

Finance Committee Meeting

CareerSource Central Florida Office
 390 N Orange Ave., Suite 700
 Orlando, FL 32801
 Monday, June 12, 2017
 9:00 a.m.

MINUTES

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

MEMBERS ABSENT: Glen Casel and Melanie Cornell

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

Agenda Item	Topic	Action Item / Follow Up Item
1	<p>Welcome Dr. Sarnovsky, Committee Chair, called the meeting to order at 9:01 am and welcomed those in attendance.</p>	
2	<p>Roll Call / Establishment of Quorum Ms. Kasal, CSCF Executive Coordinator, reported that there was a quorum present.</p>	
3	<p>Public Comment None Offered.</p>	
4	<p>Approval of Minutes The Finance Committee reviewed the draft minutes from the 4/11/17 Finance Committee Meeting (attachment).</p>	<p>Mr. Todd made a motion to approve the minutes from the 4/11/17 Finance Committee Meeting. Mr. Wylie seconded; motion passed unanimously.</p>
5	<p>Information/Discussion/Action Items</p>	
	<p><u>Retirement Plan</u> Mr. Christian Campen, with Chepenik Financial, greeted the Committee and provided a PowerPoint presentation (attachment) to review the plan’s design and current data of CSCF’s retirement plan. Mr. Campen summarized that the plan has shown good growth which is primarily due to the surge in market appreciation and great increase in employee participation, with 95% currently participating in the plan. Mr. Campen noted as the average account amount increases, the plan will becomes more marketable. Mr. Campen also reviewed performance details by investment fund.</p> <p>Ms. Beecham stated that Chepenik will conduct one-on-one meetings with staff to review their individual</p>	<p><i>Based on Committee feedback:</i></p> <p><i>Mr. Alvarez will post a snapshot update of the retirement plan and average rate of return (on a quarterly basis) on staff intranet “The Source”</i></p> <p><i>Mr. Campen will provide to the Committee a fund performance report of other similar target date funds to compare with CSCF’s target date fund.</i></p>

retirement accounts. The Committee concurred on the importance to keep staff informed and engaged in their retirement plan performance.

Fiscal Year 16-17 – Budget vs. Actual 4/30/17

Mr. Alvarez referenced the report entitled “Budget vs. Actual Report – as of 4/30/17” (attachment) and reviewed the results by line item. Expenditures are at 77%; ITAs are exceeding target at 69.8% and Admin Costs at 8.4% should go down towards 7% by year-end. Mr. Alvarez further stated that year-end should close out where expected and no challenges are anticipated. Mr. Alvarez will provide an update at the 6/28/17 Board Meeting.

Approval of Fiscal Year 17-18 Draft Budget

Mr. Alvarez referenced the “FY 2017-2018 Draft Annual Budget” (attachment) which was reviewed and discussed at the Finance and Career Services Committees’ Budget Workshop on 5/25/17. Mr. Alvarez, Ms. Nabors and Ms. Beecham provided the following highlights:

- Overall budget at \$26.8M – a 3.5% decrease from last year.
- Looked for efficiencies in every line item to absorb the 3.5%M reduction.
- Target goals from 16-17 are baseline to 17-18 - although funds for 17-18 have decreased, services have not.
- Consolidated Career Centers from 6 to 5, but identified and partnered with key stakeholders, especially remote areas, to keep connected with this Region’s population without impacting service delivery. There will be a continued focus to reduce lease costs through stakeholder partnerships and utilization of shared space.
- Will be looking to create a strategy for computer leasing.
- Staff capacity is critical; it will be important that staff are nimble and versatile in all aspects, absorbing more responsibility and continuous learning.
- Revenue Diversification
 - Unrestricted funds have grown from \$400,000 last year to \$534,000. This year expect to aggressively continue to grow these

Committee concurred for Mr. Alvarez to add note on 7% reduction in health benefits cost to the “Budget Operating Notes” in the FY 2017-2018 Draft Annual Budget.

Mr. Pittman made a motion to move for Board approval recommendation to approve 17-18 draft budget. Mr. Wylie seconded; motion passed

	<p>funds. There is great opportunity with the Ticket-To-Work program.</p> <ul style="list-style-type: none"> – Restricted, external grants – take a deep dive to continue growing revenue. – Executive Committee to oversee revenue diversification to help in its growth. <ul style="list-style-type: none"> • Benefits costs will decrease; current utilization rate is at 70% vs. 106% in the previous year. Employee contributions and health carrier will remain the same <p><u>Finance Committee Meetings – Proposed Dates for FY 17-18</u></p> <p>Mr. Alvarez referenced proposed Finance Committee Meeting dates for FY 17-18. The Committee concurred on dates. With regard to the two dates where Finance Committee meets jointly with Audit Committee, Ms. Kasal stated she will review those dates with Audit Committee Chair and Audit Committee for concurrence.</p>	
7	<p>Other Business</p> <p><u>Audit Report</u></p> <p>Mr. Alvarez stated it is his goal to present the Audit Report at the November Finance Committee meeting.</p> <p><u>Banking Services</u></p> <p>Mr. Alvarez stated CSCF looking at changing banks. Instead of issuing an RFP, he will be reaching out to various banks on their banking services, especially value-added services. This will be a better approach, as there is no banking costs involved and RFPs are not required for costs under \$150,000. Mr. Alvarez stated he will present his findings at the Finance Committee meeting in September.</p>	
8	<p>Adjournment</p> <p>There being no other business, the Finance Committee meeting was adjourned at 10:15 a.m.</p>	

Respectfully submitted,

Kaz Kasal
 Executive Coordinator