620,901) | (565,166) | (509,611) | (432,047) |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 6,605,554 13.06% | \$ 6,009,485 11.63% | \$ 5,651,279 10.99% | \$ 5,347,394 10.57% | \$ 5,047,763 10.10% | \$ 4,482,724 9.64% |

See accompanying independent auditor's report.

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Schedule of Proportionate Share of the Council's Net Pension Liability
Florida Retirement System-Health Insurance Subsidy Program*
Last Ten Years**

| | <u>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|---|--------------|--------------|--------------|--------------|
| Children's Services Council of Broward County's proportion of the net pension liability | 0.020837657% | 0.019715332% | 0.019295519% | 0.018802897% |
| Children's Services Council of Broward County's proportionate share of the net pension liability | \$ 2,670,855 | \$ 2,957,492 | \$ 3,064,386 | \$ 1,991,527 |
| Children's Services Council of Broward County's covered payroll | \$ 9,309,860 | \$ 8,368,207 | \$ 7,644,474 | \$ 6,852,359 |
| Children's Services Council of Broward County's proportionate share of the net pension liability as a percentage of its covered payroll | 28.69% | 35.34% | 40.09% | 29.06% |
| Plan fiduciary net position as a percentage of the total pension liability | 6.36% | 4.80% | 4.12% | 4.81% |

Notes to Schedule:

* The amounts presented for each fiscal year were determined as of 6/30.

| 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| 0.018179970% | 0.017006769% | 0.016737603% | 0.016110368% | 0.015407438% | 0.014032569% |
| \$ 2,230,047 | \$ 2,076,499 | \$ 1,872,770 | \$ 1,705,139 | \$ 1,647,434 | \$ 1,635,438 |
| \$ 6,435,890 | \$ 5,902,575 | \$ 5,599,625 | \$ 5,261,889 | \$ 4,911,095 | \$ 4,331,964 |
| 34.65% | 35.18% | 33.44% | 32.41% | 33.55% | 37.75% |
| 3.56% | 3.00% | 2.63% | 2.15% | 1.64% | 0.97% |

See accompanying independent auditor's report.

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Schedule of the Council's Contributions
Florida Retirement System-Health Insurance Subsidy Program*
Last Ten Years

| | <u>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|--|-----------------|-----------------|-----------------|-----------------|
| Contractually required contribution | \$ 20,095 | \$ 19,178 | \$ 15,536 | \$ 12,359 |
| Contributions in relation to the contractually required contribution | <u>(20,095)</u> | <u>(19,178)</u> | <u>(15,536)</u> | <u>(12,359)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Children's Services Council of Broward County's covered payroll | \$ 9,622,728 | \$ 8,577,877 | \$ 7,845,261 | \$ 6,931,431 |
| Contribution as a percentage of covered payroll | 0.21% | 0.22% | 0.20% | 0.18% |

Notes to Schedule:

* The amounts presented for each fiscal year were determined as of 9/30.

| 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$ 10,991 | \$ 8,720 | \$ 7,635 | \$ 7,049 | \$ 5,708 | \$ 4,756 |
| (10,991) | (8,720) | (7,635) | (7,049) | (5,708) | (4,756) |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 6,605,554 | \$ 6,009,485 | \$ 5,651,279 | \$ 5,347,394 | \$ 5,047,763 | \$ 4,482,724 |
| 0.17% | 0.15% | 0.14% | 0.13% | 0.11% | 0.11% |

See accompanying independent auditor's report.

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Schedule of Changes in Total OPEB Liability and Related Ratios
Fiscal Year Ended September 30, 2025

| | <u>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|--|-------------------|------------------|------------------|------------------|
| Total OPEB Liability: | | | | |
| Service cost | \$ 3,976 | \$ 3,373 | \$ 2,946 | \$ 3,898 |
| Interest | 2,310 | 2,319 | 1,988 | 1,081 |
| Differences between expected and actual experience | (10,466) | (2,024) | (1,294) | (3,590) |
| Changes in assumptions | 61,771 | 5,180 | 845 | (5,527) |
| Benefit payments | - | - | - | - |
| Net Change in total OPEB liability | <u>57,591</u> | <u>8,848</u> | <u>4,485</u> | <u>(4,138)</u> |
| Total OPEB liability- beginning | 55,564 | 46,716 | 42,231 | 46,369 |
| Total OPEB liability- ending | <u>\$ 113,155</u> | <u>\$ 55,564</u> | <u>\$ 46,716</u> | <u>\$ 42,231</u> |
| Covered-employee payroll | \$ 9,678,052 | \$ 8,055,452 | \$ 7,632,504 | \$ 6,998,835 |
| Total OPEB liability as a percentage of covered-employee payroll | 1.17% | 0.69% | 0.61% | 0.60% |

Notes to Schedule:

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

| | |
|------|-------|
| 2025 | 4.42% |
| 2024 | 3.88% |
| 2023 | 4.63% |
| 2022 | 4.40% |
| 2021 | 2.15% |
| 2020 | 2.41% |
| 2019 | 2.75% |
| 2018 | 3.83% |
| 2017 | 3.50% |

Note 1: GASB 75 requires information for ten years. However, until a full ten year trend is compiled, information is presented for only those years for which information is available.

