

Developmental Disability Services of Jackson County ~ eitas
Finance Committee Meeting
 December 1, 2015

Topic/Issue	Minutes	Summary of Action Taken or Pending
<p>Attendance</p> <p>Call to Order</p> <p>September 2015 Unaudited Financials</p>	<p>Anita Parran, Paula Smith, Russell Jones, Tammy Kemp and John Humphrey, Board Members. Absent: No committee members absent. Jake Jacobs, Mark Riley, Earlene Clayton and Kathleen Ganaden, Staff. Guest: Willa Robinson and Becky Barlieri.</p> <p>Anita Parran, Board Treasurer called the meeting to order at 5:36PM at the Administrative Offices of Developmental Disability Services of Jackson County - eitas located at 8511 Hillcrest, Kansas City, Missouri.</p> <p>Earlene Clayton, Fiscal Manager, presented the highlights of the September 2015 unaudited financials.</p> <p><u>September Unaudited Financial 2015 Highlights:</u></p> <ul style="list-style-type: none"> • Operating Cash Balance at the end of September was \$5.5M • Total Investments at the end of September were \$2.0M • Total Liabilities at the end of September were just under \$3.4M • Operating Revenues at the end of September were \$1.5M • Operating Expenses at the end of September were \$1.2M • Net Operating Income for September was \$344,517 • After depreciation, Net Loss for September was \$277,086 <p>Ms. Clayton answered a member's inquiry regarding estimated taxes. Ms. Clayton shared that the 2015 Estimated Taxes Receivable balance at the end of September listed under current assets was just under \$5.4M. Eitas received the 2015 Aggregate Assessed Valuation report from the County and calculated estimated tax receipts for 2015. Based on information in that report and increasing our expected collection rate from 92% to</p>	<p style="text-align: center;">Information</p>

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<p>September 2015 Unaudited Financials</p> <p>New Business</p> <p>Old Business</p> <p>Public Comment</p> <p>Adjournment</p>	<p>94%, we are estimating 2015 tax receipts to be \$7,170,000 and have adjusted The Estimated Taxes Receivable account to reflect 9/12ths (January thru September) of the total estimate.</p> <p>Following the September highlights report a committee member asked for an explanation relating to Accounts Receivable and the explanation of the term <i>Allowance for Doubtful Accounts</i>. In the report, it was noted that Accounts Receivable at the end of September was \$1.2M (a year ago \$1.5M) followed by "the balance at the end of September includes a reduction of \$107,000 for an <i>Allowance for Doubtful Accounts</i> that was set up in December of 2014 as advised by our auditors.</p> <p>Ms. Clayton explained that the <i>Allowance for Doubtful Accounts</i> is a balance sheet account that reduces the reported amount of Accounts Receivable. (A change to the balance in the allowance for doubtful accounts also affects bad debt expense on the income statement). Providing an allowance for doubtful accounts presents a more realistic picture of how much of the accounts receivable will be turning to cash.</p> <p><u>October Unaudited 2015 Financial Highlights:</u></p> <ul style="list-style-type: none"> • Operating Cash balance at the end of October was \$4.9M • Total Investments at the end of October were \$2.0M • Total liabilities at the end of October were just under \$3.5M • Operating revenues for October were just under \$1.3M • Operating expenses for October were just under \$1.3M • Net Operating loss for October was <\$37,453> • After depreciation, net loss for October was just under <\$105,000> 	<p style="text-align: center;">Information</p>

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<p style="text-align: center;">October 2015 Unaudited Financials Continued</p>	<p>Following closing the presentation of the October 2015 Financial highlights Ms. Clayton shared additional information and answered all inquiries from Board members. The information included:</p> <ul style="list-style-type: none"> • The 2015 Estimated Taxes Receivable balance at the end of October (listed under current assets) was just under \$6.0M. This account reflects 10/12ths (January thru October) of the total estimated taxes for 2015 of \$7,170,000. • Accounts payable to vendors/agencies at October 31, 2015 was \$597,000 (a year ago \$450,000). • Accrued expenses at the end of October were \$412,000 (a year ago \$106,000). \$369,000 of the balance is for the payment plan with the State for match for 2012-2014 that was finally determined in September 2015. Payments to the State will be made over a two-year period beginning July 1, 2015 at \$19,414.85 per month. About \$40,000 of the balance is for Medicaid Waiver Match for 2015. • Operating expenses for October were just under \$1.3M. October expenses were over budget by \$82,000. Two one-time expenses were recorded in October: (a) \$20,000 was written off due to Transportation Bad Debt expense for Elite's receivable that is no longer collectable; (b) \$64,000 was written off to Forgiveness of Debt for 1/10 of Nova's note receivable. This is an annual write off over a ten-year period as long as Nova continues to provide services and be in good standing. 	<p style="text-align: center;">Information</p>

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New Business	None.
Old Business	None.
Public Comment	None.
Adjournment	<p>As there was no further business the Finance Committee meeting adjourned at 5:57PM.</p> <p>Respectfully submitted,</p> <p>Staff</p>