

BOARD OF DIRECTORS' MEETING
June 28, 2018

Members Present

Mike Ehrmann
Kent Jostes
Eva Bruns
Linda Heller
Jerri Spear (Phone)
Cindy Tacha (Phone)
Joe Kinnie (Phone)

Members Absent

Howard McCormick
Dean Wingfield
Alice Hilzer
Rod Pelton

Others Present

Rhonda Roth
Dave Fast
Louise Buchholz
Rochelle Ralston
Deanie Peterson

ROLL CALL: Michael Ehrmann, President, called the meeting to order. A quorum was present.

Rochelle Ralston performed her award winning song "Hello from the Eastern Side" that she recently sung at the annual Alliance Conference talent show.

EXECUTIVE SESSION: Went into Executive Session for Executive Director Evaluation. After returning from executive session **Motion** was made by Board member Bruns to retain Executive Director Roth for another year and to increase her annual pay by \$3000.00 effective June 13, 2018, board member Jostes seconded the motion. All in favor; none opposed. Motion carried.

APPROVAL OF MINUTES: **Motion** was made and seconded (Bruns/Tacha) to approve the May, 2018 minutes. All in favor; none opposed. Motion carried.

AGENDA ADDITIONS: Policy BO 30 – Transfer
Policy BO 33 – Conflict Free Case Management

CORRESPONDENCE: None.

FINANCIAL REPORT: Executive Director Roth presented the May, 2018 financials. **Motion** was made and seconded (Heller/Bruns) to accept the financial reports (see attached reports) as presented. All in favor; none opposed. Motion carried.

OLD BUSINESS: None

NEW BUSINESS: Policy B005 – Case Management Monitoring Plan was reviewed. The policy was updated from the old regs to the new 8.600 regs. Only correction notes was to remove the word "on" from the last paragraph on page 3. **Motion** was made and seconded (Bruns/Tacha) to approve policy BO 55 with the correction. All in favor; none opposed. Motion carried.

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Policy #C003 – Quality Management Policy was reviewed. Change was made to page 2 on the 4th bullet to add the wording “in a timely manner”. **Motion** was made and seconded (Heller/Kinnie) to approve policy #C003 with the correction. All in favor; none opposed. Motion carried.

Policy B033 – Conflict Free Case Management was reviewed. This is a new policy to meet the guidelines for Conflict Free Case Management along with a Conflict Free Employee Agreement for case managers to sign after they review. **Motion** was made and seconded (Spear/Heller) to approve policy B033 as written. All in favor; none opposed. Motion carried.

Policy B030 – Transfers was reviewed. It was noted that this policy was Transfer/Termination and is now only Transfer. The changes made were for the Business Continuity Plan and will be submitted to the state with the plan. Policy B033 and B030 could come back to the board after the state reviews them. **Motion** was made and seconded (Jostes/Bruns) to approve policy B030 with the correction. All in favor; none opposed. Motion carried.

The 2018 – 2019 Board schedule was present. Discussion was held on what community the 2018-2019 Public Forum would be held. It was decided to hold the forum in Limon as we have not held a Public forum there. **Motion** was made and seconded (Jostes/Tacha) to approve the 2018-2019 Board schedule with the addition of Limon as the meeting place for the April 25, 2019 Public Forum. All in favor; none opposed. Motion carried.

Public Comments: There were no audience/public comments.

Meeting adjourned.

As a reminder: *the telephone conference number is 1-877-820-7831 and the Participant Pass Code is 8058169, followed by the # sign. The Board meeting for July 26, 2018 will begin at 6:30 pm at the Administration Office, 617 South 10th Avenue, Sterling.**

