

GULF COAST WORKFORCE BOARD, INC.
d/b/a CareerSource Gulf Coast
EXECUTIVE/FINANCE COMMITTEE
May 16, 2024

CareerSource Gulf Coast held a Zoom webinar meeting with the Executive/Finance Committee on Thursday, May 16, 2024, at 8:30 a.m. (CST).

Executive Committee members participating were Ms. Elinor Mount-Simmons, Mr. Joey Ginn, Dr. Patricia Hardman, and Mr. John Deegins.

Others in attendance were: Mrs. Kimberly Bodine, Executive Director, Mrs. Deb Blair, Mrs. Maria Goodwin, Ms. Janine Dexter, and Mr. Corbett Hines.

The purpose of the meeting was to review/take action on the following items:

- Consider and approve the Fifth Amendment to the lease for the Job Center-Panama City location
- Review administrative expenses and approve use of unrestricted funds to cover Admin expenses above 10%
- Review the draft budget for 2024-25

Ms. Elinor Mount-Simmons, Chair, called the meeting to order at 8:40 and asked Mrs. Bodine to proceed with the first item regarding the fifth lease amendment.

Approval of Fifth Lease Amendment

Mrs. Bodine informed the finance committee that our lease for the Mariner Plaza property would expire at the end of July, and as such had a realtor conduct a market study and assist with the negotiation of a new lease amendment. The market study indicated that properties in our area were on average 50-100% more expensive than the current lease, so even leasing a smaller space would not provide substantial savings. Since there are empty offices in the current location Mrs. Bodine had worked with finance staff to develop a per office lease rate and plans to meet with a local realtor to explore a leasing agent situation to lease the open offices in an effort to cover more of the cost of the lease. Executive Committee members indicated that they also knew about current lease rates and how much they have increased and the difficulty of finding a large enough site at or close to our current lease rate of \$15.25 per square foot. The committee agreed that proceeding with executing the Fifth Amendment to the lease was the most reasonable option, and also agreed that working with a realtor to explore the leasing of open offices was an appropriate next step. Chair Mount-Simmons asked for a motion to approve the Amendment to the Lease and to move forward with subleasing office space as requested.

Joey Ginn made a motion to approve the signing of the Fifth Amendment to the lease and to proceed to work toward leasing out open office space in the Job Center as presented. Dr. Pat Hardman seconded, and the motion passed unanimously.

Chair Elinor Mouns Simmons moved on the second agenda item of Administrative Costs and asked Ms. Janine Dexter, Finance Director to detail the item.

Approval of Use of Unrestricted Funds to Cover the Administrative Costs over ten percent limit

Ms. Dexter provided an overview of the types of costs that are described in the Federal Office of Management and Budget, which include Direct and Indirect costs which are further broken down to Direct Administrative and Direct Program, and under the heading of Indirect costs: Indirect Administrative and Indirect Program. She explained that all federal grants received by CareerSource Gulf Coast have a 10% administrative expense limit. This limit is not only an overall limit but is also limited by each funding stream. Because the board has an additional staff member to provide training as part of our succession planning, our administrative costs have been higher than usual. This has

been in preparation for the retirement of Deb Blair. Ms. Dexter explained the complexity of the calculation of administrative costs in term of predicting a distinct amount monthly but indicated that in the month of March we exceeded our administrative cost limit with federal funds by \$2,247.50 and would likely exceed the limit again in months leading up to July 1, when the new funding year would begin. Mrs. Bodine indicated that while we could not predict the exact amount in advance that staff needed approval for the current expense to be approved to be paid from unrestricted funds and would need approval to do so in the future. Mrs. Bodine committed that each such expense would be brought back to the Executive Committee each time. Committee members discussed the issue and indicated that they were comfortable with taking this action and understood the reason behind it, and commended staff for staying on top of the compliance for this action.

A motion was made by Dr. Pat Hardman to approve the use of unrestricted funds to pay for administrative costs that exceeded the ten percent limit as presented. Mr. Joey Ginn seconded, and the motion passed unanimously.

Chair Elinor Mount-Simmons moved to the next item on the agenda and asked Ms. Janine Dexter, Finance Director, to present the item to the Executive Committee.

Budget 2024-25

Ms. Dexter provided an overview of the 2024-25 draft budget. She provided detailed information that indicated that there was a shortfall from last year's beginning budget of approximately 1.2 million dollars, roughly one third of the total budget. The shortfall came primarily from reduced funds across our regular federal allocations, but also due to a much smaller carry forward amount on large discretionary fund grants such as Get There Faster, and the ending of the Opioid grant. Mrs. Bodine discussed plans for how to plan for the looming cut and again indicated that these first budget details are still in draft form, but at the May 29, meeting a recommendation would be made to move forward as the year starts approximately 30 days following that meeting. Mrs. Bodine stressed that this cut was not due to performance in any way.

The Executive Committee indicated that the loss of funds was disappointing but it sounded like there was a plan to move forward and was hopeful that additional funding would be gained over the course of the year.

Public Comments

There was no public comment.

Adjournment

There being no additional business for the Executive/Finance Committee, Ms. Elinor Mount-Simmons adjourned the meeting at 9:20 CDT.