



Finance Committee Meeting

CareerSource Central Florida
390 N. Orange Ave., Suite 700, Orlando, FL 32801
Thursday, November 16, 2017
2:30 p.m. – 4:00 p.m.

Conference Call-in phone number: (866) 576-7975 / Participant Access Code: 299848

Strategic Goals developed by the Board:

- CareerSource Central Florida will become business focused in all efforts
- CareerSource Central Florida will identify ways to measure progress and Return On Investment (ROI)
- CareerSource Central Florida will become the workforce intelligence organization for workforce development in Central Florida

Agenda Item	TOPIC	Action Item	Info Item	Presenter
1	Welcome			Joe Sarnovsky
2	Roll Call / Establishment of Quorum			Kaz Kasal
3	Public Comment			
4	Approval of Minutes A. 6/12/17 Finance Committee Meeting B. 10/9/17 Audit & Finance Joint Committee Meeting	X X		Joe Sarnovsky
5	Information/Discussion/Action Items			
6	A. Finance Committee Charter B. Budget to Actual Results as of 09/30/17 C. Retirement Plan Update D. Facilities Plan Update	X	X X X	Leo Alvarez Leo Alvarez Jason Chepenik Leo Alvarez
7	Other Business			
8	Adjournment			

Upcoming Meeting:

- Board Meeting/Board Information Session: 9:00 am to 12:00 pm, Thursday, 12/14/17
Lynx Office / 455 N. Garland Ave., Orlando, FL 32801
- Finance Committee Meeting: 2:30 pm to 4:00 pm, Thursday, 2/15/18
CareerSource Central Florida - Admin Office / 390 N. Orange Ave., Suite 700., Orlando, FL 32801

DRAFT
Finance Committee Meeting

CareerSource Central Florida Office
390 N Orange Ave., Suite 700
Orlando, FL 32801
Monday, June 12, 2017
9:00 a.m.

MINUTES

MEMBERS PRESENT: Joseph Sarnovsky, Nicole Guillet, John Pittman, Chuck Todd and Mark Wylie

MEMBERS ABSENT: Glen Casel and Melanie Cornell

STAFF PRESENT: Pam Nabors, Leo Alvarez, Ann Beecham and Kaz Kasal

Agenda Item	Topic	Action Item / Follow Up Item
1	Welcome Dr. Sarnovsky, Committee Chair, called the meeting to order at 9:01 am and welcomed those in attendance.	
2	Roll Call / Establishment of Quorum Ms. Kasal, CSCF Executive Coordinator, reported that there was a quorum present.	
3	Public Comment None Offered.	
4	Approval of Minutes The Finance Committee reviewed the draft minutes from the 4/11/17 Finance Committee Meeting (attachment).	Mr. Todd made a motion to approve the minutes from the 4/11/17 Finance Committee Meeting. Mr. Wylie seconded; motion passed unanimously.
5	Information/Discussion/Action Items	
	<u>Retirement Plan</u> Mr. Christian Campen, with Chepenik Financial, greeted the Committee and provided a PowerPoint presentation (attachment) to review the plan's design and current data of CSCF's retirement plan. Mr. Campen summarized that the plan has shown good growth which is primarily due to the surge in market appreciation and great increase in employee participation, with 95% currently participating in the plan. Mr. Campen noted as the average account amount increases, the plan will become more marketable. Mr. Campen also reviewed performance details by investment fund. Ms. Beecham stated that Chepenik will conduct one-on-	<i>Based on Committee feedback:</i> <i>Mr. Alvarez will post a snapshot update of the retirement plan and average rate of return (on a quarterly basis) on staff intranet "The Source"</i> <i>Mr. Campen will provide to the Committee a fund performance report of other similar target date funds to compare with CSCF's target date fund.</i>

	<p>one meetings with staff to review their individual retirement accounts. The Committee concurred on the importance to keep staff informed and engaged in their retirement plan performance.</p> <p><u>Fiscal Year 16-17 – Budget vs. Actual 4/30/17</u></p> <p>Mr. Alvarez referenced the report entitled “Budget vs. Actual Report – as of 4/30/17” (attachment) and reviewed the results by line item. Expenditures are at 77%; ITAs are exceeding target at 69.8% and Admin Costs at 8.4% should go down towards 7% by year-end. Mr. Alvarez further stated that year-end should close out where expected and no challenges are anticipated. Mr. Alvarez will provide an update at the 6/28/17 Board Meeting.</p> <p><u>Approval of Fiscal Year 17-18 Draft Budget</u></p> <p>Mr. Alvarez referenced the “FY 2017-2018 Draft Annual Budget” (attachment) which was reviewed and discussed at the Finance and Career Services Committees’ Budget Workshop on 5/25/17. Mr. Alvarez, Ms. Nabors and Ms. Beecham provided the following highlights:</p> <ul style="list-style-type: none"> • Overall budget at \$26.8M – a 3.5% decrease from last year. • Looked for efficiencies in every line item to absorb the 3.5%M reduction. • Target goals from 16-17 are baseline to 17-18 - although funds for 17-18 have decreased, services have not. • Consolidated Career Centers from 6 to 5, but identified and partnered with key stakeholders, especially remote areas, to keep connected with this Region’s population without impacting service delivery. There will be a continued focus to reduce lease costs through stakeholder partnerships and utilization of shared space. • Will be looking to create a strategy for computer leasing. • Staff capacity is critical; it will be important that staff are nimble and versatile in all aspects, absorbing more responsibility and continuous learning. • Revenue Diversification <ul style="list-style-type: none"> – Unrestricted funds have grown from \$400,000 last year to \$534,000. This year 	<p><i>Committee concurred for Mr. Alvarez to add note on 7% reduction in health benefits cost to the “Budget Operating Notes” in the FY 2017-2018 Draft Annual Budget.</i></p> <p>Mr. Pittman made a motion to move for Board approval recommendation to approve 17-18 draft budget. Mr. Wylie seconded; motion passed</p>
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	<p>expect to aggressively continue to grow these funds. There is great opportunity with the Ticket-To-Work program.</p> <ul style="list-style-type: none"> – Restricted, external grants – take a deep dive to continue growing revenue. – Executive Committee to oversee revenue diversification to help in its growth. <ul style="list-style-type: none"> • Benefits costs will decrease; current utilization rate is at 70% vs. 106% in the previous year. Employee contributions and health carrier will remain the same <p><u>Finance Committee Meetings – Proposed Dates for FY 17-18</u></p> <p>Mr. Alvarez referenced proposed Finance Committee Meeting dates for FY 17-18. The Committee concurred on dates. With regard to the two dates where Finance Committee meets jointly with Audit Committee, Ms. Kasal stated she will review those dates with Audit Committee Chair and Audit Committee for concurrence.</p>	
7	<p>Other Business</p> <p><u>Audit Report</u></p> <p>Mr. Alvarez stated it is his goal to present the Audit Report at the November Finance Committee meeting.</p> <p><u>Banking Services</u></p> <p>Mr. Alvarez stated CSCF looking at changing banks. Instead of issuing an RFP, he will be reaching out to various banks on their banking services, especially value-added services. This will be a better approach, as there is no banking costs involved and RFPs are not required for costs under \$150,000. Mr. Alvarez stated he will present his findings at the Finance Committee meeting in September.</p>	
8	<p>Adjournment</p> <p>There being no other business, the Finance Committee meeting was adjourned at 10:15 a.m.</p>	

