

North Metro Community Services Board Meeting

October 24, 2024, 6:00 PM

Board Room, Second Floor 1001 W. 124th Ave.

Minutes

Call to Order:

Dr Bertagnoli called the meeting to order at 6:00 p.m., and requested a motion to excuse John Coates, Edie Wallace, Hannah Martinez, Farhad Kargar, and Brian Kraft from tonight's meeting, approved the agenda, and approve the Board minutes from September 2024.

Motion: Bill Hawthorne / 2nd: Doug Shepherd / Motion Carries

Lori Freyta introduced Venesa Bremer, who attended our September meeting, as she is interested in becoming a member of the Board. Dr. Bertagnoli requested a motion to approve Venesa as a Board member.

Motion: Cheryl Candelaria / 2nd: Spencer Davis / Motion Carries

Dr. Bertagnoli exited the meeting and Bill Hawthorne chaired the meeting.

Annual Auditors Report

The Annual Financial Audit was presented by Jill Koreneck, JDS Professionals Group. Jill reported to the Board that the audit of NMCS' financial statements ending 6/30/2024 has been completed and the JDS Professional Group was issuing an unmodified opinion on those financials. She informed the Board that her firm had received full cooperation from the accounting staff at NMCS and had no disagreements with management on accounting or financial matters.

Finance Committee Report

Doug Shepherd reported on the September 2024 Financial Statements.

Statement of Activities

In the month of September 2024, operations resulted in total net revenue of \$24,608. The net revenue for the month was projected to be \$53,897 which resulted in net revenue being \$29,289 less than budget in September. Total revenues were \$2,456,100 and continue to exceed the budget projections on the strength of state revenues. Year to date net revenues total \$271,996 and are ahead of budget through September by \$35,043.

Administration

- In the month of September administrative net revenues were \$15,389 and were less than budget by \$15,420.
- The budget variance is primarily due to variances in non-payroll expenses.
- The administrative expense line variance is for gift card purchases of \$7,700. These gift cards will be used for part time employees as holiday bonuses.
- Expenses of \$10,000 as part of the UKG HR and payroll system launch were recorded in September and contributed to the budget variance.
- Additional expenses for IT contracted services in the month were \$3,500 over budget. Project work related to network security is the cause of the overage in IT costs.

Day Program

- Day Program had a net loss of \$72,762 in the month of September. The loss for the month was anticipated and was \$12,036 better than budget for the month.
- Total revenues were impacted by the Labor Day holiday but the \$292,167 of revenue was still \$13,000 better than budget.
- Attendance for the month was 89% of the maximum in September. Staff vacations and absences were adequately managed but still had some impact on attendance.
- Day Program has recorded a net loss of \$124,380 year to date and is \$42,826 better than the projected budget.

Supported Services

- Support Services earned net revenues of \$9,954 in the month of September which was \$2,700 worse than budget.
- Year to date net revenue is \$13,111 and is \$34,442 behind budget YTD.
- Total revenues are \$153,368 under budget for the year. This is a combination of fewer people served and over projected revenues in the budget.
- Staff continue to pursue the limited # of new enrollments in SLS. The future of the SLS program should improve with launch of Home Health and state requirements for all agencies to be licensed which will reduce the number of other agencies providing like services.

Residential

- The residential department had net revenues of \$53,423 in the month of September, which was \$31,421 less than what was budgeted for the month.
- Total revenues are on budget for the month of September and are slightly ahead of budget for the year. Total revenues have improved on moderate growth.
- The monthly variance is related to salaries being over budget \$32,000 from double pay for residential FCGs for the Labor Day Holiday.

- Administrative expenses are overbudget by \$2,664 for the month based on payments made as part of an appeal in residential.
- Year to date net revenues in residential are \$234,078 which is near projected net revenues.
- The apartment program lost \$27,888 in the month of September. Rent and food costs alone account for 32% of total costs in the apartment program while room and board funding only accounts for 18% of the total apartment program revenue.

