

FINANCE COMMITTEE MEETING

Wednesday, April 8, 2020

MEETING DETAILS

Meeting Details

Meeting Agenda

Welcome

Roll Call

Public Comment

Approval of Minutes

Information / Discussion / Action Items

Other Business

Adjournment

What: Finance Committee Teleconference

When: Wednesday, April 8, 2020

1:00 p.m. – 2:30 p.m.

Where: Teleconference:

GoToMeeting (remote attendees):

Link: <https://global.gotomeeting.com/join/144165349>

Dial In: **(Toll Free) 1 (866) 899-4679 or 1 (786) 535-3119**

Access Code: 245-739-205

FINANCE COMMITTEE TELECONFERENCE AGENDA

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Agenda Item	Topic	Presenter	Action Item
1.	Welcome	Eric Ushkowitz	
2.	Roll Call / Establishment of Quorum	Kaz Kasal	
3.	Public Comment		
4.	Approval of Minutes	Eric Ushkowitz	
	A. 2/11/20 Audit & Finance Joint Committee Meeting		X
5.	Information / Discussion / Action Items		
	A. 403(b) Retirement Plan Update	Chepenik Financial	
	B. 403(b) Plan Audit Results	Leo Alvarez	
	C. Financial Reports	Leo Alvarez	
	D. 1) Fiscal Year 2020-21 Budget Timeline	Leo Alvarez	
	2) New Fiscal Year Budget Projections	Leo Alvarez	
	E. Fiscal Year 2020-21 Health Insurance Plan Renewal	Leo Alvarez	X
6.	Other Business		
7.	Adjournment		

UPCOMING MEETINGS

Upcoming Meetings:

Board Teleconference	4/30/20	9:00 a.m. - 10:30 a.m.
Finance Committee Location: CSCF Admin Office	6/9/20	2:30 p.m. – 4:00 p.m.

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Meeting Details

Meeting Agenda

► Welcome

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WELCOME

Meeting Details

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► Roll Call

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ROLL CALL / ESTABLISHMENT OF QUORUM

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► **Public Comment**

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PUBLIC COMMENT

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APPROVAL OF MINUTES

Joint Meeting of the Audit and Finance Committees

Hanson, Walter & Associates
8 Broadway, Suite 104, Kissimmee, FL

Tuesday, February, 2020
11:30 a.m.

MINUTES

MEMBERS PRESENT: Larry Walter, Lorie Bailey-Brown, Michelle Bishop, Wendy Brandon, Glen Casel, Keira des Anges, Wendy Ford, Diana Rodriguez, Daniel Turlington, Matt Walton, and Fred Winterkamp

MEMBERS ABSENT: Nicole Guillet, Kristy Mullane, Eric Ushkowitz and Mark Wylie

STAFF PRESENT: Pam Nabors, Mimi Coenen, Leo Alvarez, Sean Masherella and Kaz Kasal

GUESTS PRESENT: David Caplivski / Grau & Associates

Agenda Item	Topic	Action Item / Follow Up Item
1	Welcome Mr. Walter, Audit Committee Member Chair, called the meeting to order at 11:42 am.	
2	Roll Call / Establishment of Quorum Ms. Kasal, CSCF Executive Coordinator, reported a quorum present on both the Audit and Finance Committees.	
3	Public Comment None Offered.	
4	Approval of Minutes Audit Committee reviewed the minutes from the 9/17/19 Audit Committee meeting. Finance Committee reviewed the minutes from the 10/8/19 Finance Committee meeting.	Mr. Winterkamp made a motion to approve the minutes from the 9/17/19 Audit Committee meeting. Ms. Ford seconded; motion passed unanimously. Ms. Brandon made a motion to approve the minutes from the 10/8/19 Finance Committee meeting. Mr. Casel seconded; motion passed unanimously.
5	Information	
	<u>Presentation from Grau & Associates</u> <ul style="list-style-type: none"> Reviewed presentation entitled "CareerSource Central Florida Audit Wrap Up Fiscal Year End 6/30/19" (attachment) provided by Mr. David 	Ms. Ford made a motion to accept the 2 CFR 200 Audit Report for Fiscal Year 2018-19. Mr. Winterkamp

	<p>Caplivski with Grau & Associates, CSCF's independent auditor.</p> <p>Highlights from audit wrap-up presentation:</p> <ul style="list-style-type: none"> – Unmodified opinion issued for financial statements and statement of expenditures of federal awards – No internal control findings – No deficiencies or material weaknesses <p><u>Procurement Policy – Proposed Revisions</u></p> <ul style="list-style-type: none"> • Reviewed following two proposed revisions: <ol style="list-style-type: none"> 1) Section 5A 3 c): "Bids and Formal Requests for Proposals": change to "Executive Committee" instead of "Board of Directors" for approval to issue a solicitation and its material elements. This revision does not affect full board making final procurement decision. 2) Table of Authorities: raise the threshold from \$5,000 to \$10,000 for required signature of VP/CFO and department VP's. <p><u>Office Furniture Procurement – West Orange Career Center (attachment):</u></p> <ul style="list-style-type: none"> • Reviewed procurement process and CSCF's recommendation to select Empire as furniture vendor for West Orange Career Center. This is second time CSCF would use Empire this fiscal year, as vendor was used for CSCF's Osceola Career – which would be bring grand total purchases over \$150,000 threshold. <p><u>Mid-Year Financials (attachment)</u> Reviewed financials through 12/31/19, as well as mid-year comparison current year vs. previous year.</p> <p><u>Facilities Subcommittee</u> Audit and Finance Committees discussed and concurred on the advantage of forming ad hoc subcommittees, as needed, to support and expertly guide admin staff during lease negotiations, estimates for buildouts, and other similar situations beyond staff's scope of expertise.</p>	<p>seconded; motion passed unanimously.</p> <p><i>Staff to delineate net assets coming from government funds vs. other revenue for next year's audit.</i></p> <p>Mr. Walton made a motion to approve revisions to Procurement Policy as presented and forward to Board under Consent Agenda. Ms. des Anges seconded; motion passed unanimously.</p> <p>Ms. des Anges made a motion to move to Board for approval the selection of Empire as preferred vendor of office furniture purchases for West Orange Career Center. Mr. Turlington seconded; motion passed unanimously</p>
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6	Other Business Reviewed letter from Office of Inspector General confirming allegation was unsubstantiated (attachment).	
7	Adjournment Meeting adjourned at 12:37 p.m.	

Respectfully submitted,

Kaz Kasal
Executive Coordinator

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INFORMATION / DISCUSSION / ACTION ITEMS



**WE GO
BEYOND**
for:





ADMINISTRATIVE UPDATE



ADMINISTRATIVE UPDATE

Aspect of Plan Design	Plan Provisions
Plan Name	CareerSource Central Florida 403(b) Plan
Plan Provider and Contract Number	Principal Financial Group – 623601
Plan Year	July 1 – June 30
Eligibility	Employee Deferrals: None Employer Contributions: Age 21 Service: 6 Months of Service Exclude: Employees who normally work less than 20 hours per week; student employees
Entry Date	Monthly – coinciding with or next following satisfaction of eligibility requirements
Contribution Types	Elective deferrals (Pre-Tax & Roth), rollovers, employer matching contributions, employer non-elective profit sharing contributions
Automatic Contribution Election	4% - ACA
Automatic Escalation	1% up to 6%
Employee Elective Contributions	Up to maximum permitted - \$19,500
Catch-Up Contributions	Yes, participants age 50 or older may contribute an additional \$6,500
Change in Contribution Amount	Anytime
Change in Investment Options	Anytime
Match Contribution	100% on the first 6% of pay
Non-Elective	N/A
Vesting	Employee elective contributions and rollovers are always 100% vested. Employer matching contributions and non-elective profit sharing contributions are according to vesting schedule cliff
Withdrawals	Participants may withdraw a portion or all of their account due to: retirement, disability, death, termination of employment. In-service distributions are permitted at age 59½.
Loans	Loans are permitted. Participants can have 1 loan outstanding at a time; minimum loan amount is \$1,000; interest repayments are based on Prime Rate +1%..
Retirement	Age 65 – No early retirement provided
Contact Information	Principal Financial Group 800-258-9041 http://www.principal.com