Respectfully submitted,

Kaz Kasal
Executive Coordinator

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Joint Meeting of the Audit and Finance Committees

CareerSource Central Florida Office
390 N Orange Ave., Suite 700
Orlando, FL 32801

Monday, October 9, 2017
2:00 p.m.

MINUTES

MEMBERS PRESENT: Leland Madsen, Margaret McGarrity, Kristy Mullane, John Pittman, Olga Rabel Joseph Sarnovsky, Eric Ushkowitz and Mark Wylie

MEMBERS ABSENT: Edward Bass, Glen Casel, Melanie Cornell, Nicole Guillet, and Chuck Todd

STAFF PRESENT: Pam Nabors, Mimi Coenen, Leo Alvarez, Ann Beecham and Kaz Kasal

GUESTS PRESENT: David Caplivski / Grau & Associates; Denise Hall / Florida Department of Corrections

Agenda Item	Topic	Action Item / Follow Up Item
Business Matters of the Audit Committee		
1	Welcome Mr. Ushkowitz, Audit Committee Member Chair, called the meeting to order at 2:03 pm and welcomed those in attendance.	
2	Roll Call / Establishment of Quorum Ms. Kasal, CSCF Executive Coordinator, reported that there was a quorum present.	
3	Public Comment None Offered.	
4	Approval of Minutes 2/7/17 Joint Meeting of the Audit and Finance Committee Meeting.	Ms. McGarrity made a motion to approve the minutes from the 2/7/17 Joint Meeting of Audit and Finance Committees. Mr. Madsen seconded; motion passed.
5	Information/Discussion/Action Items	
	<u>Review of Audit Committee Charter</u> Mr. Alvarez, Chief Financial Officer, referred to the Audit Committee Charter (attachment) and stated that each committee reviews their respective charters on an annual basis, at the beginning of each fiscal year. The Committee concurred to defer review of Charter, pending any suggestions from CSCF's auditor, Grau & Associates. Mr. Alvarez stated he will coordinate review of Charter with Grau & Associates and provide their feedback at the next meeting.	<i>Mr. Alvarez to have Grau & Associates review Audit Committee Charter and provide any suggestions as part of their exit interview. Mr. Alvarez to bring forward their suggestions at the next Audit Committee.</i>

	<p><u>Fiscal Year 2016-2017 Audit Planning</u> Mr. Alvarez introduced Mr. David Caplivski with Grau & Associates who will be providing an overview on audit planning FY 16-17. Mr. Alvarez stated that Grau & Associates is CSCF's newly procured independent auditor, as CSCF's former auditor Cherry Bekaert had completed its 5th year of audit engagement last year and the Department of Economic Opportunity requires contracts with audit firms have a term no longer than five years.</p> <p>Mr. Caplivski greeted the attendees and provided a PowerPoint presentation (attachment) on their audit plan process for CSCF's year ended 16-17. Mr. Caplivski reviewed the conduct of the audit, status and timing, and interim results. Mr. Caplivski stated they are done with the interim process (with no findings) and will be doing fieldwork this week. They expect to have a draft report for the Board by 10/31/17.</p> <p>Mr. Alvarez stated that he will forward the draft report to the Audit committee before finalizing. Currently, Audit Committee is scheduled to meet on 2/15/18; however, staff will plan to move this meeting a few months earlier. Ms. Kasal will send out a survey to poll for dates for the Audit Committee to meet end of November and early December 2017 timeframe.</p> <p><u>Results of FY 2016-17 DEO Monitoring</u> Mr. Alvarez referred to DEO Monitoring Report for FY 16-17 (attachment) stating CSCF received a clean audit with zero findings and no issues of non-compliance or observations. DEO had one minor comment for technical assistance in the category of contracting and for CSCF to make sure to include the required provisions in all contracts, regardless of contract size.</p>	
6	<p><u>Other Business</u> <u>Determine Audit Committee Meeting Date</u> As the draft audit report will be ready by 10/31/17, the Audit Committee concurred to move the next meeting to end of November or early December, prior to the 12/14/17 Board meeting</p>	<p><i>Mr. Alvarez to forward draft audit report to Audit Committee.</i></p> <p><i>Staff to send out a survey to the Committee to poll for dates for the next Audit Committee meeting.</i></p>
7	<p><u>Adjournment</u> There being no other business, the Audit Committee meeting was adjourned at 2:25 p.m.</p>	

Agenda Item	Topic	Action Item / Follow Up Item
Business Matters of the Finance Committee		
1	Welcome Dr. Sarnovsky called the meeting to order at 2:25 pm and welcomed those in attendance.	
2	Roll Call / Establishment of Quorum Ms. Kasal reported that there was no quorum present.	
3	Public Comment None Offered.	
4	Approval of Minutes As there was not a quorum present, the Committee concurred to defer the approval of the 6/12/17 Finance Committee meeting minutes to the next meeting.	
5	Information/Discussion/Action Items	
	<p><u>Review of the Finance Committee Charter</u> Mr. Alvarez referred to the Finance Committee Charter (attachment) and stated, as mentioned with the Audit Committee, that each committee reviews their respective charters on an annual basis, at the beginning of each fiscal year. The Committee concurred to have staff make the following revisions to the Charter:</p> <ul style="list-style-type: none"> • Under “Roles and Responsibilities” – revise 2nd bullet by adding “and any interim” so it reads: “Review the annual, and any interim, financial statements of the Corporation, making recommendations for action to the Board as needed.” • Under “Roles and Responsibilities” – delete 3rd bullet as it reiterates the revised 2nd bullet. <p><u>Budget to Actual Report for FY 2016-17</u> Mr. Alvarez referenced the report entitled “Budget vs. Actual Report – as of 6/30/17” (attachment) and reviewed each line item. Mr. Alvarez stated that overall required funds were spent in FY 16-17 with \$2.3M in WIOA funds (which are 2 year funds) carried forward to be spent in FY 17-18 for obligations in training and youth activities.</p> <p><u>August 2017 Budget vs. Actual Report</u> Mr. Alvarez referenced the report entitled “Budget vs. Actual Report – as of 8/31/17” (attachment) and stated that the larger expenditures are on target. Program services are underspent and this is primarily due to focusing funds towards short-term training vs. long term training. Based on data, individuals receiving short-term training, gain the skills needed to get into jobs quicker, so</p>	<p><i>Staff to revise Finance Committee Charter per comments of the Finance Committee and to bring the “red-lined” Charter to the next Finance Committee for their approval.</i></p>