Note 2: Plan Assets: No assets are accumulated in a trust that meets all of the criteria of GASB No. 75, paragraph 4, to pay benefits.

| 2021 | 2020 | 2019 | 2018 | 2017 |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 16,638 | \$ 15,691 | \$ 13,883 | \$ 14,183 | \$ 28,867 |
| 3,240 | 3,255 | 4,654 | 3,887 | 5,505 |
| (1,800) | (2,012) | (23,396) | (3,751) | (30,071) |
| (87,329) | 1,851 | 1,387 | (1,980) | (79,636) |
| (4,314) | (3,023) | - | (3,095) | (7,611) |
| (73,565) | 15,762 | (3,472) | 9,244 | (82,946) |
| 119,934 | 104,172 | 107,644 | 98,400 | 181,346 |
| <u>\$ 46,369</u> | <u>\$ 119,934</u> | <u>\$ 104,172</u> | <u>\$ 107,644</u> | <u>\$ 98,400</u> |
| <u>\$ 6,450,612</u> | <u>\$ 6,042,702</u> | <u>\$ 5,664,873</u> | <u>\$ 5,117,551</u> | <u>\$ 4,987,866</u> |
| 0.72% | 1.98% | 1.84% | 2.10% | 1.97% |

See accompanying independent auditor's report.





**STATISTICAL
SECTION**

Statistical Section

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the Council's financial performance and well-being have changed over time.

| | |
|---|-----|
| Net Position by Component -Last Ten Fiscal Years..... | 107 |
| Changes in Net Position -Last Ten Fiscal Years..... | 108 |
| Fund Balance, Governmental Funds -Last Ten Fiscal Years..... | 110 |
| Changes in Fund Balance, Governmental Funds -Last Ten Fiscal Years..... | 112 |

REVENUE CAPACITY

These schedules contain information to help the reader assess the Council's most significant local revenue source, the property tax.

| | |
|---|-----|
| Assessed Value and Actual Value of Taxable Property- Last Ten Fiscal Years..... | 114 |
| Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years..... | 116 |
| Principal Property Taxpayers - Current Year and Nine Years Ago..... | 118 |
| Property Tax Levies and Collections - Last Ten Fiscal Years..... | 120 |

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Council's financial activities take place.

| | |
|--|-----|
| Demographic and Economic Statistics - Last Ten Fiscal Years..... | 122 |
| Principal Employers - Current Year and Nine Years Ago..... | 124 |

OPERATING INFORMATION

These schedules contain service data to help the reader understand how the information in the Council's financial report relates to the services provided and the activities performed.

| | |
|---|-----|
| Full-Time Equivalent Employees by Function - Last Ten Fiscal Years..... | 126 |
| Operating Indicators - Last Ten Fiscal Years..... | 127 |
| Program Budget Indicators - Last Ten Fiscal Years..... | 128 |

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

Governmental Activities

| Fiscal Year | Governmental Activities | | | Total primary government net position |
|-------------|----------------------------------|------------|---------------|---------------------------------------|
| | Net Investment in Capital Assets | Restricted | Unrestricted | |
| 2016 | \$ 7,420,106 | \$ - | \$ 10,527,935 | \$ 17,948,041 |
| 2017 | 7,284,713 | - | 12,130,721 | 19,415,434 |
| 2018 | 7,510,054 | - | 13,648,440 | 21,158,494 |
| 2019 | 7,335,452 | - | 19,157,118 | 26,492,570 |
| 2020 | 7,004,338 | - | 34,230,841 | 41,235,179 |
| 2021 | 6,665,223 | - | 54,698,032 | 61,363,255 |
| 2022 | 6,811,259 | - | 63,572,204 | 70,383,463 |
| 2023 | 6,337,441 | - | 69,745,350 | 76,082,791 |
| 2024 | 5,987,232 | - | 79,223,294 | 85,210,526 |
| 2025 | 5,818,583 | - | 80,187,727 | 86,006,310 |

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2016 | 2017 | 2018 | 2019 |
| Expenses | | | | |
| Governmental activities: | | | | |
| Program Services: | | | | |
| Program Services | \$ 61,201,151 | \$ 65,126,956 | \$ 71,309,031 | \$ 72,311,772 |
| Program Support | 6,178,792 | 6,460,890 | 6,378,356 | 6,451,480 |
| Total Program Services | <u>67,379,943</u> | <u>71,587,846</u> | <u>77,687,387</u> | <u>78,763,252</u> |
| General Administration: | | | | |
| Personal Services | 2,004,709 | 2,341,237 | 2,547,538 | 2,873,911 |
| Materials and Services | 937,488 | 928,985 | 948,319 | 1,077,493 |
| Community Redevelopment and Tax Collector Fees | <u>2,393,301</u> | <u>2,782,040</u> | <u>3,016,175</u> | <u>2,875,492</u> |
| Total General Administration | <u>5,335,498</u> | <u>6,052,262</u> | <u>6,512,032</u> | <u>6,826,896</u> |
| Total primary government expenses | <u>\$ 72,715,441</u> | <u>\$ 77,640,108</u> | <u>\$ 84,199,419</u> | <u>\$ 85,590,148</u> |
| Program Revenues | | | | |
| Governmental activities: | | | | |
| Grant Funding, Restricted | <u>\$ 1,362,375</u> | <u>\$ 1,209,290</u> | <u>\$ 1,112,377</u> | <u>\$ -</u> |
| Total primary government program revenue | <u>\$ 1,362,375</u> | <u>\$ 1,209,290</u> | <u>\$ 1,112,377</u> | <u>\$ -</u> |
| Net Expense | | | | |
| Total primary government net expense | <u>\$ 71,353,066</u> | <u>\$ 76,430,818</u> | <u>\$ 83,087,042</u> | <u>\$ 85,590,148</u> |
| General Revenues & Other Changes in Net Position | | | | |
| Governmental activities: | | | | |
| Property Taxes | \$ 70,246,887 | \$ 75,990,468 | \$ 82,432,099 | \$ 88,063,546 |
| Investment Earnings (Loss) | 155,748 | 419,042 | 857,633 | 1,388,744 |
| Grant Funding, Unrestricted | 261,131 | 189,655 | 253,591 | 152,956 |
| Miscellaneous Local | <u>852,171</u> | <u>1,199,909</u> | <u>1,288,106</u> | <u>1,318,978</u> |
| Total primary government | <u>\$ 71,515,937</u> | <u>\$ 77,799,074</u> | <u>\$ 84,831,429</u> | <u>\$ 90,924,224</u> |
| Changes in Net Position | | | | |
| Total primary government | <u>\$ 162,871</u> | <u>\$ 1,368,256</u> | <u>\$ 1,744,387</u> | <u>\$ 5,334,076</u> |

