

## **North Metro Community Services Board Minutes**

**For the meeting held on**

**June 23 2016**

Dr. Bertagnolli called the meeting to order at approximately 6:00 PM. He said he would entertain a motion to approve the minutes of the May 26, 2016 meeting, approve the agenda for the June meeting and to excuse Pauline Burton, Farhad Kargar and John Coates (all other board members were present). Bill Hawthorne made the motion, which was seconded by Wayne McCombs and passed unanimously.

### **Audience Recognition:**

At this point Dr. Bertagnolli noted that there were no visitors who wished to be recognized at the board meeting this evening. Dr. Bertagnolli wanted to make the format for audience participation very clear. The format for letting an audience member speak is as follows: Audience member presents what it is they have to say and then he or she no longer actively participates in the meeting. The maximum time for each individual audience member to speak is 3 minutes and the total time allotted for all audience members to participate is 15 minutes. If there are more than 5 audience members who wish to speak their names will all be put into a drawing and 5 names will be picked. The board has agreed to disallow any video or audio recording by audience members.

### **Finance Committee Report:**

Doug Shepherd presented the finance report for the month of May. He made a point in saying that anyone on the board is welcome to come to the finance meetings. In the month of May 2016 NMCS has earned net revenue of \$108,409 on \$2,663,598 in total revenue. This net revenue is \$14,169 less than what was budgeted for the month. Year to date we have net revenue of \$77,263 which is \$329,932 less than the budgeted net revenue of \$407,195.

The month of May was a good month overall as we performed near budget. Our program departments of Supported Living and Comprehensive services combined for \$38,519 of net revenue in the month of May. This was a favorable month despite having the Memorial Day Holiday. The Vocational department had a small net revenue amount in the month and outperformed budget. Contract materials were \$14,000 less than budget in the month of May which accounts for the favorable budget variance. Our day program has shown gradual financial improvement over the past few months. During the month of May we closed Cottonwood PCA. The closing of staffed facilities is favorable financially and reduces our need for staffing which is difficult to find in the current economy. The Resource Coordination department had net revenue in the month of May but continued to perform less than budget. Staff vacancies and the new 7.5 minute rule have impacted revenues for Targeted Case Management. The Grants and Administrative departments continue to perform ahead of budget.

Statement of Financial Position

As of May 31, 2016 cash in bank balance is \$7,910,468. This is nearly identical to the prior month and our cash position continues to be strong. Accounts Receivable increased \$138,000 from the end of April on higher Medicaid and State service revenues. Vocational receivables continue to decrease as past due payments have been collected. The receivable for the Buckley contract is 30 days past due and continues to be the only area where we have any significant past due receivables. Current Liabilities are virtually unchanged from the prior month and are just over 2 million dollars.

#### Capital Update

The capital budget for the fiscal year was completed as of January 2016.

Edie Wallace moved that the board accept the finance committee report for May. The motion was seconded by Mona Valdez and passed unanimously.

#### **Executive Committee Report:**

Dr. Bertagnolli told the board that the Executive Committee was done for the year and Randy would present his Executive Directors Report. It was noted that Randy was the recipient of the Jane Covode award. Congratulations Randy!

#### **Executive Directors Report:**

Randy Brodersen started his report by saying that May was a quiet month now that the legislative session is over. By the end of June the Department of Health Care Policy and Financing will have finalized their report on Conflict Free Case Management. Conflict Free Case Management bars the delivery of case management and direct services by the same agency or entity. This project is being headed up by Jed Ziegenhagen, the Director for the Office of Community Living. Once published, this document will provide information for our service areas. Once we receive the finished product we will email it to all of the members of the board and it will also be a public document. Bill SB16-038 which is the transparency bill will go into effect August 10<sup>th</sup>. In order to be in compliance with this new bill we are working on getting all of the necessary information posted on our website. This includes things such as the dates of the board meetings as well as board meeting agendas and minutes and any other documents handed out during the board meeting. All of the board members email addresses will also be posted on the website. These are not your personal emails, but North Metro email address provided by Kyle Stodala. Another area that Randy touched on was the need for leases that the people in residential services (mainly host homes) will soon have to sign. This is being pushed by the Center for Medicaid and Medicare Services. There has been some push back with this because the appeal rights that the individuals have are better protected under our current waiver than any eviction rights. We believe that what is important is protecting an individual's service more than their home. They are tasked with having the leases drafted by the end of the year. Right now it is only for individuals in host homes. Eventually it will grow to encompass group homes as well, but currently there is a statute on the books that prohibits individuals in a group home from having property rights. The leases are strictly room and board and will presumably only be month to month leases.

