



**Finance & Operations Committee Meeting  
Transcript**

**January 08, 2026**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

The Children's Trust  
Thursday, January 8, 2026  
3150 S.W. 3rd Avenue - 8th Floor  
The Children's Trust - Training Room  
9:30 a.m. - 10:26 a.m.

Finance & Operations Committee Meeting

Committee Members  
(Present)

Matthew Arsenault, Chair  
Hon. Norman Gerstein, Vice Chair  
Alex Auguste  
Cathy Burgos  
Thamara Labrousse  
Laurie W. Nuell  
Benjamin Nussbaum  
Dr. Daniel Armstrong

President & CEO

James R. Haj

County Attorney's Office

Leigh Kobrinski  
Assistant County Attorney

## S T A F F

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Aliya Dhanji  
Amanda Gorski  
Aundray Adams  
Bevone Ritchie  
Bryan Pomares  
Carol Berkhimer  
Danielle Barreras  
Elizabeth Garland Lauren  
Grettel Suarez  
Imran Ali  
Jacques Bentolila  
James R. Haj  
Jennifer Ulysse  
Jorge Ibarra  
Juana Leon  
Lisanne Gage  
Natalia Zea  
Nandy Smity  
Patricia Leal  
Rachel Spector  
Roberto Leiva  
Victoria Gandul  
Wendy Duncombe  
William Kirtland  
Yuliet Alfonso

1 (Thereupon, the following  
2 proceedings were had:)

3 COMMITTEE CHAIR ARSENAULT: I have  
4 9:30, so we'll go ahead and get started.  
5 I'm assuming we have quorum.

6 Yeah. So, excellent.

7 Welcome, Everybody. Happy New  
8 Year. Good to see you all. We have a  
9 full agenda today to go through. So  
10 that's great. And kicking off, what's  
11 going to be, I'm sure, an exciting year.

12 With that, so first we'll start.  
13 Are there any public comments?

14 MS. LEON: There are no public  
15 comments, Mr. Chair.

16 COMMITTEE CHAIR ARSENAULT: Thank  
17 you.

18 And next we'll seek the approval of  
19 the October 9th, 2025 Finance and  
20 Operating Committee minute summary.

21 COMMITTEE MEMBER NUSSBAUM: So  
22 moved.

23 COMMITTEE MEMBER HON GERSTEIN:  
24 Second.

25 COMMITTEE CHAIR ARSENAULT: Okay.

1 I have a motion and a second. We need  
2 the names of who -- did you guys get  
3 who moved it?

4 MS. LEON: Nussbaum?

5 COMMITTEE MEMBER NUSSBAUM: Yes.

6 MS. LEON: And who?

7 COMMITTEE MEMBER HON GERSTEIN:

8 Second, Norman Gerstein.

9 COMMITTEE CHAIR ARSENAULT: Okay.

10 All in favor say, aye.

11 COMMITTEE MEMBERS COLLECTIVELY:

12 Aye.

13 COMMITTEE CHAIR ARSENAULT: Any  
14 opposed?

15 Okay. The minutes are approved.

16 And next we're going to talk about  
17 the investment strategy and portfolio  
18 composition presentation. I'm going to  
19 hand it over to management first to  
20 introduce Richard.

21 MR. HAJ: Bill, before I turn it  
22 over to you, just to remind the  
23 Committee, because we do have some new  
24 People on the Committee.

25 We put out an RFP eight, nine

1 months ago. Brought it back to November.  
2 They approved, and we brought it back to  
3 this Committee, and then the Board  
4 approved -- yeah, it was in November  
5 Board meeting -- that we will come back  
6 in January, because now we'll have time  
7 to sit with PFM and discuss, and come  
8 back with a presentation. And this is  
9 the presentation before you.

10 So I'll turn it over to Bill.

11 MR. KIRTLAND: Great. So that was  
12 a perfect segue and intro. I'll have to  
13 make sure I won't be redundant with a  
14 couple of those talking points that I was  
15 going to open with.

16 But, yeah, the timing and the  
17 sequence of this conversation is moving  
18 along quite nicely in accordance with the  
19 part of the year that we're in.

20 As Jim stated, we had a revision of  
21 the investment policy, I think mid-year  
22 2025, where we wanted to make sure that  
23 we were in compliance, and in alignment  
24 fully with what Florida Statutes states  
25 what your investment policy needs to be

1 designed as. So there were some  
2 revisions to the policy. And we  
3 addressed if there was any revision that  
4 we needed to make to the asset types  
5 within the investment policy that we were  
6 comfortable having incorporated into any  
7 future investment strategy that is  
8 developed.

9 As Jim said, we released the RFP.

10 PFM Asset Management was selected  
11 as an award winner from that RFP, again,  
12 back in November. And then, as you may  
13 recall, the property tax statements  
14 started arriving in the mail, I think in  
15 mid-October.

16 To incentivize the property tax  
17 payee to make payments for their  
18 property, to make that full payment in  
19 November typically. Of course, they have  
20 a sliding scale for if you make those  
21 payments over December, January, or  
22 February and so on. But most of  
23 Miami-Dade residents choose to make that  
24 discounted payment in the month of  
25 November.

1           So we start to see the primary, our  
2 primary revenue source, and the bulk of  
3 what we will receive for the year, arrive  
4 in our operating accounts with TD Bank,  
5 essentially, in the month of December.

6           So we are a bit cash flushed right  
7 now as we prepare to support the  
8 remaining part of our fiscal year in our  
9 programs. Especially as we approach  
10 summertime, and expenses really ramp up  
11 as our centers and services expand to  
12 full-day services.

13           And now we have brought back  
14 Richard Pengelly, representing PFM with  
15 PFM Asset Management, to maybe explain  
16 some of the strategies we've discussed --  
17 or that he's discussed with us as  
18 management, to incorporate into how we  
19 want to invest the cash flow that we've  
20 been receiving, essentially, from the  
21 Property Tax Collector's Office.

22           And I'm going to hand it over to  
23 Richard, who is Managing Director of PFM  
24 Asset Management, and our primary point  
25 of contact; who I've been calling a lot

1 frequently. Especially while he was on  
2 vacation.

3 So I'll turn him over to you.

4 MR. PENGELLY: Thank you, William.  
5 And, you know, thank you all for  
6 selecting us. We're very excited to work  
7 with you all. We worked with a couple of  
8 the other Children's Services Councils in  
9 the State, in Broward, and in Palm Beach.  
10 We work with 13 different school  
11 districts, including, you know, Dade,  
12 Broward, and Palm Beach as well.

13 So, we love working with, you know,  
14 these types of entities, and we are  
15 excited you chose us.

16 So, you know, we're generally  
17 engaged to assist with really three  
18 challenges.

19 One is dealing with changing  
20 markets. Even in the past week, we've  
21 gotten a lot of news whether it's, you  
22 know, the energy markets in Venezuela,  
23 what's going on with defense companies,  
24 just, you know, just constant change.  
25 And particularly, recently, we've really

1           seen a lot. So, you know, we work with  
2           our clients in kind of thinking about  
3           that when managing their funds.

4           Probably the biggest thing that we  
5           spend a lot of time working on, and  
6           that's kind of what we've already started  
7           working with you all on, is thinking how  
8           to understand your liquidity needs,  
9           segment them, and then develop investment  
10          strategies that are targeted to that  
11          particular segmentation. And we usually  
12          find that, you know, using our processes  
13          and tools, we're able to allow a greater  
14          scope of investment, investing, whether  
15          it's longer or more diversified investing  
16          than what we typically see in local  
17          government or governmental entities do,  
18          you know, in-house.

19          And then last is really around  
20          reporting. And having a more robust  
21          reporting around internal reporting, you  
22          know, among staff, among leadership to  
23          you all, policymakers, and then also  
24          reporting out to folks like auditors and  
25          the public.