EASTERN CO SERV. FOR THE DEV DISABLED
Balance Sheet
as of July 31, 2018

| | | |
|------------------------------------|-----------------------|-------------------------|
| CURRENT ASSETS: | | |
| Cash - Recycling | \$ 600.00 | |
| Key Bank | 117,769.42 | |
| Client Checking Accounts | 86,787.24 | |
| Farmer State Bank of Brush | 24,655.68 | |
| Bank of Colorado - Sterling | 216,294.55 | |
| Wray State Bank | 203,496.82 | |
| Morgan Federal Bank | 198,007.76 | |
| Wells Fargo Bank | 365,855.74 | |
| Wells Fargo Money Mkt | 225,966.72 | |
| Points West Community Bank | 154,664.10 | |
| Equitable S & L Money Mkt | 230,361.27 | |
| Bank of the West | 193,306.08 | |
| TBK Bank Colorado | 226,917.86 | |
| Accounts Receivable | 841,284.76 | |
| Prepaid Expense | <u>43,572.47</u> | |
| TOTAL CURRENT ASSETS | | \$ 3,129,540.47 |
| INVENTORY: | | |
| Inventory-Workshops | <u>8,328.62</u> | |
| TOTAL INVENTORY | | 8,328.62 |
| FURNITURE & FIXTURES: | | |
| Furniture & Fixtures | <u>657.95</u> | |
| TOTAL FURNITURE & FIXTURES | | 657.95 |
| EQUIPMENT & VEHICLES: | | |
| Equipment & Vehicles | <u>1,073,164.07</u> | |
| TOTAL EQUIPMENT & VEHICLES | | 1,073,164.07 |
| BUILDINGS & IMPROVEMENTS : | | |
| Buildings & Improvements | 4,130,927.82 | |
| Accumulated Depreciation | <u>(2,800,113.91)</u> | |
| TOTAL BUILDINGS & IMPROVEMENTS | | <u>1,330,813.91</u> |
| TOTAL FIXED ASSETS & INVENTORY | | 5,542,505.02 |
| OTHER ASSETS: | | |
| Land | 290,953.47 | |

EASTERN CO SERV. FOR THE DEV DISABLED
Balance Sheet
as of July 31, 2018

| | | |
|-------------------------------|-----------------------|--------------------------|
| | | |
| TOTAL OTHER ASSETS | | <u>\$ 290,953.47</u> |
| TOTAL ASSETS | | <u>\$ 5,833,458.49</u> |
| CURRENT LIABILITIES: | | |
| A/P & Curr. Liab. | (315,623.87) | |
| Accrued Annual Leave | (203,399.39) | |
| Accrued Wages | <u>(200,000.00)</u> | |
| TOTAL CURRENT LIABILITIES | | (719,023.26) |
| LONG TERM LIABILITIES: | | |
| TOTAL LIABILITIES | | (719,023.26) |
| CONTRIBUTED CAPITAL: | | |
| Investments | <u>(49,825.01)</u> | |
| TOTAL CONTRIBUTED CAPITAL | | (49,825.01) |
| SURPLUS: | | |
| Operating (Retained Earnings) | <u>(4,949,006.25)</u> | |
| TOTAL SURPLUS | | (4,949,006.25) |
| Equity | <u>(115,603.97)</u> | |
| TOTAL CURRENT OPERATION | | <u>(115,603.97)</u> |
| TOTAL CAPITAL & SURPLUS | | <u>\$ (5,833,458.49)</u> |

EASTERN CO SERV. FOR THE DEV DISABLED
Income Statement
for the period ending July 31, 2018

