

Children's Services Council

# Finance Committee Meeting

Thursday, May 26, 2016, 4:00 p.m.

## **AGENDA / MINUTES**

### **Welcome and introductions**

#### **Finance Committee Members:**

Tom Lynch, CSC Finance Committee Chair  
Thomas Bean, CSC Finance Committee Vice-chair  
Greg Langowski, Chair Children's Services Council  
Tom Weber, Vice Chair Children's Services Council  
Paul Dumars, Director Financial Services, Solid Waste Authority  
John Marino, Volunteer

#### **CSC Staff:**

Lisa Williams-Taylor, CEO  
Jen Diehl, CFO  
Tom Sheehan, General Counsel  
Elsa Sanchez, Senior Executive Assistant

### **Agenda Items:**

- 1 Revised Minutes March 31, 2016
- 2 Minutes April 28, 2016
- 3 April 30, 2016 Financial Statements
- 4 Other
- 5 Adjournment

Next Meeting: Tentatively June 15, 2016

# Finance Committee Meeting

Thursday, March 31, 2016, 4:00 p.m.

## **AGENDA / MINUTES (REVISED\*)**

### **Welcome and introductions**

#### **Finance Committee Members:**

Tom Lynch, CSC Finance Committee Chair, **Present**  
Thomas Bean, CSC Finance Committee Vice-chair, **Arrived 4:20**  
Greg Langowski, Chair Children's Services Council, **Present**  
Tom Weber, Vice Chair Children's Services Council, **Present**  
Paul Dumars, Director Financial Services, Solid Waste Authority, **Not Present**  
John Marino, Volunteer, **Present**

#### **CSC Staff:**

Lisa Williams-Taylor, CEO, **Present**  
Bill Cosgrove, CFO, **Present**  
Jen Diehl, Controller, **Present**  
Tom Sheehan, General Counsel, **Present**  
Elsa Sanchez, Senior Executive Assistant, **Present**  
Tanya Palmer, Chief Program Officer, **Present**

### **Agenda Items:**

- 1 Minutes February 25, 2016, **Unanimously Approved**
- 2 Budget Workshop Summary (March 10, 2016), **Summary provided**
- 3 February 29, 2016 Financial Statements, **Unanimously Approved**
- 4 Budget Scenario 2016-2017, **Unanimously decided to update scenario with .6865 millage which provides the opportunity for sustained children's programs, needed growth and newly identified community needs**
- 5 Investment Policy Review, **Discussed term of Investment Advisor's contract and decided to maintain current investment policy**
- 6 Procurement Policy Update, **Unanimously Approved recommendation to Council of \$5,000 "no quote" spending threshold**
- 7 Fund Balance Policy Amendment, **Unanimously Approved floor of 27.5% of the total budget; \*Justified by having 2 months of reserves until the receipt of ad valorem revenue in November**
- 8 Other

## 9 Adjournment

# Finance Committee Meeting

Thursday, April 28, 2016, 3:30 p.m.

## AGENDA / MINUTES

### Welcome and introductions

#### Finance Committee Members:

Tom Lynch, CSC Finance Committee Chair, **Present**  
Thomas Bean, CSC Finance Committee Vice-chair, **Present**  
Greg Langowski, Chair Children's Services Council, **Present**  
Tom Weber, Vice Chair Children's Services Council, **Present**  
Paul Dumars, Director Financial Services, Solid Waste Authority, **Present**  
John Marino, Volunteer, **Not Present**

#### CSC Staff:

Lisa Williams-Taylor, CEO, **Present**  
Jen Diehl, CFO, **Present**  
Tom Sheehan, General Counsel, **Present**  
Elsa Sanchez, Senior Executive Assistant, **Present**

### Agenda Items:

- 1 Minutes March 31, 2016, **Unanimously approved with addition of reasoning for fund balance policy amendment [revised March minutes attached for approval]**
- 2 March 31, 2016 Financial Statements, **Unanimously approved**
- 3 CSC Budget Forecast 2016-2017 through 2020-2021, **Recommended revising millage rate to .6952 based on projected increase of tax base of 6.65% from previous projection of 8% and millage of .6865; contingent upon actual tax base increase and projected program expenditures as a result of planning session decisions and follow-up from CSC staff; Discussed increase to individual property owners which would be an approximate \$7 increase per year for an owner of a single family home with a taxable property value of \$250,000.**
- 4 CSC Proposed 2016-2017 Operating Budget Detail, **Recommended revising millage rate to .6952 based on projected increase of tax base of 6.65% from previous projection of 8% and millage of .6865; contingent upon actual tax base increase and projected program expenditures as a result of planning session decisions and follow-up from CSC staff**

- 5 Other
- 6 Adjournment

Next Meeting: May 26, 2016

**AGENDA ITEM: 3**

**TITLE: Financial Statements – April 30, 2016  
(Unaudited)**

**STAFF:** Jennifer Diehl, CFO, Children’s Services Council of Palm Beach County

**SUMMARY:**

The financial statements are presented reflecting the estimated operating results of the General Fund and Special Revenue Fund (Prevention Partnerships for Children, Inc.) for the seven months ended April 30, 2016. The audit of the Council for the fiscal year ended September 30, 2015 has been completed and the applicable figures represent audited numbers.

