

CHILDREN'S SERVICES COUNCIL OF ST. LUCIE COUNTY

Regular Council Meeting
Thursday, February 9, 2017

Children's Services Council of St. Lucie County
546 NW University Boulevard, Suite 201 -- Board Room
Port Saint Lucie, Florida 34986
Commencement: 8:30 a.m.

MINUTES

- I CALLED TO ORDER:** 8:32 a.m. by Chairperson Kathryn Hensley.
- II PLEDGE OF ALLEGIANCE**
- III MISSION STATEMENT** Read by Chairperson Kathryn Hensley; *"The mission of the Children's Services Council is to improve the quality of life for all children in St. Lucie County."*
- IV ROLL CALL:** Quorum established.

COUNCIL PRESENT: Chairperson **Kathryn Hensley** (*School Board Member*); Vice Chair **Candice Loupe** (*Governor Appointed*); Secretary **Pat Alley** (*Governor Appointed*); **Michael C. Heisey** (*Circuit Juvenile Judge*); **Wayne Gent** (*Superintendent of Schools*); **Marilyn Lawless** (*Governor Appointed*); **Linda Bartz** (*County Commissioner*); and **Amy Gregory** (*Department of Children & Families*).

COUNCIL ABSENT: **Eric S. Finkel** (*Governor Appointed*); **Vacant Position of Jason Matson** (*Governor Appointed*).

OTHERS PRESENT: **Sean Boyle** (*Executive Director*); **Dori DiToro** (*Director of Finance & Human Resources*); **Jim Dwyer** (*Director of Programming*); **Ashley Mock** (*Director of Community Engagement*); **Sandy Mack** (*Program Specialist*); **Tonya Andreacchio** (*Capacity Building Coordinator*); **Erin Craig** (*Finance & HR Specialist*); **Paula Rivera** (*Office Manager / Transcriber*); **Glen Torcivia** (*CSC Attorney*); and *five (5) members of Public in attendance. Reference attendance sheet for specifics.*

NOTICE: *The Children's Services Council of St. Lucie County maintains an audio record of all monthly Council meetings and public hearings. The written summarized minutes of the meetings are concise and become the official minutes after approval by the Council. Any person seeking to appeal any decision by the Children's Services Council, with respect to any matter considered at this meeting, is advised that a record of the proceeding is required in any such appeal and that such person may need to insure that a verbatim record of the proceeding is made including the testimony and evidence upon which the appeal is to be based.*

V PUBLIC COMMENTS

CSC Chair invited Ms. Wendy Zuniga, Site Coordinator for Multi-Cultural Resource Center (MRC), to the podium to provide board members with an MRC Update. Ms. Zuniga focused her update on their newest pilot program. She explained this past December 2016 the students were able to assist in the coordination of donated supplies to the homeless stationed at the Image of Christ and a local park. These students also volunteered in supporting other local programs such as Hibiscus and handed out gift cards and enjoyed a meal in the company of these other teens. The students are presently assisting at a local church in the preparation and set up of community dinners. They are also involved in sewing classes. This program is about exposing the students to projects they are typically not exposed to in the home environment, and they are succeeding in this respect.

VI CONSENT AGENDA

CSC Chair read into record the Memorandum of Voting Conflict form 8B pursuant to voting conflict dated December 8, 2016 for board members, Ms. Hensley and Ms. Alley.

Ms. Alley motioned to approve the Consent Agenda, which includes meeting minutes, Council Attendance Record for fiscal year 2016/2017, and Financial Reports. Consent Agenda also includes a Budget Transfer Request for HPS Infant Family Resource Program. Ms. Loupe seconded the motion. Motion carried unanimously 8/0 in favor.

CSC Chair manipulated the agenda by advancing a section of new business due to the presenter's short time window and other business obligations. CSC Professional Audit follows.