	<p>more individuals are being placed into jobs with shorter turnaround times. Also CSCF is providing more training towards the high growth industry sectors. This has resulted in more than half of the training programs getting cut due to: 1) the training was not in one of the high growth targeted industry sectors and/or 2) training program did not meet CSCF's required performance thresholds in completions and placements. CSCF has also been more effectively coordinating and leveraging resources/funds with individuals who have PELL grants.</p> <p>Dr. Sarnovsky asked Mr. Alvarez to add to the Budget vs. Actual report the budget activities from the same time in the previous year. This way the Committee can compare budget situation from this year to last year during the same time.</p> <p><u>5 Year Facilities Plan</u></p> <p>Mr. Alvarez referenced the "CSCF Facilities" memo (attachment) and reviewed the current lease details. Mr. Alvarez stated that CSCF has just completed its five year lease facilities plan and has realized an annual cost savings of nearly 25% in lease costs. Mr. Alvarez also reviewed strategies for a new five year facilities plan. Staff is currently focusing on the Lake County office as it is next to expire on 7/31/18. Based on space needs and efforts to better enhance overall service delivery strategy, staff recommend looking at other options rather than renewing Lake County office's current lease. One option available is sharing space with Lake Sumter State College (LSSC). LSSC is offering CSCF a large portion of space at their Foundation building, adjacent to its main campus on Highway 441. This partnership would create greater synergy of training and job placement. CSCF is further reviewing this space and looking to attain an estimate on build out costs.</p> <p>Ms. Nabors stated that CSCF is internally hosting a focus group with customers to attain their feedback on how they would like to receive CSCF services and what CSCF space should feel like. Dr. Sarnovsky added that attaining feedback from focus groups at each of CSCF's locations would help to track commonalities.</p>	<p><i>Mr. Alvarez to add to the Budget vs. Actual report the budget activities from the same time in previous year.</i></p> <p><i>At next meeting, staff will provide an update on the Lake County options to include their further research of the LSSC option and also review West Orange and Osceola offices as these leases are next in line to expire.</i></p>
6	<p>Other Business</p> <p>None offered.</p>	
7	<p>Adjournment</p> <p>There being no other business, the meeting was adjourned at 3:02 p.m.</p>	

Respectfully submitted,

Kaz Kasal
Executive Coordinator

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CareerSource Central Florida Finance Committee Charter

1. Purpose:

- The Finance Committee ("Committee") is a committee of CareerSource Central Florida Board of Directors ("Board"), whose members are appointed by the Chair of the Board. The general purpose of the Committee is to provide review, policy guidance and strategic oversight of the Corporations financial matters, financial reporting statements, and real estate activities.

2. Authority:

The Board authorizes the Committee to:

- Perform activities within the scope of its charter
- Engage outside consultants and other advisors as it deems necessary with approval of the Board or the President
- Have unrestricted access to management and employees of the Corporation, as well as to all books and records related to facility planning.

3. Organizational Membership:

- The Board Treasurer is the Chair of the Finance Committee.
- The Chair of the Board will appoint members of the Committee, all of whom must be members of the Board.
- The Committee will consist of at least three members.
- Members will serve on the Committee until their resignation or replacement by the Chair of the Board.

4. Meetings:

- A majority of the members of the Committee will constitute a quorum for the transaction of business.
- Meetings shall be held not less than four times per year.
- The Committee shall maintain written minutes of its meetings.
- The Chief Financial Officer or designee, who has operational responsibility for financial planning, will be the liaison to the Committee. Said staff person will regularly meet and correspond with the Chair of the Committee and in consultation with the Chair, prepare the agenda for meetings of the Committee. Said staff person will further advice and keep informed as needed both the President and the Chair of the Board on a regular basis regarding matters brought before and actions taken by the Committee.
- The Committee may request special presentations or reports that may enhance members' understanding of their responsibilities.

- It is the intent of the Committee for matters within its purview to come before the Committee as early as possible so that the Committee can issue its recommendations and exercise its oversight at the beginning of any particular project or matter.

5. Roles and Responsibilities:

With regard to each item listed below, the Committee will:

- Review the annual budget of the Corporation and recommend appropriate action to the Board.
- Review the annual and any interim financial statements of the Corporation, making recommendations for action to the Board as needed.
- ~~Review the annual financial statements of the Corporation, making any recommendations regarding such reports deemed necessary to the Board.~~
- Regularly review the retirement plan and benefits for CareerSource Central Florida.

6. Facilities:

- Recommend appropriate action regarding the addition, deletion or major structural changes of offices.