| Fiscal Year | | | | | |
|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| \$ 68,686,479 | \$ 67,915,030 | \$ 78,501,492 | \$ 89,320,249 | \$ 100,109,961 | \$ 117,803,850 |
| 6,850,451 | 6,410,775 | 7,159,561 | 9,282,436 | 8,829,050 | 9,791,441 |
| <u>75,536,930</u> | <u>74,325,805</u> | <u>85,661,053</u> | <u>98,602,685</u> | <u>108,939,011</u> | <u>127,595,291</u> |
| 3,252,753 | 2,667,846 | 3,307,038 | 3,939,470 | 3,600,274 | 4,088,289 |
| 1,112,279 | 984,310 | 1,315,479 | 1,248,884 | 1,258,566 | 1,645,941 |
| 3,518,995 | 3,241,298 | 3,272,531 | 3,648,749 | 4,044,337 | 4,489,053 |
| 7,884,027 | 6,893,454 | 7,895,048 | 8,837,103 | 8,903,177 | 10,223,283 |
| <u>\$ 83,420,957</u> | <u>\$ 81,219,259</u> | <u>\$ 93,556,101</u> | <u>\$ 107,439,788</u> | <u>\$ 117,842,188</u> | <u>\$ 137,818,574</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| <u>\$ 83,420,957</u> | <u>\$ 81,219,259</u> | <u>\$ 93,556,101</u> | <u>\$ 107,439,788</u> | <u>\$ 117,842,188</u> | <u>\$ 137,818,574</u> |
| \$ 93,181,490 | \$ 98,310,585 | \$ 99,302,231 | \$ 105,403,582 | \$ 117,207,208 | \$ 128,444,140 |
| 955,209 | 116,029 | (10,338) | 5,130,695 | 7,265,618 | 6,775,712 |
| 2,794,195 | 1,323,315 | 1,495,351 | 888,149 | 861,933 | 2,406,216 |
| 1,232,535 | 1,597,406 | 1,789,065 | 1,716,690 | 1,635,164 | 988,290 |
| <u>\$ 98,163,429</u> | <u>\$ 101,347,335</u> | <u>\$ 102,576,309</u> | <u>\$ 113,139,116</u> | <u>\$ 126,969,923</u> | <u>\$ 138,614,358</u> |
| <u>\$ 14,742,472</u> | <u>\$ 20,128,076</u> | <u>\$ 9,020,208</u> | <u>\$ 5,699,328</u> | <u>\$ 9,127,735</u> | <u>\$ 795,784</u> |

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Fund Balance, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

| General Fund | | | | | |
|--------------|------------------------------|---------------------------|--------------------------|----------------------------|--------------------|
| Fiscal Year | Nonspendable Fund Balance | Committed Fund Balance | Assigned Fund Balance | Unassigned Fund Balance | Total General Fund |
| 2016 | \$ 86,691 | \$ - | \$ 5,507,406 | \$ 8,506,123 | \$ 14,100,220 |
| 2017 | 187,407 | - | 5,470,758 | 10,533,309 | 16,191,474 |
| 2018 | 225,777 | - | 6,815,653 | 11,388,991 | 18,430,421 |
| 2019 | 228,307 | - | 7,824,448 | 17,022,631 | 25,075,386 |
| 2020 | 185,322 | 3,000,000 | 10,293,454 | 27,991,534 | 41,470,310 |
| 2021 | 247,417 | 3,000,000 | 19,414,037 | 38,920,384 | 61,581,838 |
| 2022 | 217,601 | 3,000,000 | 19,366,931 | 48,631,341 | 71,215,873 |
| 2023 | 179,981 | 6,000,000 | 20,235,194 | 52,864,866 | 79,280,041 |
| 2024 | 200,128 | 10,000,000 | 25,149,753 | 53,614,822 | 88,964,703 |
| 2025 | 259,472 | 10,000,000 | 27,450,754 | 52,546,859 | 90,257,085 |



CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | |
|---|-------------------|---------------------|---------------------|---------------------|
| | 2016 | 2017 | 2018 | 2019 |
| Revenues | | | | |
| Ad Valorem Taxes | \$ 70,246,887 | \$ 75,990,468 | \$ 82,432,099 | \$ 88,063,546 |
| Investment Earnings (Loss) | 1,623,506 | 1,398,945 | 1,365,968 | 152,956 |
| Miscellaneous Local | 155,748 | 419,042 | 857,633 | 1,388,744 |
| Grant Funding | 852,171 | 1,199,909 | 1,288,106 | 1,318,978 |
| Total revenues | <u>72,878,312</u> | <u>79,008,364</u> | <u>85,943,806</u> | <u>90,924,224</u> |
| Expenditures | | | | |
| Program Services and Support | 67,032,175 | 71,271,782 | 77,678,631 | 78,030,206 |
| General Administration | 4,759,810 | 5,426,467 | 5,859,409 | 5,951,181 |
| Capital Outlay | 123,753 | 218,861 | 166,819 | 297,872 |
| Lease & Subscription Software Principal | - | - | - | - |
| Lease & Subscription Software Interest | - | - | - | - |
| Total expenditures | <u>71,915,738</u> | <u>76,917,110</u> | <u>83,704,859</u> | <u>84,279,259</u> |
| Net change in fund balance | <u>\$ 962,574</u> | <u>\$ 2,091,254</u> | <u>\$ 2,238,947</u> | <u>\$ 6,644,965</u> |
| Lease & SBITA as a percentage of noncapital expenditures | -% | -% | -% | -% |

| | | | | | | | Fiscal Year | | | | | |
|-------------|-------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|--|
| 2020 | | 2021 | | 2022 | | 2023 | | 2024 | | 2025 | | |
| \$ | 93,181,490 | \$ | 98,310,585 | \$ | 99,302,231 | \$ | 105,403,582 | \$ | 117,207,208 | \$ | 128,444,140 | |
| | 955,209 | | 116,029 | | (10,338) | | 888,149 | | 7,265,618 | | 6,775,712 | |
| | 1,232,535 | | 1,597,406 | | 1,789,065 | | 5,130,695 | | 1,635,164 | | 988,290 | |
| | 2,794,195 | | 1,323,315 | | 1,495,351 | | 1,716,690 | | 861,933 | | 2,406,216 | |
| | <u>98,163,429</u> | | <u>101,347,335</u> | | <u>102,576,309</u> | | <u>113,139,116</u> | | <u>126,969,923</u> | | <u>138,614,358</u> | |
| | 74,777,670 | | 74,468,614 | | 85,354,774 | | 97,198,032 | | 108,753,992 | | 127,588,049 | |
| | 6,848,621 | | 6,643,357 | | 7,049,801 | | 7,517,878 | | 8,371,343 | | 9,413,806 | |
| | 142,214 | | 123,836 | | 525,661 | | 130,751 | | 51,504 | | 211,575 | |
| | - | | - | | 11,710 | | 226,072 | | 99,190 | | 102,267 | |
| | - | | - | | 328 | | 2,215 | | 9,232 | | 6,279 | |
| | <u>81,768,505</u> | | <u>81,235,807</u> | | <u>92,942,274</u> | | <u>105,074,948</u> | | <u>117,285,261</u> | | <u>137,321,976</u> | |
| \$ | <u>16,394,924</u> | \$ | <u>20,111,528</u> | \$ | <u>9,634,035</u> | \$ | <u>8,064,168</u> | \$ | <u>9,684,662</u> | \$ | <u>1,292,382</u> | |
| | -% | | -% | | 0.01% | | 0.22% | | 0.09% | | 0.07% | |

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
(In thousands of dollars)**

| Fiscal Year Ended September 30, | Residential Property | Commercial Property | Industrial Property | Other⁽¹⁾ |
|--|-----------------------------|----------------------------|----------------------------|----------------------------|
| 2016 | \$ 156,152,081 | \$ 28,616,976 | \$ 9,397,569 | \$ 21,820,864 |
| 2017 | 170,153,348 | 32,393,689 | 10,119,028 | 22,101,669 |
| 2018 | 183,297,977 | 34,796,819 | 11,300,024 | 22,649,372 |
| 2019 | 196,493,535 | 36,132,281 | 12,280,938 | 23,053,273 |
| 2020 | 208,284,424 | 38,272,374 | 13,500,718 | 23,484,703 |
| 2021 | 215,913,345 | 39,947,198 | 13,968,801 | 24,108,135 |
| 2022 | 229,202,878 | 40,197,491 | 15,094,570 | 24,927,905 |
| 2023 | 276,269,785 | 43,245,413 | 16,677,630 | 25,838,056 |
| 2024 | 329,368,238 | 47,043,140 | 18,780,006 | 26,810,961 |
| 2025 | 358,203,078 | 50,065,597 | 21,464,873 | 28,301,605 |

Source: Broward County Property Appraiser

⁽¹⁾ Agricultural property, vacant property of non-profit agricultural use and miscellaneous.

⁽²⁾ The Council's maximum tax rate is \$.50 per \$1,000 of assessed taxable value.

Note: The basis of assessed value is approximately one hundred percent (100%) of actual value.

Property in Broward County is reassessed annually.

| <u>Less: Tax-Exempt Property</u> | <u>Total Taxable Assessed Value</u> | <u>Total Council Tax Rate ⁽²⁾</u> |
|--------------------------------------|---|--|
| \$ 38,455,766 | \$ 177,531,724 | 0.4882 |
| 38,895,548 | 195,872,186 | 0.4882 |
| 40,062,909 | 211,981,283 | 0.4882 |
| 41,013,989 | 226,946,038 | 0.4882 |
| 41,925,149 | 241,617,070 | 0.4882 |
| 43,090,367 | 250,847,112 | 0.4882 |
| 44,471,526 | 264,951,318 | 0.4699 |
| 45,912,645 | 316,118,239 | 0.4500 |
| 47,301,888 | 374,700,457 | 0.4500 |
| 49,584,348 | 408,450,805 | 0.4500 |