VII NEW BUSINESS

A) Presentation: CSC Professional Audit as of September 30, 2016

Mr. Gaines, representative from the Berger, Toombs, Elam, Gaines & Frank Firm, began his presentation of the CSC Professional Audit for fiscal year ended September 30, 2016 referencing page two of the audit report. Under the 'Opinion' section he stated that the language expresses an unmodified opinion, which is favorable and what clients wish to obtain in an audit report. Mr. Gaines jumped to page fourteen of the audit report expressing the Net Pension Liability of \$627,072 is CSC's pro rata liability of the State of Florida, Florida Retirement System. This is a new pronouncement that recently took effect last year, and due to it being in its second year it has almost doubled. State of Florida controls the contributions that each entity makes to the pension plan. CSC's Net Pension Liability obligation almost doubling is an indication that contributions to the pension plan will be increasing in the future. Presently the net contributions are approximately at 7.85%. Mr. Gaines proceeded in highlighting certain indicators of the audit report. Page twenty he mentioned that Revenues were slightly higher than budgeted and Expenditures slightly lower than budgeted; which has historically been the pattern and what is favored. If the reverse scenario is positioned CSC would be in jeopardy of violation of numerous statutes. The main difference in budget versus actual is that CSC's grants expended less than anticipated. In Notes to Financial Statements pages there are several details about the State of Florida's pension program. Mr. Gaines pointed out there are two separate liabilities involved with the State of Florida, Florida Retirement System's Net Pension Liability. There is the (1) actual pension liability, and (2) Health Insurance Subsidy. The Health Insurance Subsidy provides active retirees a health insurance subsidy of \$5 per month for each year of creditable service. Mr. Gaines referenced pages forty-three and forty-four indicating there were no compliance issues found with the audit. He added, no issues were found in the Management Letter as well, page forty five of the report. He concluded with the reading of a disclosure letter which came into existence as a result of the 'Enron scandal' of year 2001, and must be addressed to the board depicting standards and representations of the Berger, Toombs, Elam, Gaines, & Frank contractual agreement.

Superintendent Gent motioned to accept the Annual Independent Auditor's report for CSC's fiscal year ended September 30, 2016, as presented to the Council by the auditor Berger, Toombs, Elam, Gaines & Frank. Ms. Lawless seconded the motion. Motion carried unanimously 8/0.

VIII EXECUTIVE DIRECTOR'S REPORT

Executive Director, Mr. Sean Boyle, reported and updated Council as necessary referencing his report which was released in advance via the Council e-Packet.

Item(s) new to Mr. Boyle's report and/or requiring updates:

CSC's Sounds of the Season Concert 2016: Mr. Boyle reminded board members of the annual holiday showcase that CSC has been putting on each winter season. CSC invited four of the performing groups who participated in the Sounds of the Season Concert event to the board meeting this morning to acknowledge their efforts and commitment in their performances at this event. Unfortunately, only one of the four groups invited were able to come to today's board meeting. Mr. & Ms. Hendricks, co-founders of the Avenue D Choir, the headliner of the show, were present to accept an acknowledgement plaque for their group's performance. Mr. Boyle explained that the day of the Sounds of the Season Concert the Avenue D Choir was double-booked performing at a venue in Stuart the same evening. They quickly rushed from one performance to the other in a very short time window. Quite an effort on their part in both logistics and performance.

CSC Audit Preparation: Mr. Boyle acknowledged the hard work and effort in preparation for the CSC Professional Audit recently conducted. Ms. DiToro, Ms. Craig and Ms. Torres were instrumental in making this audit a successful one. It reflects how strong our Finance and Human Resources team is as the backbone of our agency; and sound accountability structure. Receiving a clean audit year after year is a testament to this team's hard work, due diligence and dedication. CSC Chair pointed out that although the Berger, Toombs, Elam, Gaines & Frank firm has been CSC's preferred auditor for several years now, CSC has been audited by different auditors within that firm. Hence, it is not the same 'eyes' looking at CSC's financial books each year.

