

**CareerSource Pinellas
Finance Committee Minutes**

Date: June 24, 2020 - 10:00 A.M.
Location: Virtual Zoom Meeting

Call to Order

Committee Chair, David Fetkenher called the meeting to order at 10:05 am. There was a quorum present with the following members participating.

Committee Members in attendance

Manny Bhuller, David Fetkenher, Jack Geller, Amy Van Ness.

Committee Members Absent

Barclay Harless, Scott Wagman

Staff Present

Jennifer Brackney, Steven Meier, Cindy Hockridge.

Guests

Charles Chunn, HUB International

Action Items

Action Item 1 – Approval of Minutes

The minutes of April 29, 2020, Finance Committee Meeting were presented for approval.

Motion:	Amy Van Ness
Second:	Manny Bhuller

The minutes were approved as presented. The motion carried unanimously. There was no further discussion.

Other Administrative Matters

Ms. Brackney gave an update of the Board of County Commissioners meeting held on June 23, 2020. CareerSource Pinellas had the following items on the agenda: SubGrantee Agreement, 2020/21 Budget, MOU renewal for PCS and Board member renewals and new appointments. All of the items were approved.

Information Item 1- Statement of Activities: Current Year vs. Prior Year

A statement of activities comparing current year activity with prior year activity was included in the packet. Highlighted items: Year to date surplus is \$660k, most of which resulted from the gain on sale of the Science Center. Ticket to Work Revenue is up from last year. Expenditures are a little higher at \$56k. Personnel expenses were favorable as staffing is down. The benefit stipend is shown in a separate account this year and fringe benefits this year represents company-paid life and short- and long-term disability. Program expenses are up \$722k. Professional fees are down due to consultants used last year during the transition. Contract labor has decreased. Cyber Security has increased as we entered into an agreement for 24/7 computer monitoring. Insurance is favorable as a result of receiving a sizeable dividend from our Workers' Compensation policy. Equipment is unfavorable as CareerSource Pinellas purchased 25 laptops for our employees to do telework from home due to COVID-19. Travel is down this year due to COVID-19 impacting travel plans.

Information Item 2 – Statement of Activities: Current Year vs. Budget

A statement of activities comparing current year activity with year-to-date budget was included in the packet. The actual YTD Grant revenue is \$7,915,799 versus a YTD budget of \$8,256,850; an unfavorable variance of (\$341,051). CareerSource will be spending all Grant funds that are ending on June 30th. Personnel expenses should be favorable on an annual basis as some positions remained open. Training has been very strong on a year to date basis. We have been focusing on WIOA youth spending and should be close to the 20% requirement for PWE as of June 30.

Information Item 3 – Cost Allocation/Expenditure Report for PE 4.30.20

A cost allocation/expenditure report was provided in the packet for the ten months ended April 30, 2020. We are on track for WIOA, Employment Services, WTP and SNAP spending.

Information Item 4 – Pooled Cost Expenditure Report for PE 4.30.20

A pooled cost expenditure report was provided in the packet for the ten months ended April 30, 2020.

Information Item 5 – Grants Status Report

A grant status report was provided in the packet, as of 4/30/20. Four grants highlighted are newly granted awards, two of which are COVID related. We have received \$555k for a COVID dislocated grant for training dislocated workers. We expect to receive a total of \$1.3M to assist individuals and employers impacted by COVID. We are also working with Pinellas County to potentially receive Cares Act Fund dollars.

Information Item 6 – Insurance Update (Charles Chunn, HUB International)

Hub International, the Insurance Broker, has obtained quotes for business insurance renewals effective July 1, 2020. There are two options:

- 1. Remain with current program providers
 - Expiring Premium - \$134,692.25
 - Proposed Premium - \$125,965.35
- 2. Florida Insurance Trust
 - Proposed Premium - \$128,351.49 (expiring 6/1/2021; 11 months)

Due to recent insurance payout since quotes were prepared, the broker is required to notify carriers of payout; proposed rates may change. The 2020-2021 Planning Budget was prepared in April and approved at the May 20, 2020 Board meeting.

	Expiring	Proposed	Budget	
	2019-2020	2020-2021	2020-2021	Variance
Commercial Property	3,673	4,373	15,000	10,627
Commercial Package	29,280	28,176	35,000	6,824
Commercial Umbrella	11,187	10,186	12,500	2,314
Commercial Crime	4,696	4,696	5,500	804
Mgmt Liability	20,680	22,460	22,000	(460)
Cyber	5,095	6,665	25,000	18,335
Auto	7,916	7,457	8,000	543
Workers' Comp	52,165	41,952	43,183	1,231
	\$ 134,692	\$ 125,965	\$ 166,183	\$ 40,218

Included also is the Summary of Insurance Loss Runs. Fiscal year activity includes:

- 1. Claims of \$112,868 were paid on Cyber Policy related to forensics review, post-breach remediation, legal fees, etc. associated with cyber-attack in October 2019.
- 2. Two Workers' Compensation claims totaling \$3,138.
 - a. One employee jumped out of chair to assist another person; strained knee.
 - b. One employee had rash on left arm.
- 3. One claim recently settled; not included on loss run report.

Conclusion: Based upon quotes received, CareerSource Pinellas anticipates remaining with current program provider subject to their review taking into account recently paid claim.

Public Comments

None

Open Discussion

Ms. Brackney noted we just completed the DEO Financial Monitoring. They were very complimentary of the changes that have been made. We haven't received the final monitoring review letter, however we expect just a couple of observations and technical assistance items. DEO felt the Subrecipient monitoring that has been put in place was considered a best practice. DEO was also pleased with the implementation of quarterly unannounced audits of the supportive services. We've made some great strides with our finance department - Compliments to Steve Meier, our CFO, for moving things forward, providing detailed reports on a regular basis, and building capacity here.

Mr. Fetkenher also thanked Steve and said the reporting is now into the next level.

Ms. Brackney thanked David Fetkenher for being our Treasurer. It has been a pleasure to work with him. We look forward to his continued participation on the Board. We appreciate his time, commitment and support. Mr. Geller also thanked David for his work.

Adjournment

The meeting was adjourned at approximately 10:49 am.