1                   Next slide?

2                   So there are three key things that  
3 we work on. Not necessarily in this  
4 order, but one key component is the  
5 investment policy. And you all, in the  
6 past year, did some updates to your  
7 investment policy. We have already  
8 started taking a look at that, and sort  
9 of thinking about your policy in the  
10 context of similar entities within the  
11 State. And I'll touch some more on that  
12 in a second.

13                   Looking at cash flow. That's the  
14 liquidity analysis and segmentation that  
15 we talked about. We'll kind of show  
16 where -- what we've seen so far on that.  
17 And then developing strategies based on  
18 both of those things.

19                   In terms of how we will interact  
20 with you, we sort of divide our  
21 interaction into three sort of buckets,  
22 right? So one is those three things that  
23 I just talked about. Kind of the program  
24 analysis things that we do throughout the  
25 year.

1           We'll usually do an overall account  
2           kind of assessment. There's sort of some  
3           qualitative and quantitative components  
4           to that that we do usually at the  
5           beginning of the year. You know, do we  
6           need to change our meeting frequency?  
7           You know, are we talking to you enough?  
8           Are there things going on?

9           Right now there's been talk going  
10          around with property taxes that are going  
11          to impact a lot of local governments.  
12          How are your, you know, what's your  
13          outlook on that?

14          We will review the investment  
15          policy. It's a best practice to review  
16          it on an annual basis. The biggest  
17          impact on the policy is typically going  
18          to be state statute. State statute  
19          usually doesn't get updated very often.  
20          It turns out in the past two years,  
21          we've actually had several updates to  
22          FS 218.415. So, you know, if there's  
23          some update, or we know something is on  
24          the horizon, then we'll start looking  
25          at that, and how that impacts your

1 policy.

2 We'll look at, you know, we can  
3 assist in developing some summaries for  
4 your GASB reporting to assist staff with  
5 that process.

6 The cash flow analysis and  
7 segmentation, we do on an annual basis.  
8 And then that will drive into developing  
9 investment strategy. Usually, most of  
10 that activity happens around this time  
11 of the year, because, as William said,  
12 that's when the money comes in from  
13 property taxes, and when folks are -- or  
14 where there's actually cash that needs  
15 to be put out and invested.

16 So that's kind of on the, you know,  
17 stuff review side.

18 Then in terms of, you know, meeting  
19 with you, you know, typically, again, as  
20 a best practice goal, we'll meet with  
21 staff on a quarterly basis, give a review  
22 of performance in the past quarter, talk  
23 about strategy, and what we're seeing in  
24 the market going forward. So at least on  
25 a quarterly basis we'll do that. And

1           then, usually, on an annual basis we'll  
2           meet with maybe a policy body or body  
3           like this and say, you know, here's kind  
4           of what's going on, or what's gone on in  
5           the investment program.

6                     And that, of course, is based on  
7           how you all want to interact with us, but  
8           this is typically what we'll see with  
9           most similar entities.

10                    And then, lastly, it's a statutory  
11           requirement that anyone that's involved  
12           in investment decision making for a local  
13           government, must have eight hours of  
14           continuing education -- government  
15           investment education each year. So we  
16           provide several formats for your staff  
17           to get that. We have some online  
18           options. We have an in-person meeting  
19           that we do in Orlando, which is where my  
20           office is, and the rest of the team is,  
21           in October. And then we can also  
22           customize some things.

23                    We sometimes find that some folks  
24           may have missed all the other stuff, the  
25           auditors are coming, and they need to

1 get their hours. So we'll come, and  
2 maybe do a two or three hour session  
3 about that.

4 Next slide.

5 So, looking at the policy, I kind  
6 of already touched on this. Florida  
7 Statutes drives and sort of creates the  
8 framework, the main framework for how the  
9 Trust can invest. And the Statute itself  
10 is really written based on investment  
11 policies, and investment policy statutes.

12 So it says, if you have a written  
13 investment policy, it has to have certain  
14 investment elements in it.

15 If you don't have a policy, you  
16 really are restricted in what you can  
17 invest in. It's pretty much only a bank  
18 product. The local government investment  
19 pools, and treasuries is kind of all  
20 you're limited to.

21 So if you have a policy, which the  
22 Trust does, then it gives you a wider  
23 envelope to diversify your investments.

24 So when we're reviewing the  
25 investment policy, we do this every year.

1 We kind of use almost a checklist. We go  
2 through and make sure that you're meeting  
3 the requirements, the 16 or 17 different  
4 requirements that are in the statute.

5 We also use another framework.  
6 It's a national framework called the  
7 Association of Public Treasurers of the  
8 US and Canada. It's a broader policy  
9 framework. It actually was one of the  
10 inputs in designing the state statutes.  
11 Actually, my predecessor and mentor  
12 actually wrote the state statute, and  
13 that was one of the, you know, key models  
14 that he used to actually develop the  
15 state statute.

16 And then, lastly, we'll look at the  
17 GFOA, Government Finance Officers  
18 Association, their best practices, and  
19 make sure all of those elements are  
20 always met.

21 So all that will go into kind of  
22 the policy review that you have on an  
23 annual basis.

24 Next slide.

25 So this was sort of a summary of

1 kind of the liquidity analysis that  
2 we've done for the Trust. We went back  
3 and looked over a couple of fiscal  
4 cycles, fiscal year cycles, to see kind  
5 of what the seasonality and growth  
6 patterns, et cetera, looked like for, you  
7 know, for your balances. And, you know,  
8 to this point the Trust's assets have  
9 been managed kind of in a bifurcated  
10 style. You had some investments that  
11 were daily liquid investments. And then  
12 sort of a laddering for the longer term  
13 part of the investing. We'll call it the  
14 core part of the portfolio. That's the  
15 dark blue line there.

16 And you'll see that as the funds  
17 came in, you kind of laddered up. Then  
18 it went down. And then, you know, you  
19 sort of did that on an annual basis.  
20 Sort of based on where rates were, you  
21 know, in the market.

22 In the middle there, you see that  
23 there's kind of more yellow, meaning that  
24 more of your funds were short. It's not  
25 because your staff wasn't working, it's

1 just that short-term rates were actually  
2 higher than longer term rates during that  
3 period. So it really made sense to keep  
4 things varied, you know, both short and  
5 liquid to get a better yield.

6 So, in a more normalized kind of  
7 world, which is what we've kind of moved  
8 into here as we're going through 2026,  
9 it's going to make more sense to start  
10 moving things back out and kind of  
11 returning to kind of more traditional  
12 historical investment patterns where  
13 there's going to be a benefit to having  
14 things invested out longer.

15 Based on our modeling, we would  
16 want to create a core portfolio that's  
17 going to be more stable than maybe that  
18 you've had in the past, and then we're  
19 going to maybe look to invest that out  
20 a little longer.

21 And then the part that would have  
22 been kept shorter, we're going to break  
23 that up into two separate segments.  
24 Ladder one out, and then keep one, you  
25 know, liquid. And then diversify some

1 of the types of investments that we used  
2 in those different buckets.

3 So, rather than a bifurcated  
4 strategy with a little more volatility,  
5 we're going to create a trifurcated  
6 strategy with the lower level being able  
7 to take more variance, but then, over  
8 time, expected to produce better returns.

9 On the next slide, we sort of break  
10 down kind of the bucketing and the types  
11 of investments that we're going to use.

12 In the kind of the overnight type  
13 investments, and sort of the laddering,  
14 traditionally you've used bank product,  
15 and maybe more limited use of local  
16 government investment pools. We're going  
17 to look to maybe increase the use of the  
18 local government investment pool options,  
19 you know, in that, and kind of have more  
20 of a mix between that and the bank  
21 product.