Early Intervention

- The Early Intervention program continues to perform well fiscally as they earned \$18,605 in net revenues for the month.
- Net Revenues in Early Intervention are \$44,009 for the year and are nearly \$30,000 ahead of budget.
- Total revenues continue to be well ahead of budget as the addition of Adams County Aurora and overall program growth have increased direct services.
- Total Revenues in Early Intervention are already \$300,000 ahead of budget for the year.

Statement of Financial Position

- Our cash balance was \$9,589,812 at the end of September. The balance in cash reflects an increase of \$324,647 since the end of August.
- Accounts receivable are \$3,398,252 and reflect a small decrease since the end of August. Our overall receivables have shown moderate increases since last year at the same time.
- Medicaid receivables show essentially no net increase over last year as the changes in the current balance result from service and rate increases.
- State receivables related to Early Intervention are 1.5 Million dollars and reflect 3 months of receivables. The receivables for Early Intervention are all collectible but the slow payments reflect past due receivables of over 1 million dollars currently.
- The slow payment impacted potential interest earning by \$4,500 in the month of September. Our current interest rate earned is 5.37%.
- Liabilities are \$2,444,260 and increased \$326,326 since the end of August. This increase is related to deferred revenues on our Mill Levy.

Capital Update

In September a new mid-sized passenger van was purchased for \$68,500 and the initial payment for the sound system in the Atrium for \$6,800 was made.

Class A and Home Health Update

Our Medicare application was approved this week. The next step in the process is for the officers of the board to get fingerprinted. Once that takes place we will be able to begin taking our first 10 patients under the license which will move us towards full accreditation.

Budget Amendment Proposal

Staff proposed making a mid-year budget amendment to address the budget variances in SLS and Early Intervention. The amendments would mainly be to adjust revenues and expenses that are pass through. Changes would have a minimal impact on the overall net revenue projections.

Motion: Spencer Davis / 2nd: Warren Taylor / Motion Carries

Executive Committee Report

George reported to the Board on the status of our Home Health Medicare application. After 18 months, our Medicare application has been approved and now we are awaiting accreditation. Initially, we will start out small with about 10 patients and provide in-home services. After we have a better insight into the business model, we will start reaching out to families to become Certified Nurses Assistants (CNA's). We will start with the Early Intervention (EI) families and then move on to support services. George stated that this will be a slow process but once we are licensed, we will be to provide more services that we would normally refer to other agencies.

George also let the Board know that the budget is going to be amended, and he will bring that back to the board for approval.

Executive Directors Report

Randy reported that it has been a fairly quiet month for the legislature, but we are preparing for the next session. The consensus is that the budget will be very tight this year and we will mostly work on protecting what we have instead of submitting proposals for new funding.

Randy reminded the Board that next Tuesday Senator Dafna Michaelson Jenet will be coming to NMCS to observe our Early Intervention (EI) Evaluation Team and program functions. Child Find chose NMCS to show her these programs.

Case management for Adams County has gotten a little better. People have been found eligible but getting into actual services and programs is where they are experiencing delays. The North Metro Grant program has been helping those people with financial situations while they wait to be enrolled. The Arc and other agencies have filed a petition to put a pause on the new data system and the Supports Intensity Scale (SIS), so more energy can be focused on getting people into services. The new case management agencies are still trying to get caught up from transitions.

North Metro requested supplemental funds from Adams County for additional Supported Community Connection (SCC) activities and this was approved last week in public hearing. We are sharing money with other programs who provide SCC and enabling them to pay for

additional activities for their Adams County clients. In doing so, we can have more of a county impact on people and we want to make sure we do that for the people of Adams County.

New Business

There was no new business discussed at tonight's meeting.

Public Comment

There were no public comments at tonight's meeting.

Spencer Davis informed the board that a recent promotion at work will require him to travel more and consequently he will be resigning from the board after the December meeting.

Next Meeting

The next meeting will be a combined meeting for November and December and will be held on December 5th, 2024.

Adjournment

Doug Shepherd adjourned the meeting at 7:00 p.m.

Motion: Warren Taylor / 2nd: Spencer Davis / Motion Carries