

RAPPAHANNOCK AREA COMMUNITY SERVICES BOARD  
**FINANCE COMMITTEE MEETING**  
Tuesday, November 14, 2017, 12:30 p.m.  
Ronald W. Branscome Building  
Board Room 208, 600 Jackson Street, Fredericksburg, VA

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**PRESENT**  
Al Collins, Chair  
Jack Rowley  
Debbie Draper  
Ken Lapin  
Lawrence Davies  
Linda Ball

**ABSENT**  
Ellen Sears

**OTHERS PRESENT**

Rhonda Pellicano, *Finance and Administration Director*  
Nancy Cronin, *Financial Analyst*  
Joe Wickens, *Community Support Services Director*  
Amy Umble, *Public Information Officer*  
Andrea Merwin, *Administrative Associate*  
Kelly Young, *Internal Auditor*  
Nicole Baucum, *Administrative Office Associate*  
Brandie Williams, *Director of Operations*

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**ISSUE:** **SEPTEMBER/AUGUST 2017 FINANCIAL REPORTS**  
**DISCUSSION:** Nancy Cronin presented to the Committee the Fiscal Year Financial Report. Fiscal Year (FY) 2018 revenues of \$11,646,604 are \$147,374 or 1.28% more than Fiscal Year 2017 as September 30, 2017. Expenses of \$9,587,067 are \$156,577 or 1.66% more than FY17. The Net Revenue of \$2,059,536 is \$9,204 or .44% less than FY17.

**ATTACHMENT I**

**ACTION TAKEN:** It was moved by Jack Rowley and seconded by Lawrence Davies that the Committee recommends the Board approve the September and August 2017 Financial Report as presented by staff. The motion was unanimously approved.

**ISSUE:** **SEPTEMBER/AUGUST 2017 FINANCIAL TREND REPORT**  
**DISCUSSION:** Nancy Cronin presented to the Committee the year-to-date revenue and expense trends in each of the major program areas as of September 30, 2017 for Fiscal Years 2016 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.

Ken Lapin asked about the decrease in individuals receiving mental health services. Jane Yaun responded that was attributable to a change in reporting and a staff shortage.

**ATTACHMENT II**

**ACTION TAKEN:** No action necessary.

**ISSUE: SEPTEMBER/AUGUST 2017 INVESTMENT REPORT**

**DISCUSSION:** Rhonda Pellicano presented to the Committee a Summary of Cash and Investments by Depository for August and September 2017.

As of September 30, 2017, cash and cash equivalent investments totaled \$20,713,927 which is .71% more than the prior month and 8.06% more than September 30, 2016. Of the investments, \$20,713,927 or 99% is with Union Bank and \$30,176 is invested in the Local Government Investment Pool.

**ATTACHMENT III**

**ACTION TAKEN:** It was moved by Lawrence Davies and seconded by Linda Ball that the Committee recommends the Board approve the Investment Report as presented by staff. The motion was unanimously approved.

**ISSUE: SEPTEMBER/AUGUST 2017 REIMBURSEMENT REPORT**

**DISCUSSION:** Rhonda Pellicano presented to the Committee a report of fee collections for August and September 2017.

Year-to-Date fee revenue of \$6,453,830 as of September 30, 2017, is \$388,531 or 6.4%, more than the prior year. Fee revenue collections are 97% of budget for the fiscal year.

**ATTACHMENT IV**

**ACTION TAKEN:** It was moved by Jack Rowley and seconded by Lawrence Davies that the Committee recommends the Board approve the Reimbursement Report as presented. The motion was unanimously approved.

**ISSUE: SEPTEMBER/AUGUST 2017 OPEB TRUST FUND REPORT**

**DISCUSSION:** Rhonda Pellicano presented to the Committee the Other Post-Employment Benefits (OPEB) Report for August and September 2017.

The September 2017 OPEB cost value is \$1,272,056 which is \$317,456 or 34% more than the initial investment of \$954,620. The market value of \$1,962,738 is \$1,008,118 or 105.6% more than the initial investment. The market value variance increased 1.61% from the prior month.

**ATTACHMENT V**

**ACTION TAKEN:** It was moved by Jack Rowley and seconded by Lawrence Davies that the Committee recommends the Board approve the OPEB Report as presented. The motion was unanimously approved.

**ISSUE: SEPTEMBER/AUGUST 2017 HEALTH INSURANCE ACCOUNT REPORT**

**DISCUSSION:** Rhonda Pellicano presented to the Committee the Health Insurance Account Report for August and September 2017. The health insurance account had an ending balance of \$1,271,201 on September 30, 2017. Year-to-date premiums deposited in the account, \$481,056, are less than year-to-date claims of \$776,964 by \$295,909.

**ATTACHMENT VI**

**ACTION TAKEN:** It was moved by Jack Rowley and seconded by Ken Lapin that the Committee recommends the Board approve the Health Insurance Account Report as presented. The motion was unanimously approved.

**ISSUE: SEPTEMBER 2017 REPRESENTATIVE PAYEE AUDIT REPORT**

**DISCUSSION:** Kelly Young presented to the Committee the September 2017 Representative Payee Audits. She reported that 1% of accounts had at least one audit finding during the month of September.

**ATTACHMENT VII**

**ACTION TAKEN:** It was moved by Debbie Draper and seconded by Ken Lapin that the Committee recommends the Board approve the Representative Payee Report as presented. The motion was unanimously approved.

**ISSUE: OCTOBER 2017 CAPITAL PROJECTS REPORT**

**DISCUSSION:** Rhonda Pellicano provided the Committee with updates on Capital Projects. She reported that projects totaling \$3,700,000 are completed or underway for FY 2018. As of October 31, 2017, \$590,000 was expended for the projects.

**ATTACHMENT VIII**

**ACTION TAKEN:** No action taken.

**ISSUE: FY 2018 WRITE-OFF REPORT**

**DISCUSSION:** Rhonda Pellicano told the Committee that as of September 30, 2017, RACSB wrote-off service charges totaling \$937,006 (excluding contractual write-offs). The write-off amount is \$340,656.75 less than FY 2016.

**ATTACHMENT IX**

**ACTION TAKEN:** It was moved by Ken Lapin and seconded by Lawrence Davies that the Committee recommends the Board approve the Write-Off Report as presented. The motion was unanimously approved.

**ISSUE: FY 2019 LOCAL FUNDING APPLICATION**

**DISCUSSION:** Rhonda Pellicano told the Committee that RACSB submitted the FY 2019 Local Funding Application on October 31, 2017. RACSB requested a total of \$1,235,747 from the localities for FY 2019.

**ATTACHMENT X**

**ACTION TAKEN:** It was moved by Debbie Draper and seconded by Jack Rowley that the Committee recommends the Board approve the Local Funding Application as presented. The motion was unanimously approved.

**ISSUE: CONSTRUCTION PROJECT REPORT**

**DISCUSSION:** Joe Wickens told the Committee that Phase IV of the Rappahannock Adult Activities Inc. renovations has been completed. Jane Yaun told the committee that Dominion Energy has identified an easement for the River Club project and sent that to Spotsylvania County government. Rhonda Pellicano reported that the bathroom renovations are moving along.

**ACTION TAKEN:** No action necessary.

There being no further business, the Finance Committee adjourned at 1:18 p.m. The next meeting of the Finance Committee is scheduled for Tuesday, December 12, 2017 at 12:30 p.m. at the Ronald W. Branscome Building, 600 Jackson Street, Fredericksburg, Virginia 22401.