22 And then at the longer term, rather  
23 than just using bank product for -- and  
24 by bank product, I mean CDs, certificate  
25 of deposits for your longer term

1 investments. We're going to look to  
2 maybe start using some of the things that  
3 you were not using in your investment  
4 policy like treasuries, corporate bonds,  
5 et cetera, in that longer term part of  
6 the portfolio.

7 Next slide.

8 So we, you know, we'll be working  
9 with staff to develop the, you know, the  
10 benchmarks based on kind of the strategy  
11 that we ultimately decide on. I will  
12 say that for that longer term part of the  
13 portfolio, we typically see entities have  
14 either a one to three year or a one to  
15 five year benchmark, and that could be  
16 usually a very high-quality benchmark,  
17 like a U.S. Government Securities type  
18 of benchmark. That's commonly what we'll  
19 see for similar type entities. And  
20 that's a good balance between being  
21 further out on the investment curve, but  
22 having enough liquidity should you need  
23 to really go into and access those funds.  
24 At the end of the day, these are really  
25 cash reserves.

1                   And then, you know, as I said, as  
2                   we look to return to a more normal kind  
3                   of interest rate markets, we expect that  
4                   if you invest out longer, over time you  
5                   will have higher returns. And this chart  
6                   sort of speaks to that. It's a 20-year  
7                   history. It compares the S&P Local  
8                   Government Investment Pool Index. S&P  
9                   rates local government pools all across  
10                  the country. They take all of the AAA  
11                  rated ones, and put them into this index.  
12                  So it's a broad based measure of short  
13                  term, overnight, high quality government  
14                  investing.

15                 And then we compare that to a one,  
16                 two, three year, again, high-quality  
17                 corporate government benchmark that you  
18                 can see over time. For \$100 million, you  
19                 would have had something like \$18 million  
20                 more of growth in funds. So a little  
21                 less than a million dollars on average  
22                 per year in those investments.

23                 So, obviously, past performance is  
24                 not a guarantee of what you're going to  
25                 get in the future, but that's sort of the

1 goal of what we're driving towards in  
2 pushing things out further so that they  
3 can have a higher return. And so your  
4 cash reserves ultimately keep up with  
5 inflation over time to retain their  
6 purchasing power.

7 Next slide.

8 So just a little background on how  
9 we work. So our investment team, PFM,  
10 is fully focused on the government  
11 sector. So all of our systems,  
12 processes, philosophy is built around  
13 safety, liquidity, and yield. Which, by  
14 statute, is your acquired investment  
15 objectives. So basically in that order.  
16 Safety, being liquid, and then we think  
17 about, you know, trying to get higher  
18 yields.

19 Next slide.

20 This is kind of how we -- kind  
21 of -- this is how we interact with you  
22 all. So, your assets will not actually  
23 come to PFM. They will stay with your  
24 custodian.

25 Right now you use TD as your main

1 bank. They do provide custody services  
2 as well, but there are other companies.  
3 So that's something that we'll work with  
4 staff in, you know, helping you sort of  
5 set up.

6 And then we, you know, we develop  
7 strategy. We decide, you know, kind of  
8 what we think is the best trades to do  
9 in the portfolio. And then we send the  
10 instructions to the custodian, who  
11 actually is the one who does the  
12 transactions or sells the transactions  
13 with the winning brokers.

14 We work with 112 different primary  
15 dealers. All of the major primary  
16 dealers and brokers. So whenever we're  
17 bidding, we're bidding to, you know, 18  
18 or 20 different firms at any given time  
19 to make sure we're getting the best price  
20 for you all. We report that activity and  
21 send it to you all. By statute, you're  
22 required to have three bids on every  
23 trade. And if the auditors come and  
24 look, you have to show evidence of that.

25 So, we provide all of that

1 information to you all.

2 Next slide.

3 We do everything based on, you  
4 know, committee processes. So it's not,  
5 you know, me sort of gunslinging sort of  
6 on the side, trying to make calls in the  
7 market. We have an approved list that  
8 our portfolio managers can purchase from.  
9 That list has -- you know, every name on  
10 that list has an analyst assigned to it.  
11 All of them are assessed in the context  
12 of, you know, what does this look like in  
13 a local government portfolio?

14 We're always very mindful of  
15 headline risk. Which, you know,  
16 entities like you all, and school  
17 districts are highly subjected to. So  
18 that really drives kind of how we build  
19 our approvals.

20 Next?

21 So this is the team. So this is  
22 the team. Most of the top folks, top  
23 four folks are based here in Florida.  
24 That's the team that we have that focuses  
25 on school districts and CSCs.

1           As I mentioned before, we've got,  
2           you know, two other CSCs in 13 school  
3           districts here in Florida that we work  
4           with. And a total of about 100 -- a  
5           little over 100 local governments here  
6           in Florida that we work with.

7           And then we have support in  
8           Harrisburg, Pennsylvania, which is where  
9           our trading is.

10          Next slide.

11          I think this is the commercial.  
12          So, yes, we've reached the commercial.

13          And the last slide is where -- the  
14          next one -- we're part of the --

15          Next slide.

16          We're part of the, you know, U.S.  
17          Bank, which is the fifth largest bank in  
18          the United States. So we have access to  
19          their resources. So, sorry, that was a  
20          lot.

21          So, questions?

22          COMMITTEE MEMBER LABROUSSE: I have  
23          a question.

24          MR. PENGELLY: Yes.

25          COMMITTEE MEMBER LABROUSSE: Going

1 back to the growth slide, the one that  
2 shows the 25 years?

3 MR. PENGELLY: Yes.

4 COMMITTEE MEMBER LABROUSSE: Why,  
5 if that's 25 years, and an average of a  
6 million a year, what's the \$100 million  
7 growth projection?

8 I don't understand that.

9 MR. PENGELLY: So if 20 years ago  
10 you had invested \$100 million in either  
11 of these two indices --

12 COMMITTEE MEMBER LABROUSSE: That's  
13 what you would have gained?

14 MR. PENGELLY: Right. So you can  
15 compare at the end what you would have  
16 gained, one versus the other.

17 COMMITTEE MEMBER LABROUSSE: All  
18 right. Thank you.

19 COMMITTEE MEMBER AUGUSTE: I have  
20 two questions.

21 So you mentioned decision makers  
22 have to have eight hours of training?

23 MR. PENGELLY: Yes.

24 COMMITTEE MEMBER AUGUSTE: Is that  
25 any of us --

1 MR. PENGELLY: No.

2 COMMITTEE MEMBER AUGUSTE: -- here  
3 on the Committee?

4 It would just be management? It  
5 would be Bill or whoever?

6 MR. PENGELLY: Yes.

7 MR. KIRTLAND: I have to provide  
8 that documentation to our auditors every  
9 year that I've completed that training.

10 COMMITTEE MEMBER AUGUSTE: Awesome.

11 And then you also mentioned our  
12 custodian. So our current custodian,  
13 being TD Bank.

14 Does management of this body have  
15 any thoughts of changing the custodian  
16 to help facilitate what PFM does, or are  
17 we good with TD Bank?

18 MR. PENGELLY: So one  
19 clarification. You don't have a  
20 custodian as yet.

21 COMMITTEE MEMBER AUGUSTE: Oh,  
22 okay.

23 MR. PENGELLY: TD Bank is your  
24 depository bank.

25 COMMITTEE MEMBER AUGUSTE: Okay.

1 MR. KIRTLAND: Well, that's  
2 something we discussed, right. I think  
3 we're in the early stages of maybe --  
4 I'll listen to PFM and Richard,  
5 specifically, and maybe there's other  
6 custodial banks that are a better fit  
7 for us.

8 COMMITTEE MEMBER AUGUSTE: Is U.S.  
9 Bank a custodial?

10 MR. PENGELLY: So we do have an  
11 affiliate, U.S. Bank. And I'm,  
12 obviously, very biased. They're very  
13 good at what they do, but TD Bank is  
14 also very good. You know, if you had  
15 anybody else, I'd probably say, you know,  
16 go out and look around, but TD Bank is  
17 actually really good at what they do.

