

Developmental Disability Services of Jackson County - eitas
Board of Directors Meeting
 October 25, 2016

Topic/Issue	Minutes	Summary of Action Taken or Pending
<p>Attendance</p> <p>Call to Order</p> <p>Secretary's Report</p> <p>Treasurer's Report</p>	<p>Betty Sharp, John Humphrey, Tammy Kemp, Russell Jones, Lisa Honn, India Williams, and Paula Smith, Board Members. Absent: Melesa Johnson and Anita Parran. A quorum of board members was present. Jake Jacobs, Mark Riley, Amanda George, Nancy Nicolaus, Earlene Clayton, Amanda Hirschmann, Erin Epperson and Kathleen Ganaden, Staff. Guests: Charlene Adams, Kelly Logan and Charles H. Cappelle.</p> <p>John Humphrey, Board Chair called the meeting to order at 6:02PM at the Administrative offices of Developmental Disability Services of Jackson County - eitas located at 8511 Hillcrest, Kansas City, Missouri.</p> <p>Paula Smith, Board Secretary inquired if there were any changes or questions to the September 27, 2016 Board meeting minutes. There were none.</p> <p>Motion: Lisa Honn, Member moved to approve the September 27, 2016 minutes as presented. Tammy Kemp, Board Vice-Chair seconded the motion. The September 27, 2016 board meeting minutes were approved as presented. Motion Carried.</p> <p>Russell Jones, Finance Committee Chair shared that the Finance Committee met earlier in the evening. The committee resumed the discussion on eitas' financial reserves. Mr. Jones distributed a paper titled <i>Identifying and Analyzing Financial Risk</i>. A concentrated outline of that paper is shown below. Finance Committee members followed this outline in an open discussion.</p> <p><u>Identifying and Analyzing Financial Risk</u></p> <p>I. Process developed by the Government Finance Officers Association for considering the establishment of reserves as a hedge against uncertainty and loss, simplified to take into account eitas' size and limited operations.</p>	<p>Information</p> <p>Motion: Lisa Honn, Member moved to approve the September 27, 2016 minutes as presented. Tammy Kemp, Board Vice-Chair seconded the motion. The September 27, 2016 board meeting minutes were approved as presented. Motion Carried.</p>

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<p>Treasurer's Report Continued</p>	<p>A. Identify financial risks B. Assess risks using a "Triple A" approach C. Determine appropriate reserves for managing risk</p> <p>II. Identifying Financial Risks A. Revenue-related risks. 1. Revenue-related risk identified by Mr. Jacobs a. Tax levy dollars are our most secure source of funding. In turn though, they are designated to be used for supports through providers and our transportation services. They are also used to pay for a portion of Administrative and operational costs. b. Medicaid revenue from TCM services is dependent on our SC staff billing for all the services they provide and upon the rate we are paid for those services. Missouri rates are currently under review. As a result, DMH has instituted a statewide cost report process that all TCM providers have to participate in. Data will be collected and averaged-out across the state to see what rate our costs justify. c. The new Medicaid rule on conflict of interest could potentially affect income generated by support coordination and/or transportation, as the rule says we cannot provide both to those services to the same person.</p> <p>B. Expenditure Related Risks. Per the GFOA, expenditures of a recurring nature should not be addressed through the use of reserves, since</p>	<p>Information</p>

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<p>Treasurer's Report Continued</p>	<p>reserves do not represent a sustainable source of funding for recurring expenditures</p> <p>1. Expenditure-related risks identified by Mr. Jacobs.</p> <p style="padding-left: 40px;">a. Expenditures obviously fluctuate based upon a variety of causes.</p> <p style="padding-left: 80px;">→ Unforeseen major repairs to properties;</p> <p style="padding-left: 80px;">→ remodeling/expansion of current facilities; and</p> <p style="padding-left: 80px;">→ changes in laws governing services and supports (sheltered workshops closing, etc.)</p> <p>C. Other financial risks</p> <p style="padding-left: 40px;">a. If the minimum wage waiver enjoyed by sheltered workshops were eliminated by law, the workshops could come to eitas for needed additional funding.</p> <p style="padding-left: 40px;">b. Many uncertainties approaching with the upcoming election. Until we know whom is elected we will not know how the needs of developmental disabilities/mental health will fare.</p> <p style="padding-left: 40px;">c. All SB40 entities are subject to legal challenges to their statutory authority to engage in certain activities.</p> <p style="padding-left: 40px;">d. If eitas were to expand its services so that it ceased to have a large unrestricted fund balance, the liquidity</p>	<p>Information</p>

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<p>New Business - Review Draft of FY2017 Budget Continued</p>	<ul style="list-style-type: none"> • FY 2017 Draft Budget • FY 2017 Budget Comments & Recommendations <p>Mr. Jacobs explained that questions were sent out to those providers whom the Funding Review Committee had issues with. For the most part, good responses were received. However, there are a couple of concerns still to be followed upon.</p> <p>Mr. Jacobs then proceeded to take members through the 2017 funding requests making comments and answering questions.</p> <p>At the conclusion of the funding request reviews Mr. Jacobs made the suggestion that any decrease in funds from 2016 be spent on programs for workshops. He explained that during this past year the day and residential programs received rate increases and COLA's. The workshops got nothing because they are not Medicaid programs. So with any excess funds that we might have, eitas could develop or ask the workshops to develop programs that look at developing jobs outside the workshop or else programming for people that may be removed from the workshop and have nothing else. So, as we look at finalizing the budget I would encourage members to look at this.</p> <p>After reviewing the funding requests Mr. Jacobs directed members to the Summary Page of the draft FY2017 budget and the Comments and Recommendations papers.</p> <p>Mr. Jacobs explained that he wasn't going into detail on each line item as each item is explained in detail in the Comments and Recommendations section. He did though briefly go down each line item on the Budget Summary page and comment. Members asked questions as each line item was</p>	<p>Information</p>

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<p>Old Business</p> <p>Public Comment</p> <p>Public Adjournment</p>	<p>presented.</p> <p>At the conclusion of the budget review, Mr. Jacobs encouraged members to study the material and ask questions prior to the December meeting.</p> <p>None.</p> <p>Kelly Logan from Job One shared a comment.</p> <p>There being no further business the meeting was adjourned at 6:45 PM and John Humphrey moved that the Developmental Disability Services of Jackson County Board of Directors go into closed session pursuant to the Missouri Revised Statutes 610, Subsection 610.021 to discuss a personnel matter. The Closed Session is expected to last approximately 10-15 minutes.</p> <p>Respectfully submitted,</p> <p>Paula Smith Board Secretary</p>	<p>Information</p>