

## Finance Committee Meeting

CareerSource Central Florida Office  
390 N Orange Ave., Suite 700  
Orlando, FL 32801  
Tuesday, April 11, 2017  
2:30 p.m.

### MINUTES

**MEMBERS PRESENT:** Joseph Sarnovsky, John Pittman, Chuck Todd and Mark Wylie

**MEMBERS ABSENT:** Glen Casel, Melanie Cornell, and Nicole Guillet

**STAFF PRESENT:** Pam Nabors, Mimi Coenen, Leo Alvarez, Ann Beecham and Kaz Kasal

| Agenda Item | Topic   | Action Item / Follow Up Item   |
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| 1           | <b>Welcome</b><br>Dr. Sarnovsky, Committee Chair, called the meeting to order at 2:37 pm and welcomed those in attendance.  |  |
| 2           | <b>Roll Call / Establishment of Quorum</b><br>Ms. Kasal, CSCF Executive Coordinator, reported that there was a quorum present.  |  |
| 3           | <b>Public Comment</b><br>None Offered.  |  |
| 4           | <b>Approval of Minutes</b><br>The Finance Committee reviewed the draft minutes from the 2/7/17 Audit & Finance Joint Committee Meeting (attachment).  | <b>Mr. Pittman made a motion to approve the minutes from the 2/7/16 Audit &amp; Finance Joint Committee Meeting. Mr. Wylie seconded; motion passed unanimously.</b>  |
| 5           | <b>Information/Discussion/Action Items</b>  |  |
|             | <u>Audit Services RFQ</u><br>Mr. Alvarez, CSCF CFO, referred to the memo on the Audit Services RFQ (attachment) and reviewed the process and background of this procurement. Mr. Alvarez stated that CSCF received eight proposals, which were evaluated by a review team comprised of four staff and Eric Ushkowitz, Audit Committee Chair. Based on the review team's discussion and ratings, Grau & Associates emerged with the highest score of 94.6 out of a possible 100. Grau & Associates best met the specifications outlined in the RFQ. Additionally, there will be a reduction in cost.<br><br><u>Fiscal Year 16-17 - Budget vs. Actual 2/28/17</u> | <b>Mr. Todd made a motion to forward to the Board the recommendation to approve selection of Grau &amp; Associates, LLP for contracting to provide financial and compliance auditing services. The engagement would be for one year with an option to renew for up to five years. Mr. Pittman seconded, motion passed unanimously.</b> |

Mr. Alvarez referenced the report entitled “Budget vs. Actual Report – as of 2/28/17” (attachment) and reviewed the results by line item. Mr. Alvarez stated expenditures are close to target at 64.8%. ITAs are exceeding target at 73.4% and Admin Costs at 8.2% should go down towards 7% by year end. As mentioned in previous meeting, \$1 to 1.5M of carry-in funds will also need to be expended towards school obligations by fiscal year end, so there will be a decrease in reserves for next year. Ms. Nabors stated staff are identifying and creating a process to control enrollments by establishing thresholds.

Fiscal Year 17-18 Budget Timeline and Preliminary Projections

Mr. Alvarez reviewed the 17-18 budget timeline (attachment). Ms. Kasal will reconfirm with the Finance and Career Services Committees the date of 5/25/17 for the Budget Workshop.

Mr. Alvarez also referred to the document entitled “FY 2017-2018 Budget Assumptions (attachment) and reviewed preliminary projections with the following budget assumptions:

- Estimated decrease of 11% in funding
- Slight decrease in 16-17 budgeted carry forward funds of \$3.5M (WP 13%, WIOA Adult/DW 19% and WIOA Youth 68%)
- Annual health benefit renewal not to exceed more than 10% of current cost (*CSCF had a good year with benefit costs and for FY 17-18 a 10% to 12% decrease in costs is expected, with employee contributions and health carrier, Cigna, remaining the same*).
- Training requirement of at least 50% WIOA Adult & DW funds allocated to career services
- Total admin budget not to exceed 8% of state allowable cap of 10%
- Proposed budget for salaries will reflect a 3% merit increase based upon achievement of performance goals.

Retirement Plan – Snapshot Update

Mr. Alvarez referenced the “403(b) Snapshot” (attachment) and reviewed the comparisons between OneAmerica (former plan) and Principal (new plan) over

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|   | <p>the last 12 months in plan assets, investments, and number of participants. Mr. Alvarez also reviewed Principal's plan performance, as well as comparison to other targeted date funds in general. Mr. Alvarez stated that overall there is an upward trend with the new plan. Mr. Alvarez stated that Mr. Jason Chepenik of Chepenik Financial (CSCF's retirement broker) will be attending the June 2017 Board meeting and provide a presentation on the landscape of the plan.</p> <p><u>Retirement Plan – 403b Audit Result</u><br/>         Mr. Alvarez referred to the draft audit results on the 403b retirement plan (attachment): 1) as of 6/30/15 and 12/31/14 and for the 6 months ended 6/30/15 and 2) for year ended 6/30/16. The Finance Committee concurred to accept aforementioned draft audit results and to place them on the consent agenda at the 4/26/17 Board Meeting.</p> |  |
| 7 | <p><b>Other Business</b><br/>         None offered.</p>  |  |
| 8 | <p><b>Adjournment</b><br/>         There being no other business, the Finance Committee meeting was adjourned at 3:21 p.m.</p>   |  |

Respectfully submitted,

Kaz Kasal  
 Executive Coordinator