



**FINANCE & AUDIT COMMITTEE MEETING MINUTES**  
**Wednesday, May 17, 2017 at 9 a.m.**  
**15506 County Line Road, Suite 103**  
**Spring Hill, FL 34610**

**Committee Members Present: Dr. Amy Anderson, Cathy Dofka, Pat McHugh, Sam Shrieves**

**Committee Members Present via Phone: None**

**Committee Members Excused: Gus Guadagnino, Chair**

**Coalition Staff Present: Jim Farrelly, Rachel Hardy, Jak Jakubauskas**

**Others Present: None**

**I. Welcome and Call to Order**

In Mr. Guadagnino's absence, Mr. Farrelly called the Finance/Audit Committee to order at 9:25 a.m.

**II. Annual Selection of Committee Chairperson as per By-Laws**

Mr. Farrelly explained that a new chair must be chosen however, Mr. Shrieves is retiring and Ms. Dofka's term is expiring. He recommended tabling this item until the June meeting.

**III. Review/Adoption, Draft Minutes from Finance/Audit Committee Meeting of April 19, 2017**

In Mr. Guadagnino's absence, Mr. McHugh requested a motion to approve the minutes of the April 19, 2017 Finance/Audit Committee meeting as presented if there were no changes or corrections; Dr. Anderson so moved and Ms. Dofka seconded. All were in favor with no abstentions and the motion carried.

**IV. Review/Approval, April, 2017 Financial Statements**

Ms. Hardy reported that the fiscal year budget for Direct Services in April had a spending rate of 76.99% for Direct Services and all of the School Readiness spending categories were within the required minimum and maximum spending rates. Direct Services spending for School Readiness was at 85.01% for the month and 85.46% for the year.

The Coalition received no match funds in April resulting in a total of \$24,215.76 generated to date. Including in-kind donations, the year to date total is \$39,083.38.

The Coalition is expecting a surplus of \$348,719.19 as of the end of April and children are being actively enrolled within a week of applying for services.

VPK spending for April was at 86.18% and administrative spending was at 2.73% for the month and at 3.77% for the year which is below the maximum allowed of 4%.

Mr. Farrelly reported this is the best financial year the Coalition's has had and is serving more children. However, VPK enrollments are down in Hernando County and providers are not renewing contracts including thirty-five (35) PLACE locations in Pasco County. Mr. Farrelly briefly explained the Coalition is considering a new initiative to market services to providers and families to encourage new provider contracts.

Mr. McHugh requested a motion to accept the April financials as presented. Mr. Shrieves so moved and Dr. Anderson seconded the motion. All were in favor with no abstentions and the motion carried.

Mr. McHugh inquired if looking back over the last ten (10) years to see the number of providers and the population served, would we see a strong correlation between them. Ms. Hardy replied a report could be generated, but it would only go back as far as seven (7) years.

Mr. Farrelly explained that all centers including family child care homes have to be licensed now and Sunshine Stars is putting some providers out of business which leaves more quality providers. In addition, new federal regulations for School Readiness programs are also resulting in some center closures and contract cancellations.

## **V. Review, Budget Reallocations**

Mr. Farrelly explained that some reallocations are informational only and others require approval. Ms. Hardy reported that moving funds from one category to another was necessary due to purchases not originally budgeted for. The majority of funds were moved from the health insurance category because the Coalition budgeted for a 15% increase but only received a 5% increase. Extensive air conditioning work was required at the Spring Hill office, Brooksville also had some maintenance issues; purchase of new carpeting is included as is the cost of a new generator for one of the mobile outreach vans.

Mr. McHugh requested a motion to approve the budget reallocations as presented; Mr. Shrieves so moved and Ms. Dofka seconded the motion. All were in favor with no abstentions and the motion carried.

## **VI. Second Presentation, Proposed FY 2017-18 Coalition Budget**

Mr. Farrelly reported the state's budget has been approved and is now with Governor Scott. The Coalition may not know until early July what the actual budget will be. The draft budget being presented is based on a hold harmless budget using the same funds received this year.

If the Coalition receives no additional funds in the coming year, the proposed budget will have Direct Services funds reduced by \$48,000, it will include a 3% increase for staff, a replacement Executive Director for four (4) months, YOTYC funding of \$50,000; and two (2) additional staff members. However, the Coalition can continue to operate without the additional staff if the budget does not increase.

The new staff members would include an additional Trainer and a third Inclusion Specialist to target special needs early learners who are bright students needing additional challenges in the classroom to keep them engaged. Ms. Dofka explained Hernando Schools has re-written policies to take into account gifted students and these children are identified six (6) months before entering kindergarten.

Mr. Farrelly continued with the budget explaining that additional funds will be required for increased attorney fees, the purchase of a video looping system for the eligibility offices to advertise Coalition services to parents waiting for services and staff performance incentives. The budget will be brought back again in June and July and then to the full board at the July board meeting.

Dr. Anderson requested that a column be added to the budget proposal indicating the change in dollar amount from FY 16/17.

**VII. Next Meeting will be held Wednesday, June 21, 2017 at 9 a.m.**

The Committee will next meet on June 21, 2017 at 9 a.m.

**VIII. Public Input**

None.

**IX. Adjournment**

Mr. McHugh requested a motion to adjourn; Dr. Anderson so moved and this meeting of the Finance/Audit Committee was adjourned at 10:05 a.m. without further discussion.

Respectfully submitted by,

Jak Jakubauskas,  
Administrative Assistant I