



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

POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020



20 YEARS OF NURTURING CHILDREN AND FAMILIES

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INTRODUCTION

About the CSC

The Children’s Services Council of Broward County (CSC) is an Independent Special Taxing District, established by the voters of Broward County Florida on September 5, 2000. The CSC’s mission is to provide the leadership, advocacy, and the resources necessary to enhance children’s lives and empower them to become responsible, productive adults through collaborative planning and funding of a continuum of quality care. To accomplish this task, the statute allows the Council to levy taxes of up to \$0.50 per \$1,000 of the assessed property tax value.

The Community

The District’s boundaries are coterminous with the boundaries of Broward County, the second most populated county in the state of Florida and the 17th most populous in the United States. There are an estimated 1.95 million people living in Broward County, of which an estimated 410,083 or 21% are children under 18 years old. Broward County is one of the most racially diverse counties in the state of Florida with 36.5% White Non-Hispanic, 29.9% Black Non-Hispanic, 29.7% Hispanic or Latino and 3.9% other races. The County is flourishing with cultural diversity; 33% of the population is foreign born compared to 13% nationwide (Census 2019).



Our Council - Governing Board (as at 9/30/20)



Cathy Donnelly
Chair
Governor Appointee



Tom Powers
Vice Chair
Governor Appointee



Honorable
Kenneth L. Gillespie
Secretary
Governor Appointee



Robin Bartleman
Board Member
Broward County
Schools



Dr. Paula Thaqi
Director Broward
County Health Department



Maria M. Schneider
Governor
Appointee



Dawn Liberta
Southeast Regional
Managing Director of the
Dept of Children & Families



Dr. David H. Kenton
Governor
Appointee



Jeffrey S. Wood
Governor
Appointee



Robert W. Runcie
Superintendent
Broward County Schools



Beam Furr
Broward County
Commission

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, 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. The CSC 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.

About the Popular Annual Financial Report (PAFR)



Comprehensive
Annual
Financial
Report

Fiscal Year Ending
September 30, 2020

20 Years
Of Nurturing
Children And Families

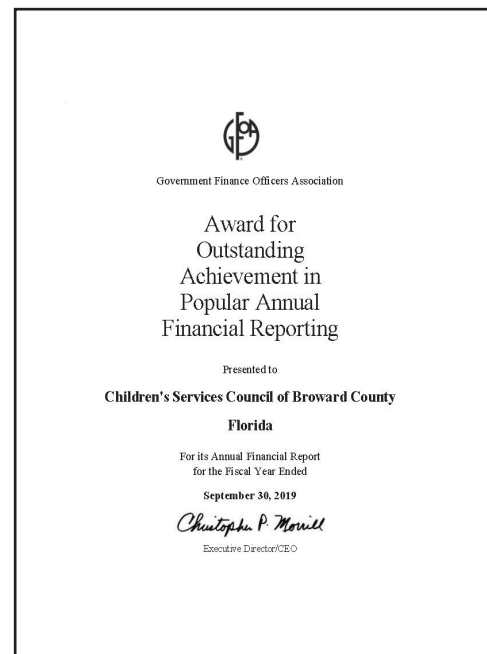


This report offers a simplified overview of the financial position of the Children's Services Council of Broward County, to further enhance transparency and public awareness, and is presented in a logical format, which is easily understood by the public and other interested parties who do not have a background in public finance. Information for this report was extracted from the Children's Services Council's Comprehensive Annual Financial Report for the fiscal year ended on September 30, 2020. The Comprehensive Annual Financial Report outlines the CSC's financial position and operating activities for the year, and conforms to generally accepted accounting principles (GAAP). For more information about the Comprehensive Annual Financial Report, [visit https://www.cscbroward.org/resource/fy2019-20comprehensiveannualfinancialreport](https://www.cscbroward.org/resource/fy2019-20comprehensiveannualfinancialreport).

Financial Reporting Awards

Award for Outstanding Achievement in Popular Annual Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Children's Services Council of Broward for its Popular Annual Financial Report for the fiscal year ended September 30, 2019. This was the first year that the CSC received this award. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.



Certificate of Achievement for Excellence in Financial Reporting

The Children's Services Council of Broward County's Comprehensive Annual Financial report for the year ended September 30, 2019, was awarded the Certificate of Achievement for Excellence in Financial Reporting by Government Finance Officers Association of the United States and Canada (GFOA). This was the 18th consecutive year that the CSC has received this highest form of recognition for excellence in state and local government financial reporting. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial report, whose contents conform to program standards. Such a Comprehensive Annual Financial Report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another Certificate.

MESSAGE FROM THE PRESIDENT/CEO



Dear Citizens of Broward County:

We are pleased to present the Popular Annual Financial Report (PAFR) for the Children's Services Council of Broward County for the year ended September 30, 2020.

The PAFR summarizes the CSC's financial activities and operating results in a way that can be more easily understood by the reader. Information presented in this report was obtained from the Comprehensive Annual Financial Report.

The Comprehensive Annual Financial Report is prepared in accordance with Generally Accepted Accounting Principles (GAAP), and was audited by the firm Caballero, Fierman, Llerena & Garcia, LLP receiving an unmodified opinion. An unmodified opinion means the Council's basic financial statements for fiscal year ended September 30, 2020, are fairly presented in conformity with GAAP.

The PAFR however, was not audited. The condensed statements presented in this report are presented on a non- GAAP basis and does not include all the required financial statement presentations and note disclosures. The PAFR is intended to simplify, not replace the Comprehensive Annual Financial Report. Copies of the PAFR and Comprehensive Annual Financial Report may be requested from the Finance Department by calling (954) 377-1000. The documents are also available in electronic format on the CSC's website at: www.cscbroward.org.

