

**FINAL MINUTES
CAREERSOURCE PALM BEACH COUNTY, INC.
FINANCIAL PLANNING COMMITTEE MEETING
Friday, February 6, 2026**

I. CALL MEETING TO ORDER, WELCOME

The meeting was video and audio recorded with a written transcript. Dave Markarian welcomed attendees and called the meeting to order at 8:42 a.m.

Committee members present, Dave Markarian, Alyssa Freeman, Christopher Cothran, George Elmore, Jay Boggess and David Talley. Staff members present, Julia Dattolo, Donald Braun, Steven Gustafson, Cody Melton, Charles Duval, Eustus Fagan, Lisa Galan, Sue Craig, Najum Uddin, Gerard Melville, and Mary Mullen-Butler. Guests present, Jessica Rosenthal.

II. AGENDA APPROVAL

a. Proposed Amendments: Dave Markarian asked if there were any amendments to the agenda. There were none.

b. Approval of Agenda: Dave Markarian called for a motion to approve the agenda.

Motion: David Talley

Second: Alyssa Freeman

The motion was approved unanimously.

III. PUBLIC COMMENTS: Dave Markarian asked if there were any public comments. There were none.

IV. ITEMS FOR APPROVAL

a. Minutes from October 10, 2025: Dave Markarian asked the committee if they noted any concerns, hearing none, he called for a motion to approve the minutes.

Motion: George Elmore

Second: David Talley

The motion was approved unanimously.

b. CareerSource Palm Beach County, Inc. Financial Report for the Fiscal Years Ended June 30, 2025, and 2024 by Moss, Krusick & Associates, LLC: Although the report had previously been presented to the Executive Committee, formal approval by the Financial Planning Committee was required.

With no discussion or objections, Dave Markarian called for a motion to approve the organization's report for the fiscal years ending June 30, 2025, and 2024.

Motion: David Talley

Second: George Elmore

The motion was approved unanimously.

V. REVIEW FINANCIALS

a. December 31, 2025, Financials (Summary; Schedule 1: Actual vs. Budget; Schedule 2: Grant Funding; Schedule 3: Palm Beach Workforce Development Consortium (PBWDC); Status of 25% Training and Unrestricted Funds: Following the approval actions, the newly appointed Director of Finance, Donald Braun, CPA, provided a detailed walkthrough of the organization's financial performance for the six-month period ended December 31, 2025, covering July through December of the fiscal year. He began with the summary schedule, reporting total revenues of approximately \$5.86 million, largely comprised of grant funding, and total expenses of approximately \$5.86 million. Expenses were primarily driven by employee-related costs of approximately \$3.78 million and other operating costs totaling approximately \$2.08 million. Net revenue over expenses for the period was slightly positive, reflecting essentially break-even operations.

Mr. Braun then reviewed the detailed revenue and expense schedule, focusing on actual performance compared to budget. Total revenues were approximately \$207,000 below budget, representing an unfavorable variance primarily attributable to grant timing and funding levels. Total expenses, however, were approximately \$187,000 below budget, resulting in a relatively small unfavorable net variance of approximately \$19,000. He explained that his analytical approach

focuses on identifying variances exceeding both \$10,000 and 10% percent, allowing management and the committee to concentrate on materially significant deviations.

Several favorable expense variances were highlighted, including lower-than-budgeted spending in outreach, consultant services, legal fees, staff development, and other direct program costs. These favorable variances were attributed to timing differences, delayed program activity, and efficient cost controls. In particular, reduced expenditures in certain program cost categories were linked to the seasonal timing of initiatives such as the summer youth program, while personnel-related savings were partially driven by the delayed implementation of salary increases until later in the calendar year.

Conversely, several unfavorable variances were identified and explained. Repairs and maintenance expenses exceeded budget due to facility-related work associated with the organization's functional service delivery project, including carpet replacement, painting, and HVAC repairs. Information technology licenses and services also exceeded budget, reflecting increased technology needs related to service delivery redesign. Building improvement costs were significantly higher than budgeted, again tied to facility upgrades supporting functional service delivery. Additional unfavorable variances were noted in certain support services and individual training account expenditures, reflecting strong program utilization and operational needs.

The presentation then moved to the grant funding schedule, which summarized funds available, expended, and remaining by funding source as of December 31, 2025. Total funds available across all funding streams were approximately \$13.7 million, with approximately \$5.79 million expended to date, leaving roughly \$7.94 million, or 58% percent, available for the remainder of the program period. The Department of Labor funding represented the majority of total grant resources, with WIOA Adult, Youth, and Dislocated Worker programs comprising the largest share. Mr. Braun emphasized that expenditure levels were consistent with expected burn rates at mid-year and did not indicate underspending concerns.

The committee was also briefed on the Palm Beach Workforce Development Consortium's revenue and expense activity for the same six-month period. Total revenues and expenses were approximately \$3.78 million, with salaries accounting for roughly 70% percent of total costs and health insurance representing approximately 18% percent. These proportions were presented as consistent with expectations for a labor-intensive organization, though Mr. Braun noted that future reports would include enhanced analytics and clearer summaries to aid interpretation.

Finally, Mr. Braun reviewed compliance with WIOA training expenditure requirements. For the current year, the organization is operating under a waiver allowing a 25% percent minimum training expenditure threshold, reduced from 30% percent in the prior year. Actual training expenditures exceeded the required minimum, indicating compliance with federal expectations and effective utilization of training funds. Mr. Braun noted that training demand has been high and that funds have been maximized to support participant outcomes.

During the committee's review of the detailed revenue schedule, Alyssa Freeman raised a question regarding the inclusion of \$30,000 in budgeted program income for the first half of the fiscal year under account 4030. Committee members asked whether the rationale for this budgeted amount was known, noting that no corresponding program income had been realized to date. Mr. Braun acknowledged that he shared the same question and indicated that additional research would be required to fully explain the basis for this budget assumption.

Further clarification was provided that the \$30,000 reflected a half-year allocation, with a total annual program income budget of \$60,000 for the full program period. It was unclear whether this amount was based on historical performance, anticipated timing differences, or specific revenue-generating activities. Management noted that while the organization continues to seek program-related income opportunities, there is uncertainty as to whether additional program income will materialize, particularly given the exceptionally high demand for services and the fact that program expenditures have already been maximized across departments.

The discussion concluded with acknowledgment that program income projections may have been optimistic and that further analysis would be conducted to determine whether adjustments to future budgeting assumptions are warranted. No immediate action was taken, and the item was noted for follow-up and clarification outside the meeting.

Management explained that anticipated revenue from programs such as Ticket-to-Work is subject to federal allocation timing and may be received later in the year, though no significant additional program income was expected. The committee expressed appreciation for the thorough financial walkthrough and welcomed the Director of Finance to his new role.

The next Finance Planning Committee meeting is scheduled for Friday, April 10, 2026, at 8:30 a.m.

VI. ADJOURNMENT: With no further business, the meeting was adjourned at 9:00 a.m.