



1001 W. 124<sup>th</sup> Avenue Westminster, Colorado 80234  
Phone: 303-457-1001 Fax: 303-457-2326

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## North Metro Community Services Board Meeting

January 22, 2026, at 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 6:00 p.m. He then requested a motion to excuse Hanna Martinez, Doug Shepherd, Brian Kraft, and John Coats from the meeting, approve the meeting minutes from the December 4, 2025, and approved the agenda for tonight's meeting.

**Motion: 1st:** Edie Wallace / **2nd:** Warren Taylor / **Motion Carried**

#### Finance Committee Report

Cheryl Candelaria presented the Financials for November and December 2025.

##### November 2025 Financial Statements

Dr Bertagnolli, Board President, reviewed and initialed the CEO's November credit card transactions and statement during the finance committee meeting on 01/22/2026.

##### Statement of Activities

In November 2025, net revenue totaled \$2,074,324. Net revenues for the month were \$2,296,687 better than budget. The sale of the 1185 building resulted in a non-budgeted capital gain during the month. Holiday bonuses for staff were paid in November, and total expenses were consistent with the budgeted and board-approved additional amounts. The month's performance varied by department. Year-to-date net revenues total \$3,150,264, which were ahead of budget by a total of \$2,971,983. An operating net loss of \$219,625 was recorded net of the capital gain for the month. Year-to-date operational net revenues totaled \$555,210 net of capital gains and were ahead of budget by \$376,928.

##### Administration

- In November, the Administration Department recorded net revenues of \$2,309,854, which was \$2,310,683 ahead of what was budgeted for the month.
- The 1185 building was sold for \$3,000,000 on November 7<sup>th</sup>, netting \$2,815,292 of sale expenses. A capital gain of \$2,293,949 was realized in November, net of the asset's book value.
- Total Help Fund expenditures were \$21,704 for the month and remain \$19,606 below the year's budget.
- Interest revenues continue to beat projections based on capital gains since July. Year-to-date, interest revenues are \$35,267 ahead of budget.

#### Day Program

- Day Program recorded a net loss of \$135,802 in November, \$23,193 below budget.
- Day Program has recorded a year-to-date net loss of \$133,317 and remains ahead of budget by \$145,756.
- Program revenues totaled \$289,298 and were impacted by having only 15 program days during the month. Which is the fewest program days this year.
- Total attendance in November was 93% of the maximum, which is below the target rate of 95% attendance.

#### Support Services

- Support Services recorded a net loss of \$16,613 and remain ahead of budget by \$4,681.
- Program revenues totaled \$140,301 for the month and remain ahead of budget by \$79,098 for the year.
- Salaries and benefits were over budget by \$26,163 for the month due to additional services provided.
  - Holiday bonuses amounted to \$6,379 for the month.
- Year to date, support services have net losses of \$4,508 and are ahead of budget by \$43,626.

#### Residential

- The Residential Department recorded a net loss of \$53,105 for the month of November, which was \$66,845 better than budget.
- Residential has year-to-date net revenues of \$443,919, which are better than the budget by \$143,994.
- Holiday bonuses in Residential totaled \$111,354 for staff, and Host Home providers were paid \$59,000 in November.

### Early Intervention

- The Early Intervention program recorded a net loss of \$29,882 in the month of November, which was \$63,717 worse than budget.
- Year-to-date net revenue is \$67,718 and is \$86,865 behind budget for the year.
- Holiday bonuses amounted to \$50,600 for the month, which are not funded through the contract with EI Colorado.

### Home Health

- Home Health department incurred \$129 in computer software expenses for the month.

### Statement of Financial Position

- As of November 30, 2025, the cash balance is \$14,578,751. The cash balance reflects an increase of \$1,956,631 from the prior month.
- Accounts receivable total \$3,419,948 and have increased \$211,281 since the end of October.
  - Medicaid receivables decreased by \$71,568 from the prior month.
  - Contract receivables increased by \$274,662.
- Liabilities total \$3,177,298 and have decreased by \$356,866 since the end of October.
  - Deferred revenues decreased by \$219,224 due to recognition of monthly revenues from the Mill Levy Contract.

### Capital Update

- There were no capital expenditures in November.

## **December 2025 Financial Statements**

Dr. Bertagnolli, Board President, reviewed and initialed the CEO's December credit card transactions and statement during the finance committee meeting on 01/22/2026.

