

**Finance Committee
Meeting Highlights
December 13, 2016**

OCTOBER 2016 FINANCIAL REPORT

Nancy Cronin, *Financial Analyst*, presented to the Committee the October 2016 Financial Report. As of October 31, 2016, Fiscal Year (FY) 2017 revenues of \$15,407,648 are \$2,724,172 or 21.48% more than the same time period in the prior year. Expenses of \$12,450,660 are \$1,409,896 or 12.77% more than FY 2016. The net revenue of \$2,956,988 is \$1,314,276 or 80.01% more than FY 2016.

A motion by the Finance Committee recommending the Board approve the October 2016 Financial Report as presented by staff was unanimously approved.

OCTOBER 2016 FINANCIAL TREND REPORT

Nancy Cronin, *Financial Analyst*, presented to the Committee year-to-date revenue and expense trends in each of the major program areas as of October 31, 2016 for Fiscal Years 2015 to 2017. She indicated inter-department transfers and capital projects are not included in the report. The report provided graphs for the individuals served, revenue, expenses, and net revenue.

The Finance Committee unanimously approved a motion recommending the Board approve the October 2016 Financial Trend Report as presented by staff.

OCTOBER 2016 INVESTMENT REPORT

Rhonda Pellicano, *Finance and Administration Director*, presented to the Committee a Summary of Cash and Investments by Depository for the month of October 2016.

Total investments through October 31, 2016 were \$19,435,504.22. This amount is 1.25% higher than the previous month and 37.05% higher than October 31, 2015. A total of \$19,405,587 or 99% is deposited at Union Bank & Trust and \$29,917 in the Local Government Investment Pool (LGIP).

A motion by the Finance Committee recommending the Board approve the October 2016 Investment Report as presented by staff was unanimously approved.

OCTOBER 2016 REIMBURSEMENT REPORT

Rhonda Pellicano, *Finance and Administration Director*, presented to the Committee a report of fee collections for October 2016.

Total reimbursements through October 31, 2016 were \$2,720,303. This amount is \$1,184,063 or 16% more than October 31, 2015. Through October 2016, fee collections were at 104% of budget.

A motion by the Finance Committee recommending the Board approve the October 2016 Reimbursement Report as presented by staff was unanimously approved.

FIRST QUARTER FY 2017 OPEB TRUST FUND REPORT

Rhonda Pellicano, *Finance and Administration Director*, presented to the Committee the Other Post-Employment Benefits (OPEB) Report for the first quarter of Fiscal Year 2017.

For the quarter that ended September 30, 2016, Portfolio I returned 4.09%, outperforming the benchmark of 3.81%. Over the one-year period, the portfolio returned 9.45% versus the custom benchmark return of 9.38%.

A motion by the Finance Committee recommending the Board approve the First Quarter FY 2017 OPEB Trust Fund Report as presented by staff was unanimously approved.

OCTOBER 2016 OPEB TRUST FUND REPORT

Rhonda Pellicano, *Finance and Administration Director*, presented to the Committee the Other Post-Employment Benefits (OPEB) Report for October 2016.

The October OPEB cost value is \$1,032,281.45 which is \$77,661.45 or 8% more than the total investments of \$954,620. As of October 31, 2016, the market value is \$1,505,162.17 or 58% more than total investments. The market value variance increased by 5% from the prior month

A motion by the Finance Committee recommending the Board approve the October 2016 OPEB Trust Fund Report as presented by staff was unanimously approved.

OCTOBER 2016 HEALTH INSURANCE ACCOUNT REPORT

Rhonda Pellicano, *Director of Finance and Administration* presented to the Committee the Health Insurance Account Report for October 2016. As of October 31, 2016, the account balance totaled \$1,361,873.79. The year-to-date premiums deposited into the account totaled \$859,119.60.

The Finance Committee unanimously approved a motion recommending the Board approve the October 2016 Health Insurance Account Report as presented by staff. The motion was unanimously approved.

SEPTEMBER 2016 HUD REVIEW

Todd Larkin, *Property Supervisor*, presented the Committee the September 2016 Department of Housing and Urban Development (HUD) Review.

In September 2016, HUD conducted a management review of Scottsdale Estates Group Home and Igo Road Group Home. Scottsdale received a "Satisfactory" rating and Igo Road received an "Above Average" rating.

CLINIC CASH AUDITS FOR OCTOBER 2016

Kelly Young, *Internal Auditor*, presented to the Committee the Clinic Cash Audits for October 2016.

All clinics completed daily reconciliations and provided the monthly report to accounting on time. Reconciliation errors were noted at the Fredericksburg and Stafford Clinics. These issues were system-generated and not user errors. The Internal Auditor is working with Netsmart to correct issues.

REPRESENTATIVE PAYEE AUDITS FOR OCTOBER AND NOVEMBER 2016

Kelly Young, *Internal Auditor*, presented to the Committee the Representative Audits for October and November 2016.

The Internal Auditor reviewed the audits of the representative payee accounts for October and November 2016. It was noted that 12% of accounts had at least one audit finding for October and 19% had at least one finding for November.

NOVEMBER 2016 CAPITAL PROJECT UPDATE

Rhonda Pellicano, *Director of Finance and Administration*, presented the Committee with updates on Capital Projects. She reported that projects totaling \$3,378,335 are underway or planned for Fiscal Year 2017. As of November 30, 2016, \$417,430 has been expended on capital projects.

CONSTRUCTION PROJECT UPDATES

Executive Director Ron Branscome provided the following construction project updates:

- **Wolfe Street ICF Expansion/Renovation:** The items from the punch list have been completed by Trinity Construction.
- **Rappahannock Adult Activities - 750 Kings Highway:** Work on Phase III is underway.
- **401 Bridgewater Street Renovation/Addition:** Work has progressed, and the project should be completed by early March.
- **River Club Property Purchase:** The project is waiting for easements to be approved by Fairview Baptist Church before final closing can take place to purchase the property. Mr. Branscome reported that he does not expect the project to be completed before he retires on June 30, 2017.

ONE-TIME SALARY SUPPLEMENT

Executive Director Ron Branscome recommended a one-time salary supplement for employees based on hours worked over the past 12 months from December 6, 2015 through December 2, 2016. Employees who worked 200-499 hours in the past twelve (12) months would receive \$50; employees who worked 500-899 hours would receive \$100; employees who worked 900-1199 hours would receive \$150; and employees who worked 1200 or more hours would receive \$200.

A motion to approve the recommended one-time salary supplement as presented was approved unanimously, with **Al Collins (Caroline County)** abstaining.