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)**

| Fiscal Year | Council | | | Overlapping Rates (a) | | |
|-------------|-------------------|-------------------|------------|-----------------------|--------------------------------|---|
| | Basic Direct Rate | Debt Service Rate | Total Rate | Broward County (a) | School Board of Broward County | South Florida Water Management District |
| 2016 | 0.4882 | - | 0.4882 | 5.7230 | 7.2740 | 0.3551 |
| 2017 | 0.4882 | - | 0.4882 | 5.6690 | 6.9063 | 0.3307 |
| 2018 | 0.4882 | - | 0.4882 | 5.6690 | 6.5394 | 0.31 |
| 2019 | 0.4882 | - | 0.4882 | 5.6690 | 6.4029 | 0.2936 |
| 2020 | 0.4882 | - | 0.4882 | 5.6690 | 6.7393 | 0.2795 |
| 2021 | 0.4882 | - | 0.4882 | 5.6690 | 6.5052 | 0.2675 |
| 2022 | 0.4699 | - | 0.4699 | 5.6690 | 6.4621 | 0.2572 |
| 2023 | 0.4500 | - | 0.4500 | 5.6690 | 6.1383 | 0.2301 |
| 2024 | 0.4500 | - | 0.4500 | 5.6690 | 6.6156 | 0.2301 |
| 2025 | 0.4500 | - | 0.4500 | 5.6690 | 6.4655 | 0.2301 |

Source: Broward County Revenue Collection Division

(a) Includes levies for operating and debt service costs.

Note: The Council's maximum tax rate is \$.50 per \$1,000 of assessed taxable value.



**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Principal Property Taxpayers,
Current Year and Nine Years Ago
(Dollars in Thousands)**

| Taxpayer | 2016 | | |
|---|---------------------|-------------|--|
| | Taxes Levied | Rank | Percent to Aggregate Taxes Levied |
| Florida Power & Light Company | \$ 39,370 | 1 | 1.10% |
| Sunrise Mills Ltd | 9,649 | 2 | 0.27% |
| Diplomat Hotel Owner LLC. | 7,957 | 3 | 0.22% |
| Bellsouth Telecommunications Inc. | 6,540 | 4 | 0.18% |
| Wal-Mart Stores East | 5,631 | 5 | 0.16% |
| Arium Resort LLC | 4,325 | 6 | 0.12% |
| IH3 Property Florida LP, Altus Group US INC | 3,816 | 7 | 0.11% |
| Publix Supermarkets, Inc. | 3,745 | 8 | 0.10% |
| Harbor Beach Property LLC | 3,462 | 9 | 0.10% |
| RAR2-Las Olas Centre LLC | 3,015 | 10 | 0.08% |
| Hollywood FL Owner LLC | - | - | - |
| City of Fort Lauderdale | - | - | - |
| NXRT Pembroke LLC | - | - | - |
| SRP SUB LLC | - | - | - |
| Total principal taxpayers | \$ 87,510 | | 2.44% |

Source: Broward County Revenue Collector

| 2025 | | |
|-------------------|------|---|
| Taxes Levied | Rank | Percent to Aggregate Taxes Levied |
| \$ 109,303 | 1 | 1.61% |
| 17,233 | 2 | 0.25% |
| - | - | 0.00% |
| - | - | 0.00% |
| 6,012 | 9 | 0.09% |
| - | - | 0.00% |
| 5,321 | 10 | 0.08% |
| 6,642 | 6 | 0.10% |
| 6,348 | 8 | 0.11% |
| - | - | 0.00% |
| 12,553 | 3 | 0.18% |
| 7,505 | 4 | 0.11% |
| 7,067 | 5 | 0.10% |
| 6,427 | 7 | 0.09% |
| <u>\$ 184,411</u> | | <u>2.72%</u> |

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Property Tax Levies and Collections,
Last Ten Fiscal Years**

| Fiscal Year Ended September 30, | Total Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | |
|------------------------------------|---|--|--------------------|------------------------------------|
| | | Amount | Percentage of Levy | Collections in Subsequent Years |
| 2016 | \$ 73,794,596 | \$ 70,095,209 | 95.0% | \$ 88,515 |
| 2017 | 79,787,967 | 75,867,788 | 95.1% | 56,472 |
| 2018 | 86,905,516 | 82,347,473 | 94.8% | 69,000 |
| 2019 | 92,864,670 | 87,982,591 | 94.7% | 51,888 |
| 2020 | 98,373,350 | 93,116,487 | 94.7% | 126,617 |
| 2021 | 103,562,690 | 98,131,640 | 94.8% | 74,475 |
| 2022 | 104,706,427 | 99,186,314 | 94.7% | (36,558) |
| 2023 | 111,041,372 | 105,418,840 | 94.9% | (18,163) |
| 2024 | 123,247,801 | 117,116,035 | 95.0% | 78,405 |
| 2025 | 133,933,085 | 128,362,228 | 95.8% | - |

Source: Property Appraisers Office
The Children's Services Council - Finance Administration

Total Collections to Date

| | Amount | Percentage of Levy |
|----|---------------|---------------------------|
| \$ | 70,183,178 | 95.1% |
| | 75,923,239 | 95.2% |
| | 82,419,439 | 94.8% |
| | 88,035,979 | 94.8% |
| | 93,244,680 | 94.8% |
| | 98,215,426 | 94.8% |
| | 99,152,338 | 94.7% |
| | 105,466,545 | 95.0% |
| | 117,116,035 | 95.0% |
| | 128,362,228 | 95.8% |