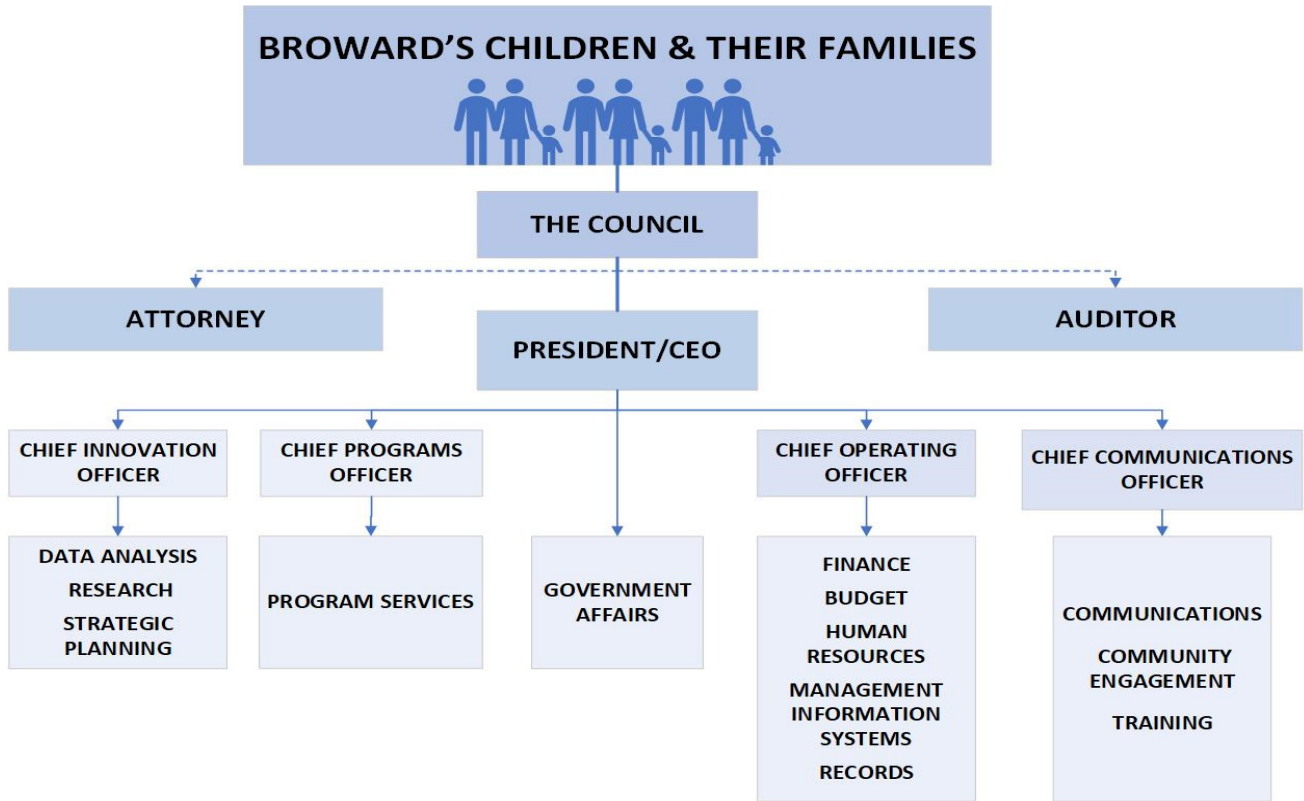
In March of 2020, the COVID-19 pandemic affected the United States and had a direct impact on the Council's operations. For the most part, program services and administrative operations were able to pivot and continue to operate in a virtual environment; however, overall program utilization, especially out-of-school programs, was impacted resulting in higher-than-normal budget variances. As you read this year's PAFR know that the wise and effective use of your tax dollars to provide the services to enhance children's lives and to empower them to become responsible productive adults, continues to be CSC's top priority.

I extend sincere appreciation to the staff of the CSC 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.

Sincerely,
Cindy Arenberg-Seltzer
President, CEO



ORGANIZATIONAL STRUCTURE



CSC Staff

The CSC has established a robust leadership role within the child serving community and continues to build partnerships and programs that place an emphasis on prevention. CSC's motto, "Our Focus is Our Children", guides the work of the CSC and is evidenced every day through staff's single focus on providing leadership, advocacy, and resources for children and families in need.

BUDGET AND FISCAL POLICY

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 Truth In Millage (TRIM) Act. Each year, following the required disclosures and the conduct of hearings for taxpayer comment, the Council Members set the final tax rates and adopt a budget.

The Budget Process



How Much Did the Average Homeowner Pay for The Children's Services Council?

The median assessed value of a single-family home in Broward County in 2020 (according to the Broward County Property Appraiser), was approximately \$278,639. Even though home values have steadily increased over the last five years, the CSC's millage rate has remained steady at .4882 or just under 49 cents of every \$1,000 of assessed taxable value. Table 1 depicts the estimated taxes that would have been paid to the CSC by the average single-family homeowner over the last five years. In 2020 the average homeowner would have paid \$136 for the year, which is less than \$3 per week.

Table 1

Year	Average Assessed Home Value (AAV)*	Change In AAV	Tax Rate	Paid to CSC	Change in Dollars Paid
2016	225,395	5%	0.4882	\$110	\$5
2017	239,059	6%	0.4882	\$117	\$7
2018	252,512	6%	0.4882	\$123	\$6
2019	265,891	5%	0.4882	\$130	\$7
2020	278,639	5%	0.4882	\$136	\$6

