



Governing Board Meeting Minutes April 30, 2024

Zoom Meeting: <https://bertnash-org.zoom.us/j/91945363710?pwd=bTU2T2dySW5PckVtLyt2TDIxTUFDdz09>

Members Present:

Patrick Schmitz, CEO
Matthew Herbert, Chair
Gene Dorsey, Treasurer
Lucia Orth
Kat Couvillon
Kristina Edwards

Jay Armbrister
Kirsten Kuhn
Clay Britton
Gene Bauer
Bruce Liese
Tina Rosenthal

Members Absent:

Barbara Ballard
Josh Davis
Christina Haswood

Staff Present:

Carrie Combs, Senior Executive Assistant
Stephen O'Neill, COO
Amalia Mendez, HR Director

Emily Farley, Chief Advancement Officer
Sarah Hoadley, Development Director
Mike Meigs, Finance & Administration Director
Paul Leffingwell, Forensic Services Team Leader

Others Present:

Sharilyn Wells
Michael Eravi

I. Call to Order

Matthew Herbert called the meeting to order at 7:31 am.

II. Online Meeting Guideline Review

III. Public Comment

Sharilyn and Michael were present to share during public comment.

IV. Mission Moment: Paul Leffingwell, Forensic Services Team Leader

- Paul and his team are housed at the local jail. Paul's team help individuals released to the community get connected with mental health services.
- Competency Restoration is the newest program for Paul's team. This program takes individuals at the local level to restore competency.
- This program launched on April 1, and the first individual will be completed the program today.

V. Consent Agenda

Matthew Herbert requested a motion to approve the consent agenda (March meeting minutes & April CEO Report); so moved by Gene Dorsey; seconded by Kristina Edwards; approved by all.)

VI. Reports

a. Matthew Herbert, Chair

- The May Governing Board Meeting will be held on May 21 from 7:30 -9 am.

b. Patrick Schmitz, CEO

- Patrick was elected as the President Elect to the State Association Board. This will begin in July. Patrick will also hold a position on the HealthSource board while he is president elect.
- Patrick has also been selected as the Tower Board Chair.
- In July, Patrick official rolls off the Rotary board.

c. Mike Meigs, Finance & Administration Director

March Financial Report:

- Mike summarized data presented in the March Financial Report that was sent to the Board prior to the meeting.
- Highlights: Total Services provided per day ran 633 in March compared to 629 per day in February. The CCBHC PPS rate ran \$420 in March.
- Fee Revenue was down from the prior month by \$36K. MCO visits were down 172 from February's level. Fee Revenue compared to budget produced an unfavorable variance as MCO visits trailed budget.
- Operating Revenue came in \$22K above budget for the month. Operating Revenue at the TRC ran above budget. A \$9K donation was received for WRAP in the month of March and \$4K of interest income.
- Expenditures were \$144K below budget in March. Salaries contributed to the bulk of this variance. While various expense categories ran below budget in March, Education was \$17K under budget. Part of the education variance could be timing.
- The month of March ended with a surplus of \$232K. This compared to a budget of \$265K. YTD we are setting with a surplus of \$810K with an unfavorable variance to budget of (\$157K).
- Cash coverage for operating expenses was setting at .60 month's coverage for the second month in a row.

Matthew Herbert requested a motion to approve the March Financials; so moved by Gene Dorsey; seconded by Clay Britton; approved by all.

d. Emily Farley, Chief Advancement Officer

Building Bert Nash Report:

- Emily summarized upcoming events, volunteer opportunities and cultivation updates.
- Highlights: Sarah Hoadley has joined Emily's team as the Development Director. The Campaign Committee for the Youth Recovery Center has been activated and have their first meeting in May.
- Upcoming Events: Gender Affirming Care Panel takes place on Wednesday, May 1 at the Lawrence Public Library. The Board Retreat will be on June 14 at the Cider Gallery.
- Tabling/Volunteer Opportunities: Signups are available on the Building Bert Nash Report. Emily encourages Board members to host a Discover Bert Nash Tour.