Roundtable's Comprehensive Strategy: Mr. Boyle informed board members that the comprehensive strategy focused on infant mortality, particularly the disparities in African American babies. A mortality rate six times higher than Caucasian babies. Allegany Franciscan Ministries has provided funding to the Health Department of St. Lucie County to fund a nurse to provide a FIMR (fetal infant mortality review). This review will focus on investigating the reasons for this high mortality rate, and establish a group to identify strategies to reduce this mortality rate. Mr. Dwyer has been invited to participate in this FIMR group. The study will be very comprehensive as it will analyze all ethnicity areas.

Midway Rd Real Estate (Drawdy Bros): Mr. Boyle informed board members that he and Ms. Rivera performed a site tour of the Midway Road Real Estate property recently. In order for the building to be suitable for our needs and run efficiently there would be some work that would be required in the interior. Aside from cosmetic changes, flooring is a variation of piece work and there would be adjustments necessary in configuration layout. Mr. Boyle has been in communication with representatives from Ambrosia (the prospective buyer for CSC's current University Blvd location) as well as CMSI, who was West Park Professional Plaza's builder and currently works closely on several building projects with Ambrosia. Ed Ellman, CSMI representative is Ambrosia's registered agent. Mr. Boyle has been in communications with Mr. Ellman, and Mr. Ellman will touch base with Ambrosia to explore the best and final pricing that Ambrosia is willing to pay for our current building. When the final number has been communicated to Mr. Boyle he will inform the board so that a final board decision can be made whether to pursue the sale, or close the subject and move forward. At present, the sale price for this building to consider a relocation of CSC would have to be \$2M+; anything presented lower than this would not be a consideration and in the best interest of CSC. If the sale price received from Ambrosia is favorable, CSC

would then pursue estimates from general contractors to explore the cost in bringing the Midway Road property up to working standard. These estimates would then be factored into the total cost of the plaza purchase along with the Chamber's buyout of their own occupied building, to gain a true sense of the potential result of CSC's investment. This process is still in play, and Mr. Boyle will continue to provide updates accordingly.

FCC Conference: Mr. Boyle provided some highlights to board members related to the recent FCC Conference in Tallahassee. Media is expressing that we will be in a deficit this coming year, however budget projections don't align. The deficit may come along in a couple of years, however the House of Representatives is approaching conservatively and starting to cut programs and services now versus waiting. Although the inquiry was prompted as to why the drastic cuts now, when these projections are just that and liable to change; however there were no replies received. Early Learning Coalition may suffer the consequences of these cuts, due to new legislative leaders erroneously thinking that early childhood services represents that of day care services. There is a very impactful educational piece that is being missed by most that are new to legislative seats. It may be that to correct this line of thinking Early Learning Coalition may have to start over to justify their reason for existence. Manatee Children's Services, a dependent CSC in Manatee County, was present for the conference. They are always a CSC entity we evaluate when doing a needs assessment as they have a similar student body and similar geographical size. They have a three-quarter millage rate and a \$15M budget. CSC of St. Lucie County can only max to a half millage rate. They are considering joining the FCC association. There was dialogue with Florida Department of Children and Families Secretary Mike Carroll. Legislation is asking for the 10% cut exercise, and Department of Children and Families is stating this cannot be done; significant cuts have already been taken. There was also dialogue with Celeste Philip from the Florida Department of Health in regards to mental health and substance abuse. Also other dialogue involved heads of Healthy Kids and ACA (Affordable Care Act), Assistant Secretary for the Florida Department of Education, Office of Early Learning (OEL) and some individual representatives. St. Lucie County came in strong with two of five representatives from St. Lucie County present for the session. Representative Harrell speaking on child welfare, and Representative Erin Grall speaking on early education. In conclusion, concerns addressed in regards to detainment of new governor appointees to the CSC boards was discussed. There is a new appointment secretary in position, and our FCC lobbyist will be meeting with the new appointment secretary on Monday to address this issue. At CSCSLC we presently have two positions that have expired; at CSCMC all of their governor appointed positions have expired, a total of five. CSCMC is presently only working with a board of six members, as only one of the expired governor appointed positions has agreed to stay actively on the board. This has become a very big issue and impacting how CSCs are conducting business. There is a proposed Healthy Kids bill in place that would give local school districts the authority to register kids for healthcare. CSC Chair Hensley feels that law is unnecessary and that this is a best practice method. Also, a bill in regards to mandated recess. CSC Chair Hensley feels this law is conceptually a positive thing, however if there is no funding behind it then it should not pass as a law. Mr. Boyle and Ms. Hensley felt this was a very productive session with genuine dialogue than in past years.