**Balance Sheet:**

As of April 30, 2016 the Council had \$91,703,482 in cash and investments. Of this balance, \$30,000,000, net of unamortized discounts and premiums, was held in federal government bonds, \$57,147,980 was held in a public funds money market account, and \$150,853 was held in the Morgan Stanley Institutional Liquidity Prime Advisory Fund #8341. The remainder of the funds were on deposit in the Council’s operating accounts.

The Capital Assets and the Investment in Capital Assets for \$19,554,398 represent the costs associated with furniture and fixtures, equipment, and building costs.

**Statement of Revenue and Expenses:**

The budgeted expenditure rate at April 30, 2016 is 58%. The estimated expenditure rate for Children’s Programs at April 30, 2016 is 52.12%

**RECOMMENDATION:**

**I recommend the Finance Committee propose that the Council accept the April 30, 2016 Financial Statements as submitted.**

**CHILDREN'S SERVICES COUNCIL OF PALM BEACH COUNTY**

**BALANCE SHEET (Unaudited)**

**April 30, 2016**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total All Funds</u>
		<i><u>Prevention Partnership for Children, Inc.</u></i>	
<b><u>Assets</u></b>			
Cash & Investments	\$ 91,690,653	\$ 12,829	\$ 91,703,482
Accounts Receivable	1,089,677	-	1,089,677
Interest Receivable	55,169	-	55,169
Advances to Agencies	4,679,318	-	4,679,318
Prepaid Expenses	463,411	-	463,411
Due From - General Fund	-	109,024	109,024
Capital Assets	19,554,398	-	19,554,398
	<hr/>	<hr/>	<hr/>
Total Assets	<u>117,532,626</u>	<u>121,853</u>	<u>117,654,479</u>
<b><u>Liabilities &amp; Fund Balance</u></b>			
<u>Liabilities</u>			
Allocations to Children's Services Programs	7,093,068	121,853	7,214,921
Deferred Revenue	766,667	-	766,667
Accounts Payable	324,649	-	324,649
Due to - Special Revenue Fund	109,024	-	109,024
Total Liabilities	<u>8,293,408</u>	<u>121,853</u>	<u>8,415,261</u>
 Fund Balance			
Nonspendable:			
Prepaid Expenses	463,411	-	463,411
Assigned:			
Reserved in accordance with fund balance policy	33,491,795	-	33,491,795
Unassigned:	55,729,614	-	55,729,614
	<hr/>	<hr/>	<hr/>
Total Fund Balance	<u>89,684,820</u>	<u>-</u>	<u>89,684,820</u>
	<hr/>	<hr/>	<hr/>
Investment in Capital Assets	19,554,398	-	19,554,398
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balance	<u>\$ 117,532,626</u>	<u>\$ 121,853</u>	<u>\$ 117,654,479</u>

**CHILDREN'S SERVICES COUNCIL OF PALM BEACH COUNTY  
STATEMENT OF REVENUE AND EXPENSES CHANGES IN FUND BALANCE  
FOR THE SEVEN MONTHS ENDED APRIL 30, 2016**