18 So, if, you know, we wanted to keep  
19 it all a one-way, you know, system, you'd  
20 be fine with TD Bank.

21 COMMITTEE MEMBER AUGUSTE: Last  
22 question. When will -- what's the timing  
23 of when we're going to start investing  
24 these monies in these vehicles you  
25 suggest?

1           MR. PENGELLY: So the only limited  
2 factor would be, I guess, getting a  
3 custody account set up. I've seen that  
4 done as quickly as two weeks, but  
5 probably on average, it's maybe about a  
6 month, right?

7           So you have to approve. And I  
8 don't know what your internal approval  
9 process is. Opening a new bank account  
10 effectively, and then our sort of  
11 on-boarding process is probably a week  
12 to two weeks.

13          COMMITTEE MEMBER AUGUSTE: So, in a  
14 month we find a custodian, you'll have  
15 products that you'll want us to be in,  
16 in a month?

17          MR. PENGELLY: Yes. So we, you  
18 know, we would develop a strategy, which  
19 would largely be purchasing a portfolio  
20 of mostly U.S. government securities,  
21 some corporate securities. Your current  
22 policy allows you to do, I think, a AA,  
23 or better corporate securities. Some  
24 municipal securities, taxable municipal  
25 securities, or tax exempt municipal

1 securities. So, yeah, we would be ready  
2 to immediately deploy. And it would be  
3 public securities.

4 COMMITTEE MEMBER AUGUSTE: With the  
5 mixture of, like, one to three, five-year  
6 maturities? Leaning more to five-year --  
7 I guess you're still in the product  
8 development?

9 MR. PENGELLY: No. So we would  
10 target -- so if the decision was made to  
11 go to a one to three year, uh, you know,  
12 benchmark, which is probably where we  
13 think your liquidity profile falls out,  
14 then your portfolio -- you would have up  
15 to five years, but it would align to,  
16 essentially, the distribution of that  
17 one to three year index. Right? With  
18 the portfolio manager at the time you're  
19 making purchases, making slight, you  
20 know, calls on, should we slightly  
21 overweight the two and-a-half year area,  
22 versus the two, you know, two year, or  
23 something like that? Or are we going to  
24 be a little more barbelled, a little more  
25 bulleted? But it would largely align

1 with the underlying benchmark.

2 Maybe staff may have something to  
3 add to maybe help facilitate that  
4 question?

5 COMMITTEE MEMBER AUGUSTE: Okay.

6 MR. KIRTLAND: Sorry.

7 Where as, of course, the timing  
8 issues, right, as far as me setting up  
9 the your custodial bank, specifically,  
10 speaks to investing the core portfolio  
11 that you proposed in this. However, the  
12 potential actions we can take on  
13 investing the short-term funds that we  
14 have, which is really the bulk of what we  
15 have. The core portfolio is valued at  
16 \$58 million or \$50 to \$60 million. We  
17 can probably get something in excess  
18 of --

19 COMMITTEE MEMBER NUSSBAUM: Can we  
20 go to the slide?

21 MR. KIRTLAND: Yes.

22 COMMITTEE MEMBER NUSSBAUM: I think  
23 we we're talking about this slide.

24 MR. PENGELLY: Yes. We can go back  
25 to that.

1 MR. KIRTLAND: Right. Like  
2 something in excess of \$100 million into  
3 the short term -- into the funds that you  
4 have planned?

5 MR. PENGELLY: Yes.

6 COMMITTEE MEMBER NUSSBAUM: Okay.

7 My understanding, right, the core  
8 reserves is that amount of money that we  
9 don't really think that we're ever going  
10 to need to really touch, right?

11 MR. PENGELLY: Correct.

12 COMMITTEE MEMBER NUSSBAUM: So  
13 that's the longer duration that I think  
14 is -- that's the bigger sort of change  
15 that we're doing here with that. I think  
16 the actual change in impact to the way  
17 that you all operate with things is not  
18 going to change as materially for the  
19 other pools, right? I mean, you are  
20 going to change that, but that's the  
21 biggest change.

22 MR. PENGELLY: That's going to be  
23 the big change.

24 COMMITTEE MEMBER NUSSBAUM: That  
25 core, correct.

1 MR. KIRTLAND: Richard, thank you  
2 for presenting.

3 I remember when this came first at  
4 the October subcommittee and they were  
5 voted on. And one of the concerns was  
6 there wasn't a lot of terms and  
7 conditions in the agenda material. So  
8 now that you're here, I thank you for  
9 coming back to present.

10 Can you just be clear so we all  
11 know and have it on record because it's  
12 a new service, what is the AUM fee, and  
13 how many years is this contract for?

14 MR. PENGELLY: So the AUM fee is  
15 tiered, but it's capped at \$25,000.

16 MR. KIRTLAND: But will we hit that  
17 based on the balances  
18 we have?

19 MR. PENGELLY: Yes. So it's  
20 \$25,000.

21 COMMITTEE MEMBER NUSSBAUM: Okay.  
22 And then, second is, because it's a new  
23 service, we talked about establishing the  
24 benchmarks based on we'll be going to  
25 slide this out there. Will you come back

1 in a year's time so we can see how did we  
2 perform against that?

3 MR. PENGELLY: Absolutely.

4 COMMITTEE MEMBER NUSSBAUM: We just  
5 left this in a local government  
6 investment pool. Net of the \$25,000 to  
7 make sure that there is a value as to  
8 the service, so that we are all, you  
9 know, comfortable with this fit.

10 MR. PENGELLY: Yes. Absolutely,  
11 yes. It will be -- and we'll do it on a  
12 quarterly basis, right. So we'll be  
13 providing the reports to staff on a  
14 quarterly basis. But, yes, absolute key  
15 component of deciding what strategy makes  
16 sense as we go along.

17 COMMITTEE MEMBER NUSSBAUM: And  
18 then, lastly, to jump on Alex' question  
19 about TD Bank. Currently, you mentioned  
20 others, but we do a similar process where  
21 we do an RFP on rates as well as already  
22 belonging to a custodial bank.

23 MR. PENGELLY: Absolutely. It's  
24 fairly straightforward to go out to a  
25 couple banks and get quotes. Um, as I

1           said, that's some, you know, service that  
2           one of our affiliates provides. They're  
3           one of the largest doing it for a local  
4           government. There are a couple other  
5           banks that do that as well. So,  
6           absolutely, you can keep them.

7                     Again, like I said, TD's pretty  
8           good at what they do.

9                     COMMITTEE MEMBER HON GERSTEIN: If  
10          something unforeseen happens, and we  
11          have to break into the core reserve,  
12          what's the penalty?

13                    MR. PENGELLY: So that is a great  
14          question.

15                    So there's no penalty, per se,  
16          right? You're just going to be subject  
17          to having to sell those securities in  
18          the market at that particular time. So,  
19          you know, rates could have gone up or  
20          down, and that could impact the values.  
21          So they could be at a slight gain, slight  
22          loss, big loss, big gain. That's the  
23          exposure that you have. But because the  
24          majority of the portfolio are going to be  
25          in, first of all, U.S. government

1 securities and mostly treasuries right  
2 now, highly liquid, you know, most liquid  
3 fixed income investment globally.

4 So if you call up early enough in  
5 the day, we can probably turn it to cash  
6 that same day. But you know, to get the  
7 whole portfolio sold, you know, probably  
8 a day or two.

