

## **North Metro Community Services Board Meeting**

December 5, 2024, 6:00 PM

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

### **Minutes**

#### **Call to Order**

Dr Bertagnoli called the meeting to order at 6 pm. He then requested a motion to approve the agenda for tonight, approve the October Board Meeting Minutes, and excuse Warren Taylor, Hanna Martinez, and John Coates from tonight's meeting.

Motion: 1<sup>st</sup>: Brian Kraft / 2<sup>nd</sup>: Cheryl Candelaria / Motion Carries

#### **Board Election: Motion to re-elect Brian Kraft**

Brian shared his vacation schedule with the Board and wanted them to know that he will be having Christmas and New Year's with his mother on the western slope. He will be back in town on January 6, 2025. He also let the Board know that he would like to serve another term as a member of the Board.

Randy requested a motion to re-elect Brian Kraft to the Board for another year.

Motion: 1<sup>st</sup>: Edie Wallace / 2<sup>nd</sup>: Cheryl Candelaria / Motion Carries

#### **Introduction of Christian Van Dyke, potential new Board Member**

Randy introduced Christian Van Dyke and asked him to share a little bit of background about himself and what led him to be here tonight. Christian stated that his wife, Tisa, had worked for North Metro Community Services (NMCS) as an Early Intervention (EI) Service Coordinator (SC) and they have since gone on to create their own business. Children's Therapy Services of Colorado (CTSC) was started in 2006 and in 2013 began contracting with North Metro providing various therapies to participants of NMCS EI program. He went on to state that Tisa has been connected in some way with NMCS for 20 years. Christian himself was a banker for 10 years, working as an analyst and a loan officer. He had been invited to join us tonight by George Montoya, whom he has known for many years starting with the relationship between their spouses. Christian went on to tell the Board how impactful NMCS was in helping CTSC when they were getting started.

#### **Finance Committee Report**

Doug Shepherd presented the October Financials to the Board.

### Statement of Activities

In the month of October 2024 total net revenue of \$111,148 was earned. The net revenue for the month was \$91,682 better than budget for the month. Total revenues were \$2,629,874 and were \$136,237 ahead of budget for the month of October. Total salaries and benefits expense were \$57,747 less than budget for the month. The variance in salaries resulted from the monthly PTO accrual adjustment that resulted in a salary expense decrease of \$44,748. Year to date net revenues total \$383,144 and are ahead of budget through October by \$126,725. Net revenue will decrease as we head into the holidays and colder weather months. These decreases are anticipated and will be reflected in the budget.

### Administration

- In the month of October administration had net revenue of \$24,586 which was \$7,302 better than what was budgeted.
- Salaries expense was \$10,636 less than budget based on the PTO accrual that reduced salary expenses by \$7,853.
- Help fund expenses were \$35,188 and exceeded budget by \$5,000.

### Day Program

- Day Program had a net loss of \$13,944 in the month of October. The loss for the month was \$27,258 less than what was budgeted.
- Total revenues were \$364,196 and were \$11,994 more than budget for the month.
- 19 days of program during the month drove the strong revenue numbers.
- Year to date the net loss in Day Program is \$138,324 and is \$70,084 ahead of budget for the year.
- Despite Day Program still being a deficit program it has continued to improve it's financial performance. The year-to-date loss of \$138,324 compares favorably to the losses of \$296,727 in October 2023 and \$574,618 in October 2022.

### Supported Services

- Support Services continues to struggle financially with a loss of \$6,205 in the month of October which was \$18,225 worse than budget.
- Year to date net revenue of \$6,906 is \$52,667 worse than budget YTD.
- Total revenues are \$228,899 under budget for the year. Diminishing enrollments are the primary cause of the budget shortfalls.

## Residential

- The residential department had net revenues of \$57,409 in the month. The monthly net revenue is \$11,805 better than the budgeted net revenue of \$45,604.
- Residential total revenues are \$1,235,094 and outperformed budget by \$15,650 in the month of October.
- New enrollments in Residential will continue to generate additional revenues as we go through the fiscal year.
- Year to date net revenues in residential are \$291,487 and are on budget for the year.
- The Family Care Giver program continues to grow and has net revenues of \$232,000 through the month of October.

## Early Intervention

- The Early Intervention program continues to perform well fiscally as they earned \$49,321 in net revenues for the month.
- Net Revenues in Early Intervention are \$93,331 and are \$93,366 better than budget for the year.
- Monthly net revenues were helped by a \$14,339 revenue adjustment for claims previously written off as uncollectable.
- The Evaluation program earned \$16,045 in net revenues in October. They had 160 evaluations scheduled, which is by far the highest # in any month since the inception of the program.

## Statement of Financial Position

- Our cash balance was \$9,988,537 at the end of October. The balance in cash reflects an increase of \$398,725 since the end of September.
- Accounts receivables are \$3,856,032 and reflect an increase of \$457,780 since the end of September. Our overall receivables have shown moderate increases since last year at the same time.
- Medicaid receivables remained consistent with prior months with minimal variances.
  - Eligibility and waiver issues continue to contribute to the quantity of denied claims compared to last year.
- State receivables related to Early Intervention are 1.9 Million dollars and reflect 4 months of receivables. The receivables for Early Intervention are all collectible, but the slow payments reflect past due receivables of over 1.3 million dollars currently.
  - We received \$821K in payments for July and August services in November.

- Liabilities are \$3,418,451 and increased by \$661,453 since the end of September. This increase is related to the final payment (\$770K) of mill levy funds sitting in deferred revenue.