| | Current Period | Year to Date | M-T-D % | Y-T-D % |
|--------------------------------------|---------------------|---------------------|---------------|---------------|
| REVENUES-STATE GENERAL FUND | | | | |
| Revenues-State General Fund | \$(1,066.10) | \$(1,066.10) | (0.1) | (0.1) |
| State Funds - Case Management | (3,405.37) | (3,405.37) | (0.5) | (0.5) |
| State Funds - Management Fee | (1,700.46) | (1,700.46) | (0.2) | (0.2) |
| State Funds - Early Intervention | (24,401.50) | (24,401.50) | (3.4) | (3.4) |
| State Funds - FSSP | (10,105.38) | (10,105.38) | (1.4) | (1.4) |
| State Funds - SLS | (9,734.99) | (9,734.99) | (1.4) | (1.4) |
| State Funds - Children's Man. Fee | (1,786.40) | (1,786.40) | (0.3) | (0.3) |
| Non-Medicaid Functions | (3,854.87) | (3,854.87) | (0.5) | (0.5) |
| State Funds EI CM | (5,194.17) | (5,194.17) | (0.7) | (0.7) |
| State Funds EI M&G | (1,826.17) | (1,826.17) | (0.3) | (0.3) |
| Eligibility Determination Revenue | (779.91) | (779.91) | (0.1) | (0.1) |
| EI Indirect Revenue | (3,142.18) | (3,142.18) | (0.4) | (0.4) |
| TOTAL REVENUES-GENERAL | (66,997.50) | (66,997.50) | (9.4) | (9.4) |
| REVENUES-STATE MEDICAID FUNDS | | | | |
| Utilization Review/Assesment | (1,332.16) | (1,332.16) | (0.2) | (0.2) |
| Quality Assurance | (7,206.36) | (7,206.36) | (1.0) | (1.0) |
| Medicaid Waiver - TCM | (36,660.00) | (36,660.00) | (5.2) | (5.2) |
| Medicaid Waiver - Residential | (360,991.64) | (360,991.64) | (50.7) | (50.7) |
| Medicaid Waiver - Sp. Hab | (96,134.70) | (96,134.70) | (13.5) | (13.5) |
| Medicaid Waiver - Transportation | (21,671.04) | (21,671.04) | (3.0) | (3.0) |
| Medicaid Waiver - Behavior | (1,634.56) | (1,634.56) | (0.2) | (0.2) |
| Medicaid Waiver - SLS | (33,436.08) | (33,436.08) | (4.7) | (4.7) |
| Medicaid Waiver Supp. Employmen | (11,139.12) | (11,139.12) | (1.6) | (1.6) |
| Medicaid Waiver Childrens HCBS | (247.80) | (247.80) | 0.0 | 0.0 |
| Medicaid Waiver - Vision | (506.00) | (506.00) | (0.1) | (0.1) |
| Medicaid Waiver - Sp Medical | (888.00) | (888.00) | (0.1) | (0.1) |
| CES - Waiver | (4,291.68) | (4,291.68) | (0.6) | (0.6) |
| TOTAL REVENUES-STATE ME | (576,139.14) | (576,139.14) | (81.0) | (81.0) |
| REVENUES-DEPT. OF ED PART C | | | | |
| Part C Service Coordinator | (2,145.42) | (2,145.42) | (0.3) | (0.3) |
| Part C Management & General | (969.42) | (969.42) | (0.1) | (0.1) |
| Part C Indirect | (311.48) | (311.48) | 0.0 | 0.0 |

EASTERN CO SERV. FOR THE DEV DISABLED
Income Statement
for the period ending July 31, 2018

| | <u>Current Period</u> | <u>Year to Date</u> | <u>M-T-D %</u> | <u>Y-T-D %</u> |
|------------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| TOTAL REVENUES-DEPT. OF | \$(3,426.32) | \$(3,426.32) | (0.5) | (0.5) |
| REVENUES-ROOM & BOARD | | | | |
| Client Room and Board | <u>(47,390.00)</u> | <u>(47,390.00)</u> | <u>(6.7)</u> | <u>(6.7)</u> |
| TOTAL REVENUES-ROOM & B | (47,390.00) | (47,390.00) | (6.7) | (6.7) |
| REVENUES-OTHER NON SPECIFIED FUNDS | | | | |
| Revenues-Other Non Specified | (238.56) | (238.56) | 0.0 | 0.0 |
| Non-emergent Medical Revenue | (1,006.96) | (1,006.96) | (0.1) | (0.1) |
| Client Food Stamp Money | (2,475.79) | (2,475.79) | (0.3) | (0.3) |
| Misc. Donations | (40.00) | (40.00) | 0.0 | 0.0 |
| School Districts | (656.00) | (656.00) | (0.1) | (0.1) |
| Other/Misc. | (138.00) | (138.00) | 0.0 | 0.0 |
| Insurance Monies | (2,721.96) | (2,721.96) | (0.4) | (0.4) |
| State Nvp | <u>(154.64)</u> | <u>(154.64)</u> | <u>0.0</u> | <u>0.0</u> |
| TOTAL REVENUES-OTHER NO | (7,431.91) | (7,431.91) | (1.0) | (1.0) |
| REVENUES-PRIVATE PAY FUNDS | | | | |
| Day Program Private Pay | <u>(99.90)</u> | <u>(99.90)</u> | <u>0.0</u> | <u>0.0</u> |
| TOTAL REVENUES-PRIVATE P | (99.90) | (99.90) | 0.0 | 0.0 |
| REVENUES-WORKSHOPS: | | | | |
| Revenues-Workshops | (8,501.64) | (8,501.64) | (1.2) | (1.2) |
| Kelandy Trophy Shop | (1,027.82) | (1,027.82) | (0.1) | (0.1) |
| Downtown Duds | <u>(609.10)</u> | <u>(609.10)</u> | <u>(0.1)</u> | <u>(0.1)</u> |
| TOTAL REVENUES-WORKSHO | (10,138.56) | (10,138.56) | (1.4) | (1.4) |