### Statement of Activities

In December 2025, net revenue totaled \$51,887. Net revenues for the month were \$66,827, better than budget. NMCS was closed for 3 days in December to allow staff to be home for the holidays. Overall revenues and salaries were slightly impacted by the holidays. Year-to-date net revenues total \$3,202,151, which were ahead of budget by a total of \$3,038,809. Year-to-date operational net revenues totaled \$607,097 net of capital gains and were ahead of budget by \$443,755.

### Administration

- In December, the Administration Department recorded net revenues of \$26,796, which was \$15,786 ahead of what was budgeted for the month.
- Total help fund expenditures were \$44,568 for the month.

- Interest revenue in December was \$45,128, which was \$9,711 greater than budget. Year-to-date, interest revenues are \$44,978 ahead of budget.

#### Day Program

- Day Program recorded a net loss of \$61,074 in December, which was \$24,817 better than budget.
- Day Program has recorded a year-to-date net loss of \$194,391 and remains ahead of budget by \$170,573.
- Program revenues totaled \$298,158 and were impacted by only 16 program days of a possible 19 in the month due to the holidays.
- Total attendance in December was 89% of the maximum, which is below the target rate of 95% attendance.

#### Supported Services

- Support Services recorded net revenues of \$4,503 and is ahead of budget by \$29,860.
- Program revenues totaled \$166,878 for the month and remain ahead of budget by \$132,397 for the year.
  - At this time last year, the department's program revenues were underperforming by over 90K YTD.
  - Billable units increased by 14% compared to the same period last year.
  - Additional services are being provided to existing individuals in the program.
- Year to date, support services have net losses of \$5 and are ahead of budget by \$73,486.

#### Residential

- The Residential Department earned net revenues of \$70,469 for the month of December, which was \$5,139 under budget.
- Residential has year-to-date net revenues of \$514,388, which are better than budget by \$138,855 for the year.
- Program revenues missed projections for the month by \$22,083. Since September, the number of individuals served in the Residential program has decreased from 225 to 217.

### Early Intervention

- The Early Intervention program recorded net revenues of \$11,321 in the month of December, which was \$3,634 worse than budget.
- Year-to-date net revenue is \$79,039 and is \$90,499 behind budget for the year.
- Contracted revenues totaled \$543,434 and were short of budget by \$75,762 for the month.

### Home Health

- Home Health department incurred \$129 in computer software expenses for the month.

### Statement of Financial Position

- As of December 31, 2025, the cash balance is \$15,065,727. The cash balance reflects an increase of \$486,976 from the prior month.
- Accounts receivable total \$2,934,526 and have decreased by \$485,422 since the end of November.
  - Medicaid receivables increased by \$107,042 from the prior month.
  - Contract receivables decreased by \$573,469.
    - Overall, receivables are down compared to last year, but Medicaid eligibility remains a concern.
- Liabilities total \$3,049,158 and have decreased by \$128,140 since the end of November.
  - Accrued leave payables decreased by \$32,937 from the prior month.

### Capital Update

- There were no capital expenditures in December.

**Motion: 1st:** Christian Van Dyke / **2nd:** Warren Taylor / **Motion Carried**

## **Executive Committee Report**

Finance Reports – Margarito Gandarilla shared graphs showing how many individuals we served in each of our programs (with the exception of Early Intervention [EI]), in December 2024, and November & December 2025. Dr. Bertagnoli asked if Margarito could provide similar graphs with the financial information for the Board.

Bylaws - George informed the Board that we will start reviewing North Metro Community Services (NMCS) Bylaws. He will send copies of the current bylaws to the Board members.

## **Executive Directors Report**

Budget Update - George let the Board know to expect a budget that is more aggressive in budgeting for salaries next year which may lead to a deficit projection. We did take a 1.7% cut this year but we remain strong operationally. In looking at figures from last year across our

programs we are almost \$500,000 dollars ahead of where we were. Although funding cuts are anticipated, salaries must keep pace with inflation. NMCS currently maintains six months of operating revenues. If we continue to perform well George may present additional one-time expenses for staff before the end of the fiscal year. Our investment policy is very conservative, and we can only put money in secured accounts, so we will also look at more flexibility with our investments.

The 8% Family Care Giver (FCG) cut that was proposed for March may not occur until April 2026. Status for FCG's will be changed from employees to independent contractors. This is possible as most FCG do not access our benefits.