Data provided by Principal Financial and believed to be true and accurate



ADMINISTRATIVE UPDATE – 12/31/2019



Plan Assets \$6,829,180

YOY Growth +29.2%

*YTD Growth: -14.4%

*As of April 1, 2020

Avg. Account Balance: \$28,724



193 Eligible

182 Active / 35 Terminated

94.3% Participation

5.1% Avg Deferral Rate w/ non Participants



Loans \$184.5k

36 Participants

Average Balance: \$5,124



Diversified Portfolio

85.3% Plan Assets QDIA

200 Single TDF Holders

Data provided by Principal Financial and believed to be true and accurate





MARKET UPDATE & FUND REVIEW

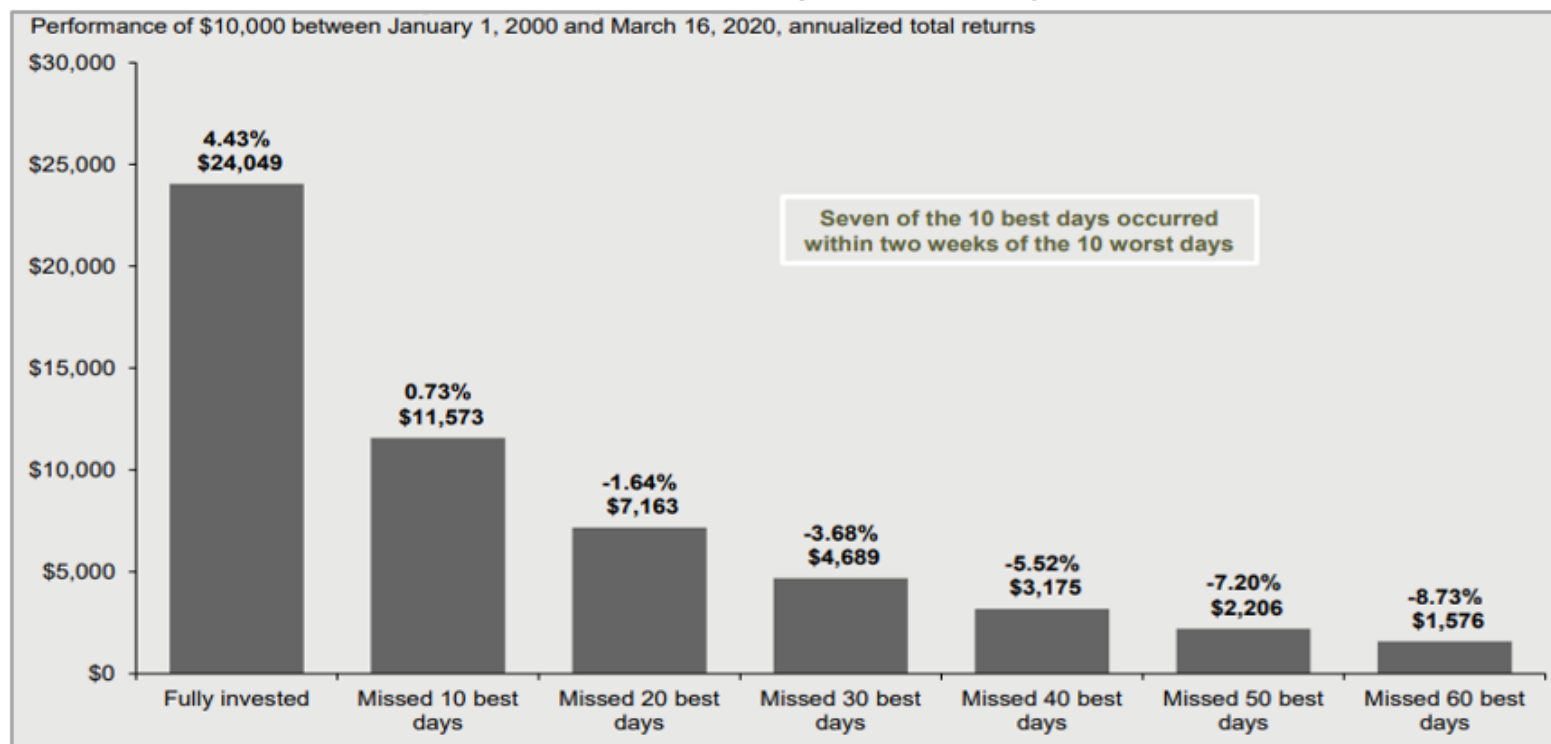


MARKET UPDATE



MARKET UPDATE

Returns of S&P 500 – Missing the best days is disastrous



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. Data are as of March 13, 2020.

- Trying to time the market is extremely difficult to do. Market lows often result in emotional decision making. Investing for the long term while managing volatility has historically led to better performance outcomes.
- Market data – in the form of invest flows in stocks, bonds, and cash – continue to show that market participants are making the exact wrong decision at the exact wrong time. Attempts at market timing continue to be exposed as failed strategies. As highlighted, just missing a few of the best performance days, which typically immediately proceed the worst performing days, quickly erodes overall portfolio performance.



MARKET UPDATE

Equities

Data as of 4/1/2020

QTD

	Value	Blend	Growth
Large	-4.7%	-4.4%	-4.3%
Mid	-5.4%	-5.0%	-4.5%
Small	-7.0%	-7.0%	-7.0%

YTD

	Value	Blend	Growth
Large	-30.2%	-23.1%	-17.8%
Mid	-35.4%	-30.7%	-23.7%
Small	-40.2%	-35.5%	-31.0%

Since market peak (October 2007)

	Value	Blend	Growth
Large	47.8%	105.8%	176.6%
Mid	57.2%	84.0%	124.1%
Small	24.2%	50.9%	79.7%

Since market low (March 2009)

	Value	Blend	Growth
Large	268.4%	359.9%	464.1%
Mid	301.2%	344.1%	418.2%
Small	207.2%	264.0%	324.1%

Current P/E vs. 20-year avg. P/E

	Value	Blend	Growth
Large	11.7 / 13.6	14.9 / 15.5	19.4 / 18.9
Mid	11.0 / 14.2	13.9 / 16.1	20.6 / 20.6
Small	11.2 / 16.3	18.4 / 20.5	38.0 / 29.6

Current P/E as % of 20-year avg. P/E

	Value	Blend	Growth
Large	86.2%	96.2%	102.4%
Mid	77.9%	86.1%	100.2%
Small	68.5%	89.6%	128.3%

Source: FactSet, Russell Investment Group, Standard & Poor's, J.P. Morgan Asset Management.





FIDUCIARY INVESTMENT MONITORING REPORT (FiRM)



FIDUCIARY INVESTMENT MONITORING REPORT (FiRM)

12 Point Scoring System

Criteria	Measurement
Style Consistency	≤ 29
5-Year Sharpe Ratio*	$>$ Category
R-Squared	$> 80\%$
1-Year Performance	$>$ Peer Group Median
3-Year Performance	$>$ Peer Group Median
5-Year Performance	$>$ Peer Group Median
5-Year Up/Down Capture	Up $>$ Down

Criteria	Measurement
Information Ratio 5-Years	> 0
Information Ratio 3-Years	> 0
Beta 5-Year	Between .75 – 1.15
Beta 3-Year	Between .75 – 1.15
Longest Tenured Manager	\geq Peer Median Tenure
Net Expense Ratio	\leq Peer Median

Scoring Threshold: 6

Investment Criteria Rating: 6

* Sharpe Ratio used to score Target Date Funds where applicable



INVESTMENT LINEUP

QDIA: Target Date Suite 85.3% Plan Assets

Asset Allocation/Target Date	
American Century One Choice In Ret (7 ppt)	Target Date Series*
American Century One Choice 2020 (22 ppt)	
American Century One Choice 2025 (37 ppt)	
American Century One Choice 2030 (41 ppt)	
American Century One Choice 2035 (42 ppt)	
American Century One Choice 2040 (25 ppt)	
American Century One Choice 2045 (31 ppt)	
American Century One Choice 2050 (24 ppt)	
American Century One Choice 2055 (19 ppt)	
American Century One Choice 2060 (5 ppt)	

*denotes QDIA



403(b) PLAN – 4th QUARTER ANALYSIS

S&P 500 YTD Performance: 4/1/2020

-23.2%

INVESTMENT		ASSETS	% ASSETS	LAST QTR	YTD	1 YR	3 YR	5 YR	4Q19	3Q19	2Q19	1Q19
YTD as of 4.1.2020									of 12	of 12	of 12	of 12
Target Date Retirement												
American Century One Choice In Ret A	-12.07	\$250,730	3.67%	3.57 (4)	15.55 (13)	15.55 (13)	6.69 (16)	4.72 (27)	-	-	-	-
Target Date 2020												
American Century One Choice 2020 A	-11.98	\$556,272	8.15%	3.57 (60)	15.74 (54)	15.74 (54)	6.93 (76)	4.89 (76)	-	-	-	-
Target Date 2025												
American Century One Choice 2025 A	-13.42	\$1,173,789	17.19%	3.97 (82)	16.98 (78)	16.98 (78)	7.49 (89)	5.28 (88)	-	-	-	-
Target Date 2030												
American Century One Choice 2030 A	-14.79	\$837,981	12.27%	4.47 (86)	18.40 (81)	18.40 (81)	8.10 (88)	5.68 (86)	-	-	-	-
Target Date 2035												
American Century One Choice 2035 A	-16.27	\$709,756	10.39%	4.97 (94)	19.71 (89)	19.71 (89)	8.66 (95)	6.07 (93)	-	-	-	-
Target Date 2040												
American Century One Choice 2040 A	-17.83	\$613,172	8.98%	5.52 (89)	21.02 (85)	21.02 (85)	9.32 (88)	6.50 (86)	-	-	-	-
Target Date 2045												
American Century One Choice 2045 A	-19.27	\$1,117,371	16.36%	6.00 (96)	22.41 (86)	22.41 (86)	9.94 (91)	6.92 (90)	-	-	-	-
Target Date 2050												
American Century One Choice 2050 A	-20.70	\$349,916	5.12%	6.53 (88)	23.76 (71)	23.76 (71)	10.46 (74)	7.24 (80)	-	-	-	-
Target Date 2055												
American Century One Choice 2055 A	-21.28	\$196,446	2.88%	6.75 (92)	24.24 (69)	24.24 (69)	10.62 (78)	7.35 (83)	-	-	-	-
Target Date 2060+												
American Century One Choice 2060 A	-21.79	\$17,205	0.25%	6.89 (92)	24.68 (68)	24.68 (68)	10.75 (81)	n/a (na)	-	-	-	-

Asset values as of 12/31/2019. Performance and scoring data as of 12/31/2019. 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.