9 COMMITTEE MEMBER HON GERSTEIN:

10 Thanks.

11 COMMITTEE CHAIR ARSENAULT: Any  
12 other questions?

13 COMMITTEE MEMBER NUSSBAUM: Do we  
14 need any action by this group with regard  
15 to the custodial bank?

16 MS. KOBRINSKI: No. In the policy,  
17 no. The President, CEO or their  
18 designation will approve one or more  
19 financial institutions to provide  
20 safekeeping and custodial services for  
21 the Trust.

22 COMMITTEE MEMBER NUSSBAUM: So  
23 management can take that action.

24 MS. KOBRINSKI: Yes.

25 COMMITTEE MEMBER NUSSBAUM: Okay.

1 COMMITTEE CHAIR ARSENAULT: Thank  
2 you. We look forward to seeing  
3 presentations and then the plans as they  
4 develop. I think this is really a great  
5 action for the good of the Trust.

6 MR. PENGELLY: Thank you.

7 COMMITTEE CHAIR ARSENAULT:

8 Okay, next on the agenda is a  
9 legislative update on property taxes.

10 MR. HAJ: Mr. Chair, thank you.

11 Let me just kick it off, and then  
12 I'm going to turn it over to Amanda.

13 You know, I think property tax is  
14 the biggest thing in the room. The  
15 session is starting next Tuesday. We  
16 wanted to provide an update to this  
17 Committee. There's eight bills that have  
18 come out of the House. Nothing has come  
19 out of the Senate. Nothing has come from  
20 the Governor's Office yet. And we will  
21 keep you informed.

22 I wanted to start off this  
23 Committee, this year, bringing you up to  
24 date of what we do know. And moving  
25 forward, we're going to need all our

1 partners, and the Board, and everybody  
2 else as we work as a community to offset  
3 a lot of this -- a lot of discussion  
4 happening. Again, we don't know where  
5 we start.

6 Amanda, I'll turn it over to you.

7 MS. GORSKI: Thank you, Jim.

8 Well, as mentioned, the Florida  
9 2026 legislative session kicks off next  
10 Tuesday. Hopefully running through March  
11 the 13th of this year for 60 consecutive  
12 days. There's been ample discussion on  
13 property tax reform. The Governor has  
14 publicly challenged the House and the  
15 Senate to act on it. We have been  
16 closely working with, and monitoring, and  
17 bill filing, and working with our State  
18 association on any efforts and advocacy  
19 strategies.

20 We're currently monitoring 33  
21 property tax related bills filed in the  
22 House and in the Senate.

23 The House bills include their  
24 property tax package. And the Senate  
25 bills filed do not include their formal

1 package.

2 In response to the Governor, the  
3 Florida House created a special committee  
4 on property taxes, and they unveiled  
5 eight House property tax packages.

6 They've already passed their first  
7 Committee of Reference with only one  
8 moving to the full House floor on the  
9 first week. That said, the other  
10 property tax bills may surface at any  
11 point during session.

12 The Governor, as of yet, has not  
13 released his proposed property tax  
14 package. The rumor mill says that he's  
15 considering maybe a 500,000 homestead  
16 exemption, which would exclude schools  
17 and first responders.

18 The House, which tends to -- I  
19 mean, sorry. The Senate, which tends to  
20 be the more conservative chamber, lead  
21 by our very own delegation member,  
22 Senator Bryan Avila, who is the Chair of  
23 the Senate and Finance Committee, he  
24 said that they expect to just propose  
25 one formal property tax package. And the

1           rumor mill says that they're willing to  
2           go up an increase of 50,000 to homestead  
3           exemption.

4                        So, we're still waiting on the  
5           Senate.

6                        It's still too early to determine,  
7           you know, what's going to happen, any  
8           outcomes, but the governor has publicly  
9           stated that he's not happy with the  
10          current proposals. He has already  
11          threatened the legislature to bring them  
12          back during summer impacting, you know,  
13          the legislative elections that take place  
14          in November.

15                       Yesterday he already called the  
16          first special session on April 20th  
17          through April 24th to discuss a  
18          redistricting.

19                       We will continue to monitor. We're  
20          working very closely with our State  
21          association on any communication and  
22          strategies, but needless to say that  
23          anything that will include ad valorem  
24          tax revenues in the November ballot,  
25          will be impacting the Trust, and will

1 keep you abreast as session moves  
2 forward.

3 Thank you.

4 MR. HAJ: And there's not all these  
5 bills coming forward that Amanda had  
6 mentioned. We have the impact to the  
7 Trust, and have run the numbers of what  
8 the impact will be for each bill. When  
9 the Senate comes around, we will keep  
10 that and bring it up -- bring it to you.  
11 If you'd like to, we're happy to share it  
12 with you. We still don't know where each  
13 are going to go, but as we start moving  
14 down the road, we will share all of those  
15 with you, and the impact. So when we're  
16 making these long-term decisions, I don't  
17 know what that looks like.

18 COMMITTEE CHAIR ARSENAULT: Jim,  
19 you mentioned a minute ago the importance  
20 of, you know, bringing all the partners  
21 together. And I think it really is  
22 important to deal with similar kinds of  
23 issues, with the Urban Learning  
24 Coalition. And I'm President of the  
25 Children's Hospital Association. There

1 are multiple pushes in addition to this  
2 property tax increase, which actually  
3 gives us opportunities for partners.

4 In the healthcare area, we have  
5 really significant concerns that some of  
6 the provisions of the Big Beautiful Bill  
7 are going to affect Medicaid. They may  
8 affect our SCHIP. They certainly affect  
9 some of the intergovernmental transfers  
10 for public safety net hospitals or  
11 academic institutions. There's concerns  
12 about workforce in healthcare. So  
13 there's a big healthcare industry that's  
14 aligned.

15 And I think the other piece is that  
16 every day we're hearing more and more  
17 threats to support for child care. And  
18 even today, a lead article on the billion  
19 dollar plus hit in Miami-Dade County to  
20 parents, to our employers. Those are all  
21 disasters, but they also give us  
22 opportunities to make sure that as we  
23 align the mission of the Trust, that we  
24 really develop those partnerships in  
25 healthcare and in childcare, because that

1 is a very big group of people to be able  
2 to go forward and support everyone's  
3 activities.

4 We've seen it -- you know, I've  
5 been 40 years working with our  
6 legislature. So many times things happen  
7 in silos, and then we have ripple  
8 effects. And I think we really have an  
9 opportunity to think about this very  
10 comprehensively and collaboratively to,  
11 you know, protect, obviously, The  
12 Children's Trust, and all of the other  
13 recommendations of property taxes. Not  
14 only in Miami-Dade County, but also to  
15 ensure that group of children -- children  
16 fit multiple pieces that we take care of.

17 MR. HAJ: I agree.

18 You know, we're also working --  
19 it's just not only in Miami. We're also  
20 working with our State partners. So all  
21 the other 11 communities are doing the  
22 same thing with their legislative  
23 delegation.

24 We are very blessed. We had a  
25 great conversation yesterday. We had a

1 meeting with one of our Board Members,  
2 Rep. Rizo, and Senator Calatayud, who are  
3 champions, and are going to help be  
4 champions for us. So we'll work with the  
5 House and the Senate. We have a lot of  
6 support. There's just a lot of unknowns.

7 And going with partnerships, we  
8 have been meeting with partners. There's  
9 been a lot of great work behind the  
10 scenes the last couple of months, and it  
11 will continue ramping up, and we're going  
12 to rely on our Board too. We have a lot  
13 of Board with a lot of different  
14 connections, so that will be coming down  
15 the pike as well.

16 COMMITTEE MEMBER NUSSBAUM: Have we  
17 thought to add any mitigation item? I  
18 know we've done an impact statement on  
19 the bills, I'm sure. I just think The  
20 Children's Trust, which is so primarily  
21 dependent on how much it would impact us.  
22 I'm trying to think of the other budding  
23 authorities in Dade County. The South  
24 Florida Water Management District.  
25 Probably thinking outside of the boxes

1 as not Children's Trust, but have we  
2 thought about ways we can mitigate any  
3 one of those eight items to get proactive  
4 on any one that passes? What we could  
5 potentially do to keep operations  
6 afloat?