Outstanding Youth Awards Dinner: Mr. Boyle informed board members about CSC's annual signature event. Five youth from our funded programs will be recognized for their leadership, achievement and/or community volunteerism. The applicants are nominated by their program, CSC receives all applications and then a CSC board sub-committee reviews each and scores the nominees using a point scale system. These youth are invited to this Outstanding Youth Awards Dinner with their guests, and honored with a \$1,000 scholarship to pursue higher education after high school graduation. Mr. Boyle requested three board members to participate in the judging of these youth applications. A fourth judge will also participate from the St. Lucie Education Foundation, as the financial administrator of these scholarships. The four board members participating in this sub-committee will be Ms. Lawless, Ms. Gregory, Ms. Loupe and Ms. Bartz. Closer to dinner event, CSC Team will solicit the five board members required to introduce the five youth at the event.

St Lucie Reads Initiative: Mr. Boyle reminded board members that his intention is to have a handout or flyer for each board member at each board meeting so they may review and share with others in the community. Mr. Boyle introduced the St. Lucie Reads cards that have been circulating through the community and promoting the St. Lucie Reads Initiative and talking points which provide more insight in regards to this initiative. CSC will soon begin radio ads on Christian FM as we are targeting churches and religious venues to institute 'little libraries'. We are presently in communication with local billboard company as well as in communication with the Mets. A Mets partnership to hold an evening Sundaes in the Park event and a formal kick-off St. Lucie Reads Initiative event combination on one of their summer Friday evening games.

IX OLD BUSINESS

(None for this meeting agenda)

X NEW BUSINESS (continued)

A) CAI: Hibiscus Request for Waiver of Late Audit Fee

Mr. Boyle provided a brief synopsis of the Council Action Item, known as attachment #5 of the amended e-Packet contents. Mr. Boyle explained policy in regards to agency audit receipt. The Hibiscus audit was due to CSC on February 1, 2017, and was not received timely. Hibiscus has submitted a request for a waiver of the audit late fee indicating the delay was due to staff turnover in the CFO position. The audit has been completed for Hibiscus, however has yet to be released to CSC. It is pending board approval at the next Hibiscus board meeting in the month of March. Hibiscus has submitted a letter requesting waiver of late fees until its audit can be released in March; this would include fees imposed for both January 2017 and February 2017. CSC Team is charged with following approved policy. Ms. Cathy Canada, new Hibiscus CFO, was present however declined the opportunity to address the board stating that all details have already been addressed in the correspondence waiver letter.

Ms. Lawless motioned to approve to uphold CSC policy and impose late fees accrued; declined the Hibiscus Request for waiver of audit fees, as presented in the Council Action Item. Ms. Alley seconded the motion. Motion carried unanimously 8/0 in favor.

B) CSC End of Year Recap & Budget Model Projections

Mr. Boyle addressed board members via a PowerPoint presentation, each member being given a printed version of the presentation as well for easy reference. He demonstrated via the slides CSC's current year budget, having the majority budgeting for programs with under 10% going towards administrative costs. Program funding is broken down by five categories, which are: Keeping Kids Off the Streets at 25%; Ensuring Every Baby is Healthy Baby at 18%; Keeping Kids in School at 22%; Stopping Child Abuse Strong Families at 17%; and lastly Keeping Kids Off Drugs & Risky Behaviors at 18%. He then provided more details on each specific category. A total of 41,030 children and 26,510 parents served individually in this past year. CSC funding has leveraged over \$4.7 million from other sources, producing 400 + jobs in St. Lucie County. CSC underspent in the category of Training & Capacity Building, and the category of Community Outreach & Events. One of the reasons underspent in the Training & Capacity Building category is that much of the training was transitioned to the Parent Academy organization to administer. Also, the underspending in Community Outreach was in part due to mainly to not pursuing billboards exposure for St. Lucie Reads Initiative. Instead, CSC opted to partner with local entities in promoting St. Lucie Soars. Undesignated Allocations was the biggest line item underspent. This is largely reserved for those requests that are received 'out of cycle'. The main reason this line item was underspent was due to New Horizons' cost shift of \$180,000 in which Southeast Florida Behavioral Health Network absorbed the expense. With this cost shift completion occurring three months prior to fiscal year end, it left minimal time to spend out this line item responsibly. In summary, the current year budget is at a millage rate of 0.4765. Current ad valorem revenues at \$7,998,466; with an expense budget of \$8,544,637. The ad valorem revenues shortfall of \$523,181 will be met with most