QDIA ANALYSIS

Performance Ranks, Returns and Down Captures as of 3/27/2020

I Class Morningstar Category (US OE Tgt Date)	One Choice Target Date Portfolios								
	2060 2060+	2055 2055	2050 2050	2045 2045	2040 2040	2035 2035	2030 2030	2025 2025	2020 2020
Return Percentile Rankings									
Drawdown (2/20-3/23)*	15	15	18	10	13	11	20	34	55
MTD	15	20	20	11	17	16	29	31	36
YTD	11	12	11	7	11	14	19	30	50
1-Year	14	13	9	4	6	10	18	34	43
3-Year	24	19	16	17	17	26	34	46	52
5-Year	n/a	28	24	25	34	42	48	52	53
10-Year	n/a	n/a	15	16	25	35	42	53	45
Total Returns									
Drawdown (2/20-3/23)*	-30.83%	-30.16%	-29.50%	-27.74%	-25.94%	-24.10%	-22.23%	-20.52%	-18.78%
MTD	-14.16%	-13.89%	-13.58%	-12.75%	-11.97%	-11.03%	-10.16%	-9.28%	-8.39%
YTD	-19.74%	-19.26%	-18.78%	-17.50%	-16.25%	-14.93%	-13.51%	-12.25%	-10.98%
1-Year	-9.45%	-9.05%	-8.68%	-7.81%	-6.95%	-6.00%	-5.06%	-4.21%	-3.35%
3-Year	1.68%	1.77%	1.87%	2.00%	2.05%	2.08%	2.20%	2.24%	2.31%
5-Year	n/a	2.82%	2.85%	2.87%	2.79%	2.73%	2.73%	2.70%	2.67%
10-Year	n/a	n/a	7.14%	7.07%	6.83%	6.53%	6.21%	5.93%	5.68%
Down Capture Percentile Rankings									
Drawdown (2/20-3/23)*	16	10	17	8	16	13	22	35	61
MTD	19	14	16	10	17	15	23	34	60
YTD	16	10	12	9	17	13	21	28	59
1-Year	13	9	11	7	17	11	16	33	59
3-Year	16	14	13	3	10	7	18	27	60
Down Capture Ratios (Benchmark: S&P 500)									
Drawdown (2/20-3/23)*	81%	79%	76%	70%	64%	58%	52%	47%	43%
MTD	82%	80%	77%	71%	65%	58%	52%	48%	43%
YTD	81%	78%	75%	69%	64%	57%	50%	46%	41%
1-Year	80%	78%	75%	69%	63%	56%	50%	45%	40%
3-Year	80%	78%	76%	70%	64%	57%	51%	45%	40%

Data as of 3/27/2020. Performance in USD, net of fees. Periods greater than one year have been annualized.

Past performance does not guarantee future results.

Source: Morningstar, Inc.

*Peak to lowest market close reached on 3/23/2020. All other time periods as of 3/27/2020.



INVESTMENT LINEUP

Core Menu: 14.7% Plan Assets

Domestic Equity (8.1% Plan Assets)			
Value	Blend	Growth	
Invesco Diversified Dividend (5 pts)	Principal Large Cap S&P 500 Index (8 pts)	Pioneer Fundamental Growth (12 pts)	Large
American Century Mid Cap Value (8 pts)	Principal Mid Cap S&P 400 Index (8 pts)	MassMutual Select Mid Cap Growth (7 pts)	Mid
Goldman Sachs Small Cap Value* (2 pts)	Principal Small Cap S&P 600 Index (8 pts)	Janus Henderson Triton (7 pts)	Small

*Fund shows as Small Cap Blend



403(b) PLAN – 4th QUARTER ANALYSIS

INVESTMENT			ASSETS	% ASSETS	LAST QTR	YTD	1 YR	3 YR	5 YR	4Q19	3Q19	2Q19	1Q19
YTD as of 4.1.2020										of 12	of 12	of 12	of 12
Large Value													
W Invesco Diversified Dividend A	-27.30	26 th	\$41,821	0.61%	5.11 (90)	25.02 (54)	25.02 (54)	7.65 (87)	7.74 (55)	5	8	7	6
P JPMorgan Equity Income R3**	-27.59	28 th		0.00%	6.62 (66)	26.02 (40)	26.02 (40)	12.07 (13)	9.47 (14)	11	11	11	11
Large Blend													
Principal Large Cap S&P 500 Index R5			\$70,400	1.03%	8.95 (39)	30.98 (33)	30.98 (33)	14.79 (27)	11.24 (22)	-	-	-	-
Large Growth													
W Pioneer Fundamental Growth A	-19.80	64 th	\$72,448	1.06%	8.63 (72)	33.84 (36)	33.84 (36)	17.71 (59)	12.45 (52)	6	7	6	7
P T. Rowe Price Blue Chip Growth R**	-17.28	32 nd		0.00%	9.17 (60)	29.28 (78)	29.28 (78)	21.23 (24)	14.63 (16)	8	9	10	11
Mid-Cap Value													
American Century Mid Cap Value A**			\$52,246	0.77%	6.63 (58)	28.55 (36)	28.55 (36)	7.48 (54)	8.35 (21)	9	10	9	9
Mid-Cap Blend													
Principal MidCap S&P 400 Index R5			\$43,535	0.64%	6.95 (46)	25.79 (60)	25.79 (60)	8.81 (55)	8.55 (28)	-	-	-	-
Mid-Cap Growth													
MassMutual Select Mid Cap Growth R4**			\$50,367	0.74%	6.92 (65)	31.66 (68)	31.66 (68)	16.39 (53)	11.93 (34)	8	10	9	9
Small Value													
P Delaware Small Cap Value A	-40.69	50 th		0.00%	8.68 (28)	27.83 (11)	27.83 (11)	5.59 (26)	7.61 (20)	11	9	11	9
Small Blend													
Principal SmallCap S&P 600 Index R5			\$42,395	0.62%	8.12 (52)	22.37 (69)	22.37 (69)	7.93 (38)	9.08 (14)	-	-	-	-
W Goldman Sachs Small Cap Value Svc	-39.69	83 rd	\$7,027	0.10%	6.93 (76)	22.54 (67)	22.54 (67)	5.43 (73)	6.47 (69)	5	6	6	5
Small Growth													
Janus Henderson Triton S**			\$173,082	2.53%	5.57 (93)	27.91 (51)	27.91 (51)	15.24 (42)	11.21 (29)	9	10	10	8

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INVESTMENT LINEUP

Core Menu: 14.7% Plan Assets

International Equity (1.5% of Plan Assets)			
Value	Blend	Growth	
		Oppenheimer International Growth (10 pts)	Large

Specialty (0.4% of Plan Assets)	
Principal Real Estate Securities (5 pts)	Real Estate



403(b) PLAN – 4th QUARTER ANALYSIS

INVESTMENT	ASSETS		% ASSETS	LAST QTR	YTD	1 YR	3 YR	5 YR	4Q19	3Q19	2Q19	1Q19
YTD as of 4.1.2020									of 12	of 12	of 12	of 12
Foreign Large Blend												
P MFS Intl Diversification R3**	-22.52	13 th	0.00%	9.31 (30)	25.66 (18)	25.66 (18)	13.15 (1)	8.13 (2)	10	10	10	10
Foreign Large Growth												
W Invesco Oppenheimer International Gr A	-23.17	65 th	\$103,121	1.51%	12.37 (8)	28.61 (38)	28.61 (38)	9.42 (91)	5.71 (78)	6	5	5
Specialty - Real Estate												
Principal Real Estate Securities R5			\$23,927	0.35%	0.46 (35)	30.92 (19)	30.92 (19)	10.83 (12)	8.41 (10)	12	12	11

Asset values as of 12/31/2019. Performance and scoring data as of 12/31/2019. 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.