7 MR. HAJ: Yeah. I mean there are  
8 assessments, they're even talking --  
9 there's a variety of things going on  
10 here, but it's kind of hard to develop a  
11 plan when we don't know -- the Senate  
12 hasn't released anything. The Governor  
13 hasn't released anything. So I  
14 understand what you're saying, and we'll  
15 work at it. And sometimes you don't  
16 want to get too far out the gate,  
17 because, that can hurt you as well.

18 So we're kind of keeping, you know,  
19 a week where we have lobbyists. Our reps  
20 help. So we're working with all our  
21 lobbying teams.

22 And we are not the big boys in this  
23 fight. Every city and every municipality  
24 is up there also fighting as well. The  
25 only thing that differentiates us is that

1 we work with kids, and that we went to  
2 the voters twice.

3 We specifically asked the voters,  
4 and we had an 86 percent approval rate.  
5 So there are things, such as that, that  
6 we need to stress, and get to leadership.  
7 And one is also, I think we've done a  
8 good job of, one is awareness. Many  
9 people weren't aware that we were funded  
10 from property taxes.

11 So even the leaders that are making  
12 a lot of these decisions at the State  
13 level were not aware. So at least we got  
14 that awareness out, but no, there's work  
15 being collectively done with our day  
16 delegation, local leaders.

17 We had a call yesterday, which was  
18 to identify significant business leaders  
19 in Miami who's going to come up to  
20 Tallahassee, or make the call that we  
21 need.

22 So, yeah, there is a lot of work  
23 moving. There's a lot more coming our  
24 way, but we just want to tee this off  
25 just as session opens next week.

1           And I think we are the big guys in  
2           this fight. Unlike the cities, the  
3           cities have other revenue sources. They  
4           maybe 50 percent reliant, you know, at  
5           different ranges between 25 to 75. We're  
6           100, so I think we are the big guy in  
7           this fight. We have to be very clear of  
8           the ripple effects that we have. And  
9           we're fighting for kids and families.

10           COMMITTEE MEMBER NUSSBAUM: I'm  
11           assuming at Board meeting, this is going  
12           to be at the upcoming Board meeting. So  
13           it will be also a topic that will be  
14           discussed.

15           MR. HAJ: I'm not sure if we were  
16           going to bring it up at this Board  
17           meeting or more at the Board Retreat that  
18           we were going to, like, have as a topic;  
19           because that'll be at the time at  
20           least -- we'll things should have  
21           developed a little bit that we know  
22           what's comes out. So the Board Retreat.  
23           That's in February.

24           MS. KOBRINSKI: Jim, if you -- I  
25           don't think the Board is there just yet,

1 but maybe approaching the Commissioner  
2 who sits on the Boards and asking --  
3 because right now if the County,  
4 Miami-Dade County has a separate  
5 delegation and lobbyists, but if you want  
6 to try to get them on board as well, they  
7 would have to pass an item from the  
8 Commission authorizing that; putting it  
9 on their legislative priority list.

10 MR. HAJ: We can. I just mean,  
11 there was a meeting held -- Natalia, you  
12 want to talk?

13 MS. ZEA: Yes.

14 MR. HAJ: And Benjamin was in that  
15 same meeting. Do you want to talk about  
16 the meeting?

17 MS. ZEA: The Mayor actually called  
18 a meeting to bring the cities and many of  
19 us together just to speak informally  
20 about what the impacts were going to be.  
21 And one of the follow-ups from that  
22 meeting from the Mayor's Administration  
23 was that there was a desire, I think, to  
24 collectively bring folks together in a  
25 little bit stronger way. And so I would

1           imagine she would have to take whatever  
2           action is required on her end.

3                     But from our perspective, you know,  
4           we're doing a lot of listening. And in  
5           that meeting, we saw that there is a lot  
6           of municipalities that are already coming  
7           up with different game plans that might  
8           not be exactly what the Children's Trust  
9           would do. So, point well taken,  
10          Benjamin.

11                    But in terms of -- so we're  
12          actively working with management. Chair  
13          Anthony Rodriguez was in attendance at  
14          that meeting as well, but there has not  
15          been any formal actions taken yet. But  
16          we're partners. We're there with them,  
17          but letting the County lead.

18                    MS. KOBRINSKI: No, but the  
19          Commission would have to take action.  
20          It's not just the Mayor.

21                    MR. KIRTLAND: To make it a part of  
22          the legislative agenda.

23                    MS. KOBRINSKI: Yes. It's been  
24          more informal so far, right?

25                    COMMITTEE CHAIR ARSENAULT: No?

1 Did you guys say something?

2 MR. HAJ: Oh, no.

3 COMMITTEE CHAIR ARSENAULT: Okay.

4 Well, I know we have our next meeting --  
5 this group gets together again in March.

6 MR. HAJ: Right.

7 COMMITTEE CHAIR ARSENAULT: So,  
8 hopefully, at that time we're more  
9 knowledgeable of what's going on. And  
10 then maybe there's a presentation on our  
11 assessment, make sure it happens, where  
12 things stand at that point. That's  
13 something that I think would be  
14 appropriate for us to look at.

15 Any other comments or questions on  
16 this item?

17 Okay. Moving on, we have four  
18 resolutions for consideration today.

19 The first is Resolution 2026-A,  
20 "Authorization to release a  
21 competitive solicitation for the  
22 Innovation Fund, in an amount not to  
23 exceed \$1,000,000.00, to support projects  
24 that test new ideas and strategies  
25 addressing community needs, and that have

1 not been previously implemented in  
2 Miami-Dade County, for a one year  
3 contract period beginning October 1,  
4 2026, with no contract renewals."

5 COMMITTEE MEMBER AUGUSTE: So  
6 moved, Alex Auguste.

7 COMMITTEE MEMBER HON GERSTEIN:  
8 Second.

9 COMMITTEE CHAIR ARSENAULT: Any  
10 recusals? No recusals.

11 Any comments or questions on this,  
12 or discussions?

13 COMMITTEE MEMBER ARMSTRONG:  
14 Wonderful idea.

15 COMMITTEE CHAIR ARSENAULT: We've  
16 been doing this, how many years now?

17 COMMITTEE MEMBER ARMSTRONG: For  
18 10, 11?

19 COMMITTEE CHAIR ARSENAULT: All  
20 right. So with that, I will take it to  
21 a vote.

22 All in favor, say aye.

23 COMMITTEE MEMBERS COLLECTIVELY:  
24 Aye.

25 COMMITTEE CHAIR ARSENAULT: Any

1           opposed?

2                   The resolution passes.

3                   Next is Resolution 2026-B.

4                   "Authorization to release a  
5           competitive solicitation to identify an  
6           entity to operate The Children's Trust  
7           Youth Advisory Council (sic) Program,  
8           (YAC), in an amount not to exceed  
9           \$260,000.00, to facilitate youth  
10          leadership and civic engagement  
11          programming of the YAC, for a term of  
12          12 months, commencing July 1, 2026, and  
13          ending June 30, 2027, with four annual  
14          contract renewals, subject to annual  
15          funding appropriations."

16                  Is there a motion?

17                  COMMITTEE MEMBER BURGOS: Moved,  
18          Cathy Burgos.

19                  COMMITTEE MEMBER HON GERSTEIN:  
20          Second, Norman Gerstein.

21                  COMMITTEE CHAIR ARSENAULT: Any  
22          comment or discussion?

23                  COMMITTEE MEMBER LABROUSSE: I just  
24          have a -- more out of curiosity of why  
25          we're outsourcing it versus in-house,

1 because it's been, it seems to have been  
2 going really well.