Health Care Policy and Financing (HCPF) has a number of potential areas that could impact future funding:

- A potential .75% cut could come as soon as this spring based on growth in state wide Medicaid programs.
- Waiver resources that are vacated will not be refilled on a one to one basis. The Department of Health Care Policy and Financing (HCPF) is trying to save funds by only putting one resource out for every 2 resources vacated.
- A number of waiver services will be capped for maximum number of units in a person's plan year.

HCPF is also formulating additional rules that may create more work but not impact funding.

- HCPF will increase the oversight of agencies that provide Host Home (HH) services, especially those that have received complaints.
- Additional rules regarding recruitment of new enrollments will be proposed as well.

Brighton Update – George has a meeting next week with the Brighton City Officials about re-zoning our property in Brighton. The current lack of zoning rules for the property are making it difficult to market.

Legislative Update – Last month George told the Board that the South Metro Fire District is pushing to require fire sprinklers in HH and FCG homes. Through support of HCPF and Alliance we are not expecting this costly and unnecessary change in Host Home rules.

Children's Extensive Services (CES) Waiver - Carrie Morris asked George about the direct transition from CES to the Developmental Disabilities (DD) Waiver. Traditionally, when a child ages out of the CES waiver at age 18, they automatically receive a DD Waiver slot so that services may continue for the individual/family uninterrupted. Carrie had learned this may change. George commented that this is one proposal but is being widely opposed.

Carrie also inquired about the Nurse Assessor Program for home health services. George said this was originally intended to provide more oversight of services, but the process caused significant delays in assessments and authorizations, negatively impacting access to care, so HCPF discontinued that 3<sup>rd</sup> party assessor for home health in December 2025.

## **New Business**

Jen O'Shea, Chief Human Resource Officer (CHRO) gave the annual Human Resources (HR) presentation. Currently, NMCS has 338 employees, which is not much different from last year. We do have 113 employees in our Residential program so when we do convert our FCG to independent contractors, our Supported Living Services (SLS) program will become our biggest department.

Jen said the turnover for our Direct Service Providers (DSP) is down 10% from last year and we are below the state average for turnovers in this position. We do want to increase the starting rate for DSP, and we have had a lot of internal referrals. We hired 63 new employees last year with many of them being family members. We had 24 Family Medical Leave Act (FMLA) claims, which is about ½ of what we usually manage. The average tenure for employees is 7 ½ years; 28% of our employees have been here 10 years or longer, with our longest tenure being 39 years.

Jen reported that our training data indicates that we have had 500 employees go through our training program including 108 employees trained in Cardiopulmonary Resuscitation (CPR). She stated that number will decrease next year as requirements are changing.

Overall changes for staff this past year have been relocating the Residential program to the main building which increased shared office space but also increased the sense of community within NMCS. We are also fortunate to have new coffee machines, one upstairs in Administration, one downstairs by the atrium and one for the offices in Brighton. Employees are really enjoying the variety of coffee drinks the machines can make. We continue our tradition of our spring breakfast and the fall barbeque. HR is looking for more opportunities for our exercise and commuter reimbursement programs. We also transitioned from UKG back to Paycom for payroll and employees are happy about this change.

We have met with our Brokers, and they have informed us there could be as much as a 15% increase in our health care premiums with Kaiser Permanente this coming year. We currently have 80% of our employees enrolled, and for our DPS staff, we have 90% of them participating. The national average for health insurance cost to an employer for an employee is approximately \$18,500 per year, but ours is significantly lower than the average.

We are considering merit raises as we have not done these in the past; we have only given Cost of Living Adjustment (COLA) to all staff.

We will be hiring for our home health program and HR will have about 7 days to onboard these employees. This onboarding must also be in person, which makes the coordination challenging. We are transitioning to a new 401K provider as One America was bought out by Voya.

### **Public Comment**

Wayne McCombs was in attendance at tonight's meeting and wanted to know how things are going overall. Dr. Bertagnoli stated that we had a good financial report and things are going well.

### **Next Meeting**

The next meeting will be held on February 26, 2026, at 6:00 p.m. in the Boardroom.

### **Adjournment**

Dr. Bertagnoli requested a motion to adjourn the meeting at 7:00 p.m.

**Motion: 1st:** Edie Wallace / **2nd:** Cheryl Candelaria / **Motion Carried**