INVESTMENT LINEUP

Core Menu: 14.7% Plan Assets

Cash Equivalents/Stable Value (4.5% of Plan Assets)

Principal Fixed Income Guaranteed Fund (35 ppts)

Stable Value

Fixed Income (0.2% of Plan Assets)

Short-Term	Intermediate-Term	Long-Term	
	Western Asset Core Plus Bond A (3 ppts)		Bonds



403(b) PLAN – 4th QUARTER ANALYSIS

INVESTMENT	ASSETS	% ASSETS	LAST QTR	YTD	1 YR	3 YR	5 YR	4Q19 of 12	3Q19 of 12	2Q19 of 12	1Q19 of 12
Money Market/Stable Value											
Principal Fixed Income Guaranteed Option	\$310,340	4.54%	n/a (na)	n/a (na)	n/a (na)	n/a (na)	n/a (na)	-	-	-	-
Intermediate Core-Plus Bond											
Western Asset Core Plus Bond A**	\$15,834	0.23%	1.25 (4)	11.88 (3)	11.88 (3)	5.38 (3)	4.25 (4)	10	10	10	9

Asset values as of 12/31/2019. Performance and scoring data as of 12/31/2019. 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 – 4th QUARTER ANALYSIS

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
Large Value													
W Invesco Diversified Dividend A	17.01	8.18	86.91	25.02	7.65	7.74	69.51 /58.40	-0.46	-0.11	0.73	0.69	0.81	5
P JPMorgan Equity Income R3	15.42	8.88	96.97	26.02	12.07	9.47	96.00 /85.67	1.07	0.52	0.90	0.90	0.99	11
Russell 1000 Value TR USD	-	-	100.00	26.54	9.68	8.29	100.00	0.00	0.00	1.00	1.00	-	-
Peer Group Median (50th Percentile)	8.17	-	94.67	25.30	9.71	7.87	97.52 /99.69	0.03	-0.12	0.99	0.99	0.89	-
Large Growth													
W Pioneer Fundamental Growth A	12.98	9.70	93.80	33.84	17.71	12.45	85.19 /88.15	-0.73	-0.63	0.79	0.84	1.09	6
P T. Rowe Price Blue Chip Growth R	26.52	16.78	91.13	29.28	21.23	14.63	101.27 /102.36	0.18	0.00	1.03	1.05	1.23	8
Russell 1000 Growth TR USD	-	-	100.00	36.39	20.49	14.63	100.00	0.00	0.00	1.00	1.00	-	-
Peer Group Median (50th Percentile)	9.37	-	92.80	32.28	18.69	12.50	93.91 /104.73	-0.65	-0.64	0.99	0.99	0.93	-
Small Value													
P Delaware Small Cap Value A	22.68	11.44	95.17	27.83	5.59	7.61	103.37 /100.78	0.22	0.17	1.03	1.01	1.15	11
Russell 2000 Value TR USD	-	-	100.00	22.39	4.77	6.99	100.00	0.00	0.00	1.00	1.00	-	-
Peer Group Median (50th Percentile)	8.28	-	94.37	21.76	3.98	5.73	94.66 /98.15	-0.23	-0.36	1.01	0.98	1.13	-
Small Blend													
Principal SmallCap S&P 600 Index R5	3.42	11.24	97.45	22.37	7.93	9.08	100.52 /96.49	-0.28	0.33	1.02	0.99	0.42	-
W Goldman Sachs Small Cap Value Svc	13.01	11.88	96.06	22.54	5.43	6.47	86.99 /93.03	-1.00	-0.54	0.93	0.92	1.45	5
Russell 2000 TR USD	-	-	100.00	25.52	8.59	8.23	100.00	0.00	0.00	1.00	1.00	-	-
Peer Group Median (50th Percentile)	8.05	-	94.56	24.48	7.05	7.35	91.38 /95.18	-0.47	-0.28	0.98	0.95	1.05	-

Asset values as of 12/31/2019. Performance and scoring data as of 12/31/2019. 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 – 4th QUARTER ANALYSIS

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
Foreign Large Blend													
P MFS Intl Diversification R3	1.33	13.65	91.82	25.66	13.15	8.13	92.26 /75.26	1.01	0.71	0.89	0.85	1.11	10
MSCI EAFE NR USD	-	-	100.00	22.01	9.56	5.67	100.00	0.00	0.00	1.00	1.00	-	-
Peer Group Median (50th Percentile)	6.00	-	91.88	21.74	8.99	5.25	92.28 /92.34	-0.30	-0.06	0.98	0.93	0.94	-
Foreign Large Growth													
W Invesco Oppenheimer International Gr A	23.78	10.18	91.17	28.61	9.42	5.71	97.14 /106.62	-0.92	-0.41	1.08	1.01	1.10	6
MSCI ACWI Ex USA Growth NR USD	-	-	100.00	27.34	12.89	7.30	100.00	0.00	0.00	1.00	1.00	-	-
Peer Group Median (50th Percentile)	7.93	-	90.56	27.78	12.43	7.01	94.85 /95.26	-0.10	-0.07	1.03	0.96	1.04	-

Asset values as of 12/31/2019. Performance and scoring data as of 12/31/2019. 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.





LEGISLATIVE & REGULATORY UPDATE



SECURE ACT – WHAT TO KNOW

SECURE Act: Passed – December 19, 2019

A. Encouraging Employer-Provided Plan

- i. Pooled Employer Plans (Section 101)
 - Effective December 31, 2020
- ii. Increase to Small Employer Plan Start-Up Credit (Section 104 & 105)
 - Effective December 31, 2019

B. Lifetime Income Provisions

- i. Lifetime Income Disclosure (Section 203)
 - Applies to pension benefit statements furnished more than 12 months after DOL issues interim final rules, the model disclosure and assumptions
- ii. Fiduciary Safe Harbor for Selection of Lifetime Income Provider (Section 204)
 - Effective upon enactment
- iii. Portability of Lifetime Income Options (Section 109)
 - Effective December 31, 2019



SECURE ACT – WHAT TO KNOW

C. Changes Affecting Plan Distributions

- i. Post-Death Required Minimum Distribution Rules (Section 401)
 - Effective December 31, 2019
- ii. Increase in Age for Required Beginning Date (Section 114)
 - Effective December 31, 2019
- iii. Penalty-Free Withdrawal From Retirement Accounts For Individuals In Case of Birth of Child or Adoption (Section 113)
 - Effective December 31, 2019

D. Changes Affecting Plan Administration

- i. Part-Time Employees (Section 112)
 - Effective December 31, 2020
- ii. Increase on Limit on Automatic Enrollment QACA Safe Harbor Default Rate (Section 102)
 - Effective December 31, 2019
- iii. Nonelective 401(k) Safe Harbor Changes- Applicable To Traditional and QACA Safe Harbors (Section 103)
 - Effective December 31, 2019



CARES ACT – WHAT TO KNOW

CARES Act: Passed – March 27, 2020

Provision 1: Coronavirus Related Distribution: Optional

- Timing: January 1, 2020 – December 31, 2020
- Maximum Amount of \$100k
- No 10% Penalty / Taxation spread over 3 Years / Can be repaid within 3 yrs.

Qualifying Individual

- Diagnosed with SARS-CoV-2 or COVID-19 & Approved Test
 - Spouse or Dependent Diagnosed with above
 - Adverse Financial Consequences (quarantined; furloughed / laid off; reduced work hours; unable to work lack of child care; closing or reducing hours of business owned or operated by individual; other factors determined by Treasury Secretary
-
- **Method:** Participant Self-Certification



CARES ACT – WHAT TO KNOW

Provision 2: Participant Loan Limits & Repayments

Increase Loan Limits: **Optional**

Qualifying Individual

- Diagnosed with SARS-CoV-2 or COVID-19 & Approved Test
- Spouse or Dependent Diagnosed with above
- Adverse Financial Consequences (quarantined; furloughed / laid off; reduced work hours; unable to work lack of child care; closing or reducing hours of business owned or operated by individual; other factors determined by Treasury Secretary
- Timing: March 27, 2020 – September 23, 2020
- Maximum Amount of \$100k or 100% of Vested Balance

Delayed Loan Repayments: **Mandatory**

- Existing loans can be delayed for rest of 2020 and re-amortized



CARES ACT – WHAT TO KNOW

Provision 3: Waive RMDs for 2020: [Mandatory](#)

Plan Amendments: Up until 2022 Plan Year



Immediate & Present Need

Preserving Retirement Assets



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**CAREERSOURCE CENTRAL FLORIDA
403(b) PLAN**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE**

JUNE 30, 2019 AND 2018

**CAREERSOURCE CENTRAL FLORIDA
403(b) PLAN**

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of the
CareerSource Central Florida 403(b) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of CareerSource Central Florida 403(b) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of June 30, 2019 and 2018, and the related statement of changes in net assets available for benefits for the fiscal years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified as of and for the fiscal year ended June 30, 2019 and 2018 by Principal Life Insurance Company and AXA Equitable Life Insurance Company, the custodians of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the Plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained certifications from the custodians as of and for the fiscal year ended June 30, 2019 and 2018, that the information provided to the Plan administrator by the custodians is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) as of June 30, 2019 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

March 10, 2020

	June 30,	
	2019	2018
Assets:		
Investments at fair value	\$ 6,762,969	\$ 5,909,287
Receivables:		
Notes receivable from participants	136,025	150,067
Total receivables	136,025	150,067
Total assets	6,898,994	6,059,354
Net assets available for benefits	\$ 6,898,994	\$ 6,059,354

See accompanying notes to the financial statements.