7. Charter Review:

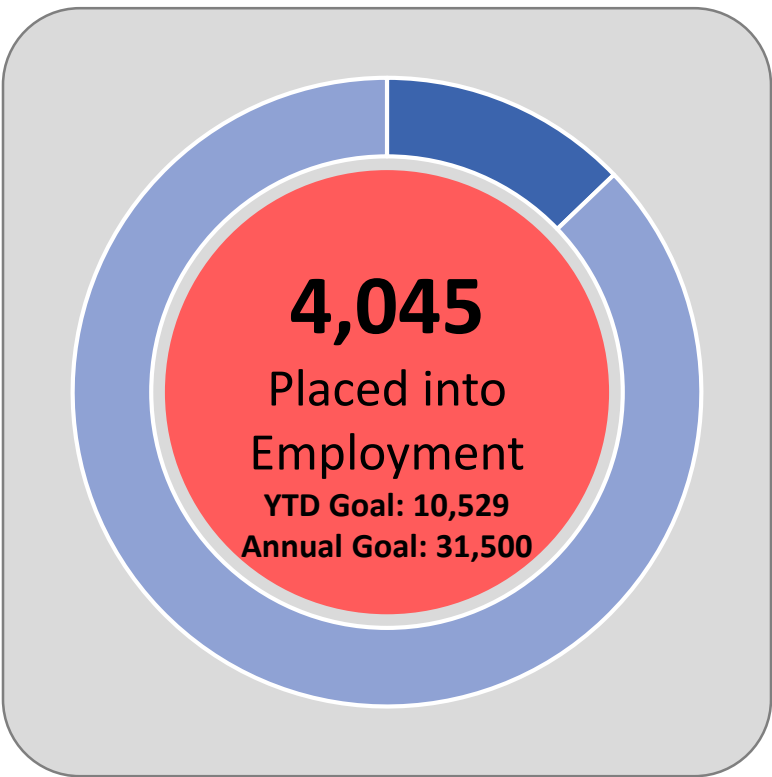
- Review the Committee Charter at least once a year and discuss any required changes with the Board.
- Ensure that the charter is approved or reapproved by the Board after each update.

As of 09/30/17

B - The state mandates that total administrative cost are not to exceed 10% of total cost.

PY 17-18 Operations Report

Through 10.31.2017



PY 17-18 Target



PY 17-18 YTD Actual



On track to meet goal



Behind on goal

Data Source: Employ Florida

WE GO BEYOND FOR



Administrative Update

Participant Details as of 09/30/2017	
Total Deferring Participants	169
Total Eligible Participants	178
Eligible Employees Participating %	94.9%
Eligible Employees Not Participating %	5.1%
Account Values for Participants w/o Term Date	\$4,226,097
Number of Participants with an Account Value	177
Average Account Balance	\$23,876
Terminated Participant Account Value	\$554,237
Terminated Participant Counts	19
Highly Compensated Employee Account Value	\$0
Highly Compensated Employee Counts	0

March
2016:
70%

March
2016 ~
100 pts

Plan Assets:
\$4,811,021

Deferral Rates:
w/ Non-Participants: 4.7%
w/o Non-Participants: 5.0%

Loans:
< 4% Assets/59 pts

Administrative Update

	Age 34 and Under	Age 35 - 54	Age 55 and Over
Total Eligible Participants	23	103	52
Total Deferring Participants	23	96	50
Eligible Employees Participating %	100.0%	93.2%	96.2%
Average Deferral Rate (w/ NP)	4.3%	4.4%	5.6%
Average Deferral Rate (w/o NP)	4.3%	4.7%	5.8%
Account Values for Participants w/o Term Date	\$191,663	\$2,277,737	\$1,756,696
Number of Participants with an Account Value	23	103	51
Average Account Balance	\$8,333	\$22,114	\$34,445
Terminated Participant Account Value	\$15,202	\$355,534	\$183,502
Terminated Participant Counts	2	11	6
Highly Compensated Employee Account Value	\$0	\$0	\$0
Highly Compensated Employee Counts	0	0	0
Non-Highly Compensated Employee Account Value	\$191,663	\$2,277,737	\$1,756,696
Non-Highly Compensated Employee Counts	23	103	51
Roth Contributor Account Value	\$5,514	\$3,298	\$2,685
Roth Contributor Counts	4	8	1
Outstanding Loan Account Value	\$2,619	\$139,805	\$42,646
Outstanding Loan Counts	1	37	21
Step Ahead Counts	2	15	2

Principal Fee Reduction

Investment Line-up

Domestic Equity			
Value	Blend	Growth	
Invesco Diversified Dividend	Principal Large Cap S&P 500 Index	Pioneer Fundamental Growth	Large
American Century Mid Cap Value	Principal Mid Cap S&P 400 Index	MassMutual Select Mid Cap Growth	Mid
Goldman Sachs Small Cap Value*	Principal Small Cap S&P 600 Index	Janus Triton	Small

International Equity & Specialty			
Value	Blend	Growth	
		Oppenheimer International Growth	Large
Principal Real Estate Securities			Specialty

*Fund shows as Small Cap Blend

Investment Line-up

Cash Equivalents/Stable Value	
Principal Fixed Income Guaranteed Fund	Stable Value

Fixed Income			
Short-Term	Intermediate-Term	Long-Term	
			Bonds

Investment Line-up

Asset Allocation/Target Date	
American Century One Choice 2020	Target Date Series*
American Century One Choice 2025	
American Century One Choice 2030	
American Century One Choice 2035	
American Century One Choice 2040	
American Century One Choice 2045	
American Century One Choice 2050	
American Century One Choice 2055	
American Century One Choice 2060	
American Century One Choice In Ret	

*QDIA

403(b) Plan – 3rd Quarter Analysis

INVESTMENT	ASSETS	% ASSETS	LAST QTR	YTD	1 YR	3 YR	5 YR	3Q17 of 12	2Q17 of 12	1Q17 of 12	4Q16 of 12
Large Value											
Invesco Diversified Dividend A	\$37,254	0.74%	1.90 (95)	5.13 (95)	10.35 (95)	8.88 (28)	12.52 (44)	8	8	8	9
Large Blend											
Principal Large Cap S&P 500 Index R5	\$56,289	1.13%	4.35 (51)	13.84 (45)	18.07 (51)	10.35 (27)	13.74 (37)	-	-	-	-
Large Growth											
Pioneer Fundamental Growth A	\$90,555	1.81%	3.77 (85)	17.49 (74)	17.63 (75)	11.20 (43)	13.87 (53)	6	7	7	8
Mid-Cap Value											
American Century Mid Cap Value A	\$77,997	1.56%	2.40 (69)	6.42 (67)	14.23 (56)	10.88 (11)	14.79 (13)	10	10	11	11
Mid-Cap Blend											
Principal MidCap S&P 400 Index R5	\$27,703	0.55%	3.11 (52)	8.99 (57)	16.92 (33)	10.65 (17)	13.90 (27)	-	-	-	-
Mid-Cap Growth											
MassMutual Select Mid Cap Growth R4**	\$30,815	0.62%	4.18 (63)	19.04 (40)	19.33 (38)	12.81 (07)	15.57 (11)	11	11	10	11
Small Blend											
Goldman Sachs Small Cap Value Svc	\$0	0.00%	5.86 (25)	7.59 (62)	19.37 (46)	10.68 (50)	13.71 (41)	9	8	11	11
Principal SmallCap S&P 600 Index R5	\$29,222	0.58%	5.83 (26)	8.60 (48)	20.54 (30)	13.56 (07)	15.06 (10)	-	-	-	-
Small Growth											
Janus Henderson Triton S**	\$37,186	0.74%	5.66 (44)	20.03 (23)	21.05 (36)	13.67 (17)	15.65 (10)	10	9	10	10
Foreign Large Growth											
Oppenheimer International Growth A	\$83,862	1.68%	5.70 (64)	22.18 (81)	15.57 (79)	6.80 (50)	8.77 (45)	7	6	7	9
Specialty - Real Estate											
Principal Real Estate Securities R5	\$4,928	0.10%	1.26 (19)	5.13 (17)	1.36 (22)	10.15 (12)	10.18 (06)	12	12	12	10

