

# North Metro Community Services Board Meeting

January 26, 2023, 6:00 PM

Board Room, Second Floor 1001 W. 124<sup>th</sup> Ave.

## Minutes

**Call to Order:** President Dr. Ed Bertagnolli called the meeting to order at 6:00 p.m.

Dr. Bertagnolli requested a motion to excuse Brian Kraft and John Coates from the meeting. Dr. Bertagnolli requested a motion to approve the October 2022 and December 2022 meeting minutes. Motion: Warren Taylor / Second: Bill Hawthorne / Motion carried.

**Presidents report:** Dr. Bertagnolli announced that this is Pauline Burton's last meeting with us. She has officially resigned her position as Secretary and will be moving to be with her family in Atlanta. Dr. Bertagnolli and the board thanked Pauline for her service. Pauline expressed that she has been thankful for her time on the board and would like to stay in contact regarding the future of NMCS.

**Dr. Bertagnolli** asked for nominations to replace Pauline as Secretary. Lori Freyta nominated Warren Taylor. Dr. Bertagnolli asked if there were others interested and there were not. Dr. Bertagnolli asked for a motion for Warren Taylor to assume the Secretary position. Motion: / Second: / Motion Carries.

Farhad Kargar asked to address the board. He asked his Support Partner, Jessica, to explain his issues to the board. She explained that he is having trouble at work and that he would like assistance with this. Dr. Bertagnolli suggested that he talk with George Montoya outside of this meeting. George stated that he will follow up with the Residential and Day Services programs. The board expressed support of his concern.

### **Finance Committee Report:**

#### **DataSafe**

- We are in the process of notifying staff, employees, parents and providers of DataSafe's closure
- Customers will be notified and plan for last pickups in the month of April
- We are making list of equipment and supplies
- Gary is going to follow up with a business broker

#### **Custodial Service**

- DVR is still in the process of intaking all of our janitorial crew. Gary contacted Easter Seals and they have not heard anything yet.

### **Supported Employment/DVR:**

- **Community Employment:** The person who was laid off last month started a new job at Bingo Oasis.
- **Development:** We currently have two people in development and we have accepted two more and are waiting on the authorizations. DVR has been contacted and those two are still in the intake process.
- **Placement:** One person placed in the last month

### **Day Services-**

- We have reached out to CDPHE about the lack of final visit for the Westminster Day Program, without response. A follow up message was delivered today. We had expected an onsite review mid-November, and we have yet to receive our visit. The month of December was a short month for day services but pretty productive and the days of service were well attended. Unfortunately the month of January has not been as smooth. All the weather events, and in-service day have limited our attendance and revenue.

### **November 2022 Financial Statements**

#### **Statement of Activities**

In the month of November a net loss of \$270,825 was recorded. The net loss for the month was \$260,220 more than what was budgeted. Expenses related to the unbudgeted Holiday Bonus is the reason for the over budget loss. The total expense for the bonus was \$260,190 which includes associated payroll taxes. This total was less than the \$284,000 maximum amount approved. Year to date losses thru November 30th are \$338,417. The loss year to date is \$413,313 more than what was budgeted. Overall revenues continue to be under budget and year to date are \$338,380 less than projected.

#### **Administration**

- Administration recorded a net loss of \$2,141 in the month of November which is \$33,725 more than budget.
- Year to date net revenues in Administration are \$198,556 and are \$20,942 ahead of budget for the year.
- An emergency sewer line repair of \$6,208 was done in November.
- Computers in the training room were upgraded at a cost of \$6,603.

#### **Day Program**

- Day Program recorded losses of \$183,697 in November.
- The monthly variance in Day Program was \$120,916 with the Holiday Bonus accounting for \$50,200 of the variance.
- Utilization of Day Program service in the month of November was 75.86% of scheduled.
- In order to cover direct costs net of bonus attendance of 82.86% would be required.

#### **Supported Living Services**

- Supported Living had net revenues of \$3,503 during the month of November.
- Net revenue for the month is \$4,000 better than budget for the month and the \$69,579 YTD net revenues are nearly \$33,000 better than budgeted.

- Financial performance in Supported Living is a result of consistent revenues and reduced expenses as a result of restructuring.

#### Residential

- The residential department had a net loss of \$95,177 which is \$152,000 worse than what was budgeted.
- The Residential department had total expenses of \$112,590 related to the Holiday Bonuses.
- YTD Net Revenues are \$111,187 and are \$219,523 less than budget.
- The Residential Department continues to perform well financially in the Host Home and Family Care Giver areas.

#### Vocational

- Datasafe has a net loss of \$2,641 in November and has a net loss of \$8,417 YTD.

#### Resource Coordination

- The Resource Coordination department recorded a net revenues of \$20,586. This amount is \$44,327 better than budget.
- A one-time payment of \$61,955 was received for enrollments off the waitlist.