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY Demographic and Economic Statistics Last Ten Calendar Years

| Year | Population ⁽¹⁾ | Personal Income ⁽²⁾ | Per Capita Personal Income ⁽²⁾ | Median Age ⁽³⁾ |
|------|---------------------------|--------------------------------|--|---------------------------|
| 2016 | 1,909,632 | \$ 89,572,271 | \$ 46,906 | 40.0 |
| 2017 | 1,935,878 | 94,239,376 | 48,680 | 40.1 |
| 2018 | 1,951,260 | 98,087,689 | 50,269 | 40.5 |
| 2019 | 1,952,778 | 102,145,579 | 52,308 | 40.4 |
| 2020 | 1,944,375 | 109,473,926 | 55,908 | 40.5 |
| 2021 | 1,930,983 | 124,458,321 | 64,453 | 40.7 |
| 2022 | 1,947,026 | 128,520,356 | 66,009 | 41.6 |
| 2023 | 1,962,531 | 139,304,872 | 70,982 | 41.5 |
| 2024 | 2,037,472 | 151,804,008 | 74,506 | 41.6 |
| 2025 | N/A | N/A | N/A | N/A |

Source:

- ⁽¹⁾ US Department of Commerce, Bureau of the Census
- ⁽²⁾ US Department of Commerce, Bureau of Economic Analysis
- ⁽³⁾ US Census Bureau, American Community Survey (ACS)
- ⁽⁴⁾ School Board of Broward County
- ⁽⁵⁾ U.S. Department of Labor, Bureau of Labor Statistics

N/A Not Available

* Includes Charter Schools

| * Public School Enrollment ⁽⁴⁾ | Unemployment Rate ⁽⁵⁾ |
|--|---|
| 268,836 | 4.60% |
| 271,105 | 3.30% |
| 271,517 | 2.80% |
| 270,550 | 2.80% |
| 267,970 | 7.80% |
| 260,715 | 4.40% |
| 256,021 | 2.60% |
| 254,384 | 3.00% |
| 251,106 | 3.40% |
| 247,501 | 4.00% |

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Principal Employers
Current Year and Nine Years Ago**

| Employer (1) | 2016 | | |
|-----------------------------|---------------------------------|-------------|---|
| | Employees ⁽¹⁾ | Rank | Percentage of Total County Employment ⁽²⁾ |
| Broward School Board* | 31,797 | 1 | 3.3% |
| Memorial Healthcare System* | 12,200 | 2 | 1.2% |
| Broward County Government* | 11,654 | 3 | 1.2% |
| Broward Health* | 8,219 | 4 | 0.8% |
| Nova Southeastern | 7,462 | 5 | 0.8% |
| Broward College* | 4,924 | 6 | 0.5% |
| Autonation | 4,000 | 7 | 0.4% |
| American Express | 3,500 | 8 | 0.4% |
| City of Fort Lauderdale | 2,568 | 9 | 0.3% |
| Spirit Airlines | 1,800 | 10 | 0.2% |
| Total | 88,124 | | 9.1% |

* Includes both full time and part time employees

Sources:

⁽¹⁾ The Broward Alliance

⁽²⁾ Labor Market Statistics, Local Area Unemployment Statistics Program

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Principal Employers
Current Year and Nine Years Ago

| Employer (1) | 2025 | | |
|-----------------------------|---------------------------------|-------------|---|
| | Employees ⁽¹⁾ | Rank | Percentage of Total County Employment ⁽²⁾ |
| Broward School Board* | 31,472 | 1 | 3.0% |
| Memorial Healthcare System* | 16,927 | 2 | 1.6% |
| Broward County Government* | 13,147 | 3 | 1.2% |
| Broward Health* | 9,151 | 4 | 0.9% |
| Nova Southeastern | 5,313 | 5 | 0.5% |
| FirstService Residential | 4,869 | 6 | 0.5% |
| Broward College* | 3,374 | 7 | 0.3% |
| City of Fort Lauderdale | 3,003 | 8 | 0.3% |
| Spirit Airlines | 2,700 | 9 | 0.3% |
| American Express | 2,600 | 10 | 0.2% |
| Total | 92,556 | | 8.8% |

* Includes both full time and part time employees

Sources:

⁽¹⁾ The Broward Alliance

⁽²⁾ Labor Market Statistics, Local Area Unemployment Statistics Program

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Full-time Equivalent Employees by Function
Last Ten Fiscal Years**

| Full-time Equivalent Employees as of September 30, | Program Support | General Administration | Grand Total |
|---|------------------------|-------------------------------|--------------------|
| 2016 | 49 | 17 | 66 |
| 2017 | 51 | 18 | 69 |
| 2018 | 56 | 20 | 76 |
| 2019 | 55 | 20 | 75 |
| 2020 | 57 | 21 | 78 |
| 2021 | 57 | 22 | 79 |
| 2022 | 61 | 24 | 85 |
| 2023 | 66 | 23 | 89 |
| 2024 | 68 | 24 | 92 |
| 2025 | 80 | 27 | 107 |

Source: Children's Services Council, Finance Administration

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Operating Indicators
Last Ten Fiscal Years

Utilization

Contract/Program Services

| <u>Fiscal Year</u> | <u>Amount Under Contract (a)</u> | <u>Actual Expenditures (b)</u> | <u>Under-utilized (c)</u> | <u>Unallocated (d)</u> |
|--------------------|----------------------------------|--------------------------------|---------------------------|------------------------|
| 2016 | 100% | 94% | 6% | 0% |
| 2017 | 99% | 92% | 7% | 0% |
| 2018 | 100% | 93% | 7% | 0% |
| 2019 | 98% | 87% | 11% | 1% |
| 2020 | 100% | 76% | 24% | 0% |
| 2021 | 99% | 71% | 28% | 1% |
| 2022 | 97% | 75% | 22% | 3% |
| 2023 | 100% | 82% | 18% | 0% |
| 2024 | 99% | 83% | 15% | 1% |
| 2025 | 99% | 87% | 12% | 1% |

- (a) Percentage of contract/program services budget under contract.
- (b) Percentage of contract/program services budget spent.
- (c) Percentage of contract/program services budget contracted but not spent.
- (d) Percentage of contract/program services budget not allocated/contracted.