Asset values as of 9/30/2017. Performance and scoring data as of 9/30/2017. The information presented in this document has been taken from multiple databases and is believed to be as accurate as possible. Scoring System is based on an evaluation of 12 different factors. Each factor is assessed using a pass or fail system. There are four areas being tested: Investment style (2 points), Performance (4 points), Risk (4 points), qualitative factors (2 points). The total score is the sum of the individual scores with the best possible score being 12 points. Score 10 - 12 = Suitable, 7 - 9 = Acceptable, 5 or fewer = watch list. These scores can be used to help evaluate an investment but should not be the sole source of information used to select and monitor investment.

403(b) Plan – 3rd Quarter Analysis

INVESTMENT	ASSETS	% ASSETS	LAST QTR	YTD	1 YR	3 YR	5 YR	3Q17 of 12	2Q17 of 12	1Q17 of 12	4Q16 of 12
Money Market/Stable Value											
Principal Fixed Income Guaranteed Option	\$366,997	7.34%	n/a (na)	n/a (na)	n/a (na)	n/a (na)	n/a (na)	-	-	-	-
Target Date 2020											
American Century One Choice 2020 A	\$362,111	7.24%	2.53 (74)	8.00 (75)	7.71 (72)	4.71 (68)	6.22 (58)	-	-	-	-
Target Date 2025											
American Century One Choice 2025 A	\$737,198	14.74%	2.83 (83)	8.92 (83)	8.69 (84)	5.15 (81)	6.81 (74)	-	-	-	-
Target Date 2030											
American Century One Choice 2030 A	\$617,556	12.34%	3.19 (85)	9.94 (87)	9.79 (88)	5.66 (79)	7.49 (75)	-	-	-	-
Target Date 2035											
American Century One Choice 2035 A	\$498,585	9.97%	3.46 (92)	10.76 (95)	10.91 (95)	6.11 (86)	8.18 (84)	-	-	-	-
Target Date 2040											
American Century One Choice 2040 A	\$443,437	8.86%	3.74 (86)	11.67 (91)	12.04 (92)	6.56 (80)	8.83 (77)	-	-	-	-
Target Date 2045											
American Century One Choice 2045 A	\$662,329	13.24%	3.97 (91)	12.63 (94)	13.14 (95)	7.01 (79)	9.44 (76)	-	-	-	-
Target Date 2050											
American Century One Choice 2050 A	\$223,587	4.47%	4.22 (78)	13.37 (86)	13.92 (90)	7.30 (67)	9.71 (67)	-	-	-	-
Target Date 2055											
American Century One Choice 2055 A	\$97,357	1.95%	4.46 (68)	13.82 (86)	14.44 (94)	7.52 (68)	10.00 (68)	-	-	-	-
Target Date 2060+											
American Century One Choice 2060 A	\$7,559	0.15%	4.44 (74)	13.88 (89)	14.55 (96)	n/a (na)	n/a (na)	-	-	-	-

Asset values as of 9/30/2017. Performance and scoring data as of 9/30/2017. The information presented in this document has been taken from multiple databases and is believed to be as accurate as possible. Scoring System is based on an evaluation of 12 different factors. Each factor is assessed using a pass or fail system. There are four areas being tested: Investment style (2 points), Performance (4 points), Risk (4 points), qualitative factors (2 points). The total score is the sum of the individual scores with the best possible score being 12 points. Score 10 - 12 = Suitable, 7 - 9 = Acceptable, 5 or fewer = watch list. These scores can be used to help evaluate an investment but should not be the sole source of information used to select and monitor investment.

403(b) Plan – 3rd Quarter Analysis

INVESTMENT	ASSETS	% ASSETS	LAST QTR	YTD	1 YR	3 YR	5 YR	3Q17 of 12	2Q17 of 12	1Q17 of 12	4Q16 of 12
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Target Date Retirement

American Century One Choice In Ret A	\$318,493	6.37%	2.33 (22)	7.47 (29)	7.21 (18)	4.43 (24)	5.66 (09)	-	-	-	-
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Non-Core Holdings

Outstanding Plan Loans	\$191,863	3.84%	n/a (na)	n/a (na)	n/a (na)	n/a (na)	n/a (na)	-	-	-	-
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Proposed Addition

Intermediate-Term Bond

P Prudential Total Return Bond A	0.00%	1.29 (7)	5.25 (4)	2.08 (14)	3.73 (06)	3.29 (08)	10	9	9	10
P Western Asset Core Plus Bond R**	0.00%	1.57 (2)	5.95 (2)	3.33 (04)	4.00 (04)	3.26 (08)	11	11	11	11