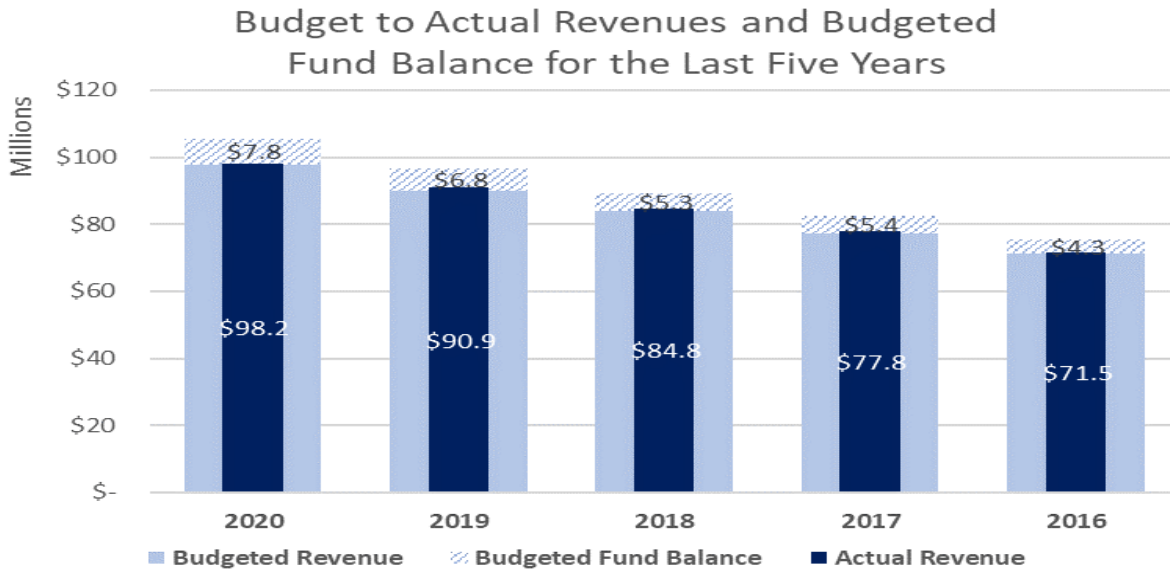
*Source: Broward County Property Appraiser

Note: The average assessed home value is the average value of a single-family home in Broward County. All values are assessed as of July 1, each tax year. Homestead exemptions, when applied, would decrease the AAV resulting in lower taxes paid.

Budgetary Comparisons-General Fund

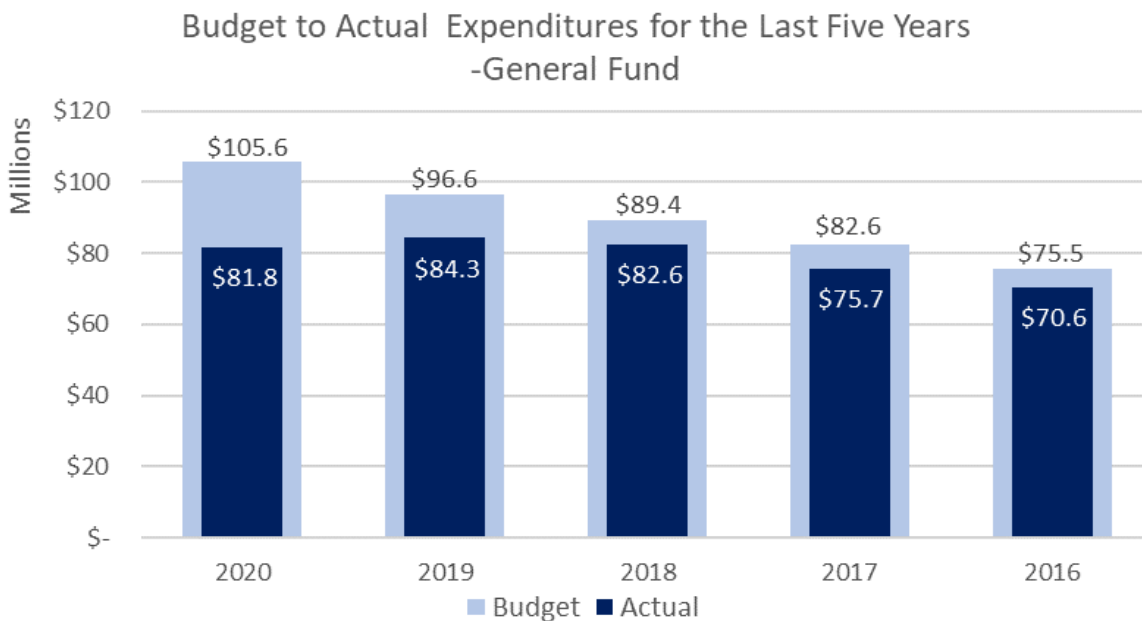
The CSC's budget for fiscal year 2019-2020 was \$105.6 million and included \$4.6 million budget carry forward from the prior fiscal year and \$3.2 million of fund balance. The Council was able to increase the 2019-2020 fiscal year budget for needed programs using this existing \$7.8 million coupled with the increase in property values without raising the millage rate. Actual revenues received were \$0.3 Million more than budget.

Figure 1



Due to COVID-19, total actual expenditures were \$23.8 million less than the budgeted \$105.6 million. The Council continues to be very cognizant of limited resources and works diligently to serve children and families in the most efficient and effective manner.

Figure 2



GOVERNMENTAL FUND FINANCIAL INFORMATION

During the fiscal year 2020, the CSC had only one fund, the General Fund. The CSC, like other state and local governments, uses fund accounting to ensure compliance with finance-related legal requirements. Governmental fund information helps to determine the financial resources available to finance the CSC's programs in the near term. In fiscal year 2019-2020 Fund Balance increased by \$16.39 Million to \$41.47 Million, primarily due to the impact of COVID-19 on the ability of the nonprofits to deliver the contracted services. Tables 2 and 3 below show the General Fund financial information over the last 5 years.

Table 2.

Condensed Balance Sheet - Governmental Funds

CSC's total assets exceeded liabilities as of September 30, 2020 by \$41.47 Million (Fund Balance).