3 MR. HAJ: It is going well. It's  
4 going too well.

5 MS. ZEA: We've outgrown ourselves  
6 is what's occurred.

7 Danielle has done an amazing job  
8 shepherding this program from one meeting  
9 with a few kids in this office, to more  
10 than 200 kids across six locations. It's  
11 at the point now that it's already  
12 becoming its own living, breathing thing  
13 with a professional provider, but  
14 Danielle will work in lockstep with them.  
15 And it's still the Children's Trust Youth  
16 Advisory Committee. It has a chance to  
17 be even greater than what it can be, that  
18 staff capacity can manage directly.

19 MR. HAJ: We will still be leading  
20 it. It's just that we need the help.

21 COMMITTEE MEMBER LABROUSSE: Okay.  
22 I just don't want it to get too far away  
23 from the core of, you know.

24 COMMITTEE CHAIR ARSENAULT: And it  
25 would be under the Program Committee

1           then. There's no oversight of that as it  
2           is now, correct? That whatever vendor  
3           you select?

4           MR. HAJ: Correct.

5           COMMITTEE CHAIR ARSENAULT: Okay,  
6           we'll take that to a vote.

7           All in favor, say aye.

8           COMMITTEE MEMBERS COLLECTIVELY:  
9           Aye.

10          COMMITTEE CHAIR ARSENAULT: Any  
11          opposed?

12          Resolution carries.

13          The next is Resolution 2026-C.

14          "Authorization to contract with a  
15          new subcontractor to replace SquareWorks  
16          Consulting, LLC, the subcontractor  
17          approved in Resolution 2023-67 by the  
18          Board of Directors on July 10, 2023.

19          Can I get a motion?

20          COMMITTEE MEMBER AUGUSTE: So  
21          moved, Alex Auguste.

22          COMMITTEE CHAIR ARSENAULT: Is  
23          there a second?

24          COMMITTEE MEMBER ARMSTRONG:  
25          Second, Danny Armstrong.

1 COMMITTEE CHAIR ARSENAULT: Any  
2 recusals? Any comment or question on  
3 this?

4 Okay, hearing none, all in favor,  
5 say aye.

6 COMMITTEE MEMBERS COLLECTIVELY:  
7 Aye.

8 COMMITTEE CHAIR ARSENAULT: Any  
9 opposed?

10 And the resolution carries.

11 Okay, the last one, Resolution  
12 2026-D.

13 "Authorization to approve revisions  
14 to Section 2009 of the procurement policy  
15 pertaining to emergency funding and all  
16 delegations of authority reflected  
17 therein. The updated policy change will  
18 take effect on February 1, 2026, and will  
19 remain in effect unless edited and  
20 approved by the Board in the future."

21 Can I get a motion?

22 COMMITTEE MEMBER HON GERSTEIN: So  
23 moved, Norman Gerstein.

24 COMMITTEE MEMBER LABROUSSE:  
25 Second.

1 COMMITTEE CHAIR ARSENAULT: Second,  
2 Labrousse.

3 Any comment or discussion on this  
4 item or question?

5 COMMITTEE MEMBER HON GERSTEIN:  
6 Could you just give us a quick summary on  
7 what is changing?

8 MR. HAJ: Yeah, I'll turn it over  
9 to Jacques. I think it was at the  
10 Executive Committee. So during the SNAP  
11 benefits we were looking, we didn't know  
12 how long the government was going to be  
13 shut down, whether it was going to go --  
14 we knew it was going to face Thanksgiving  
15 when the kids were off for those long  
16 weeks. We wouldn't be able to give them  
17 no food that same week. And we didn't  
18 know if it was going to go through the  
19 winter holidays at the time.

20 So when we went to the Executive  
21 Committee, and spoke to Ken about adding  
22 additional funding, and we looked at the  
23 procurement policy, which really came  
24 from Ken. As he was reading it, it was  
25 more when we developed this emergency

1 funding, it's kind of when the Trust  
2 was starting to deal with hurricanes,  
3 really.

4 A lot of these things did not fall  
5 into these categories, and he didn't  
6 feel -- He didn't feel comfortable. He  
7 wanted to address it, but we got an  
8 Executive Committee together to get that  
9 passed. So we were just trying to clean  
10 it up.

11 I'll turn it over to Jacques for  
12 some updates.

13 MR. BENTOLILA: Thank you.

14 Yeah, so that's, like, the main  
15 point was that this policy was very  
16 heavily focused on the emergency being  
17 hurricanes, tornados, something that  
18 everyone is very used to. And we were  
19 looking to expand that scope to allow us  
20 to meet the needs of the community  
21 outside of just those stated emergencies.

22 So a summary is up there, as well  
23 as in the packet. So I'm going to run  
24 through and just highlight the expense  
25 scope and definition.

1           Just like we said, we are  
2           broadening it from just emergencies to  
3           include what we have defined as  
4           community-wide emergencies or crises that  
5           have been defined in the policy.

6           Also, the eligible recipients  
7           terminology, the original was focused on  
8           community organizations or Trust-Funded  
9           providers, which have been continued in  
10          the revised; but as we brought in to  
11          include community partners, institutions,  
12          as well as those community-funded  
13          agencies and providers, giving us a wider  
14          range of eligible recipients to receive  
15          funds.

16          The funding limits and authority,  
17          the original one, it did state that  
18          anything above \$50,000 could be done with  
19          this Authority. The revised has kept  
20          that; but what was added was actually a  
21          cap of one percent of the approved budget  
22          for that year.

23          Instead of picking an arbitrary  
24          number, we picked a percentage of the  
25          approved budget. That way it stays

1 flexible throughout the years as the  
2 budget may go up or down of the Trust.

3 So, the approvals and notification  
4 process was also revised. So the  
5 original one was a lot of processes to  
6 get the money out. It was announced  
7 funding availability. It required  
8 written applications, and follow a very  
9 strict RFP process.

10 But during emergencies, that might  
11 not be available, or applicable, or as  
12 efficient as we may need it to be. So  
13 the revised process emphasized  
14 collaboration with staff, and  
15 municipalities, and partners to assess  
16 the needs in determining the notification  
17 and distribution process.

18 The application process is less  
19 restrictive, focusing on a case-by-case  
20 assessment and documentation of that  
21 specific emergency or crisis that we're  
22 trying to deal with. That also falls  
23 right in line with the application and  
24 documentation requirements, and the  
25 original process are very RFP driven.

1 So there are a lot of steps.

2 The revised policy in front of you  
3 removes that detailed application  
4 requirements, and instead, requires our  
5 recipients to submit paid invoices, and  
6 proof of payments, or a use of funds for  
7 the stated emergency crisis within 30  
8 days. And the reporting and  
9 accountability is aligned with that.

10 We maintain the 30-day invoice  
11 submission with a 60-day Board reporting  
12 requirement as in the old policy. The  
13 new policy clarifies that the proof of  
14 payment for use of funds must align with  
15 the declared emergency and crisis  
16 purpose.

17 And then additional procedural  
18 clarifications were added. The original  
19 one, again, had a lot of steps that were  
20 very RFP oriented, and the revised  
21 process streamlines that process from  
22 that rigid step-by-step instructions.

23 And we also reference our current  
24 policy, section 2000-C, which will  
25 address any funding that we distribute

1 under \$50,000. Emergencies would fall  
2 under that.

3 And then the last one in this  
4 process was, in this old policy, we had  
5 backups and succession management to  
6 the Board Chair. So if the Board Chair  
7 wasn't available, we go to the Vice  
8 Chairman, and then the succession  
9 management. But we didn't do that for  
10 our own CEO.

11 So, in this new policy, we added  
12 the CEO or his or her designee to allow  
13 us, in case our CEO is not able to be in  
14 contact, or not able to assess or assist  
15 in the emergency, that he or she can  
16 designate that and allow us to proceed  
17 with getting funds out.