George and Randy briefly touched on their weekend at the Alliance Conference in Breckenridge. Overall it was a positive experience with some good information. One example they mentioned was a woman who set up a home for her daughter to live independently using simple things like an ipod and a phone for monitoring purposes as well as simple things such as putting tape on the washer indicating where to turn the knob.

### **2016/17 Budget**

George Montoya gave the board an overview of the 2nd draft of the 2016/2017 budget that the Finance Committee agreed was ready to be presented to the board. The 2<sup>nd</sup> draft of the 2016/2017 budget projects net revenue of \$330,111 on \$31,685,280 in total Revenues. Staff had updated both revenue and expense items from the prior version based on new information. In June we received notice that funding for Capacity Building will again be part of next year's state contract. This additional funding of \$309,379 will help offset the cost of addressing the waiting lists in SLS and CES. We would have had to absorb these costs if not for the continued funding. Expenses for Workman's Comp and Property and Casualty Insurances were also decreased from the previous budget draft. Our new proposals came in at over \$86,000 less than last year. The positive changes have allowed us to add in increases for staff salaries. A total of \$300,000 was added to the budgets for increases. Staff was reluctant to build in any sizable annualized increases with the potential for cuts in next year's budget. The budget increases consists of \$75,000 in annualized increases with \$225,000 in increases that will not annualize. Our benefit plan continues to be strong as health, dental, and vision insurances continue to be 100% paid by NMCS. All eligible employees will continue to receive 4% contribution to their retirement accounts.

Overall staff salaries are budgeted to be lower next year. The bulk of this reduction is related to reductions on our vocational contracts. The Mint contract will end at the end of August and we continue to reduce salaries on the Buckley contract.

### **Capital Budget 2016/2017**

There were no changes in the Capital budget from the prior budget draft. The Capital budget for next year is \$168,509 and contains 3 Vans, one HVAC roof top unit, a shredder for Data Safe, and network hardware.

Doug Shephard moved that the board approve the 2016/2017 budget. The motion was seconded by Paul Yantorno and passed unanimously.

### **Election of Board Members**

Dr. Bertagnolli mentioned that there are 3 board members up for reelection. Those members are John Coates, Judy Stevens and Lori Freyta. All 3 members were willing to continue to serve on the board. Dr. Bertagnolli then asked for a motion to reelect the members. Edie Wallace made a motion to reelect all three board members which was seconded by Mona Valdez and passed unanimously.

### **Residential Presentation:**

Residential Director, Ryan Grygiel was present at the meeting to give an overview of how residential services are doing. Since July 2015 we have had 12 new enrollments, 7 individuals to a family caregiver, 1 individual to an apartment and 4 individuals to host homes. We currently have total of 29 individuals served in family caregiver and 23 in apartments. We have two staffed programs which are Greenbrier and Webster Lake. The goal of residential services is to promote independence in the least restrictive setting. By working towards this goal we were able to eliminate one full time position. Another change they were able to make in the apartment program was to allow all staff members to go home at the end of the day instead of having at least one staff member work overnight. They now just have a member who is on call overnight and keeps the work cell phone with them. This staffing model seems to be working. We now have 71 host home providers serving 116 people. In December we closed Thornton House group home and were able to move the residents in to other housing, 2 into host homes 1 into a family caregiver with her sister and another moved to the Unity House. We were able to place the staff into other positions. One of the big challenges that we are facing is that so many individuals are wanting to move into apartments, but the Denver Housing Market is extremely expensive. NMCS has \$45,000 budgeted toward supplementing rent as many of our individuals only receive \$630 for room and board a month. We have closed Cottonwood PCA. We have one group home for the CHOICES program whereas before we had four. We're really striving towards person centeredness programs where our individuals advocate for themselves. We currently have two residential team leaders receiving training to become person centered trainers and they will in turn train all of our direct support staff.

### **Adjournment**

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

\*As a reminder there will be no board meeting in the months of July and August. We will meet again in September.