	2020	2019	2018	2017	2016
Assets:					
Current Assets	\$ 51,578,936	\$ 31,514,108	\$ 27,418,888	\$ 25,790,002	\$ 19,410,341
Total Assets	\$ 51,578,936	\$ 31,514,108	\$ 27,418,888	\$ 25,790,002	\$ 19,410,341
Liabilities and Fund Balance:					
Total Liabilities	10,108,626	6,438,722	8,988,467	9,598,528	5,310,121
Fund Balance:					
Nonspendable	185,322	228,307	225,777	187,407	86,691
Committed	3,000,000	-	-	-	-
Assigned	10,293,454	7,824,448	6,815,653	5,470,758	5,507,406
Unrestricted	27,991,534	17,022,631	11,388,991	10,533,309	8,506,123
Total Fund Balance	41,470,310	25,075,386	18,430,421	16,191,474	14,100,220
Total Liabilities & Fund Balance	\$ 51,578,936	\$ 31,514,108	\$ 27,418,888	\$ 25,790,002	\$ 19,410,341

Table 3.

Condensed Statement of Revenues Expenditures and Changes in Fund Balance

Total revenues exceeded expenditures by \$16.39 Million in fiscal year 2020 (change in Fund Balance).

	2020	2019	2018	2017	2016
Total Revenues	98,163,429	90,924,224	85,943,806	79,008,364	72,878,312
Total Expenditures	81,768,505	84,279,259	83,704,859	76,772,360	71,915,739
Net Change in Fund Balance	16,394,924	6,644,965	2,238,947	2,236,004	962,573



GOVERNMENT-WIDE FINANCIAL ACTIVITY

The Government-wide financial statements are designed to provide readers with a broad overview of the CSC's finances, in a manner like a private sector business. These statements provide both long term and short-term information about the CSC's overall financial condition. Tables 4 and 5 below show the CSC's financial health, or financial position over the last 5 years.

Table 4.

Condensed Statement of Net Position:

CSC's total assets and deferred outflows exceeded liabilities and deferred inflows as of September 30, 2020 by \$41.23 million (Net Position).

	2020	2019	2018	2017	2016
Assets:					
Current and other assets	51,578,936	31,514,108	27,118,888	25,490,002	19,320,266
Capital assets	7,004,338	7,335,452	7,510,054	7,284,713	7,420,106
Total assets	58,583,274	38,849,560	34,628,942	32,774,715	26,740,372
Deferred outflows of resources	2,919,467	2,631,963	2,851,488	2,701,600	1,976,476
Liabilities:					
Current	10,228,669	6,539,718	8,782,047	9,377,278	5,293,606
Noncurrent liabilities	9,838,531	7,917,109	6,922,984	6,319,790	5,439,029
Total liabilities	20,067,200	14,456,827	15,705,031	15,697,068	10,732,635
Deferred inflows of resources	200,362	532,126	616,905	363,813	36,172
Net Position:					
Invested in capital assets	7,004,338	7,335,452	7,510,054	7,284,713	7,420,106
Restricted	3,000,000	-	-	-	-
Unrestricted	31,230,841	19,157,118	13,648,440	12,130,721	10,527,935
Total Net Position	41,235,179	26,492,570	21,158,494	19,415,434	17,948,041

Table 5.

Condensed Statement of Activities:

CSC's total revenues exceeded expenses by \$14.74 million in fiscal year 2020 (change in Net Position).

	2020	2019	2018	2017	2016
Expenses:					
Program Services	75,536,930	78,763,252	77,687,387	71,587,846	67,379,943
General Administration	7,884,027	6,826,896	6,512,032	6,052,262	5,335,498
Total Expenses	83,420,957	85,590,148	84,199,419	77,640,108	72,715,441
Revenues:					
Program Revenues	-	-	1,112,377	1,209,290	1,362,375
General Revenues	98,163,429	90,924,224	84,831,429	77,799,074	71,515,937
Total Revenues	98,163,429	90,924,224	85,943,806	79,008,364	72,878,312
Change in Net Position	14,742,472	5,334,076	1,744,387	1,368,256	162,871
Net Position- beginning*	26,492,707	21,158,494	19,414,107	18,047,178	17,785,170
Net Position- ending	41,235,179	26,492,570	21,158,494	19,415,434	17,948,041

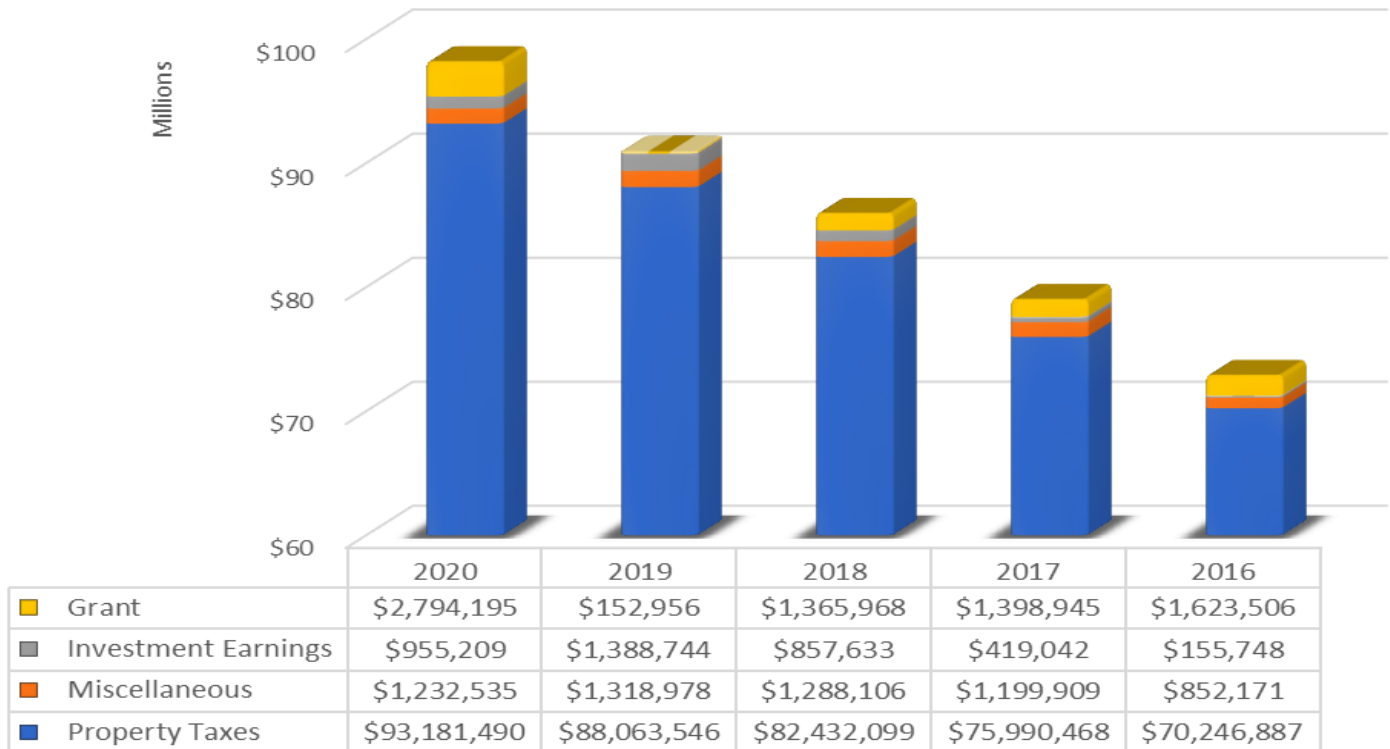
* Beginning Net Position was restated in 2017, 2018 and 2020 due to GASB 68, GASB 75, and FRS, respectively.

