

Children's Services Council

Finance Committee Meeting

Thursday, September 24, 2015

4:45 pm – 5:15 pm

CSC – Executive Conference Room

AGENDA

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 Dumar, Director of Financial Services, Solid Waste Authority
John Marino, Volunteer, Finance Committee

CSC Staff:

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

Agenda Items:

- 1 Minutes August 24, 2015 Finance Committee Meeting
- 2 August 31, 2015 Financial Statements
- 3 Short Term Disability Cost Analysis
- 4 Other

Next Meeting: December 3rd - 4:15 - 4:30 pm

Children's Services Council

Finance Committee Meeting

Monday, August 24, 2015

11:30 am – 12:30 pm

CSC – Executive Conference Room

MINUTES

Welcome and Introductions

Finance Committee Members:

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

CSC Staff:

Lisa Williams-Taylor Ph.D, CEO, **Present**
Bill Cosgrove, CFO, **Present**
Jen Diehl, Controller, **Present**
Tom Sheehan, General Counsel, **Present**
Elsa Sanchez, Senior Executive Assistant, **Present**

Agenda Items:

- 1 Minutes August 6, 2015, **Approved unanimously**
- 2 July 31, 2015 Financial Statements and Expenses by Program, **Approved unanimously, questioned how many children are served as part of the ELC CSC Scholarship Initiative program which will be discussed at the next meeting**
- 3 Proposed 2014-2015 CSC General Fund Budget revision, **Approved unanimously**
- 4 TRIM Package, **Approved unanimously, questioned the number of short term disability claims which will be discussed at the next meeting**
- 5 Other
- 6 Adjournment

Next Meeting: September 24th 4:00-4:15

AGENDA ITEM: 2

TITLE: Financial Statements – August 31, 2015
(Unaudited)

STAFF: Jennifer Diehl, Controller, 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 eleven months ended August 31, 2015. The audit of the Council for the fiscal year ended September 30, 2014 has been completed and the applicable figures represent audited numbers.

Balance Sheet:

As of August 31, 2015 the Council had \$65,904,239 held in cash and investments. Of this balance, \$27,000,000, net of unamortized discounts and premiums, was held in federal government bonds, \$15,994,802 was held in a public funds money market account, and \$17,981,148 was held in the Morgan Stanley Institutional Liquidity Prime Advisory Fund #8341. The remainder of the funds was on deposit in the Council’s operating accounts.

The Capital Assets and the Investment in Capital Assets for \$20,832,932 represent the costs associated with furniture and fixtures, equipment, and building costs.

Statement of Revenue and Expenses:

The budgeted expenditure rate at August 31, 2015 is 91.67%. The estimated expenditure rate for Children’s Programs at August 31, 2015 is 81.32%.

RECOMMENDATION:

I recommend the Finance Committee propose that the Council accept the August 31, 2015 Financial Statements as submitted.

CHILDREN'S SERVICES COUNCIL OF PALM BEACH COUNTY

BALANCE SHEET (Unaudited)

August 31, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total All Funds</u>
		<i>Prevention Partnership for Children, Inc.</i>	
<u>Assets</u>			
Cash & Investments	\$ 65,891,174	\$ 13,065	\$ 65,904,239
Accounts Receivable	788,259	-	788,259
Advances to Agencies	3,740,429	-	3,740,429
Prepaid Expenses	336,212	-	336,212
Due From - General Fund	-	521,245	521,245
Capital Assets	20,832,932	-	20,832,932
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Total Assets	<u>91,589,006</u>	<u>534,310</u>	<u>92,123,316</u>
<u>Liabilities & Fund Balance</u>			
<u>Liabilities</u>			
Allocations to Children's Services Programs	5,856,019	526,602	6,382,621
Deferred Revenue	515,213	-	515,213
Accounts Payable	525,257	7,708	532,965
Due to - Special Revenue Fund	521,245	-	521,245
Total Liabilities	<u>7,417,734</u>	<u>534,310</u>	<u>7,952,044</u>
Fund Balance			
Nonspendable:			
Prepaid Expenses	336,212	-	336,212
Assigned:			
Reserved in accordance with fund balance policy	35,959,774	-	35,959,774
Unassigned:	27,042,354	-	27,042,354
	<hr/>	<hr/>	<hr/>
Total Fund Balance	<u>63,338,340</u>	<u>-</u>	<u>63,338,340</u>
Investment in Capital Assets	20,832,932	-	20,832,932
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Total Liabilities and Fund Balance	\$ <u>91,589,006</u>	\$ <u>534,310</u>	\$ <u>92,123,316</u>

**CHILDREN'S SERVICES COUNCIL OF PALM BEACH COUNTY
STATEMENT OF REVENUE AND EXPENSES CHANGES IN FUND BALANCE
FOR THE ELEVEN MONTHS ENDED AUGUST 31, 2015**

