The MDC Children's Trust Meeting, Finance and Operations Committee Meeting was held on January 12, 2023, commencing at 9:31 a.m., at 3150 Southwest 3rd Avenue, 8th Floor Training Room, Miami, Florida 33129. The meeting was called to order by Matthew Arsenault, Vice Chair.

AUDIO TRANSCRIPTION

BOARD MEMBER APPEARANCES:
MATTHEW ARSENAULT, Vice Chair
JUDGE NORMAN GERSTEIN
ANNIE NEASMAN
JAVIER REYES
KENNETH HOFFMAN (ex-officio)
SHANIKA GRAVES
STAFF MEMBER APPEARANCES:

AMANDA GORSKI
CAROL BROGAN
DANIELLE BARRERAS
GINA ALONSO
JACQUES BENTOLILA
JAMES R. HAJ
JENNIFER MORENO
JOANNA REVELO
JUANA LEON
LISANNE GAGE
LORI HANSON
NATALIA ZEA
PATRICIA LEAL
RACHEL SPECTOR
SUSAN MARIAN
TATIANA CANELAS
WENDY DUNCOMBE
XIMENA NUÑEZ
YULIET ALFONSO
LISET YERO
WILLIAM KIRTLAND
MR. ARSENAULT: Hi, everyone. It's 9:31, I believe we have a quorum so we'll get started. Thank you, everyone. Happy new year. I'll -- I'll be running the meeting today.

Mark wasn't able to make it so -- I never bumped that. I guess to -- to start, I want to welcome two new members to the committee, Annie Neasman and Judge Gerstein. Nice to have you on the committee.

JUDGE GERSTEIN: Morning, everybody.
MS. NEASMAN: Morning, everybody.
MR. ARSENAULT: With that, I guess we'll first see if there are any public comments.
MS. LEON: There are no public comments.
MR. ARSENAULT: Okay. So, we'll move to the approval of the minutes for the meeting of the Finance & Operations Committee from November 3rd, 2022. Is there a motion for approval of the minutes?
MR. REYES: So moved. Reyes.
MS. NEASMAN: Second, Annie Neasman.
MR. ARSENAULT: All in favor say, aye.

(Whereupon, the committee members all responded with “aye.”)

MR. ARSENAULT: Opposed?

(No audible response.)

MR. ARSENAULT: Okay. The minutes are approved.

Apologies. I didn't welcome Ken.

Ken -- Ken you're on the call?

MR. HOFFMAN: I -- I -- yes. I was not -- a little under the weather this morning, but I did want to join and also greet our newest member of the committee and the board, Judge Gerstein, and thank everybody for -- well, wish everybody a happy new year and thank everybody for service on this committee.

Obviously, a lot of the work of the board happens on the committee level and we appreciate the extra time that -- that all of you put into this and other committees. So, thank you.

Thanks, Matt.

MR. ARSENAULT: Thank you, Ken. We're so appreciative for human hybrid meetings. A healthier community. When you're sick, you can stay home and it's a wonderful thing.
So, we will dive into the resolutions. We have three resolutions for consideration today. So, I will start with that.

The first is resolution 2023-A, which is the authorization to release competitive solicitations in alignment with the board's strategic priorities and projected available funding, across multiple investment areas with funding cycles that have ended or ending within the 2022-2023 fiscal year.

Is there a -- is there a motion for this resolution?

MR. GERSTEIN: So, moved.

MR. REYES: Second. Reyes.

MR. ARSENAULT: Second.

All right. Any recusals?

(No audible response.)

MR. ARSENAULT: Okay. The detailed discussion of this, right?

This resolution authorizes the Trust to release competitive solicitations across the various initiatives that are listed on page 4. The table presents each initiative's estimated timing to release the solicitation and prepare the funding recommendations, as well as the funding amounts.

All funding recommendations will return to the Board.
for approval following the application and reviews.

    Do the staff want to have any additional

    comment on this?

    MR. HAJ: Mr. Chair. Thank you. We just --

    this has been years in the making, the last two

    board retreats. Last -- I can't -- my dates gone,

    but in New Year we released Youth Development, which

    is the largest solicitation that's going out the

    door that will come back to the board for approval

    in April, and these are the rest.

    This -- we're on a five-year cycle, so this

    year everything's going out the door. Innovation

    got released, Youth Development got released, and

    now Parenting, Health and Wellness, PPD are in the

    pipeline. So, that's what we're seeking the

    approval to release.

    MS. NEASMAN: Mr. Chair, I apologize. I don't

    know if I need to recuse because of the health

    component.

    MR. HAJ: I don't believe you need it for the

    release.

    MS. NEASMAN: Okay.

    MR. ARSENAULT: Right. My understanding is

    it's not approval of any funding.