#### Early Intervention

- Early Intervention reflects a net loss of \$11,256 in the month of November. This net revenue is \$1,623 less than budget.
- The majority of the \$21,500 in expenses for the Holiday bonus will be recouped through our EI Contract.
- The EI Evaluation area had a \$900 loss for the month. Evaluation delivered were down in the month of November as scheduling around the holiday and the number of no shows impacted services.

#### Statement of Financial Position

- Cash balance is \$10,582,439 which is \$98,379 more than at the end of October 2022.
- Accounts receivables balance is \$2,954,336 and decreased by \$426,035
- Current Liabilities are \$2,992,897 and reflect a decrease of \$54,909.

### **December 2022 Financial Statements**

#### Statement of Activities

In the month of December a net loss of \$188,034 was realized. This loss is \$133,807 more than what was budgeted for the month of December. Year to date net losses are \$526,451 and are \$538,320 worse than budgeted for the year.

#### Administration

- Net revenue for the month of December was \$27,792 which is just short of the \$31,584 budgeted for the month.
- Year to date net revenues are \$226,348 in Administration. This amount is \$25,650 ahead of budget.
- Help Fund expenditures in December totaled \$13,350.

### Day Program

- In the month of December losses of \$183,245 were recorded in Day Program. This amount exceeds the expected loss by \$64,759.
- Day Program has lost \$941,561 year to date and is over budget \$468,732.
- Day Program was closed due to weather on December 22<sup>nd</sup> and the week of December 25<sup>th</sup> thru December 28<sup>th</sup> on the scheduled holiday.
- The five days of closures reduced day program revenues by \$85,000 based on current services amounts.
- Utilization of Day Program service in the month of November was 82.58% of scheduled.

### Supported Living Services

- In the month of November net revenue of \$8,631 was earned.
- Year to date net revenues for Supported Living are \$78,210 and are \$29,800 ahead of budget.

### Residential

- In the current month net revenues of \$6,461 were recorded for residential services. Net revenue was under budget \$28,367 during the month.
- Year to date \$117,649 in net revenues have been earned. This amount is \$247,890 less than what was budgeted.
- Overall revenues in residential are short of budget by \$165,378 year to date.
- In the month of December there were 7 days paid at double time for holidays and closures which create the high salary amounts for the month.
- There was \$118,198 in Holiday Pay in the month of December.

### Vocational

- A net loss of \$934 resulted from operations in the Datasafe program.
- Year to date the Datasafe program has lost \$9,352

### Resource Coordination

- The Resource Coordination Department lost \$22,212 in the month of December. This loss exceeded budget by \$10,441 in the month.
- The department lost \$8,679 during the first six months of the year. Losses are currently \$89,974 less than what was budgeted.
- Salary expenses are over budget during the month as we have hired additional new case managers. Consistent staffing will result in salaries being over budget through the remainder of the year. The staffing levels are needed to assure that we are able to continue providing case management services until separation occurs.

### Early Intervention

- In the month of December the Early Intervention Department had a loss of \$24,733.
- Evaluation revenues were down in December. The days of closure reduced revenues by an estimated \$14,000.
- Timing of salaries and recognition of contract revenue create the additional losses in December.

### Statement of Financial Position

- Cash on hand balance is \$10,554,763 and has decreased \$27,676 since the end of November.

- Accounts receivable were \$126,397 less than the prior month and have a current balance of \$2,827,939.
- Liabilities total \$2,877,743 and show a reduction of \$115,154 since the end of November.

#### Capital Update

There were no capital purchases in November or December.

There was consensus that the FINANCE COMMITTEE RECOMMENDS TO THE BOARD THE APPROVAL OF THE FINANCIAL REPORTS FOR THE NOVEMBER 2022 AND DECEMBER 2022 FINANCIALS.

Dr. Bertagnolli asked for a motion to approve the November 2022 and December 2022 Financials.

Motion: Edie Wallace / Second: Bill Hawthorne / Motion Carries

**Executive Committee Report:** Presented as new business.

**Executive Directors Report:** In person holiday parties were held this year for staff and people who participate in our day services. Both parties went really well. There was a great turnout at both. Our vendors donated very nice gifts to raffle for the staff party. Robert Hunter set up a night-club with a dance floor for the Day Services party, and everyone was dancing.

The Colorado legislative session is underway. Increases in salaries for front line supervisors, group homes, and transportation are on the radar. Alliance Colorado is working on this. The legislature wants more detail and data regarding the need for the increases. Alliance is looking into securing an analyst to help with data to present. This will take some time and there may not be any results seen until 2025. In the meantime we are working on a more sustainable model for our Day Services. Rates for Early Intervention compensation is also being looked at. People are having trouble accessing services due to low provider rates. There are not enough providers to fill the referrals that are being generated. Providers site this as being unaffordable for some services.