	June 30,	
	2019	2018
Additions to net assets attributed to:		
Investment income:		
Net appreciation (depreciation) in fair value of investments	\$ 190,501	\$ 267,735
Net investment gain from pooled separate accounts	8,857	18,369
Interest	11,351	4,469
Interest income on notes receivable from participants	6,667	7,670
Dividends	110,656	66,891
Total investment income	328,032	365,134
Contributions:		
Participants	510,703	483,945
Participant rollover	23,268	10,483
Employer	401,471	396,427
Total contributions	935,442	890,855
Other income	-	32,337
Total additions	1,263,474	1,288,326
Deductions:		
Benefits paid to participants	420,455	640,290
Administrative expenses	3,379	13,297
Total deductions	423,834	653,587
Net increase	839,640	634,739
Net assets available for benefits, beginning of year	6,059,354	5,424,615
Net assets available for benefits, end of year	\$ 6,898,994	\$ 6,059,354

See accompanying notes to the financial statements.

NOTE 1 – PLAN DESCRIPTION

The following description of the CareerSource Central Florida (formerly known as Workforce Central Florida) 403(b) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more comprehensive description of the Plan's provisions.

- a) *General* - The Plan is a 403(b) defined contribution plan covering all eligible employees of CareerSource Central Florida (the "Company" or "Employer") as defined in the Plan document. The Plan has an effective date of October 1, 1999, was restated effective February 1, 2011, and was amended effective January 1, 2015. This amendment changed the Plan year-end to June 30 starting with the June 30, 2015 year-end. During a prior fiscal year, the Plan changed custodians and approved a restatement of its Plan effective on November 1, 2016. Effective July 1, 2017, unless the employee elects otherwise, employees are automatically enrolled in the Plan once eligible with a deferral rate of 4% of compensation. Deferral contributions for each active participant having automatic enrollment contributions are increased annually by 1%, up to a maximum of 6% of compensation. The increase is every January 1. The automatic elective deferral contributions shall apply to participants at the time they enter or reenter the Plan, and shall also apply to active participants that are deferring less than 6% or who are not deferring. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").
- b) *Eligibility* - All employees are eligible to participate in the Plan with the exception of employees who normally work less than 20 hours per week and employees who are enrolled as students and regularly attend classes offered by the Employer. Eligible employees can make elective deferrals beginning on their date of hire and can receive employer contributions after the employee has completed six months of service and upon attaining the age of 21 years.
- c) *Contributions* - Under the Plan, eligible participants may elect to contribute up to 100% of their compensation for the year, not to exceed the Internal Revenue Service limitation of \$19,000 for the Plan year ended June 30, 2019. Certain additional contributions are allowed for employees over age limits defined in the Internal Revenue Code. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

The Company provides matching contributions equal to 100% of a participant's elective deferrals not to exceed 6% of the participant's compensation.

- d) *Participant Accounts* - Each participant's account is credited with the employee contributions, the Company's contributions, plan earnings, and an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined in the Plan document. Participants may direct the investment of their account balances into various funds offered by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.
- e) *Vesting* - Employee contributions and rollover contributions are immediately vested. Employer contributions vest according to the following schedule:

Years of Service	Vested Percentage
Less than 1 Year	0%
1	25%
2	50%
3	100%

NOTE 1 – PLAN DESCRIPTION (Continued)

- f) *Payment of Benefits* - A participant may withdraw any part of his or her vested account resulting from voluntary contributions or rollover contributions at any time. A Participant may withdraw any part of his vested account resulting from elective deferral contributions, matching contributions, qualified non-elective contributions, additional contributions, and discretionary contributions any time after he attains age 59 ½. Age 59 ½ withdrawals made be made once annually in any 12-month period. Withdrawals may be a single lump sum distribution or annual installments.
- a) *Notes Receivable from Participants* - Participants are permitted to take loans from the Plan from a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Participants are allowed no more than one outstanding loan at a time. The loans are secured by the balance in the participant's account and bear interest at a rate comparable to the rates being charged by lending institutions in the same geographic locale as the Employer. The maximum term of any loan may not exceed five years, unless it is for the purpose of buying a primary residence. The term of the loan is limited to 15 years for the purchase of a principal residence.
- b) *Plan Expenses* - The Plan permits the payment of Plan expenses to be made from the Plan's assets. If the Company does not pay the Plan expenses from its own assets, then the expenses will be paid using the Plan's assets and will generally be allocated among the accounts of all participants in the Plan. Investment fees are allocated to participants in proportion to the amount of their account balance. Participant fees are charged directly to the accounts of the participants who incur those fees.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The financial statements of the Plan have been prepared on an accrual basis of accounting, except for benefit payments, which are reported on a cash basis in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties - The Plan provides for various investment options. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near future and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Notes Receivable from Participants - Notes receivable from participants are reported at their unpaid principal balance plus any accrued but unpaid interest, with no allowance for credit losses, as repayments of principal and interest are received through payroll deductions and the notes are collateralized by the participants' account balances. Delinquent notes receivable from participants are recorded as deemed distributions based on terms of the Plan document.

Investment Valuation and Income Recognition - Investments are reported at fair value. To the extent available, fair value is based on quoted market prices in active markets on a trade-date basis. The investment contracts are also reported at fair value which approximates contract value. Contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. Additional information regarding the fair value measurement of investments is disclosed in Note 3.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition (Continued) - Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

The carrying value of accounts receivable and accounts payable approximates fair value due to their short-term nature.

Payment of Benefits - Benefits are recorded when paid.

Deemed Loan Distributions - Deemed loan distributions are recorded when the participant defaults on the loan.

Forfeited Accounts - As of June 30, 2019 and 2018, there were \$14,165 and \$7,482, respectively, in forfeited non-vested accounts. These accounts may be used to reduce future employer contributions or to pay administrative expenses.

NOTE 3 – FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Inputs to the valuation methodology include:

- Quoted prices for identical assets or liabilities in active markets;

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2019 and 2018.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

Mutual funds, index funds, and variable annuity balanced mutual funds in pooled separate accounts: Valued at the daily closing price as reported by the fund. Mutual funds, index funds, and variable annuity balanced mutual funds held by the Plan are open-end funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. While the underlying asset values may be based on quoted market prices, the net asset value of the portfolios is not publicly quoted. Accordingly, these investments have been reported as level 2.

Guaranteed investment contract with an insurance company: As there is no observable market price for these types of contracts, the fair value is calculated by projecting contract balances, at the valuation date, forward to maturity dates using the contract guaranteed interest rate net of management fees and then discounting this value back using the current new money declared interest rates for each appropriate maturity term. In cases where the remaining maturity term does not fall on a declared rate term, the rate from the nearest two maturity term rates is linearly interpolated.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth, by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2019:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 5,914,209	\$ -	\$ -	\$ 5,914,209
Pooled separate accounts	-	274,489	-	274,489
Guaranteed investment contract with an insurance company	-	-	574,271	574,271
Total assets at fair value	<u>\$ 5,914,209</u>	<u>\$ 274,489</u>	<u>\$ 574,271</u>	<u>\$ 6,762,969</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2018:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 4,940,008	\$ -	\$ -	\$ 4,940,008
Pooled separate accounts	-	281,356	-	281,356
Guaranteed investment contract with an insurance company	-	-	687,923	687,923
Total assets at fair value	<u>\$ 4,940,008</u>	<u>\$ 281,356</u>	<u>\$ 687,923</u>	<u>\$ 5,909,287</u>

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the fiscal year ended June 30, 2019:

Balance, beginning of the year	\$ 687,923
Purchases, sales, issuances and settlements (net)	(111,740)
Transfers in/out (net)	(13,263)
Interest	11,351
Balance, end of the year	<u>\$ 574,271</u>

The following table represents the Plan's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments and the significant unobservable inputs and the ranges of values for those inputs as of June 30, 2019 and 2018:

June 30, 2019				
Asset	Fair Value	Valuation Technique	Unobservable Inputs	Rate (weighted average)
Guaranteed interest accounts	\$574,271	Discounted cash flow	Risk - adjusted discount rate applied	1.00% - 3.00%
June 30, 2018				
Asset	Fair Value	Valuation Technique	Unobservable Inputs	Rate (weighted average)
Guaranteed interest accounts	\$687,923	Discounted cash flow	Risk - adjusted discount rate applied	1.00% - 3.00%

NOTE 4 – INFORMATION CERTIFIED BY CUSTODIAN

As of June 30, 2019, all of the Plan's investments were held by Principal Life Insurance Company and AXA Equitable Life Insurance Company, the Plan's custodians. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed the auditor not to perform any auditing procedures with respect to the information summarized below, which was certified as of and for the fiscal year ended June 30, 2019 and 2018 by Principal Life Insurance Company and AXA Equitable Life Insurance Company, the custodians of the Plan, except for comparing the information with the related information included in the financial statements. The Plan administrator has obtained certifications from the custodians as of and for the fiscal year ended June 30, 2019 and 2018, that the information provided to the Plan administrator by the custodians is complete and accurate. Investments and notes receivable certified by the custodians are as follows:

NOTE 4 – INFORMATION CERTIFIED BY CUSTODIAN (Continued)

	June 30, 2019	June 30, 2018
Investments at fair value	\$ 6,188,698	\$ 5,221,364
Investments at contract value (equivalent to fair value)	574,271	687,923
Notes receivable from participants	136,025	150,067
Total assets certified by custodians	<u>\$ 6,898,994</u>	<u>\$ 6,059,354</u>

NOTE 5 – GUARANTEED INVESTMENT CONTRACTS WITH INSURANCE COMPANIES

The Plan has an investment contract (Guaranteed Interest Account) with AXA Equitable Life Insurance Company ("AXA") that is not fully benefit responsive. AXA maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract is not fully benefit-responsive; therefore, investments are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the investment contract. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value less a transaction fee. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

The Plan also entered into a benefit-responsive guaranteed investment contract with Principal Life Insurance Company ("Principal"). Principal maintains the contributions in a general account. The accounts are credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The contract meets the fully benefit-responsive investment contract criteria. Contract value is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

Certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. The contracts may be terminated by the Plan sponsor by providing notice of termination. Employer directed withdrawals, including termination, may be subject to a surrender charge, as outlined in the agreement. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the plan to transact at contract value with the participants.

NOTE 6 – PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of funds managed by the custodians of the Plan, and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services are paid by the Company.

NOTE 7 – PLAN TERMINATION

While the Company has not expressed any intent to terminate the Plan, it reserves the right at any time to amend, modify or terminate the Plan without the consent of any participant or beneficiary.

NOTE 8 – TAX STATUS

The Plan has been designed to qualify under Section 403(b) of the Internal Revenue Code (IRC). The Plan is required to operate in conformity with the Code to maintain the tax-exempt status for plan participants under Section 403(b). A tax determination letter program is not yet available for IRC Section 403(b) plans through the IRS; however, the IRS has determined and informed Principal Life Insurance Company by a letter dated March 31, 2017 that the form of the Plan is acceptable under 403(b) of the IRC. Accordingly, the Plan administrator believes that the Plan is currently designed and being operated in compliance with applicable requirements of the IRC and, as such, is exempt from Federal income taxes.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2015.

NOTE 9 – DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through March 10, 2020, the date that the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

Plan Sponsor EIN # 59-3396497				
Plan Number 001				
Column (a)	Column (b)	Column (c)	Column (d)	Column (e)
Identity of issuer, borrower, lessor, or similar party	Description of Investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value	
	Investments in insurance company general account (unallocated contracts):			
*	Principal Life Insurance Company Fixed Income Guaranteed Option	\$ -	\$ 308,143	
	AXA Equitable Life Insurance Company Fixed Income Guaranteed Option	-	266,128	
	Investments in mutual funds, at fair value:			
*	American Century One Choice In Retirement A Fund	-	228,755	
*	American Century One Choice 2020 A Fund	-	530,331	
*	American Century One Choice 2025 A Fund	-	1,040,985	
*	American Century One Choice 2030 A Fund	-	781,571	
*	American Century One Choice 2035 A Fund	-	644,068	
*	American Century One Choice 2040 A Fund	-	542,174	
*	American Century One Choice 2045 A Fund	-	974,651	
*	American Century One Choice 2050 A Fund	-	353,484	
*	American Century One Choice 2055 A Fund	-	168,585	
*	American Century One Choice 2060 A Fund	-	7,538	
*	American Century MidCap Value A Fund	-	47,444	
*	Goldman Sachs Small Cap Value Service Fund	-	6,673	
*	Invesco Divers Dividend A Fund	-	39,587	
*	JanusHenderson Triton S Fund	-	165,016	
*	MassMutual Select Mid Cap Growth Equity II R4	-	49,219	
*	Oppenheimer International Growth A Fund	-	91,023	
*	Pioneer Fundamental Growth A Fund	-	68,330	
*	Principal LargeCap S&P 500 Index R5 Fund	-	60,781	
*	Principal MidCap S&P 400 Index R5 Fund	-	38,379	
*	Principal Real Estate Securities R5 Fund	-	23,149	
*	Principal SmallCap S&P 600 Index R5 Fund	-	37,419	
*	Western Asset Core Plus Bond A Fund	-	15,047	

Column (a)	Column (b)	Column (c)	Column (d)
	Identity of issuer, borrower, lessor, or similar party	Description of Investment including maturity date, rate of interest, collateral, par or maturity value	Cost
		Investments in pooled separate accounts, at fair value:	
*		EQ/Equity 500 Index	\$ - \$ 10,838
*		EQ/International Equity Index	- 593
*		AXA/AB Small Cap Growth	- 811
*		EQ/Com Stck Index	- 12,784
*		Multimanager Aggressive Equity	- 20
*		AXA Moderate Allocation	- 84,509
*		AXA Conserv-Plus Allocation	- 17,522
*		AXA Moderate-Plus Allocation	- 103,240
*		AXA Aggressive Allocation	- 4,063
*		EQ/GAMCO Mergers & Acq	- 390
*		EQ/Mid Cap Index	- 7,166
*		Multimanager Mid Cap Growth	- 399
*		Multimanager Mid Cap Value	- 275
*		AXA Int Val Managed Vol	- 523
*		AXA Lg Cap Grw Managed Vol	- 2,551
*		AXA Glb Eqty Managed Vol	- 2,616
*		AXA Mid Cap Val Managed Vol	- 1,219
*		EQ/BlackRock Basic Value Eqty	- 1,735
*		AXA Lg Cap Core Managed Vol	- 270
*		AXA Int Core Managed Vol	- 5,799
*		AXA Lg Cap Val Managed Vol	- 2,905
*		Charter Small Cap Value	- 675
*		EQ/Small Company Index	- 5,269
*		AXA/Fr Tmp Alloc Managed Vol	- 8,317
	Participant loans	Interest rates 4.25% - 6.50%	- 136,025
		Total	<u>\$ - \$ 6,898,994</u>

March 10, 2020

To the Board of Directors of the
CareerSource Central Florida 403(b) Plan:

We have conducted a DOL limited-scope audit of the financial statements of CareerSource Central Florida 403(b) Plan (the "Plan") for the fiscal year ended June 30, 2019 and have issued our report thereon dated March 10, 2020. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4 to those financial statements. Because of the significance of the information that we did not audit, we are unable to, and have not, expressed an opinion on those financial statements and supplemental schedule taken as a whole. We did, however, audit the form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, in accordance with auditing standards generally accepted in the United States of America and found them to be presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 9, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2019. We noted no transactions entered into by the plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements and are based on your knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was:

Management's estimate of the fair value of the investments is based on valuation performed by the custodians. We evaluated the key factors and assumptions used to develop the estimate of the fair value of financial instruments in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. None of the misstatements detected as a result of audit procedures were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 10, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of you and evaluated the form, content, and methods of preparing the information to determine that the information complies with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Board of Directors and management of the Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Grau & Associates