General Fund Total Expenditures as a percentage of revenues

| <u>Fiscal Year</u> | <u>Budget (e)</u> | <u>Actual (f)</u> |
|--------------------|-------------------|-------------------|
| 2016 | 106% | 99% |
| 2017 | 107% | 97% |
| 2018 | 106% | 97% |
| 2019 | 108% | 90% |
| 2020 | 108% | 83% |
| 2021 | 110% | 80% |
| 2022 | 119% | 91% |
| 2023 | 118% | 93% |
| 2024 | 117% | 92% |
| 2025 | 101% | 99% |

- (e) Budgeted expenditures as a percent of budgeted revenue
- (f) Actual expenditures as a percent of actual revenue

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Program Budget Indicators
Last Ten Fiscal Years**

| | Fiscal Year | | | |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2016 | 2017 | 2018 | 2019 |
| | Budget | Budget | Budget | Budget |
| Family Strengthening | \$ 14,634,489 | \$ 14,625,683 | \$ 14,691,173 | \$ 16,781,607 |
| Child Welfare/Adoption Promotion | 201,425 | 449,023 | 1,383,224 | 1,422,920 |
| Youth Development | 8,565,486 | 9,913,146 | 11,019,508 | 11,558,299 |
| Delinquency Prevention | 3,882,289 | 3,693,789 | 3,332,890 | 3,506,464 |
| Independent Living | 1,938,078 | 3,453,678 | 3,587,678 | 3,716,788 |
| Special Needs | 11,262,154 | 11,615,565 | 12,732,486 | 13,210,547 |
| Out of School Time | 12,510,258 | 12,739,048 | 14,333,308 | 14,829,189 |
| Early Child Education | 7,101,288 | 8,331,244 | 9,491,026 | 10,509,308 |
| Physical Health | 2,413,343 | 2,579,085 | 2,802,488 | 3,121,270 |
| System Goals | 2,176,270 | 2,945,616 | 3,053,305 | 2,946,182 |
| Unallocated | 183,623 | 177,863 | - | 1,074,857 |
| TOTAL | \$ 64,868,703 | \$ 70,523,740 | \$ 76,427,086 | \$ 82,677,431 |

Source: Children's Services Council, Finance Administration

| Fiscal Year | | | | | | |
|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------|
| 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | |
| Budget | Budget | Budget | Budget | Budget | Budget | Budget |
| \$ 22,197,880 | \$ 23,966,670 | \$ 21,775,568 | \$ 23,528,238 | \$ 26,766,984 | \$ 28,343,723 | |
| 2,400,259 | 2,400,259 | 2,639,168 | 2,853,033 | 2,899,162 | 3,017,413 | |
| 12,525,294 | 14,838,909 | 17,162,625 | 20,535,007 | 24,866,096 | 30,018,243 | |
| 3,601,728 | 3,601,728 | 3,604,678 | 3,860,365 | 3,833,565 | 4,055,119 | |
| 3,803,739 | 4,081,500 | 4,229,618 | 4,880,012 | 4,798,552 | 5,391,295 | |
| 13,915,052 | 14,449,226 | 16,245,696 | 17,413,401 | 18,250,874 | 19,970,158 | |
| 15,323,467 | 14,509,357 | 18,473,374 | 20,730,397 | 21,124,161 | 22,368,556 | |
| 10,266,787 | 10,462,389 | 9,031,784 | 8,573,817 | 8,797,116 | 11,814,061 | |
| 3,194,475 | 3,357,049 | 3,229,359 | 3,282,903 | 3,456,421 | 3,957,787 | |
| 2,835,684 | 3,012,368 | 5,273,447 | 3,589,770 | 3,798,384 | 4,931,677 | |
| 12,939 | 871,477 | 3,497,021 | 231,899 | 1,581,690 | 1,224,797 | |
| <u>\$ 90,077,304</u> | <u>\$ 95,550,932</u> | <u>\$ 105,162,338</u> | <u>\$ 109,478,842</u> | <u>\$ 120,173,005</u> | <u>\$ 135,092,829</u> | |





**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 *GOVERNMENT AUDITING STANDARDS*

To the Members of the Council of
Children's Services Council of Broward County
Lauderhill, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and the major fund of the Children's Services Council of Broward County (the "Council"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated March 19, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council'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 Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 were not identified.