WHERE THE MONEY COMES FROM

The CSC's total annual revenue in fiscal year 2019-2020 was \$98.16 Million. Figure 3 below shows the allocation of revenues for the fiscal year 2019-2020.

Figure 3

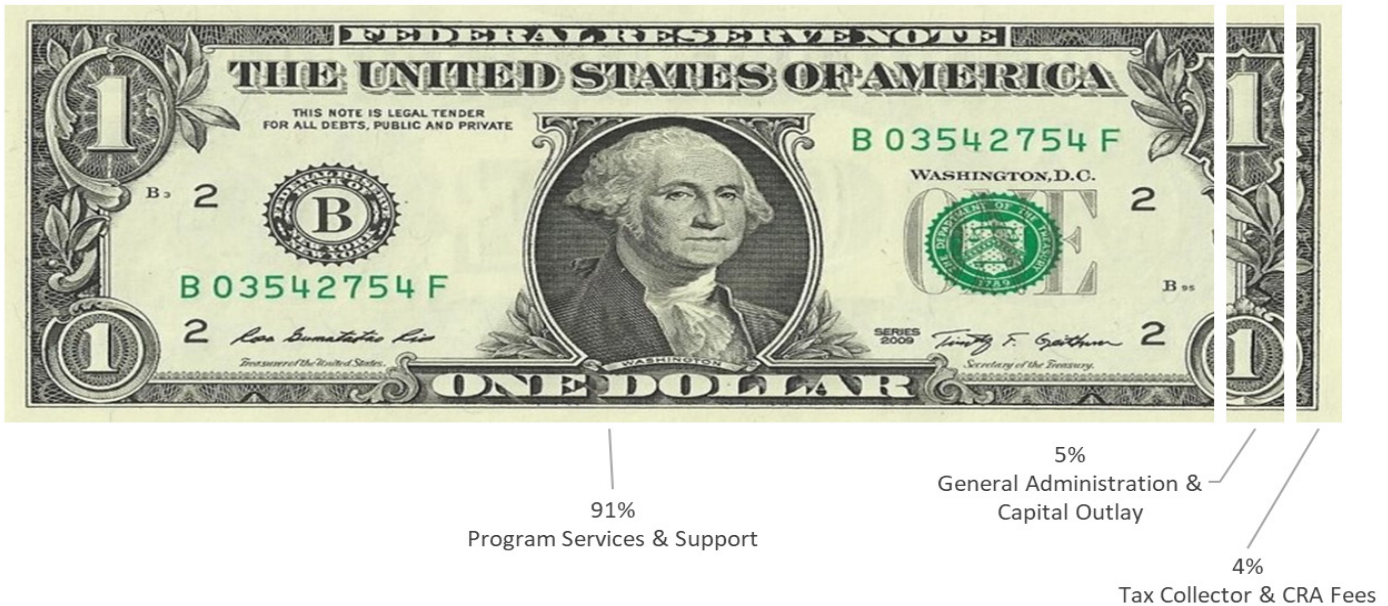
2019-2020 Revenues



- ▶ Grant revenues totaled \$2,794,195 and represents a significant \$2.6 million increase. The increase is mainly due to the CSC being awarded the Federal Antiterrorism and Emergency Assistance Program (AEAP) noncompetitive grant of \$2.37 million for reimbursement of expenditures stemming from the Parkland School shooting tragedy in 2018.
- ▶ Investment earnings totaled \$955,209, which is a 31% decrease from the prior year. The increase is due to lower interest rates that were earned on investments.
- ▶ Miscellaneous revenue includes donations from local foundations, training registration fees and other miscellaneous revenue. The amount for the current year, equals \$1,232,535, a slight decrease from the prior year. With COVID-19 hitting mid-year, in person trainings pivoted to a virtual platform and the Council reduced training fees to encourage participation.
- ▶ Property tax revenue is the CSC's primary source of revenue. For fiscal year 2019-2020, property tax revenue significantly increased by \$5.1 million from the 2018-2019 year due to a 5% increase in property values. Total property tax revenue was \$93.18 Million.

WHERE DID THE MONEY GO?