CareerSource Central Florida
Budget Versus Actual Report
As of 02/29/20

CSCF Budget FY 2019 - 2020			INDIRECT COST												Special Grants/ Other Awards	UNRESTRICTED		
Funding Sources	Total Revenue			RESEA 119	WIOA Adult 20	Youth 22	WIOA DW 30	WT 60	TAA 81	SNAP 85	WP 90	DVOP 94	UC 96	LVER 98			Actual Expenditures	% of Expenditures
Carry In Funds From FY 18 - 19	6,500,000			-	3,723,062	2,008,814	-	-	-	-	46,374	-	-	-	721,751			
FY 19 - 20 Award	26,000,000			530,000	3,930,441	3,744,098	5,234,780	6,974,230	250,000	934,555	1,974,764	150,232	246,318	113,842	1,116,740	800,000		
Award Total - Available Funds	32,500,000			530,000	7,653,503	5,752,912	5,234,780	6,974,230	250,000	934,555	2,021,138	150,232	246,318	113,842	1,838,491	800,000		
LESS planned Carryover For FY 20 - 21	(2,300,000)			-	(786,088)	(748,820)	(765,092)	-	-	-	(485,441)	-	-	-	-	-		
Total Available Funds Budgeted	30,200,000			530,000	6,867,415	5,004,092	4,469,688	6,974,230	250,000	934,555	1,535,697	150,232	246,318	113,842	1,838,491	800,000		
PROGRAM	Authorized Budget																	
Salaries/Benefits	13,855,000		1,166,856	270,154	2,409,523	1,434,204	164,222	1,770,980	9,787	334,248	267,584	74,197	57,924	52,580	558,336	97,607	8,668,203	62.6%
Program Services	11,200,000		30,502	3,388	2,726,192	1,236,687	218,954	2,106,011	48,151	4,580	11,353	2,520	491	1,857	856,445	984	7,248,117	A 64.7%
Professional Services	440,000		159,189	5,609	51,700	28,033	2,828	35,172	913	7,723	25,271	5,740	1,292	3,795	11,696	23,110	362,070	82.3%
Outreach	450,000		1,859	5,729	54,847	35,174	4,693	40,625	838	8,006	26,118	6,619	1,442	4,841	38,613	10,428	239,832	53.3%
Infrastructure/Maintenance & Related Cost	2,700,000		149,521	14,665	147,366	79,007	10,951	95,125	2,303	21,054	1,304,484	16,187	3,470	20,342	32,037	19,692	1,916,204	71.0%
IT Cost/Network Expenses	1,200,000		59,700	16,414	161,555	116,374	13,308	115,527	2,666	24,756	178,949	19,256	3,432	10,730	38,638	4,679	765,982	63.8%
Staff Development & Capacity Building	355,000		35,272	4,695	55,105	25,963	3,128	28,315	824	6,227	16,452	4,022	738	2,338	11,097	29,486	223,662	63.0%
Indirect Cost (10%)			(1,684,352)	31,932	531,771	273,138	42,419	477,453	8,670	40,476	69,594	12,702	6,836	9,187	159,761	19,109		
EXPENDITURES	30,200,000		(81,453)	352,585	6,138,058	3,228,579	460,504	4,669,208	74,151	447,070	1,899,804	141,245	75,625	105,670	1,706,622	205,095	19,424,070	64.3%
FUNDING DECISIONS	-		-	-	(2,155,384)	34,956	2,511,157	-	-	-	15,700	(51,739)	(35,660)	(25,211)		(92,764)	(0)	
TOTAL BUDGET/EXPENDITURES	19,424,070		(81,453)	352,585	3,982,674	3,263,535	2,971,661	4,669,208	74,151	447,070	1,915,504	89,506	39,965	80,459	1,706,622	112,331	19,424,070	64.3%
TOTAL AVAILABLE FUNDS	10,775,930		81,453	177,415	2,884,740	1,740,557	1,498,027	2,305,022	175,849	487,485	(379,807)	60,726	206,353	33,383	3,035,571	687,668		
% OF FUNDS EXPENDED BY GRANT	64.3%			66.5%	58.0%	65.2%	66.5%	66.9%	29.7%	47.8%	124.7%	59.6%	16.2%	70.7%	92.8%	14.0%		
% OF FUNDS EXPENDED (INCLUDING OBLIGATIONS)	66.5%																	
TRAINING OBLIGATIONS	\$	% of Budget																
Training Expenditures as of 12/31/19	7,248,117	A	64.7%	A- The states mandates that 50% of total WIOA adult and dislocated worker funds are spent in client intensive training activities.														
Obligations (Training not yet billed by vendors)	656,492		6.0%															
Total Training & Expenditures	7,904,609		71.9%	B - The state mandates that total administrative cost are not to exceed 10% of total cost.														
	ACTUAL	TARGET																
ITA % (Adult DW)	49.5%	50.0%																
ITA% (Youth)	19.4%	20.0%																
ADMINISTRATIVE COST %	9.1%	10.0%																

CareerSource Central Florida
Current Year Budget and 2 yr Expenditure Comparison
As of 02/29/20

	CY	PY	\$	%
Funding Sources	Revenue	Revenue	Difference	Difference
Carry In Funds From FY 18 - 19	6,500,000	11,048,130	(4,548,130)	
FY 19 - 20 Award	26,000,000	26,415,505	(415,505)	
Award Total - Available Funds	32,500,000	37,463,635	(4,963,635)	
LESS planned Carryover For FY 20 - 21	(2,300,000)	(6,263,635)	3,963,635	
Total Available Funds Budgeted	30,200,000	31,200,000	(1,000,000)	-3.2%

	Budget	CY Expenditures	PY Expenditures	\$ Difference	% Difference
Salaries/Benefits	13,855,000	8,668,203	8,366,704	301,499	3.6%
Career & Youth Services	11,200,000	7,248,117	7,693,465	(445,348)	-5.8%
Professional Fees	440,000	362,070	369,624	(7,554)	-2.0%
Outreach	450,000	239,832	181,323	58,509	32.3%
Infrastructure/Maintenance & Related Cost	2,700,000	1,916,204	1,693,307	222,897	13.2%
IT Cost/Network Expenses	1,200,000	765,982	624,909	141,073	22.6%
Staff Development & Capacity Building	355,000	223,662	151,508	72,154	47.6%
TOTAL EXPENDITURES	30,200,000	19,424,070	19,080,841	343,230	1.8%

	BUDGET	CY ACTUAL	PY ACTUAL
ITA %	50.0%	49.5%	52.7%
ADMINISTRATIVE COST %	8.0%	9.1%	9.0%



MEMORANDUM

To: Finance Committee

From: Leo Alvarez

Subject: CareerSource Central Florida – Fiscal Year 2020-21 Budget Timeline

Date: April 8, 2020

Purpose:

The purpose of this Memo is to provide a timeline for approval of CareerSource Central Florida's fiscal year 2020-2021 budget.

Background:

In order to support timely implementation of the annual program year budget, CareerSource Central Florida's leadership is working hand in hand with the Finance and Career Services Committees to develop a detailed provisional budget. This provisional budget will then be presented to the Consortium and Board of Directors on June 25, 2020 for approval.

In order to meet the implementation deadlines, the following budget timeline has been established:

- **May 21, 2020:** Finance/Career Services Committee Budget Workshop to establish budget priorities
- **June 9, 2020:** Finance Committee meeting to finalize budget
- **June 11, 2020:** Draft budget to Board of Directors and Consortium for review
- **June 25, 2020:** Budget presented to Board of Directors and Consortium for approval



FY 2020 – 2021

Preliminary Revenue

Projections

collaborate ◀
innovate ◀
lead ◀

CareerSourceCentralFlorida.com ◀

Additional Revenue From DEO

3rd Quarter FY 2019-20

<u>FUNDING SOURCE</u>		<u>Amount</u>	<u>Award End Date</u>
TANF (Temporary Assistance For Needy Families)		\$594,736	8/31/2020
NEG (National Emergency Grant - Hurricane Maria)		\$900,000	9/30/2020
Total New Allocations		\$1,494,736	
Percentage of Annual Budget		4.9%	

Revenue Budget Comparison

FY 20-21 Projections vs. Prior Year

	<u>FY 2020-21</u>	<u>FY 2019-20</u>	<u>\$ Difference</u>	<u>% Difference</u>
Total Carry Forward From PY Allocations	\$4,500,000	\$6,500,000	(\$2,000,000)	
Total New Allocations	\$25,000,000	\$25,200,000	(\$200,000)	
Diversified Revenue	\$1,600,000	\$800,000	\$800,000	
Award Total - Available Funds	\$31,100,000	\$32,500,000	(\$1,400,000)	
LESS planned Carryover For FY 21 - 22	-\$2,500,000	-\$2,300,000	(\$200,000)	
Total Available Funds Budgeted	\$28,600,000	\$30,200,000	(\$1,600,000)	-5.3%



ACTION ITEM

To: Finance Committee

From: Dyana Burke

Subject: CareerSource Central Florida – Employee Benefits

Date: April 8, 2020

Purpose:

To provide a recommendation to the Finance Committee regarding the Fiscal Year 2020-21 employee health benefits renewal.

Background:

CareerSource Central Florida staff met with the health benefits broker, OneDigital to discuss the current plan structure, historical cost, current benefit plan options and strategies for the upcoming fiscal year 2020-21. Below is a recap of the prior year plan renewal history and renewal options for the new fiscal year.

Prior year renewal 7-1-19:

- Plan was running at 86% loss ratio
- CSCF renewed plan with Cigna and was able to negotiate plan down to a 5% increase
- Zero increases for dental, life & disability (originally a 3% increase).
- Provided \$10k wellness fund
- Added OneGuide concierge member services/advocacy

Current year renewal 7-1-20:

- Plan is running at 94% loss ratio for a rolling 12 months and 97.36 year to date (11 points higher than last year's renewal)
- Cigna's renewal formula calling for 27.81% increase. Initially offered a 12% increase if we do not take the plan to market. We were able to negotiate down to a 10% increase.
- 2% increases for dental, life & disability (originally a 4% increase). This includes a two year rate guarantee.
- Still offering \$10k wellness fund
- OneGuide concierge member services/advocacy

Summary

- The recommendation is to accept early renewal offer at not to exceed 10%
- In order to remain competitive it is not recommended to market the plan every year
- Market would see 97% loss ratio claims experience vs. last year's 86%.
- Create zero disturbance to the plan and staff

Action Item: Staff recommends that the Finance Committee approve the renewal of CIGNA as the benefits carrier for CareerSource Central Florida's, with the health plan at a not to exceed 10%, and dental at a not to exceed 2% of current benefit costs.