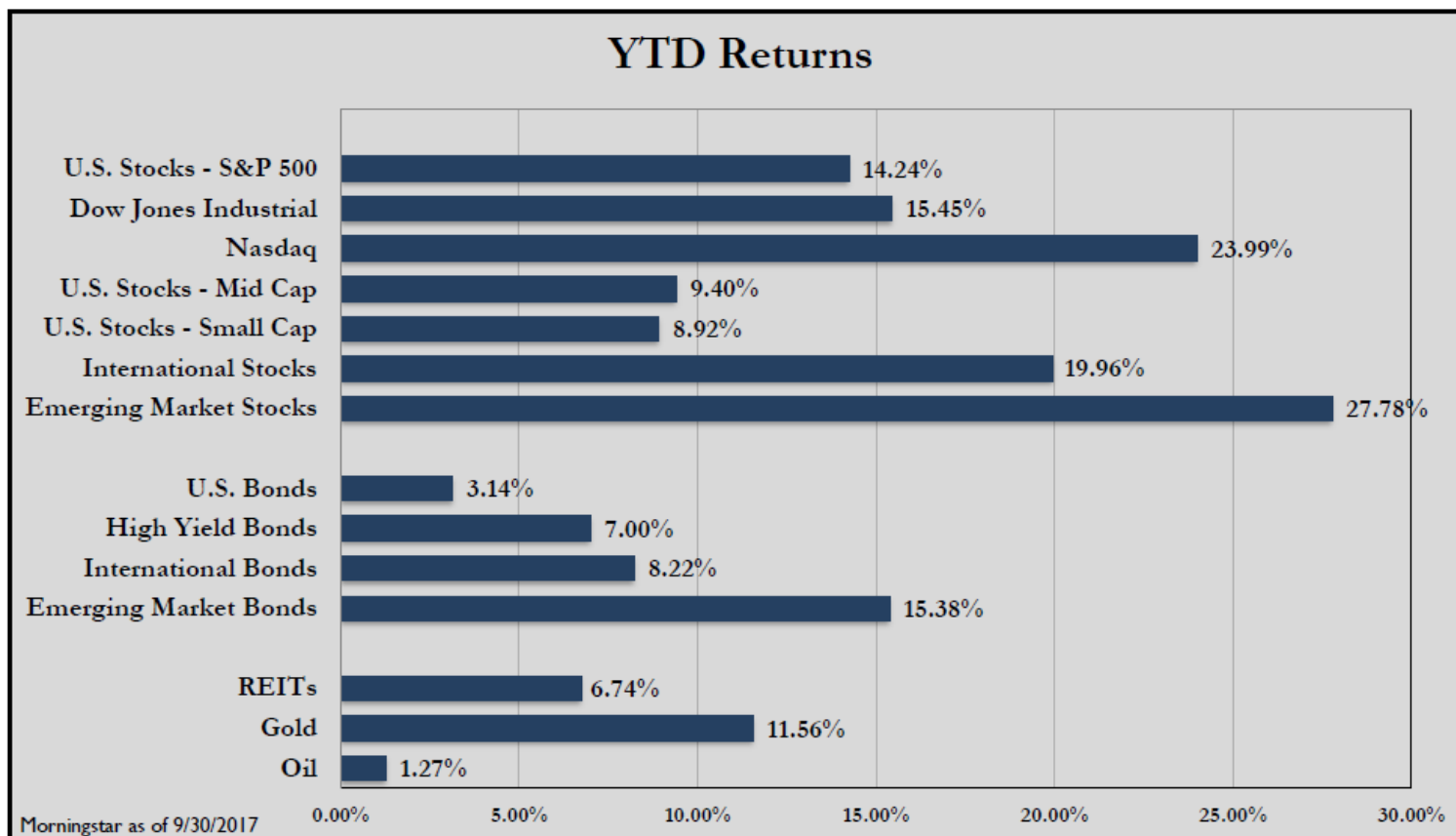
INVESTMENT	MGR PEER	STYLE	5 YR R-SQ CAT	1 YR PEER	3 YR PEER	5 YR PEER	5 YR UP/DN CAT	3 YR INFO CAT	5 YR INFO CAT	3 YR BETA CAT	5 YR BETA CAT	NET EXP	SCORE OF 12
Intermediate-Term Bond													
P Prudential Total Return Bond A	14.93	14.35	88.84	2.08	3.73	3.29	134.00 /114.00	0.93	0.92	1.13	1.20	0.76	10
P Western Asset Core Plus Bond R	19.24	9.12	85.77	3.33	4.00	3.26	117.00 /87.00	0.90	1.01	0.98	1.03	1.12	11
BBgBarc US Agg Bond TR USD	-	-	-	0.07	2.71	2.06	-	-	-	-	-	-	-
Peer Group Median (50th Percentile)	8.33	-	89.99	0.71	2.56	2.14	99.00 /95.00	-0.19	0.08	0.91	0.96	0.69	-

Asset values as of 9/30/2017. Performance and scoring data as of 9/30/2017. The information presented in this document has been taken from multiple databases and is believed to be as accurate as possible. Scoring System is based on an evaluation of 12 different factors. Each factor is assessed using a pass or fail system. There are four areas being tested: Investment style (2 points), Performance (4 points), Risk (4 points), qualitative factors (2 points). The total score is the sum of the individual scores with the best possible score being 12 points. Score 10 - 12 = Suitable, 7 - 9 = Acceptable, 5 or fewer = watch list. These scores can be used to help evaluate an investment but should not be the sole source of information used to select and monitor investment.