18 COMMITTEE MEMBER NUSSBAUM: Just a  
19 quick question on Number 3. I like the  
20 idea of the percentage, because it moves  
21 with the fluctuation of the budget. I  
22 just want to make sure I understand the  
23 numbers though. Before it was \$50,000.  
24 One percent of our current budget is  
25 about \$2.6 million.

1 MR. BENTOLILA: Right. So it's  
2 anything above \$50,000 that we wanted to  
3 release during an emergency has to go  
4 through this process.

5 COMMITTEE MEMBER NUSSBAUM: Okay.

6 MR. BENTOLILA: And now the new  
7 policy says we're capped at one percent.  
8 The old policy never had a cap. So we  
9 could have given, theoretically, \$10  
10 million away. This one says that were  
11 capped at one percent of the annual  
12 budget in this emergency process.

13 So after that point we have to try  
14 to get the Board together to actually go  
15 to our threshold.

16 COMMITTEE MEMBER NUSSBAUM: The  
17 \$50,000, that's the threshold, it's still  
18 there.

19 MR. BENTOLILA: The \$50,000  
20 threshold is where this could go.  
21 Anything below \$50,000 would fall under  
22 our current procurement policy up to  
23 \$10,000. It's just good practice between  
24 \$10 and \$50,000 requires three quotes.  
25 \$50,000 and above requires the Board.

1           This replaces us getting the Board,  
2           and allows us to go without of the Board  
3           authority, and just using this process in  
4           an emergency.

5           COMMITTEE MEMBER NUELLE: I just  
6           want to say when we had this conversation  
7           recently with the SNAP, the communication  
8           and the -- and the transparency, I  
9           thought was excellent. And the  
10          discussion, I hope that, that would  
11          continue with the policy change, because  
12          I think everyone felt very comfortable  
13          with the amounts. And, you know, it was  
14          the 50,000 and then above, and then what  
15          happened to the original 50,000. So I  
16          hope that, that communication will  
17          continue even with the policy change.

18          MR. BENTOLILA: Absolutely.

19          That stays in place and allows us  
20          to, again, get the emergency  
21          authorization and the funds out. Then we  
22          always come back to the Board and report  
23          back on what has occurred, and the trail  
24          of the money.

25          COMMITTEE MEMBER NUELLE: Right.

1 MR. BENTOLILA: And what was  
2 authorized, as opposed to what was  
3 actually distributed, right? Because it  
4 might not always be a one-to-one.

5 COMMITTEE MEMBER NUELL: Right.  
6 And in that case, you know, which happens  
7 in emergencies, you don't know exactly  
8 what's going to happen. So then the need  
9 didn't turn out to be as great as --  
10 Thankfully, as hoped. If that had  
11 continued to go on months, then the need  
12 would have been a lot different.

13 MR. BENTOLILA: Right.

14 COMMITTEE MEMBER NUELL: And you  
15 pivoted on the requests and the amounts  
16 distributed. Anyway, so I thought that  
17 was excellent. So thank you for that.  
18 And I hope that continues.

19 MR. HAJ: Just to clarify, we  
20 haven't used this since -- I've been here  
21 10 years. We used it right during COVID.  
22 Right when COVID started, because we  
23 could not convene the Board.

24 And then going back to  
25 transparency, letting the Board know, we

1           have -- we put out, that's how the  
2           quarterly newsletter that goes to the  
3           Board really started.

4                        COMMITTEE MEMBER NUELLE: Oh, yeah.

5                        MR. HAJ: Since we couldn't convene  
6           the Board meeting, we were letting the  
7           Board Members know of the emergency  
8           actions that were taken regularly. And  
9           that turned into the quarterly Board  
10          letter that goes out to you today about,  
11          you know, the transparency.

12                       We do not want to use it. We just  
13          want to be flexible. We don't know what  
14          the future holds long after we're here.  
15          And just to build a policy to give the  
16          Chair and the CEO the flexibility. And  
17          the transparency would definitely remain.

18                       COMMITTEE MEMBER NUELLE: It's a  
19          much better policy. So it's good to move  
20          this.

21                       COMMITTEE CHAIR ARSENAULT: Any  
22          other comment or question?

23                       Yeah, I want to commend the team.  
24          I think you've done a good job over the  
25          last couple of years trying to make sure

1 that Practice matches the policy and fill  
2 in any gaps with that to efficiently run  
3 the Trust and procurement.

4 So with that, we'll take it to a  
5 vote.

6 All in favor of Resolution 2026-D,  
7 say aye.

8 COMMITTEE MEMBERS COLLECTIVELY:  
9 Aye.

10 COMMITTEE CHAIR ARSENAULT: Any  
11 opposed?

12 Resolution carries.

13 The CEO Report.

14 MR. HAJ: Mr. Chair, thank you.

15 Monthly financials were in your  
16 statement.

17 The Board Retreat is scheduled  
18 February 19th. So look -- it's going to  
19 be here. One of the locations over  
20 across the street here in the main lobby,  
21 in our main runway area. February 19th.

22 And Champions for Children is  
23 around the corner, April 16th at Jungle  
24 Island. There should a hold on your  
25 calendar this coming month.

1           It's always when you put one to  
2           rest, that it comes rather quickly.  
3           April is going to be coming soon enough.  
4           And I know Natalia and her team are  
5           getting ready for the Champions.

6           That's it, Mr. Chair.

7           COMMITTEE CHAIR ARSENAULT: Thank  
8           you.

9           Any other comment?

10          COMMITTEE MEMBER HON GERSTEIN: I  
11          have a comment about the PFM Report.  
12          It's a hypothetical. And if you were  
13          here on the Board in 2005, we didn't have  
14          any money.

15          In 2006, we spent everything.

16          In 2009, there was a financial  
17          crisis, and then we had to cut programs.  
18          So I mean, it's an interesting report. I  
19          didn't want to say anything while he was  
20          here, and have him think I was arguing  
21          with him. But it doesn't match, you  
22          know, what we've been doing. The  
23          Board -- the staff has really handled,  
24          you know, the economics incredibly well,  
25          the investment. I think he'll bring a

1 lot to the table to help us, but I didn't  
2 want anybody to think that somehow we had  
3 lost that money by not investing it  
4 prudently, because it just wasn't  
5 correct.

6 COMMITTEE MEMBER NUELLE: Good  
7 point.

8 MR. KIRTLAND: Actually, our  
9 monthly financial statement showed much  
10 more investment earnings than we thought  
11 we could take it last year. Of course,  
12 that's more of a condition of the market.  
13 You'll notice maybe our fund balance  
14 position changed a little bit, really not  
15 because of too much of a change to the  
16 expenditure rate or how we spend money,  
17 but actually how well taxes were  
18 collected. How there was some additional  
19 ad valorem collected, and also the  
20 investment earnings were much higher than  
21 we got.

22 MR. HAJ: And the Property  
23 Appraiser's Office gave us a million  
24 dollars back.

25 The Property Appraiser will be here

1 at the next Board meeting. He gave it to  
2 us, so he's going to come to the Board  
3 meeting to present, and we're going to  
4 thank him. But it goes into the March  
5 meeting, which was great. We're going to  
6 go over the fund balance, how we ended  
7 the year. And it really -- our fund  
8 balance is good, and it's in a really  
9 good spot considering everything that's  
10 going on with the property tax  
11 discussion. So when we come to March,  
12 we'll have that discussion.

13 COMMITTEE MEMBER NUELLE: Excellent.

14 COMMITTEE CHAIR ARSENAULT: Any  
15 other comment from the group?

16 With that, our next meeting is on  
17 Thursday, March 5th; and we are  
18 adjourned.

19 Thank you.

20 (Thereupon, the meeting was  
21 adjourned at 10:26 a.m.)  
22  
23  
24  
25