### Capital Update

A payment of \$4,295 for the balance of the sound system installed in the atrium.

### Budget Amendment for FYR 2024-2025

A budget amendment was presented to the Finance Committee. The proposed amended budget has no changes to the projected net revenue of \$454,778. The amendment adjusts revenues and expenses for Early Intervention and Supported Living Services.

Budgeted revenue in Early Intervention was increased by \$1,440,000. These revenues are offset by an increase in provider expenses of an equal \$1,440,000. This change was necessary because of the additional direct services being provided in Adams County Aurora that were not reflected in additional projections.

Budget Revenue in Supported Living Services will be reduced by \$825,230. The Revenue reduction will be matched by equal reductions in salaries and direct service expenses. This change is related to budget projections that included expenses for state programs that went away with the case management transition. Additionally, the SLS program has seen a reduction in the # of people served.

These changes will make the budget more reflective of current revenues without ongoing explanation of the variances within these two programs.

Motion: 1<sup>st</sup>: Bill Hawthorne / 2<sup>nd</sup>: Edie Wallace / Motion Carries

### Executive Committee Report

Dr. Bertagnoli reported to the Board that there is an individual we served that had stated he no longer wanted to receive services from NMCS. NMCS honored that request, and now the individual is appealing the termination because he has now decided he does want services from NMCS. There has not been a decision on the appeal yet.

### Executive Directors Report

Randy reported to the Board that things are going well. Our grant program has been helping numerous individuals and families and this year, we are on target to spend all our grant funds. It is concerning how much need there is in Adams County for various types of funding support. We have also launched our Supported Community Connections (SCC) Activity Funds program

and have shared the funds we secured for that program with 17 other agencies that provide SCC services to their Adams County residents. This program helps get individuals out into the community per the States' directive.

EI sponsored their first Holiday Drive to help their families with diapers and other necessities. They were able to get other agencies, such as the Arc of Adams County, to help by asking them to set up donation bins at their offices. There was an overwhelming response and the NMCS EI Team was able to help 118 families with needed items including King Soopers gift cards for food.

The Colorado State Budget is looking at a \$600 million dollar shortfall for next year. The Joint Budget Committee (JBC) was not receptive to the suggestion of reducing rates for behavioral therapy to help counteract this deficit. The JBC wants the funds to come from more than one program area. Our funding is at risk, and we are trying to avoid any cuts to our programs.

There has been talk about "block grant" funding for Medicaid since the election. This would mean that States would get a set amount of money that would be capped, and this is a risk to our program. HCBS services are optional and not mandatory. If the State comes up short on funds, it will end up cutting services to our folks and programs. Back in 2017, block grants were voted against by only one vote and now that we are going to have basically that same administration coming back into power, it is very concerning for our program. All risks and expenses get pushed back to the state level with block grant funding.

Finally, Randy thanked the Board members for being on the Board of Directors for North Metro Community Services.

### **New Business**

#### **a. Amended 24/25 Budget, George Montoya**

George handed out the Amended Budget for FY 24-25 and, as stated previously, there are no changes to the projected net revenue of \$454,778. Amendments were made to help balance out the revenues of programs.

#### **b. Annual Residential Report, Ryan Grygiel, Director**

Ryan Grygiel gave a presentation on North Metro's Residential Program, where he has been the Director for 10 years. Ryan stated that his staff have been very stable, and the last program manager hired was over 4 years ago. At this time, caseloads in the Residential department are around 20 individuals. Residential has been affected by case management redesign, placing more responsibilities onto the program.

There was a change in the Residential Associate Director's (AD) position. The previous AD had been in the position for 7 years. Luckily, Ryan was able to hire someone for the position that has been able to step right in and continue supporting staff and the individuals in the program.

The program has started to see some growth and since March 2024 has increased by 6 individuals and is now serving 216 people in total. A large part of that growth is the Family Care Giver (FCG) Program that serves 96 individuals, 3 of which were just enrolled this week. We have been working on increasing their enrollment numbers through the Request for Proposal (RFP) process as well as getting requests from the Supported Living Services (SLS) Program. Most of the referrals we have been getting are for FCG or those looking for a host home, and have very high needs or behavioral issues, or they live far away since case management is now with Rocky Mountain Human Services (RMHS). We will keep trying to find ways to bring people into our residential program.

One of the challenges Residential has been dealing with is the apartment program, which has not worked out the way it was intended. We are working on restructuring this program to provide a more independent living situation and less staff oversight, although Residential will continue to provide 24/7 support. Unfortunately, the apartment program runs at a deficit. We need to be serving the people that best fit that model and we are looking at ways to run the program more efficiently. If someone has the skills to live independently, we will continue to support them.

Ryan stated that since case management is now with RMHS, a committee was formed for eligibility and denial claims to try bridge the gap to make sure no one loses their services.

### **Public Comment**

There were no public comments.

Randy requested a motion to elect Christian Van Dyke as a new member of the Board.

Motion: 1<sup>st</sup>: Edie Wallace / 2<sup>nd</sup>: Brian Kraft / Motion Carries

The Board Members then introduced themselves to Christian.

This is the last meeting that Spencer Davis will be attending as a member of the Board. Spencer thanks the Board for allowing him to be a member.

### **Next Meeting**

The next meeting will be held on January 23, 2025, in the NMCS Board Room.

### **Adjournment**

Dr. Bertagnoli adjourned the meeting at 7:05 p.m.

Motion: 1<sup>st</sup>: Spencer Davis / 2<sup>nd</sup>: Doug Shepherd / Motion Carries