    With no further discussion, all in favor say
aye?

(Whereupon, the committee members all responded with “aye.”)

MR. ARSENAULT: Opposed?

(No audible response.)

MR. ARSENAULT: Resolution passed as proposed.

The next is resolution 2023-B. Authorization to release multiple competitive solicitations that support the infrastructure of The Children's Trust.

Is there a motion to --

MS. NEASMAN: It's already moved.

MR. REYES: -- second?

This resolution -- are any re -- well, there would be no recusals for this because there's no authorizations. So, this resolution authorizes the Trust to release multiple competitive solicitations across the core business systems and services that are listed on page 9.

It presents each initiative's estimated timing to release the solicitation and to prepare the funding recommendations. All funding recommendations will return to the board for approval concurrent with the recommendation to the board.

Any additional discussion or comments from
staff on this -- or questions?

MR. HAJ: Yeah. I would just briefly, if I can have Jack chime in. Last -- before the holidays we met with the executive committee just to give them an update. And this is an area that we wanted to inform the board that, you know, we -- we did exceptionally well going into COVID because we built our infrastructure the two years prior, and we built it, and we were able to benefit.

Now we're, you know, we're coming in our 20-year anniversary, it's really got to position the Trust for the next 20 years and build the systems to support that, financial systems, infrastructure, data collection. And we want a release to really build the infrastructures to support us in the future. So, Jack, can you just chime in kind of talking about B and a little bit about C?

MR. BENTOLILA: Yes. So, this resolution, these are our major systems that are the backbone and infrastructure of this organization. Many of them have been in place for a long, long time, over ten years. Great when, you know, the Trust was in its earlier years of existence, but now, as Garcia stated, at -- at 20 years, you know, it's -- it -- this is the right time for us to go out, just look
at what the market's offering, what is the standard across the board.

See if what we have is the right fit or is it -- do we need to make a change? And to -- do that market research and -- and go out to the market and come back to the board with recommendations of what would set the Trust up for the next, you know, 20 years or beyond to have the infrastructure necessary to keep providing to -- for the com -- community and the services that the Trust provides for the family and children.

C, just quickly, if you want me to jump in to C. That is basically bringing on a consultant firm Kaufman Rossin, really going to heavily focusing in on the financial and HR payroll systems. Those are really two big investments that the Trust is looking to make, and they bring a lot to the table.

Obviously, they're a large consulting firm that does work in the financial field. They do a lot of work in the private industry, but they do work with non-profit and government agencies as well. So, right now, they've been contracted to come in and assist us with the market research and the development of the scope to make sure that we are aligned with what the needs are of the Trust to move
forward with the current market trends.

So, that they'll be ad -- advising us and --
and working with us and being our technical advisors
through the entire process. Obviously, they don't
have a seat to vote on the actual proposals, but
they'll sit as our advisors through the process.

MR. ARSENAULT: Yeah. I just want to, you
know, I -- I commend the staff consistently since
I've been here on the board. The administrative
expenses as a percentage of the Trust has always
been extremely well managed. So, it's a very wise
decision, I think, especially doing everything as --
well, doing everything all at once to kind of take
the global view of -- of running the most efficient
operations and getting some help to see why things --
you don't know what you don't know.

MR. BENTOLILA: Exactly.

MR. ARSENAULT: So, getting expertise on that,
so--.

So, with that, we'll call for a vote. All in
favor, say aye.

(Whereupon, the committee members all responded
with "aye.")

MR. ARSENAULT: All opposed?

(No audible response.)
MR. ARSENAULT: Okay. The next is resolution 2023-C. It's discuss authorization expend up to $49,999 for Kaufman Rossin & Company to act as technical advisors for a term of ten months, commencing retro -- retroactively on December 1, 2022, and ending September 30, 2023.

MR. REYES: So, moved.

MS. NEASMAN: Second.

MR. ARSENAULT: Any recusals? Any discussion? Questions?

MR. REYES: Just to echo what you had said, Matthew, I -- considering the development in technology, this makes a lot of sense. It's really advanced, so to get that advice, it makes a lot of sense to me.

MR. ARSENAULT: Okay. All in favor, say aye.

(Whereupon, the committee members all responded with “aye.”)

MR. ARSENAULT: All right. Opposed?

(No audible response.)

MR. ARSENAULT: Passed. Thank you. I hand off now to Mr. Haj, CEO Report.

MR. HAJ: Thank -- thank you, sir.

Before we start, we have -- as we know Muriel (phonetic) retired in December and we have big shoes
to fill but we have Juana (phonetic), who has been at Muriel's side for years that will be leading this.