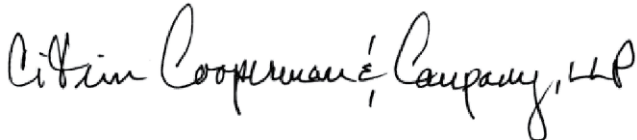
Report on Compliance and Other Matters

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

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Purpose of This Report

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



Fort Lauderdale, Florida
March 19, 2026

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Council of
Children's Services Council of Broward County
Lauderhill, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Children's Services Council of Broward County's (the "Council") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended September 30, 2025. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Council's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Council's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Council's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Council's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Council's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

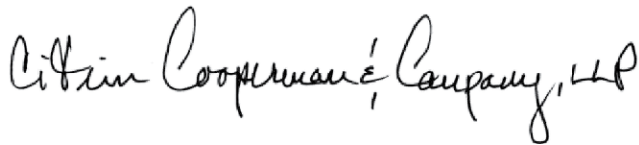
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Fort Lauderdale, Florida
March 19, 2026

**CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2025**

| Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title | Federal Assistance Listing Number | Pass-Through Entity Identifying Number | Total Federal Expenditures | Provided to Subrecipients |
|--|--|---|-----------------------------------|----------------------------------|
| Federal Agency Name: | | | | |
| Department of Education | | | | |
| Pass-through: | | | | |
| Broward College | | | | |
| Innovative Approaches to Literacy - Broward UP (Unlimited Potential) - Promise Neighborhoods Project | 84.215N | S215N210041 | \$ 103,987 | \$ 103,987 |
| Florida Atlantic University | | | | |
| Innovative Approaches to Literacy - Promise Neighborhoods Implementation Grants | 84.215N | S215N210041-24 | 1,834,294 | 1,108,599 |
| Total Department of Education | | | <u>1,938,281</u> | <u>1,212,586</u> |
| | | | | |
| Department of Health and Human Services | | | | |
| Pass-through: | | | | |
| Florida Department of Children and Families | | | | |
| Foster Care - Title IV-E | 93.658 | # YLJ74 | 345,268 | - |
| Adoption Assistance - Title IV-E | 93.659 | # YLJ74 | 122,667 | - |
| Total Department of Health and Human Services | | | <u>467,935</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 2,406,216</u> | <u>\$ 1,212,586</u> |

The notes to the schedule of expenditures of federal awards are an integral part of this schedule

CHILDREN'S SERVICES COUNCIL OF BROWARD COUNTY
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2025

Note 1 – Basis Of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Children's Services Council of Broward County (the Council) under programs of the federal government for the fiscal year ended September 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Council, it is not intended to and does not present the financial position or changes in net position of the Council.

Note 2 – Summary Of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as a reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3 – Indirect Cost Rate

The Council has elected to use the de minimis indirect cost rate allowed under the Uniform Guidance.

**Children's Services Council of Broward County, Florida
 Schedule of Findings and Questioned Costs
 For the Year Ended September 30, 2025**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Programs

Internal control over major federal programs:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ yes X no

Identification of major federal program(s):

Assistance Listing No.

Federal Program(s)

84.215N Department of Education - Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and Congressionally Directed Spending for Elementary and Secondary Education Community Projects

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 1,000,000

Auditee qualified as low-risk auditee?

X yes _____ no

SECTION II - FINANCIAL STATEMENTS FINDINGS

None Reported.

SECTION III - FEDERAL PROGRAMS FINDINGS AND QUESTIONED COSTS

None Reported.

MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Members of the Council of
Children's Services Council of Broward County
Lauderhill, Florida

Report on the Financial Statements

We have audited the financial statements of the Children's Services Council of Broward County (the "Council"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 19, 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; 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 19, 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 financial audit report. There were no findings or recommendations made in the preceding financial audit report.

Official Title and Legal Authority

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

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Council has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Council 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 Council. It is management's responsibility to monitor the Council'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.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Council reported:

- a. The total number of Council employees compensated in the last pay period of the Council's fiscal year as 107.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Council's fiscal year as 22.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$13,454,498.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$491,261.
- e. No construction project with a total cost of at least \$65,000 approved by the Council that is scheduled to begin on or after October 1 of the fiscal year ended September 30, 2025.
- 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 Council amends a final adopted budget under Section 189.016(6), Florida Statutes. Refer to the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual Comparison – General Fund on page 92-93.

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

- a. The mileage rate or rates imposed by the Council as 0.4500 mills.
- b. The total amount of ad valorem taxes collected by or on behalf of the district as \$128,444,140.
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds as none.

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Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9., Rules of the Auditor General, the Council reported:

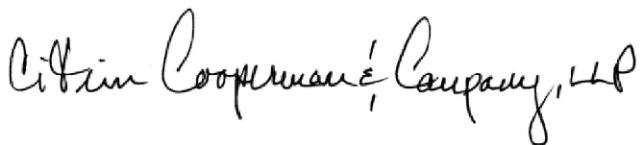
- a. The rate or rates of non-ad valorem special assessments imposed by the Council as not applicable.
- b. The total amount of special assessments collected by or on behalf of the Council as not applicable.
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds as not applicable.

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 note any such findings.

Purpose of this Letter

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



Fort Lauderdale, Florida
March 19, 2026



Citrin Cooperman & Company, LLP
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INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF
SECTION 218.415 FLORIDA STATUTES

To the Members of the Council of
Children’s Services Council of Broward County
Lauderhill, Florida

We have examined the Children’s Services Council of Broward County’s (the “Council”) compliance with the requirements of Section 218.415 Florida Statutes, *Local Government Investment Policies* (the “specified requirements”), during the year ended September 30, 2025. Management of the Council is responsible for the Council’s compliance with the specified requirements. Our responsibility is to express an opinion on the Council’s compliance with the specified requirements 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 Council complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Council complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the Council complied, in all material respects, with the requirements of Section 218.415 Florida Statutes for the year ended to September 30, 2025.

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

Fort Lauderdale, Florida
March 19, 2026

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CONNECTING COMMUNITY. EMPOWERING FAMILIES.

MISSION

To provide the leadership, advocacy and resources necessary to enhance children's lives and empower them to become responsible, productive adults through collaborative planning and funding of a continuum of care.

VISION

The children of Broward County shall have the opportunity to realize their full potential, their hopes and their dreams, supported by a nurturing family and community.

