

**FIRST 5 VENTURA COUNTY
ADMINISTRATION/FINANCE COMMITTEE
MINUTES**

February 9, 2015

Present: Commissioner Mantooth, Kara Ralston, Joe Richards, Kelly Shirk

Staff Present: Claudia Harrison, Jennifer Johnson, Kathy Rangel

I. Call to Order/Welcome/Introductions

Commissioner Mantooth called the meeting to order at 9:40 a.m.

II. Approval of Minutes from October 3, 2014

A motion was made by Kara Ralston, seconded by Joe Richards, to approve the minutes from the October 3, 2014 meeting. The motion carried unanimously.

III. Approval of Agenda

A motion was made by Kelly Shirk, seconded by Joe Richards, to approve the agenda. The motion carried unanimously.

IV. Public Comments

There were no comments from the public.

V. Recommendation to Approve Updated Financial Plan

Jennifer Johnson stated that as part of strategic planning, a financial plan needs to be developed to identify the amount of resources available for the new strategic plan. The new strategic plan is scheduled to be adopted in June 2015. Jennifer referred to the proposed financial plan and noted that the plan reflects actuals from the FY13/14 audit, updated revenue and expenditure forecast based on updated information and approved program allocations for FY15/16. The Committee reviewed the assumptions used to develop the proposed plan and discussed the next funding horizon. Jennifer reported that the staff recommendation is to allocate a total of \$45 million in available resources over the next 5 years (FY16/17-20/21) through annual Proposition 10 revenues and full use of the Sustainability Fund, as previously planned. She noted that the distribution of the \$45 million over the life of the plan will be subject to the Commission's planning process and consideration of programmatic investments. The financial plan will be brought back to the Committee with annual funding levels once the Commission has determined programmatic investments.

There was discussion about the impact of declining revenues on preschool spaces. There was also discussion about the conclusion of current grant funding for countywide preschool quality efforts and new and potential funding to support quality efforts.

There was a motion made by Joe Richards, seconded by Kara Ralston to approve the Financial Plan as presented. The motion carried unanimously.

VI. Recommendation to Update Boilerplate Contract

Jennifer Johnson referred to the handout on the proposed boilerplate contract changes. Jennifer stated that before the beginning of each new fiscal year, staff reviews the standard boilerplate contract for any updates to insurance requirements, opportunities to clarify language/streamline the boilerplate, and identification of any new provisions that may need to be added due to any issues encountered in the prior year. Jennifer stated that the boilerplate modifications are developed in consultation with the Commission's legal counsel and insurance broker. Jennifer noted that boilerplate refinements have been made over the years and, as a result, there are very few changes that are recommended for the new year. Jennifer reviewed the proposed changes, which include: 1) clarifying insurance provisions to reflect industry standard whereby the requirement for the Commission to be named as an additional insured does not apply to professional liability coverage; and 2) incorporating language for electronic invoicing.

A motion was made by Kara Ralston, seconded by Joe Richards, to approve the boilerplate changes as presented. The motion carried unanimously.

VII. Recommendation to Maintain Commission Investments

Jennifer Johnson stated that the Commission adopted an Investment Policy in 2009. As part of the annual review, the Committee needs to determine for FY 2015-16 whether funds should be maintained in the County pool, Local Agency Investment Fund - LAIF, or be invested externally. The Committee reviewed data on current market rates for both long term securities and investment pools and determined that the County pool is currently yielding a higher rate than LAIF and the market does not support the external investment of funds in longer term securities. Staff recommended and the Committee agreed that funds be maintained in the Ventura County Treasury Pool for FY 2015-16.

A motion was made by Kara Ralston, seconded by Kelly Shirk, to maintain the Commission's investments in the Ventura County Treasury Pool for FY 2015-16. The motion passed unanimously.

VIII. Review of Financial Reports as of November 30, 2014

Jennifer Johnson presented the Expenditure Report as of November 30, 2014. Jennifer highlighted areas of the report providing explanations for variances. Jennifer noted that the November Expenditure Report largely reflects activity as of Quarter 1 and she pointed out that spending levels are running similar to last year.

IX. Review of Funded Program Spending Levels as of June 30, 2014

Jennifer Johnson provided a report on program spending levels as of as of June 30, 2014. Jennifer reported that programs continued to achieve higher levels of spending and that most programs are spending or nearly spending their full allocation. Jennifer reviewed the report and provided explanations as to the variances.

X. Recommendation to Approve 2015 Meeting Schedule

Jennifer Johnson referred to the proposed 2015 Administration/Finance Committee meeting schedule and noted the Committee will plan to go dark for the month of July, as historically the Committee does not have business during that month.

A motion was made by Kara Ralston, seconded by Kelly Shirk, to approve the 2015 Administration/Finance Committee meeting schedule. The motion carried unanimously.

XI. Update on Commission Activities

Claudia Harrison referred to the December 2014 Executive Director's report and highlighted areas of the report. Claudia discussed the implementation of electronic invoice submission for funded partners through Persimmony's fiscal module. She reported on the health insurance premium increase realized in December 2014. Claudia provided an update on administrative costs for the Board of Equalization and the impact on Proposition 10 revenues. She concluded her report with an update on the strategic planning and stated that a convening of all First 5 Committees will be held in March on strategic planning.

XII. New Business/ Miscellaneous

There was no new business to report.

XIII. Closure

Commissioner Mantooth closed the meeting at 10:46 a.m.

XIV. Next Meeting

Next Meeting: Friday, March 6, 2015, 9:30 a.m. – 11:30 a.m. at First 5 Ventura County.