	<u>General Fund</u>					<u>Special Revenue Fund</u>					<u>Total</u>				
	Approved 2014/2015 <u>Budget</u>	Budget Through <u>8/31/2015</u>	Actual Through <u>8/31/2015</u>	Variance <u>YTD</u>	% <u>YTD</u>	<u>Prevention Partnership for Children, Inc.</u>					Approved 2014/2015 <u>Budget</u>	Budget Through <u>8/31/2015</u>	Actual Through <u>8/31/2015</u>	Variance <u>YTD</u>	% <u>YTD</u>
						Approved 2014/2015 <u>Budget</u>	Budget Through <u>8/31/2015</u>	Actual Through <u>8/31/2015</u>	Variance <u>YTD</u>	% <u>YTD</u>					
Revenues															
Ad Valorem Property Taxes	\$ 94,363,181	\$ 90,722,502	\$ 90,722,502	\$ -	96.14%	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 94,363,181	\$ 90,722,502	\$ 90,722,502	\$ -	96.14%
Interest Income	150,000	137,500	182,971	45,471	121.98%	-	-	-	-	0.00%	150,000	137,500	182,971	45,471	121.98%
Department of Health/Agency for Health Care Administration	3,053,295	2,798,854	2,884,770	85,916	94.48%	-	-	-	-	0.00%	3,053,295	2,798,854	2,884,770	85,916	94.48%
Palm Beach County Head Start Match	4,100,000	3,416,667	3,692,000	275,333	90.05%	-	-	-	-	0.00%	4,100,000	3,416,667	3,692,000	275,333	90.05%
Income from Tenants	70,000	58,333	68,612	10,279	98.02%	-	-	-	-	0.00%	70,000	58,333	68,612	10,279	98.02%
Other Income	100,000	83,333	236,019	152,686	236.02%	-	-	-	-	0.00%	100,000	83,333	236,019	152,686	236.02%
Cash Carryforward	20,307,835	-	-	-	0.00%	-	-	-	-	0.00%	20,307,835	-	-	-	0.00%
Total Revenues	122,144,311	97,217,189	97,786,874	569,685	80.06%	-	-	-	-	0.00%	122,144,311	97,217,189	97,786,874	569,685	80.06%
Expenditures															
Administrative Expenditures	5,236,854	4,364,045	4,245,853	118,192	81.08%	-	-	1,189	(1,189)	100.00%	5,236,854	4,364,045	4,247,042	117,003	81.10%
Capital Expenditures	400,000	333,333	102,733	230,600	25.68%	-	-	-	-	0.00%	400,000	333,333	102,733	230,600	25.68%
Contingency	500,000	-	-	-	0.00%	-	-	-	-	0.00%	500,000	-	-	-	0.00%
Non-Operating Expenses	2,653,643	2,565,333	2,565,333	-	96.67%	-	-	-	-	0.00%	2,653,643	2,565,333	2,565,333	-	96.67%
Reserve for Uncollectible Taxes	4,819,391	-	-	-	0.00%	-	-	-	-	0.00%	4,819,391	-	-	-	0.00%
Children's Services Programs:															
Direct Services:															
Funded Programs & Initiatives	96,623,606	80,519,672	78,116,468	2,403,204	80.85%	2,278,398	1,898,665	2,178,938	(280,273)	95.63%	98,902,004	82,418,337	80,295,406	2,122,931	81.19%
Support Services:															
Programmatic Support	9,632,419	8,027,016	7,960,050	66,966	82.64%	-	-	-	-	0.00%	9,632,419	8,027,016	7,960,050	66,966	82.64%
Total Children's Programs	106,256,025	88,546,688	86,076,518	2,470,170	81.01%	2,278,398	1,898,665	2,178,938	(280,273)	95.63%	108,534,423	90,445,353	88,255,456	2,189,897	81.32%
Total Expenses	119,865,913	95,809,399	92,990,437	2,818,962	77.58%	2,278,398	1,898,665	2,180,127	(281,462)	95.69%	122,144,311	97,708,064	95,170,564	2,537,500	77.92%
Excess Revenues over Expenses			4,796,437					(2,180,127)					2,616,310		
Other Financing Sources (Uses)															
Transfers in (out)	(2,278,398)	(1,898,665)	(2,180,127)	281,462	95.69%	2,278,398	1,898,665	2,180,127	(281,462)	95.69%	-	-	-	-	0.00%
Net Changes in Fund Balances			2,616,310					-					2,616,310		
Fund Balances															
October 1, 2014			60,722,030					-					60,722,030		
August 31, 2015			<u>\$ 63,338,340</u>					<u>\$ -</u>					<u>\$ 63,338,340</u>		

AGENDA ITEM: 3

TITLE: SHORT TERM DISABILITY (STD) COST ANALYSIS

STAFF: Tom Sheehan, General Counsel

SUMMARY:

The following is being presented in response to the questions asked at the August 24, 2015 Finance Committee meeting about CSC's Short Term Disability benefit:

Annual Premium Amount	Last 12 Month STD Payment Total
\$23,848.00	\$21,034.34

NOTE: Were CSC to switch to self-funding Short term Disability, staff would recommend:

1. A "stop loss" policy (premium dependent on stop loss amount)
2. Having a third-party administrator to decide disability questions and handle payment process

Recommendation: Staff recommends keeping STD with Cigna.