Program Services and Support accounted for 91 cents of every dollar spent at the CSC in fiscal year 2019-2020. General Administration and Capital Outlay accounted for 5 cents, while 4 cents were spent on Tax Collector and Community Redevelopment Agency (CRA) fees. Annual expenses totaled \$83.42 Million in fiscal year 2019-2020.



► Program Services and Support expenses totaled \$75.53 million in fiscal year 2019-2020 representing 91% of the CSC’s overall expenses. The CSC strives to maximize services for Broward’s children and families and has carefully used fund balance to maintain or grow needed programs, while maintaining a high level of accountability to the taxpayer. Expenses for Program Services decreased due to COVID-19 disrupting normal service delivery, with the provider agencies drawing down only 76% of budget. The CSC’s services for children and their families continues to provide a great community benefit while also growing the local economy by funding approximately 2,600 full time equivalent social services positions.

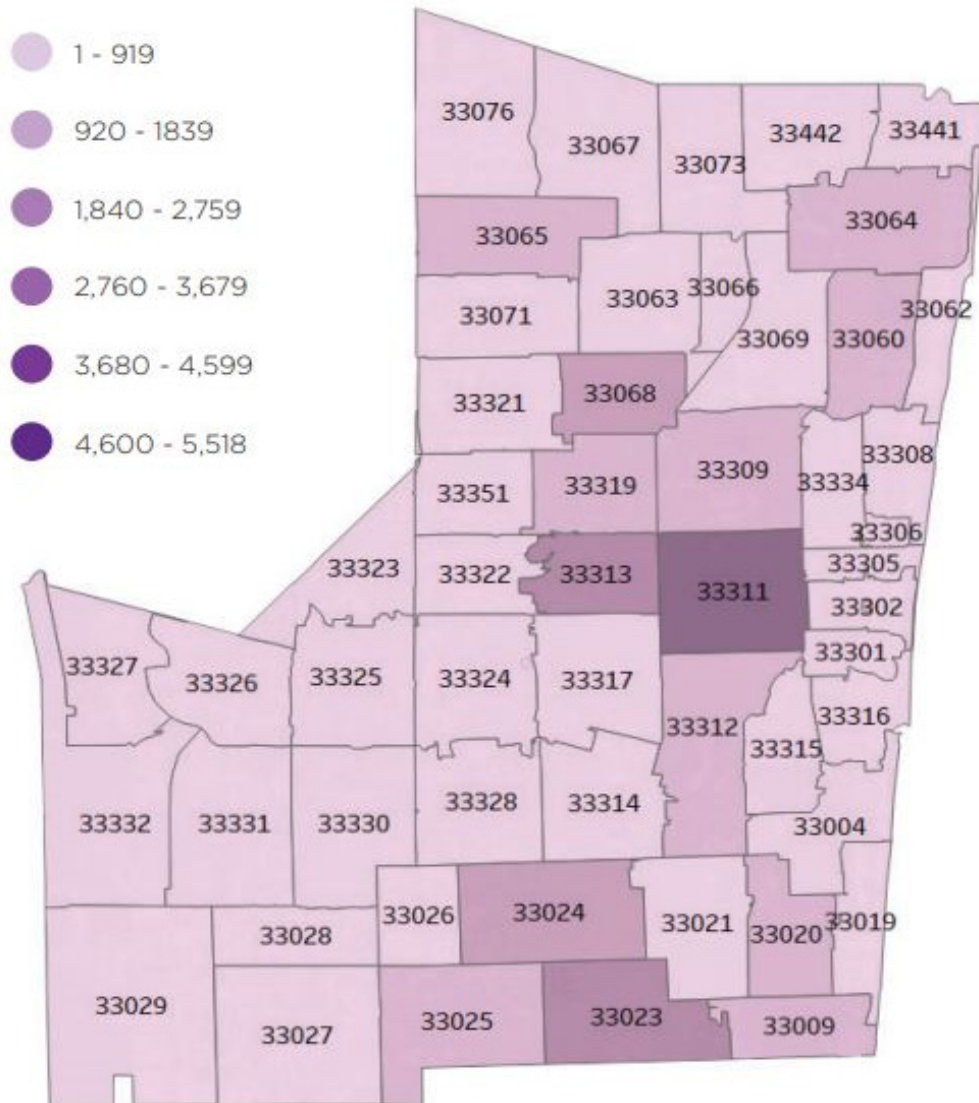
► General Administration and Capital Outlay expenses in 2020 totaled \$4.36 million and represents 5% of total expenses demonstrating the Council’s fiscal prudence, a very resourceful staff, and effective use of technology. The CSC continues to focus on providing services throughout the community with minimal administration costs.

► Tax Collector and Community Redevelopment Agency (CRA) Fees increased by 22% in fiscal year 2019-2020 to \$3.5million due to an increase in CRA values. The CRA fees decreased by \$369,408 due to the rebate of one particularly large CRA; however, in other areas of the County, these CRA values continue to increase. The Tax Collector fees increased by \$35,586 or 6 % from fiscal year 2018-2019. These fees are based on the operating budget of the Property Appraiser’s Office and are allocated among the taxing districts.

SERVICES IN THE COMMUNITY

In March of 2020, the COVID-19 pandemic hit the United States, and directly impacted the CSC's operations. The CSC pivoted program services and administrative operations and continued to operate in a virtual environment. However, overall program utilization, and especially out-of-school programs, was impacted resulting in higher-than-normal budget variances. Figure 5 below shows the children and families served by the CSC within Broward County by zip code in the fiscal year 2019-2020.