funding coming from reserves, and remainder from interest and occupants' rent. Fund Balance Reserve is at 17%, what is considered an acceptable standard locally which equates to a two-month operations reserve. Mr. Boyle concluded by presenting the three budget models termed as Scenario A Scenario B and Scenario C and the Assumptions made along with the scenarios. In all budget models, the CSC Team is recommending a 6% increase in expenditures and maintaining the same millage rate for next fiscal year. In part due to the priority funding need, and taking a proactive direction towards other pressing needs in our community. Mr. Boyle reminded the board these projections are all fluid models which are flexible and adjustable. CSC Chair recommended extending an invite to the Property Appraiser to discuss defining a more accurate forecasting of county growth. The board agreed with growth at 6% growth next year as outlined in budget models.

X COUNCIL & STAFF COMMENTS

Superintendent Gent shared several weeks ago there was a college fair where there were over \$6 million in scholarships offered to students in St. Lucie County. The college fair event was very successful and the students who participated demonstrated professionalism in their grooming as well as being properly equipped with transcripts and other data required. This fair far exceeded expectations, and next year a two-day event is being planned.

XI FUTURE MEETINGS

CSC Monthly Meeting – March 9, 2017

XII ADJOURNMENT: 9:38 a.m.

CHILDREN'S SERVICES COUNCIL OF ST. LUCIE COUNTY

REGULAR COUNCIL MEETING

February 9, 2017

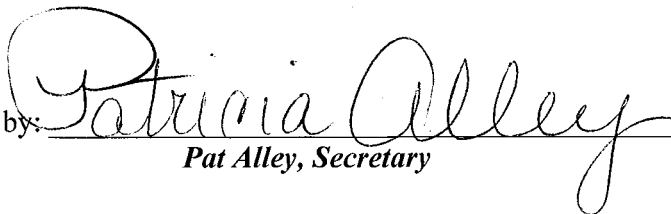
MOTIONS PASSED

1. **APPROVED** the **February 9, 2017 Consent Agenda**, which includes the following:

- A. *The Agenda for February 9, 2017.*
- B. *The Regular Monthly Meeting Minutes for January 12, 2017.*
- C. *The CSC Council Attendance Record for FY 2016/2017– as of January 2017.*
- D. *Cumulative Financial Report FY 2015/16 – as of January 31, 2017.*
- E. *Program Allocations Report FY 2015/16 – as of January 31, 2017.*
- F. *Transactions Report – as of January 31, 2017.*
- G. *Summary of Fund Balance – as of January 31, 2017.*
- H. *Cumulative Financial Report FY 2016/17 – as of January 31, 2017.*
- I. *Program Allocations Report FY 2016/17 – as of January 31, 2017.*
- J. *Form 8B Memorandum of Voting Conflict – Hensley – December 8, 2016.*
- K. *Form 8B Memorandum of Voting Conflict – Alley – December 8, 2016.*
- L. *Budget Transfer Request: HPS Infant Family Resource Program \$15,930.00.*

2. **APPROVED** to uphold the CSC policy and imposing late fees accrued; declined the Hibiscus Request for waiver of audit fees, as presented in the Council Action Item.

Approved by:


Pat Alley, Secretary

Date:

3/9/2017