So, she is -- instead of a clerk on the board, when you e-mail the clerk of the board, or the clerk of the board sends a message, there's going to be a team behind that e-mail that will be able to respond to all the board's needs. So, everybody knows Juana.

So, Juana, raise your hand -- in front of the Judge, so -- and we have two other new members to the organization, you, Yuliet Alfonso, administrative services coordinator, and Gina Alonzo (phonetic) another administrative services. So, there's going to be a team working behind the scenes to meet the boards' needs, to get the information to the board, and to run these board meetings, and they do an exceptional job.

MR. REYES: I've sent e-mails and I've gotten great responses already.

MR. HAJ: It didn't take you three days to get a response?

It's an amazing team. I don't think that nothing's going to miss a beat with Dr. Muriel's departure.
So, on the CEO Report, Monthly Financial Statements. So, for the new Finance Committee members and the existing -- I've heard this a million times, five years ago we had a fund balance that was pretty hefty and keep -- continuing to go up. We've developed a five-year plan to get -- to drive down fund balance, put more money into the community and to release, or lower, or trim levels for a couple of years and have a balancing act, and we had a five-year plan.

This is -- you're at the end of year five. And I'm pleased to announce that we hit our goals and our expenditures and almost hit the mark to the T. So, I'm going to hand over to Bill to talk about the monthly financials.

MR. KIRTLAND: Well, just to clarify, right? We have entered into the fifth year of the majority of the five-year funding cycle -- or, well, most of our solicitations are funded in a five-year cycle. And one of the byproducts of having a five-year cycle was that we were hoping to get better and better at forecasting our expenditures as we moved through each year.

And the completion of year four was our best performance as far as forecasting total expenditures
and the revenues. So, essentially, we were within
about $1 million of our expected fund balance,
finishing at about $37.7 million, which is near the
balance that we wanted to have to support especially
the expanded RFPs and the program funds that we're
putting into the ex-solicitation way.

So, we -- out of our $162 million expenditures
that we forecasted, we actually realized $163.3
million. And what actually did not -- however,
prevented us from hitting our mark perfectly, was
more revenues. The -- the interest rates had been
changing significantly over the year with the -- the
fed rates going up. And so, we realized more in our
investment earnings and actually, and some of the ad
valorem tax collections, where our revenue
expectation was $1.8 million greater than what we
expected.

So, we were actually closer in -- in
forecasting our expenditures at a much higher volume
than our revenues. So, all that's just a very long
way of saying that we're right where we're supposed
to be, starting the fifth year of our cycle --
funding -- the fifth year of our funding cycle. So,
we're well positioned going into this -- this new
cycle.
MR. HAJ: Thank you, Bill. And -- and all of those charts will be coming back to the board starting in March and April to the -- to the Finance Committee, as you start getting ready for next year.

Board Retreat, February 23rd. We've been meeting with Ken for the last several months. We're excited about the board retreat, February 23rd. It should be on everybody's calendar, and we hope to have all the board members present.

The Mental Health Conference. We have a National Mental Health Conference, which we sponsor, on February 8th, 9th, and 10th. Let me know if you would like to attend, those in a mental health field. You'll get a credit in -- I'm not sure what those points are called, to kind of help with your accreditations.

Please let us know. We'll be sending out an e-mail later today or tomorrow, those who are interested in attending.

Community Newspapers. The community newspapers are doing a special edition on the 20th anniversary of the Trust. We'll be e-mailing that to you. We'll have hard copies for you at the board meetings.

And we are having a vet next Tuesday, if you
did not RSVP, where Dave and I will be at a restaurant in South Miami where we have a lot of elected, a lot of community leaders coming together just to spend an hour talking about the Trust and its impact on the community for the last 20 years.

UNIDENTIFIED MALE 7: When's that?
Next Tuesday morning at the --
UNIDENTIFIED FEMALE 1: Tuesday, 7:30 to 9:00, at CasaCuba if you'd like to RSVP, we'll just send invites.

MR. HAJ: So, Mr. Chair, I believe that's it for me.

MR. ARSENAULT: I don't want to miss -- are there any other business things? No? Okay. Then, do I have a motion to adjourn?

UNIDENTIFIED MALE 2: Moved.
MR. ARSENAULT: Second?
MR. REYES: Second.
MR. ARSENAULT: Thank you, Mr. Reyes. We're adjourned. Thank you.
(Thereupon, the proceedings concluded at 9:45 a.m.)
CERTIFICATE OF TRANSCRIPTION

The above and foregoing transcript is a true and correct typed copy of the contents of the file, which was digitally recorded in the proceeding identified at the beginning of the transcript, to the best of my ability, knowledge and belief.

Jonathan Gonzalez
Jonathan Gonzalez, Notary Public
February 14, 2023