EXHIBIT - DRAFT

CareerSource Medical Renewal Benefit Summary Effective July 1, 2020

PROVIDER PLAN TYPE	Cigna Open Access Plus H S A	Cigna Open Access Plus \$1500 Deductible	Cigna Open Access Plus \$500 Deductible
	Current Plan	Current Plan	Current Plan
IN-NETWORK			
DEDUCTIBLE & MAXIMUMS			
Calendar Year Deductible (individual/family)	\$2,000/\$4,000	\$1,500/\$3,000	\$500/\$1,000
Coinsurance (carrier/individual)	100%/0%	80%/20%	100%/0%
Calendar Year Out of Pocket Maximum (individual/family)	\$4,000/Individual \$6,850/Individual in a family \$8,000/Family	\$3,000/\$6,000	\$1,000/\$2,000
Out of Pocket Maximum Includes Lifetime Maximum	Deductible, Coinsurance, Copays Unlimited	Deductible, Coinsurance, Copays Unlimited	Deductible, Coinsurance, Copays Unlimited
PHYSICIAN SERVICES			
Primary Care Office Visit	0% after deductible	\$30 copay	\$25 copay
Specialist Office Visit	0% after deductible	\$60 copay	\$50 copay
Preventive Care (services defined by carrier)	100% Covered	100% Covered	100% Covered
HOSPITAL SERVICES			
Inpatient Hospitalization	0% after deductible	20% after deductible	0% after deductible
Outpatient Surgery	0% after deductible	20% after deductible	0% after deductible
DIAGNOSTIC SERVICES			
X-ray	0% after deductible	Covered 100%	Covered 100%
Labs	0% after deductible	Covered 100%	Covered 100%
MRI, CT Scan, Ultrasound	0% after deductible	Outpatient and Office- \$250 copay	Outpatient and Office- \$250 copay
EMERGENCY SERVICES			
Emergency Room Visit	0% after deductible	\$250 copay	\$250 copay
Urgent Care Visit	0% after deductible	\$75 copay	\$75 copay
OTHER BENEFITS			
Rx (Tier 1/Tier 2/Tier 3) Mail Order (Tier 1/Tier 2/Tier 3)	After Deductible; \$15/\$40/\$70 30 Day Supply; Mail Order 3x 90 Day Supply	\$15/\$40/\$70 30 Day Supply; Mail Order 3x 90 Day Supply	\$15/\$40/\$70 30 Day Supply; Mail Order 3x 90 Day Supply
NON NETWORK			
Calendar Year Deductible (individual/family)	\$4,000/\$8,000	\$3,000/\$6,000	\$2,000/\$4,000
Coinsurance (carrier/individual)	80%/20%	50%/50%	50%/50%
Calendar Year Out of Pocket Maximum (individual/family)	\$8,000/Individual \$16,000/Individual in a family \$16,000/Family	\$6,000/\$12,000	\$4,000/\$8,000
Lifetime Maximum	Unlimited	Unlimited	Unlimited
Physician Office Visit	20% after deductible	50% after deductible	50% after deductible
Inpatient Hospitalization	20% after deductible	\$500 per admission, plus 50% after deductible	\$500 per admission, plus 50% after deductible
Outpatient Surgery	20% after deductible	\$500 per admission, plus 50% after deductible	\$500 per admission, plus 50% after deductible
Diagnostic Services	20% after deductible	50% after deductible	50% after deductible
Emergency Room Visit	0% after deductible	\$250 copay	\$250 copay
PREMIUMS			
Current Employee Participation	# Enrolled	# Enrolled	# Enrolled
Employee	37	32	8
Employee + Spouse	6	15	1
Employee + Child(ren)	16	23	0
Employee + Family	15	13	1
Total Enrollment	74	83	10
Current Monthly Premiums*			
Employee	\$656.69	\$689.40	\$791.29
Employee + Spouse	\$1,412.57	\$1,475.31	\$1,693.39
Employee + Child(ren)	\$1,226.93	\$1,282.27	\$1,471.82
Employee + Family	\$2,082.22	\$2,171.60	\$2,492.60
Total Monthly Premiums	\$83,637	\$101,913	\$10,516
Total Annual Premiums	\$1,003,646	\$1,222,962	\$126,196
Total Annual Premiums (Combined)	\$2,352,803		
Renewal - Monthly Premiums*			
Employee	5.31%	14.27%	11.44%
Employee	\$691.57	\$787.79	\$881.80
Employee + Spouse	\$1,487.61	\$1,685.87	\$1,887.10
Employee + Child(ren)	\$1,292.11	\$1,465.28	\$1,640.18
Employee + Family	\$2,192.84	\$2,481.54	\$2,777.73
Total Monthly Premiums	\$88,080	\$116,459	\$11,719
Total Annual Premiums	\$1,056,961	\$1,397,505	\$140,631
Total Annual Premiums (Combined)	\$2,595,098		
Variance in \$\$	\$242,295		
Variance in %	10.3%		

CareerSource Dental Renewal Benefit Summary Effective July 1, 2020

PROVIDER	Cigna	Cigna	Cigna
PLAN TYPE	High PPO "Progressive"	Medium PPO	Low PPO
	Current Plan	Current Plan	Current Plan
IN-NETWORK			
DEDUCTIBLE & MAXIMUMS			
Calendar Year Deductible (individual/family)	\$50/\$150	\$50/\$150	\$50/\$150
Deductible Waived for Preventive	Yes	Yes	Yes
Waiting Period / Late Entrant	50% coverage on Class III and IV for 12 months	50% coverage on Class III and IV for 12 months	50% coverage on Class III and IV for 12 months
Annual Benefit Maximum (per person)	Year 1: \$2,000, Year 2: \$2,100 Year 3: \$2,200; Year 4: \$2,300	Year 1: \$1,500, Year 2: \$1,600 Year 3: \$1,700; Year 4: \$1,800	Year 1: \$1,000, Year 2: \$1,100 Year 3: \$1,200; Year 4: \$1,300
DENTAL SERVICES			
Preventive/Diagnostic Services	100%	100%	100%
Basic Services	90%	80%	80%
Major Services	60%	50%	50%
Implants	60% to \$2,000 maximum	50% to \$1,500 maximum	50% to \$1,000 maximum
Orthodontia Services (Lifetime Maximum)	50% to \$2,000 maximum children & adults	50% to \$1,500 maximum children only	Not Covered
NON NETWORK			
DEDUCTIBLE & MAXIMUMS			
Calendar Year Deductible (individual/family)	\$50/\$150	\$50/\$150	\$50/\$150
Deductible Waived for Preventive	Yes	Yes	Yes
Claims Payment (percentile)	90th Percentile of UCR	90th Percentile of UCR	90th Percentile of UCR
Annual Benefit Maximum (per person)	Year 1: \$2,000, Year 2: \$2,100 Year 3: \$2,200; Year 4: \$2,300	Year 1: \$1,500, Year 2: \$1,600 Year 3: \$1,700; Year 4: \$1,800	Year 1: \$1,000, Year 2: \$1,100 Year 3: \$1,200; Year 4: \$1,300
DENTAL SERVICES			
Preventive/Diagnostic Services	100%	100%	100%
Basic Services	90%	80%	80%
Major Services	60%	50%	50%
Implants	60% to \$2,000 maximum	50% to \$1,500 maximum	50% to \$1,000 maximum
Orthodontia Services (Lifetime Maximum)	50% to \$2,000 maximum children & adults	50% to \$1,500 maximum children only	Not Covered
PREMIUMS			
Current Employee Participation			
Employee	47	5	15
Employee + Spouse	28	1	1
Employee + Child(ren)	35	4	6
Employee + Family	29	2	4
Total Enrollment	139	12	26
Current Monthly Premiums			
Employee	\$33.92	\$28.25	\$24.12
Employee + Spouse	\$66.93	\$55.60	\$47.37
Employee + Child(ren)	\$97.28	\$79.24	\$59.97
Employee + Family	\$145.13	\$118.74	\$92.08
Total Monthly Premiums	\$11,082	\$751	\$1,137
Total Annual Premiums	\$132,982.20	\$9,015	\$13,648
Total Annual Premiums (Combined)	\$155,645		
Renewal - Monthly Premiums - 2 Year Rate Guarantee/ Negotiated Down from 4%			
	2.0%	2.0%	2.0%
Employee	\$34.60	\$28.82	\$24.60
Employee + Spouse	\$68.27	\$56.71	\$48.32
Employee + Child(ren)	\$99.23	\$80.82	\$61.17
Employee + Family	\$148.03	\$121.11	\$93.92
Total Monthly Premiums	\$11,304	\$766	\$1,160
Total Annual Premiums	\$135,644.16	\$9,195.72	\$13,920.24
Total Annual Premiums (Combined)	\$158,760		
Variance in \$\$	\$3,115		
Variance in %	2.0%		

Meeting Details

Meeting Agenda

Welcome

Roll Call

Public Comment

Approval of
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► Other Business

Adjournment

OTHER BUSINESS

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ADJOURNMENT

THANK YOU!

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