VII. Action Items

a. Board & Committee Nominations

- Governing Board of Directors Nominees: Kristin Magette & Ehren Feldmeyer

Matthew Herbert requested a motion to appoint Kristin Magette to the Governing Board of Directors; so moved by Tina Rosenthal; seconded by Gene Bauer; approved by all.

Matthew Herbert requested a motion to appoint Ehren Feldmeyer to the Governing Board of Directors; seconded by Lucia Orth; approved by all.

b. Officers Nominations

- If there is an individual who would like to be considered as a future board chair, reach out to Patrick or Matthew.

Tina Rosenthal nominated Matthew Herbert to continue another year as Board Chair, seconded by Clay Britton, approved by all apart from Matthew Herbert who abstained.

Matthew Herbert requested a motion to retain Gene Dorsey as Secretary/Treasurer, seconded by Tina Rosenthal, approved by all apart from Gene Dorsey who abstained.

c. Nominating Committee

- Gene Bauer & Lucia Orth will be rolling off of the Nominating Committee, as they leave the Board of Directors after serving their terms.

Matthew Herbert requested a motion to appoint Clay Britton to the Nominating Committee, seconded by Gene Dorsey, approved by all.

Matthew Herbert requested a motion to appoint Gene Dorsey to the Nominating Committee, seconded by Matthew Herbert, approved by all.

b. 2024 Budget

- Our 2024 budget calls for a \$497K surplus. This represents a 1% surplus on a total budget of \$42.5 million. In comparison our 2023 budget called for a \$662K surplus on a total budget of \$31.4 million.
- Actual performance results for 2023 yielded a \$5.2 million surplus pre-audit. \$3.2 million of this was the result of book entries recognizing donations for capital purchases, specifically a land purchase for supportive housing and a building purchase for the Youth Recovery Center. This can be seen in Operating Revenue.
- Total Revenue for 2024 is expected to increase by \$3.6 million. Fee Revenue is expected to increase by \$6.8 million and be offset by a decrease in Operating Revenue of \$3.2 million. The bulk of increase in Fee Revenue is a result of the Medicaid PPS rate increasing from \$355 per qualifying visit to \$478 per visit.
- Total Expenses for 2024 are expected to increase by \$8.3 million. \$5.2 million is related to Salaries. Approximately \$1.12 million of the increase in salaries is a result of the Hebets salary survey conducted. The larger or remaining portion would be for positions filled mid-year 2023. Only 6 new positions were added in the 2024 budget. Another \$699K of the \$8.4 million is directly associated with Payroll Tax and Benefits. Computer Equipment/Support is expected to increase by \$683K over the prior year as we rotate out old laptops. In addition, there are some larger pieces of IT equipment to be purchased. Yellow Dog support for the IT network has also increased over the prior year. Yellow Dog relates to our network functionality. Most of the remaining increase in expenditures relates to the TRC being in operation for a full year in 2024. The TRC opened in April 2023 and ramped up its operations throughout the months following opening. Expense categories impacted by this include Salaries, Business Operations Support-TRC, Clinical Operations Support-TRC, Program Costs, Rent, and Utilities & Building Maintenance.
- Service counts for CCBHC Visits and Billable Hours are both expected to increase in 2024. This is based upon an increased number of providers added throughout 2023 and a shift in the way our WRAP program bills for the services it provides.
- As we approach the planned CCBHC Cost Report re-base in August 2024, we must address the timing and execution of our current budget. This re-base provides a critical opportunity for us to review and realign our financial strategies by July 1st, 2024, the cut-off for capturing new expenses that will be annualized in the upcoming re-base. We do not anticipate a significant change in our PPS rate for 2025.
- The Finance Committee supports the passage of the 2024 Budget by the Board.

Matthew Herbert requested a motion to approve the 2024 budget, so moved by Gene Dorsey, seconded by Kat Couvillon, approved by all apart from Patrick Schmitz who abstained.

VIII. Business Items

- Thank You for Mission Moment – Gene Dorsey

IX. Adjourn

Matthew Herbert requested a motion to adjourn; so moved by Gene Dorsey; seconded by Clay Britton; approved by all. Meeting adjourned at 9:02 am.

The next Bert Nash Governing Board meeting will take place on Tuesday, May 21 from 7:30-9:00 am via Zoom/in person.