Economic Outlook

Economic Outlook

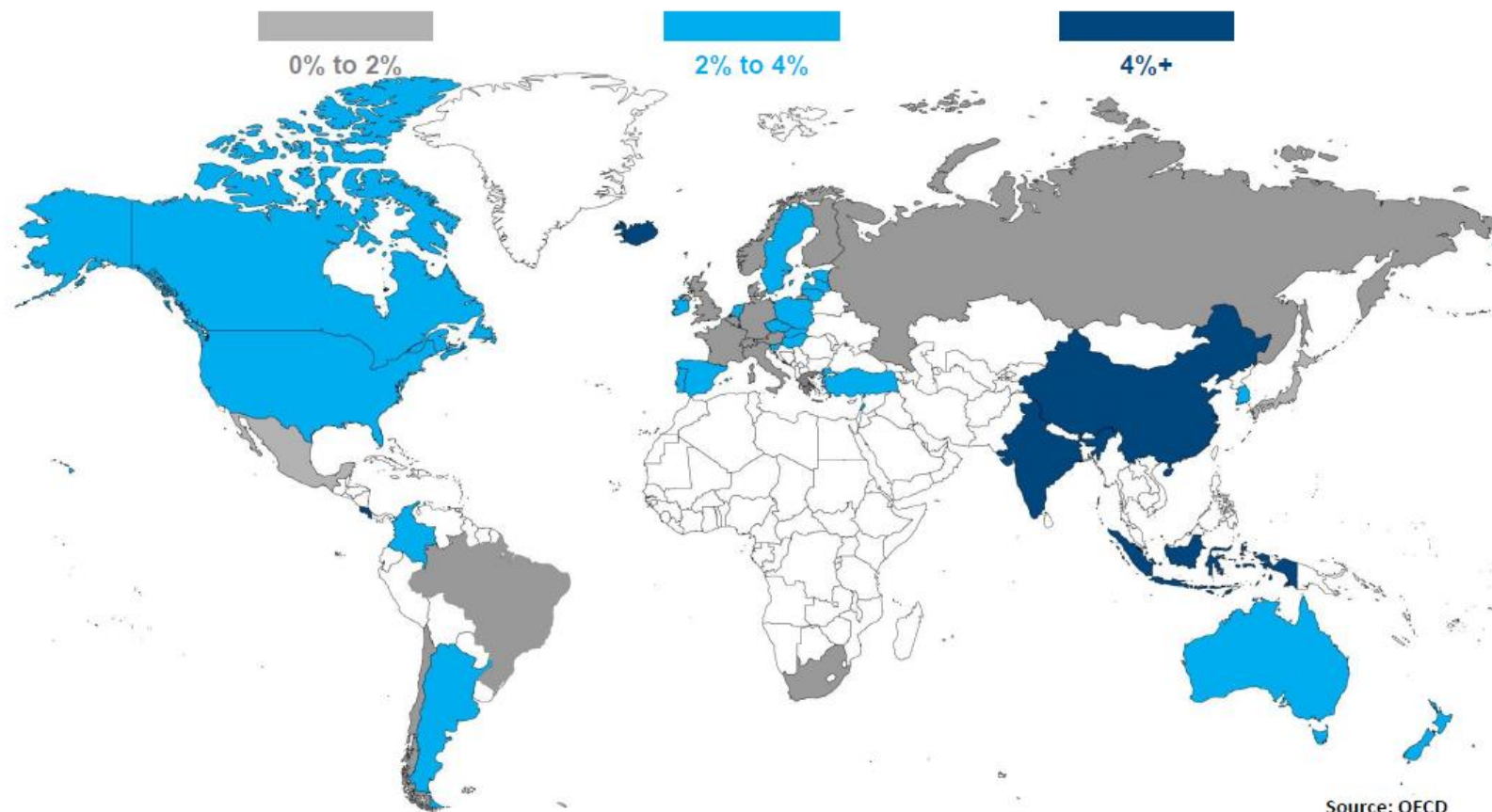
Year-to-Date Indices Returns



- **Markets continued to trend higher with all major equity, fixed income and alternative investment indexes across the globe positive year-to-date.**
- **International and Emerging Markets equities have rebounded strongly as worst case scenarios associated for both European Union disintegration and a hard crash for the Chinese economy have not come to fruition**

Economic Outlook

Synchronized Global Growth



- For the first time in 11 years, all 45 of the economies tracked by the Organization for Economic Cooperation and Development are forecast to grow.
- The U.S. Economy is currently growing at 3.1%, a high number in comparison to the rest of the developed world which are primarily stuck in 0-2% growth rates. The Emerging economies of Asia continue to have the highest global growth rates.

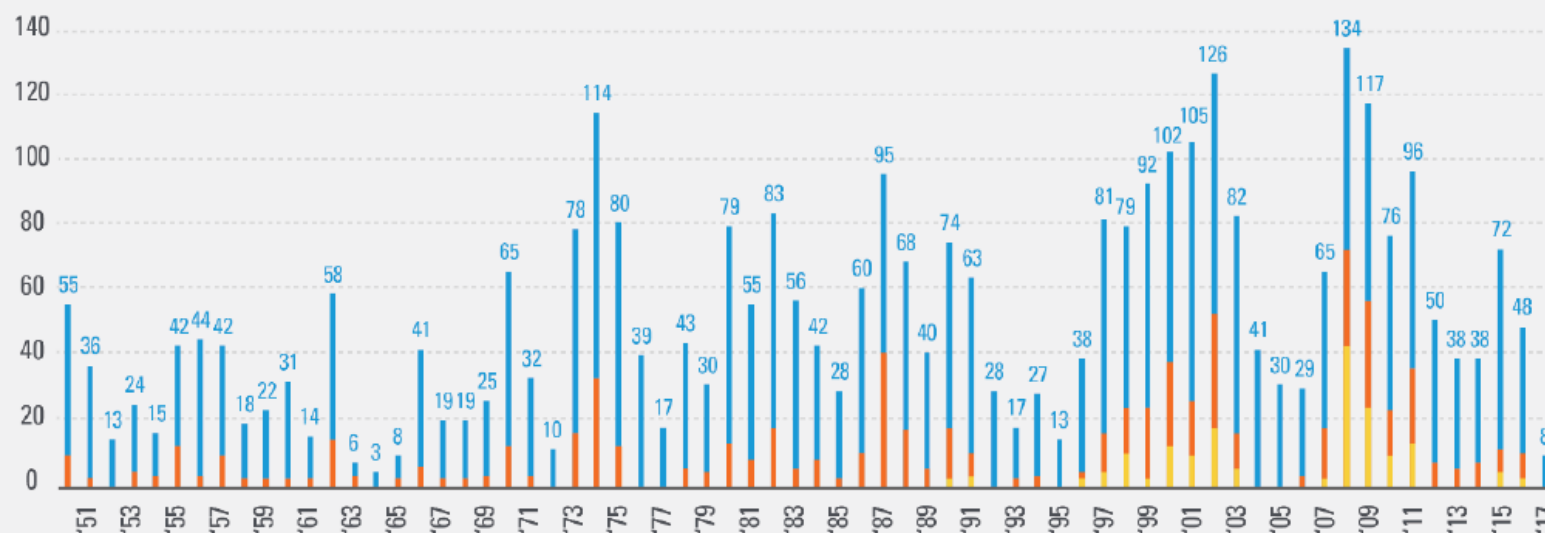
Economic Outlook

Market Volatility At Historic Lows

ONLY EIGHT 1% MOVES FOR THE S&P 500 THIS YEAR SO FAR

Big S&P 500 Index Moves Per Year

● 1% Move ● 2% Move ● 4% Move



Source: LPL Research, FactSet 09/29/17

The modern design of the S&P 500 stock index was first launched in 1957. Performance back to 1950 incorporates the performance of predecessor index, the S&P 90.

- The S&P 500 has had only 8 trading days with percentage gains or losses greater than 1% in 2017. It has been 52 years, since 1965, that we have experienced this type of minimized volatility. There have also been no daily moves of 2% or greater which is also extremely uncommon.
- This complacency and lack of volatility may enhance investor market related anxiety when volatility inevitably reappears in the marketplace.

