

DRAFT MINUTES CAREERSOURCE PALM BEACH COUNTY, INC.
FINANCIAL PLANNING COMMITTEE MEETING
Friday, October 4, 2024

I. CALL MEETING TO ORDER, WELCOME

The meeting was audio and video recorded with a written transcript. CareerSource Board Chair Christopher Cothran welcomed attendees and called the meeting to order at 8:42 a.m. Roll call was taken. Committee members present, Christopher Cothran, George Elmore, Alyssa Freeman, David Talley, Dave Markarian, and Board (legal) counsel, Kenneth Rehns, Esq., Ward Damon. Committee members absent, John-Anthony Boggess.

II. AGENDA APPROVAL

- a. Proposed Amendments and Approval of Agenda: Christopher Cothran asked if there were any amendments to the agenda. One proposed amendment was presented, under VI. "Items For Approval: Add c. Approval of Partial Investment of Unrestricted Funds". Christopher Cothran called for a motion to approve the one amendment.

Motion: George Elmore
Second: Alyssa Freeman
The motion passed unanimously.

- b. Approval of Agenda: Christopher Cothran called for a motion to approve the amended agenda.

Motion: Alyssa Freeman
Second: David Talley
The motion passed unanimously.

III. PUBLIC COMMENTS: There were none.

IV. ITEMS FOR APPROVAL

- a. Minutes from May 29, 2024: Christopher Cothran asked the committee to review the minutes and after reviewing them, advise if they wished to make any corrections. Hearing none, he called for a motion to approve.

Motion: David Talley
Second: George Elmore
The motion passed unanimously.

- b. Prior Approval Request to Transfer Funds from WIOA Dislocated Worker to WIOA Adult: Erica Scarpati explained that prior approval was necessary for transferring more than 20% of the funds and clarified that this flexibility would allow the organization to respond to the needs of the population served, without limiting services to dislocated workers. The proposal involved granting permission to use up to \$1.5 million from the allocated \$2.1 million for dislocated workers to be used for adults, while ensuring that services for dislocated workers remained intact. Funds will only be moved as needed. Christopher Cothran asked the committee if they had any comments or questions. Hearing none, he called for a motion to approve.

Motion: David Talley
Second: George Elmore
The motion passed unanimously.

- c. Approval of Partial Investment of Unrestricted Funds: The discussion centered around the potential investment of a portion of the organization's unrestricted funds to optimize returns. Christopher Cothran highlighted the need to utilize the 501(c)(3) effectively, proposing the development of a philanthropic arm to enhance financial management. The organization approached the Community Foundation for advice on fiduciary matters and investment strategies.

Julia Dattolo said the Community Foundation, in collaboration with Morgan Stanley and Northern Trust, offers various investment options, including low-risk money market accounts and higher-risk stock portfolios. The Chairman mentioned that investing in these accounts could yield returns better

than the current interest earned, which was around 2.7%. There is a 1% fee based on the previous year's balance, but the potential returns could be more favorable.

Erica Scarpati discussed specific investment options, indicating that they had examined four different types of accounts, with money market accounts yielding lower returns but lower risk, and stock portfolios offering higher returns but with increased risk. The consensus was to consider starting with a smaller investment of around \$250,000 in lower-risk options, like bonds, to test the waters.

Concerns were raised about potential market volatility, especially in light of the upcoming election, suggesting a cautious approach. It was recommended to keep the investments conservative until the market stabilized after the election period.

Julia Dattolo elaborated on the benefits of the Community Foundation's services, which included setting up a donor page to facilitate donations directly to the foundation, minimizing the organization's administrative burdens. Julia Dattolo emphasized the ease of the process, the good reporting provided, and the potential for increased income through careful investment.

After a thorough discussion, Christopher Cothran asked for a motion to approve staff's exploration of investing up to \$250,000 of the unrestricted funds with the Community Foundation.

Motion: Alyssa Freeman

Second: George Elmore

The motion passed unanimously.

V. REVIEW FINANCIALS

- a. June 30, 2024, Financials (Summary, Schedule 1 Actual vs. Budget, Schedule 2 Grant Funding, Schedule 3 Palm Beach Workforce Development Consortium (PBWDC)): Erica Scarpati gave a brief overview of the June financials. In June, total expenditures and staff costs decreased by 8%, compared to the prior year. The decrease was throughout most line items, the exception being childcare and support services which saw an increase.
- b. August 31, 2024, Financials (Summary, Schedule 1 Actual vs. Budget, Schedule 2 Grant Funding, Schedule 3 Palm Beach Workforce Development Consortium (PBWDC) and Status of 30% Training): Erica Scarpati gave a brief overview of the August financials. In August, total expenditures decreased, compared to the same period last year, by 11%. Rent and staff development/travel saw an increase due to the new lease, and the timing of a variety of conferences. In addition, were awarded \$400,000 from the Non-Custodial Parent Employment Grant and received an additional \$25,000 for veteran incentives.

- VI. ADJOURNMENT:** Christopher Cothran asked the committee members if there was any further business of the committee, being none, a motion was made by Alyssa Freeman and seconded by David Talley to adjourn the meeting. The motion was unanimously approved, and the meeting was adjourned at 9:10 a.m. The next Financial Planning Committee meeting is scheduled for Friday, February 7, 2025.