	<u>General Fund</u>					<u>Special Revenue Fund</u>					<u>Total</u>				
	<u>Approved</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>	<u>Approved</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>	<u>Approved</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>
	<u>2015/2016</u>	<u>Through</u>	<u>Through</u>			<u>2015/2016</u>	<u>Through</u>	<u>Through</u>			<u>2015/2016</u>	<u>Through</u>	<u>Through</u>		
	<u>Budget</u>	<u>4/30/2016</u>	<u>4/30/2016</u>	<u>YTD</u>	<u>YTD</u>	<u>Budget</u>	<u>4/30/2016</u>	<u>4/30/2016</u>	<u>YTD</u>	<u>YTD</u>	<u>Budget</u>	<u>4/30/2016</u>	<u>4/30/2016</u>	<u>YTD</u>	<u>YTD</u>
<b>Revenues</b>															
Ad Valorem Property Taxes	\$ 102,176,959	\$ 95,183,879	\$ 95,183,879	\$ -	93.16%	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 102,176,959	\$ 95,183,879	\$ 95,183,879	\$ -	93.16%
Interest Income	300,000	175,000	312,289	137,289	104.10%	-	-	-	-	0.00%	300,000	175,000	312,289	137,289	104.10%
Unrealized Gain or Loss	-	-	38,078	38,078	100.00%	-	-	-	-	0.00%	-	-	38,078	38,078	100.00%
Department of Health/Agency for Health Care Administration	3,630,806	2,117,970	2,453,415	335,445	67.57%	-	-	-	-	0.00%	3,630,806	2,117,970	2,453,415	335,445	67.57%
Palm Beach County Head Start Match	3,100,000	1,808,333	1,808,333	(0)	58.33%	-	-	-	-	0.00%	3,100,000	1,808,333	1,808,333	(0)	58.33%
JPB Foundation	250,000	-	-	-	0.00%	-	-	-	-	0.00%	250,000	-	-	-	0.00%
Income from Tenants	70,000	40,833	43,926	3,093	62.75%	-	-	-	-	0.00%	70,000	40,833	43,926	3,093	62.75%
Other Income	100,000	58,333	186,281	127,948	186.28%	-	-	-	-	0.00%	100,000	58,333	186,281	127,948	186.28%
Cash Carryforward	14,843,281	-	-	-	0.00%	-	-	-	-	0.00%	14,843,281	-	-	-	0.00%
<b>Total Revenues</b>	<b>124,471,046</b>	<b>99,384,349</b>	<b>100,026,201</b>	<b>641,852</b>	<b>80.36%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>124,471,046</b>	<b>99,384,349</b>	<b>100,026,201</b>	<b>641,852</b>	<b>80.36%</b>
<b>Expenditures</b>															
Administrative Expenditures	5,342,146	3,116,252	2,985,660	130,591	55.89%	-	-	857	(857)	100.00%	5,342,146	3,116,252	2,985,617	129,734	55.90%
Capital Expenditures	250,000	145,833	140,067	5,766	56.03%	-	-	-	-	0.00%	250,000	145,833	140,067	5,766	56.03%
Contingency	500,000	-	-	-	0.00%	-	-	-	-	0.00%	500,000	-	-	-	0.00%
Non-Operating Expenses	2,801,919	2,477,027	2,477,027	-	88.40%	-	-	-	-	0.00%	2,801,919	2,477,027	2,477,027	-	88.40%
Reserve for Uncollectible Taxes	5,108,848	-	-	-	0.00%	-	-	-	-	0.00%	5,108,848	-	-	-	0.00%
Children's Services Programs:															
Direct Services:															
Funded Programs & Initiatives	98,014,091	57,174,886	50,858,936	6,315,950	51.89%	2,682,701	1,564,909	1,282,054	282,855	47.79%	100,696,792	58,739,795	52,140,990	6,598,805	51.78%
Support Services:															
Programmatic Support	9,771,341	5,699,949	5,440,426	259,523	55.68%	-	-	-	-	0.00%	9,771,341	5,699,949	5,440,426	259,523	55.68%
Total Children's Programs	107,785,432	62,874,835	56,299,362	6,575,474	52.23%	2,682,701	1,564,909	1,282,054	282,855	47.79%	110,468,133	64,439,744	57,581,416	6,858,329	52.12%
<b>Total Expenses</b>	<b>121,788,345</b>	<b>68,613,948</b>	<b>61,902,116</b>	<b>6,711,832</b>	<b>50.83%</b>	<b>2,682,701</b>	<b>1,564,909</b>	<b>1,282,911</b>	<b>281,998</b>	<b>47.82%</b>	<b>124,471,046</b>	<b>70,178,856</b>	<b>63,185,027</b>	<b>6,993,829</b>	<b>50.76%</b>
<b>Excess Revenues over Expenses</b>			38,124,085					(1,282,911)					36,841,174		
<b>Other Financing Sources (Uses)</b>															
Transfers in (out)	(2,682,701)	(1,564,909)	(1,282,911)	(281,998)	47.82%	2,682,701	1,564,909	1,282,911	281,998	47.82%	-	-	-	-	0.00%
<b>Net Changes in Fund Balances</b>			36,841,174										36,841,174		
<b>Fund Balances</b>															
October 1, 2015			52,843,646										52,843,646		
April 30, 2016			<u>\$ 89,684,820</u>					<u>\$ -</u>					<u>\$ 89,684,820</u>		