Economic Outlook

A Strong Jobs Market With Record High Levels of Unfilled Jobs



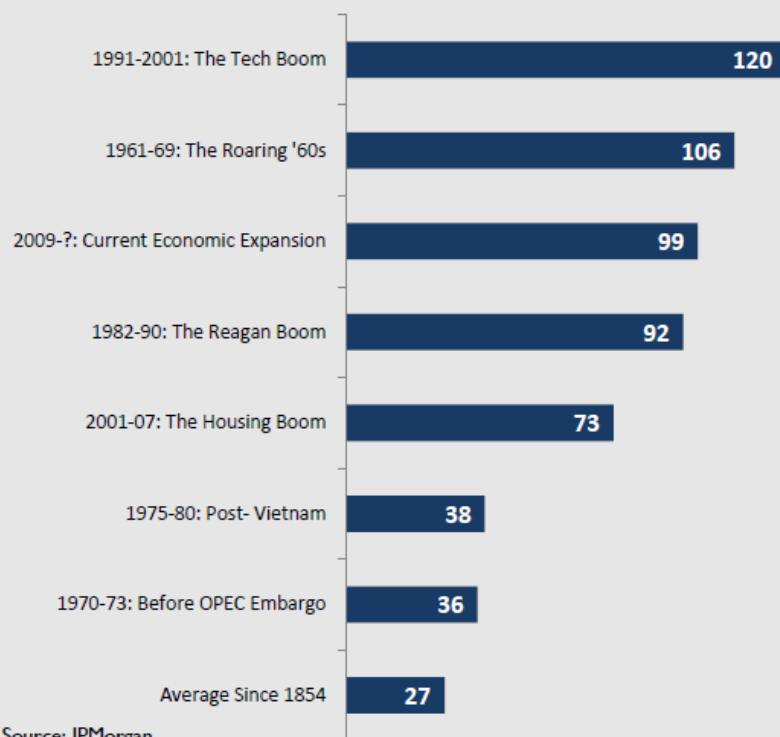
- The unemployment rate dropped from a peak of 10% to a current level of 4.2%. The unemployment rate has not been lower since 2000. Companies are firing workers at a historically low rate, and wages have started to increase as the labor market tightens. Payrolls increased for 90 consecutive months, the longest period of uninterrupted job growth in U.S. history before the recent momentary interruption brought by hurricanes
- For the first time in history, there are more than 6,000,000 unfilled job openings in the United States

Economic Outlook

How Long Can the Current Expansion Continue

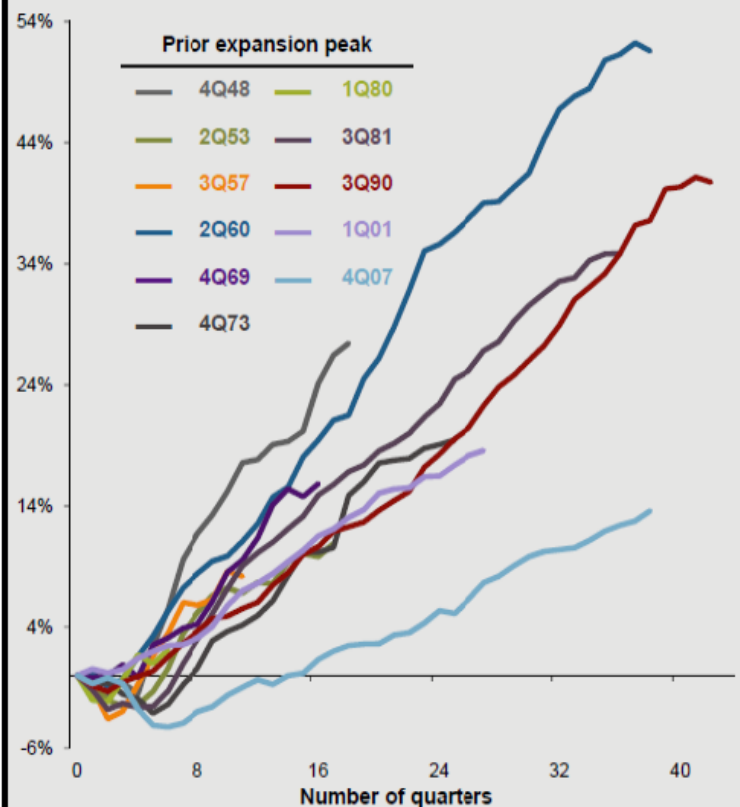
How Long Can This Bull Market Last?

The Length (in months) of Economic Expansions in Our Nation's History



Strength of economic expansions

Cumulative real GDP growth since prior peak, percent



- The current economic expansion is now 99 months long, making it one of the longest in our nations history however bull markets never die from old age but rather euphoria, which is not currently at elevated levels
- At the same time, as graphed in the upper right, this current economic expansion has the lowest cumulative total growth of any prior expansionary period

Additional Discussion Items

Additional Discussion Items

Financial Bulletin

Keeping Your Business Informed and Prepared

Retirement plan limits for the tax years 2013 – 2018

For more information, contact Chepenik Financial at 407.660.1010 or email retire@chepenikfinancial.com

Retirement Plan Limits	2018	2017	2016	2015	2014	2013
401(k) 403(b) Elective Deferral Maximum	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500
457(b) Non-qualified Deferred Compensation Limit	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500
414 (v) Catch-up Contribution Limit	\$6,000	\$6,000	\$6,000	\$6,000	\$5,500	\$5,500
415 Defined Contribution Annual Addition Maximum	\$55,000	\$54,000	\$53,000	\$53,000	\$52,000	\$51,000
401(a)(17) Annual Compensation Limit	\$275,000	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000
414(q) Highly-Compensated Employee Limit	\$120,000	\$120,000	\$120,000	\$120,000	\$115,000	\$115,000
Social Security Wage Base	\$128,700	\$127,200	\$118,500	\$118,500	\$117,000	\$113,700
SIMPLE Employee Deferrals	\$12,500	\$12,500	\$12,500	\$12,500	\$12,000	\$12,000
415 Defined Benefit Dollar Maximum	\$220,000	\$215,000	\$210,000	\$210,000	\$210,000	\$205,000
Health Savings Account (HSA) Limit (Family)	\$6,900	\$6,750	\$6,750	\$6,650	\$6,550	\$6,450

We appreciate your continued support! Thank You!

If you would like any additional information, please contact our Retirement Plan Team at Chepenik Financial.

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