Figure 5



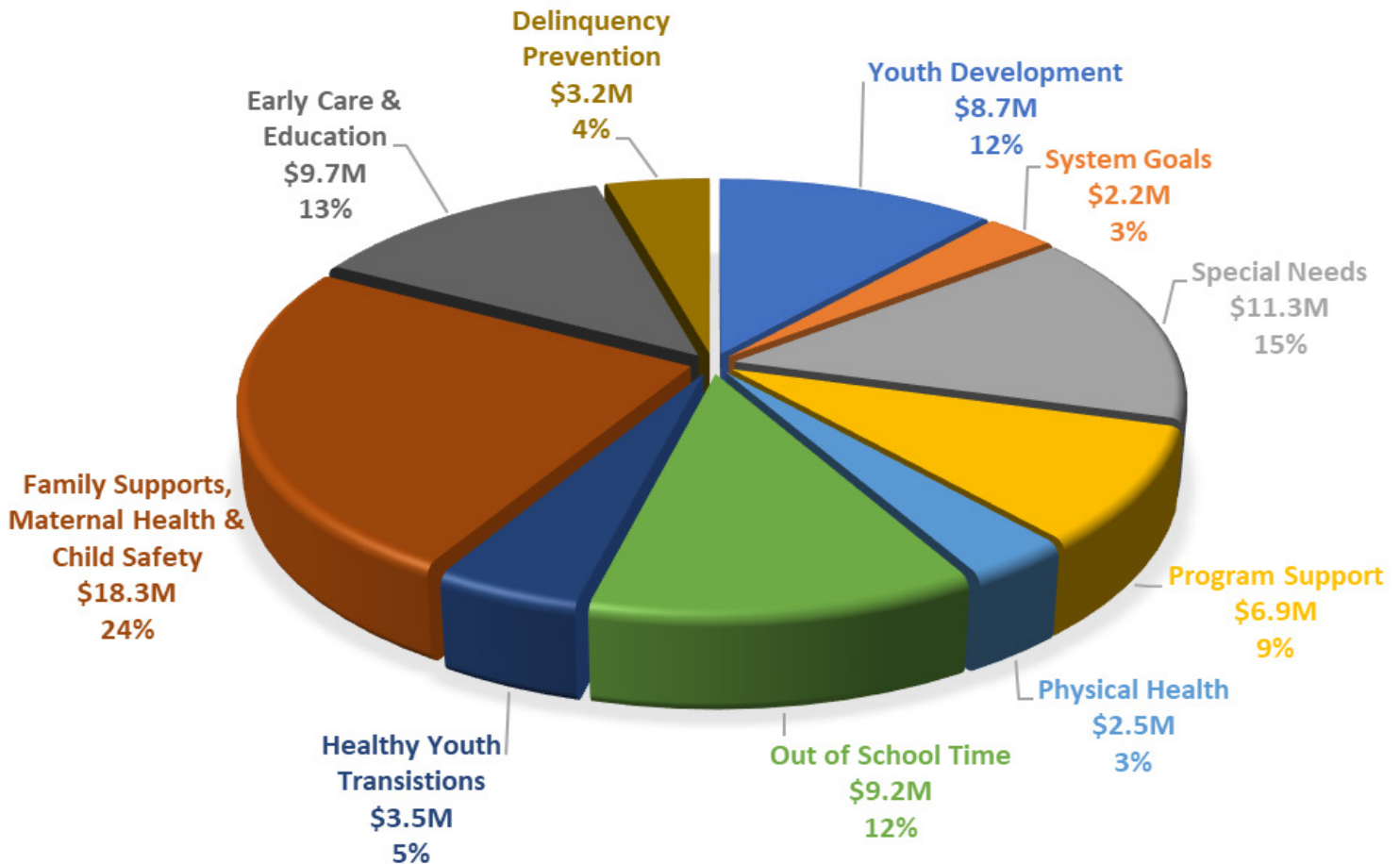
***44,529 children and youth served through School Health services funded by CSC are not represented on this map. Calls to 2-1-1 special needs and behavioral hotlines, not included in numbers served by zip data.

Program Services by Goal Area:

Figure 6 below illustrates the allocation of expenses for Program Services in the various goal areas for the fiscal year ended September 30, 2020.

Figure 6.

2019-2020 PROGRAM SERVICES & SUPPORT EXPENSES



The CSC's goals and objectives are shaped using the County-wide Children's Strategic Plan, input from the community and staff. All funded programs are reviewed using a dual approach: (1) program experts including staff with advanced degrees, and off-duty teachers, and doctoral students, review the quality of delivered services; and (2) accountants review the administrative and financial functions. This approach ensures accountability, provides information to improve program design, and informs the training and technical assistance needs of funded providers.

Due to the ongoing COVID-19 pandemic, most of the CSC funded service providers had to dramatically change their service delivery models. As a result, outcomes and performance measures were impacted in fiscal year 2019-2020. However, accountability to the taxpayer, and the children and families that are served, remains a high priority of the Council.

ECONOMIC CONDITIONS AND OUTLOOK

The COVID-19 pandemic created new challenges for the local economy. The hospitality and cruise related sectors were hit very hard, however other sectors that remained level. Employment in Broward County decreased by 8% or 61,000 private sector jobs with the area's unemployment rate at 7.8% in September of 2020. Many families continue to exist in a state of persistent financial insecurity and are one financial emergency away from poverty, researchers concluded, based on census data.

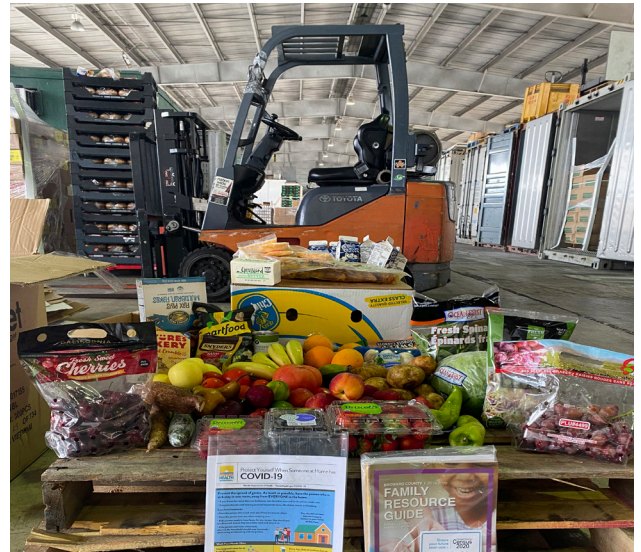
Even during the COVID-19 pandemic, property values continued to trend upwards, an eight-year streak, and a notable 7% increase in the same period in 2019. The median price for a single-family home in Broward County increased to \$380,000 in the first quarter of 2020 which was a 7% increase from \$355,000 in the same period last year. The number of foreclosures substantially decreased from 1,847 in 2019 to 490 in 2020 in Broward County.