RFP's for Case Management Agencies were released on 12/29/2022. Responses are due by late February, 2023. Awards should be given by early June. We hope to be one of the first boards to transition our case management department to the new CMA. This may start to happen late in this calendar year or early 2024.

Randy Brodersen testified on behalf of the CCB's at the annual Legislative hearing for the Wait List. The push this year was on capacity, rather than adding allocations. The reason for this is because there are not people available to fill the need for new enrollments. Therefore, people can't be served. Focus instead is being placed on individual rates that are underfunded.

#### **New Business:**

Future planning: Randy reviewed the planning for NMCS operations post "Case Management Redesign" memo that was sent to the Board for review on 1/16/2023. Day Services needs a small store front for staff to gather and get ready for the day, and park vans. We will need a fraction of the

space that we have now. Day Services in the main facility will look much like it does here today. The 1185 Building 2<sup>nd</sup> floor is strictly Resource Coordination, the 1<sup>st</sup> floor houses our Residential and Nursing Departments. Combining the 1001 and 1185 buildings makes sense. There enough space in 1185 to house all that we will need for our program areas. The 1001 space isn't completely set up for offices currently. The 1001 space is unique and may not work for other businesses. But we could make this building work for our purposes with some remodeling. There is a fair amount of finished space here. The warehouse space could be modified for office space. We would not need to do this anytime soon. The best option for 1185 would be to lease or sell that building. Our Brighton property of 8 acres is for sale and has been for some time. This property is on Bromley Lane. Randy reported that the city of Brighton is being very particular about what goes there because of the development of Bromley Lane. Given the development, this land should eventually sell. Operationally, Residential will have opportunities to grow and it is important to support this. There is concern across the system about why group homes are going away. HCPF is starting to give some attention to this. Lori Freyta expressed that we should look at this in a positive way for change. She is concerned about all of the people who live in our group home and the staff who work there. As other people age, they will need this type of setting as well, where will they go? She is concerned that the care provided there is unique. Staff are doing over time and double time recently to keep our one group home staffed. Lori is concerned because this model does work for the people who live there. Lori asked if the additional licensing would be helpful to support people living in group homes. George Montoya explained that Home Health can't be accessed for people who are on the DD Waiver. But this licensing could help us to provide some skilled support via professionals that we would have hired. The best thing happening now for group homes is that the rural CCB's have to run group homes, they don't have anything else. This is helping to create pressure on the legislature to pay attention to this need. We will continue to advocate for realistic rates. Lori points out that Host Home's aren't always able to continue as people age and their needs increase. Continuum of services is very important so that we are supporting our people as they age. Lori gives big credit to the staff at Clayton and the quality support that they provide.

EI is a bright spot and a great county wide service. The grant program is having success and is reaching people county wide. As we transition we will try to keep a few people from Resource Coordination to help people with benefits and eligibility. In addition, we would look to make this support available county wide to help people who need help applying for benefits.

Service Expansion: Our Residential Program grows from our current SLS and CES programs. George is looking at how to we provide a more thorough service to people on these Waivers. Class A licensing would help us to increase support to these people and they wouldn't have to go through two agencies (one skilled and one non-skilled). This would provide a better wrap around service in general. Class A licensing would provide an opportunity to expand service models. In Early Intervention, we have the initial contact with people through Service Coordination. Class A would help our capacity to serve these kids because of the large Medicaid population in Adams County. Funding Hierarchy dictates that Medicaid funds be used first. This is done through the Medicaid State plan benefit and is best done through a home health agency. Reimbursement through the Medicaid State plan doesn't cover

the cost. For example, reimbursement for Speech Therapy is 68.00 per hour. The home health for this is much higher. A Class A license would allow us to hire and create our own capacity in addition to referrals out to other home health agencies. We currently have good connections and relationships with many providers. With the higher home health rates we should be able to attract more therapists to provide services. In order to pursue the Class A license, funding for consulting is needed. It is a good investment to help us make sure that we can get through this process. Agencies who have tried this on their own have taken 3 years to get through the process. Using a consultant would take about 11 months. The Executive Committee is supportive of George starting this process. Due to the significance of these changes and length of discussion the Board agrees to hold the Mill Levy discussion for the February meeting.

COVID Vaccination policy: Effective in November 2021 we required COVID vaccination for employment. The State has backed off of this requirement, federally, the Department of Defense has dropped this requirement, and, other CCB's either did not do this initially or have dropped the requirements. Randy reported that other CCB's and PASA's are getting many more applicants than we are. He, George, and Jen O'Shea believe that the vaccination requirement may be a part of this. HR has shortened the application and done job fairs. The vaccine seems to be a hurdle for us in hiring new staff. At this time, most employees and people in services have been vaccinated. Randy requests the Board approval to discontinue this requirement for employment.

Motion: Edie Wallace / Second: Lori Freyta / Motion Carries

Dr. Bertagnolli adjourned the meeting at 7:09 p.m.