

North Metro Community Services Board Minutes

For the meeting held on

April 27 2017

Dr. Ed Bertagnolli called the meeting to order at approximately 6:00 PM. He said he would entertain a motion to approve the minutes of the March 23rd, 2017 meeting, approve the agenda for the April meeting and to excuse Lori Freyta (all other board members were present). Edie Wallace made the motion, which was seconded by Dr. Taylor and passed unanimously.

Finance Committee Report:

March 2017

Statement of Activities

In the month of March 2017 we earned total net revenue of \$240,329 on gross revenues of \$2,882,616. In the month of March we outperformed budget by \$245,896. The performance above budget was the result of one-time gain from the sale of Thornton House. The selling price of \$283,000 resulted in a recognized gain of \$188,538. In the month of March net revenue of \$52,000 was earned from normal operations. Net revenues from operations would still be \$58,000 better than budget for the month.

Year to date net revenues are \$857,644 and are \$688,935 ahead of the budget year to date. All departments are ahead of budget for the year and in the month of March all departments besides Resource Coordination out performed budget. Administration is well ahead of budget as a result of the capital gain recognition. An expense of \$7,863 was recorded for the upgrade of our accounting software. A contract amendment for Early Intervention had an impact on both the Administration and Grants department. Direct service funding that will not be utilized was removed from our contract along with administrative funding that is attached to those direct service funds. Additional funding for service coordination helped offset these reductions. Staff benefit costs were reduced in the month of March by a refund of \$11,907 from Pinnacol. This refund was allocated to all areas based on total Work Comp costs.

Our residential program had net revenue of \$34,758 in the month of March despite continued losses in our staff facilities. We have vacancies in Adams and James House currently and had one person that was in the hospital that lives at Clayton house. These vacancies coupled with high staffing costs compounded the losses in those facilities. Day program recorded a loss of \$41,101 in the month of March. We continue to show significant financial improvement in day program. By comparison the loss for March 2016 was \$78,000.

The release of the additional estimated revenue of \$250,000 is expected prior to the end of the fiscal year. This additional revenue for Supported Living Services awaits approval of the state budget. We anticipate continued good operational performance through the remaining quarter of this year. The

financial statements in April will show the one time cost of the salary increases approved by the BOD at the March meeting. The impact in April will be approximately \$375,000.

Statement of Financial Position

As of March 31st the cash in bank balance was \$9,087,569. This balance has increased \$125,000 from the end of February. The accounts receivables balance of \$3,665,819 shows an increase of \$511,000 from February. The increase is a result of temporary delays in collection of Medicaid receivables caused by the conversion of the Medicaid billing & payment system. These delays have mostly been eliminated. The overall higher revenue for March also contributes to the higher receivable balance. Current liabilities increase \$214,000 from the prior month. Staffing costs and service agency accruals for the longer month, account for the majority of the increase.

Capital Update

The 2016/2017 Capital Budget was completed in November. The sale of Thornton House was finalized on March 27th. Budget preparation is in progress and the first draft will be presented to the committee at the May meeting. The budget will be presented in a new format that will make it easier to report on the component service areas of the agency. The budget presentation will precede a change in the financial reports in the next fiscal year. Edie Wallace made the motion to accept March's Finance Committee Report, which was seconded by Mona Valdez and passed unanimously.

Executive Committee Report:

Randy will cover the Executive Committee report in his director's report.

Executive Directors Report:

Randy Brodersen covered 2 topics in his executive committee report. Those topics were the revalidation process, and Legislative Developments.

Revalidation

The new system is going well for NMCS. Overall, not just with North Metro, about 80% of claims are getting paid. The one main issue was phone support with Hewitt Packard. Agencies were spending up to three hours on the phone trying to get support when they had questions with the new system.

Legislative Developments

Things are looking a little bit better in regards to legislation. The joint budget committee has decided on 4.7 million dollars for SLS providers they are just waiting on approval from the governor. A 1.4% Medicaid rate increase is looking likely, which means an additional \$350,000 for NMCS next year.

Randy then touched on Conflict Free Case Management. The Joint Budget Committee has completed the final draft of this bill and it has passed in the house. Once it goes into effect CCB's would still continue to exist, but after intake the individual would be turned over to a broker to choose their case

management and service provider since agencies would no longer be able to provide both for the same individual. By January 1st, 2018 a guidance business continuity plan will be published and organizations will have until June 2018 to submit a plan on what they will be doing going forward, either case management or provide services. Only 30% of case management providers do not provide other services whereas 70% provide both case management and services. If NMCS decides to do only case management there is a high possibility of having to offer case management outside of Adams County.

New Business

Last month Jen O'Shea did the first reading of the changes made to the Equal Employment Opportunity Policy. The phrase "gender identity" was added as well as the following paragraph:

"North Metro will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is in response to a formal charge or complaint; in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer; or consistent with the contractor's legal duty to furnish information."

A second and final reading was completed. Dr. Ed asked for a motion to approve the changes made to the Equal Employment Opportunity Policy. Dr. Taylor moved to accept the policy and it was seconded by Paul Yantorno and it passed unanimously.

Annual Awards

This year's annual awards dinner will be held on May 10th at the Westminster Rec Center. Food will start being served at 5:00 p.m. and Randy will start the awards presentation around 6:00 p.m.

Public Comment

There were no audience members present at the meeting.

Adjournment

Dr. Taylor made a motion to adjourn the meeting which was seconded by Mona Valdez and passed unanimously.

*The next Board Meeting will be held May 25th, 2017.