Major Initiatives

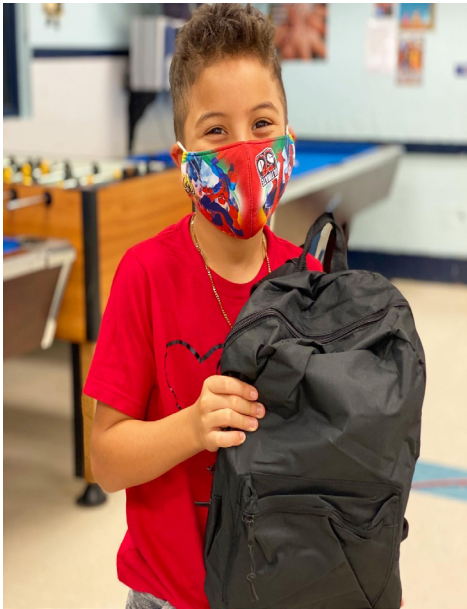
The CSC engages in various community partnerships and system building initiatives. Due to the Covid-19 pandemic many changes took place. Some significant highlights during fiscal year 2019-2020 include:



●**Virtual Services.** Most of our counseling programs and many out of school time programs were able to pivot to virtual services. This worked well for children, youth and families that were already engaged with an agency but proved challenging for building new relationships. To address some of the immediate concerns, the CSC worked with other community funders and provided learning pods for children when they started back to school.



●**PPE and Food Security Funding.** The CSC, in partnership with multiple community partners, purchased bulk quantities of Personal Protective Equipment totaling \$46,500. This consisted of 75,000 disposable and reusable masks, 25,000 pairs of gloves, and 5,000 small bottles of hand sanitizer for child serving agencies. Items were distributed via a safe drive through where the goods were dropped into trunks to ensure recipients never had to exit cars. The CSC quickly responded to the food insecurity needs and funded \$125,000 in local food initiatives.



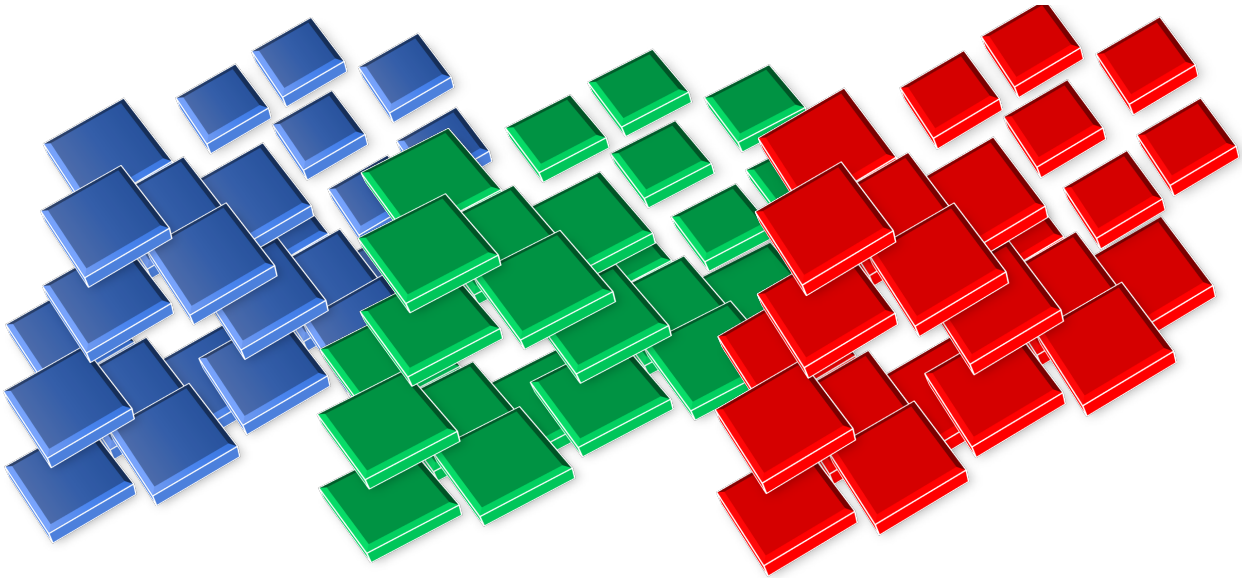
•**Back to School Extravaganza.**

For the past ten years, the CSC, together with the School District, local businesses, other organizations, and residents supported a Back-to-School Community Extravaganza to provide students with school supplies. To comply with social distancing requirements backpacks were distributed instead through funded providers and school social workers. The CSC and Partners provided 13,000 backpacks in 2020, up from 8,000 in 2019. The CSC spent \$103,600, the community donated \$142,000, and \$138,250 of in-kind donations for goods and services was provided.



•**Broward Reads for the Record.** Broward was recognized for the past three years as a Pacesetter Community by the National Campaign for Grade Level Reading. Broward Reads for the Record, a national event created by JumpStart, is the signature event of this campaign. This year's event occurred in November 2019, prior to COVID-19, where 1,400 volunteers read aloud in person to 40,000 four- and five-year-old children. The CSC and community partners expended \$142,800 along with \$52,150 in donations. With this money 40,000 books were purchased and given to children to start their own library collections.

20 YEARS OF NURTURING CHILDREN AND 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 quality of care.

VISION

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



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