EASTERN CO SERV. FOR THE DEV DISABLED
Income Statement
for the period ending July 31, 2018

| | <u>Current Period</u> | <u>Year to Date</u> | <u>M-T-D %</u> | <u>Y-T-D %</u> |
|-------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| TOTAL REVENUES | (711,623.33) | (711,623.33) | (100.0) | (100.0) |
| EXPENSES-SALARIES & BENEFITS: | | | | |
| Directors Salaries | 15,652.73 | 15,652.73 | 2.6 | 2.6 |
| Professional Salaries | 22,504.74 | 22,504.74 | 3.8 | 3.8 |
| Admin Asst. Salaries | 4,843.57 | 4,843.57 | 0.8 | 0.8 |
| Managers Salaries | 15,729.73 | 15,729.73 | 2.6 | 2.6 |
| Direct Care Salaries | 281,302.02 | 281,302.02 | 47.2 | 47.2 |
| Transportation Salaries | 2,105.67 | 2,105.67 | 0.4 | 0.4 |
| Client-Salaries | 768.43 | 768.43 | 0.1 | 0.1 |
| Client-C.I.E. | 281.71 | 281.71 | 0.0 | 0.0 |
| Downtown Duds- Wages | 266.93 | 266.93 | 0.0 | 0.0 |
| F.I.C.A. | 10,440.82 | 10,440.82 | 1.8 | 1.8 |
| Health/Group Ins. | 12,679.82 | 12,679.82 | 2.1 | 2.1 |
| Unemployment Comp. | 247.89 | 247.89 | 0.0 | 0.0 |
| Workmans Compensation | 14,991.50 | 14,991.50 | 2.5 | 2.5 |
| Employee Physicals | 70.00 | 70.00 | 0.0 | 0.0 |
| Deferred Compensation | 4,447.79 | 4,447.79 | 0.7 | 0.7 |
| TOTAL SALARIES & BENEFITS | 386,333.35 | 386,333.35 | 64.8 | 64.8 |
| OPERATING EXPENSES: | | | | |
| Dues & Subscriptions | 3,826.01 | 3,826.01 | 0.6 | 0.6 |
| Equipment Repairs/Maintenance | 2,707.92 | 2,707.92 | 0.5 | 0.5 |
| Telephone | 7,125.60 | 7,125.60 | 1.2 | 1.2 |
| Meetings & Conferences | 715.39 | 715.39 | 0.1 | 0.1 |
| Supplies | 18,346.44 | 18,346.44 | 3.1 | 3.1 |
| Contract Services | 61,137.06 | 61,137.06 | 10.3 | 10.3 |
| General Insurance | 4,913.65 | 4,913.65 | 0.8 | 0.8 |
| Equipment Depreciation | 2,182.93 | 2,182.93 | 0.4 | 0.4 |
| Mileage | 974.65 | 974.65 | 0.2 | 0.2 |
| Postage & Freight | 1,222.00 | 1,222.00 | 0.2 | 0.2 |
| Administration-Acctg & Audit | 800.00 | 800.00 | 0.1 | 0.1 |
| Administration-Legal Fees | 520.00 | 520.00 | 0.1 | 0.1 |
| Food Stamps | 2,475.79 | 2,475.79 | 0.4 | 0.4 |
| MW/SIs Waiver-Client Expenses | 1,389.95 | 1,389.95 | 0.2 | 0.2 |
| CES - Client Needs | 5,268.07 | 5,268.07 | 0.9 | 0.9 |
| Fssp-Special Reserve | 12,962.58 | 12,962.58 | 2.2 | 2.2 |
| Food | 6,528.99 | 6,528.99 | 1.1 | 1.1 |

EASTERN CO SERV. FOR THE DEV DISABLED

Income Statement

for the period ending July 31, 2018

| | <u>Current Period</u> | <u>Year to Date</u> | <u>M-T-D %</u> | <u>Y-T-D %</u> |
|--------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Medical/Dental | 1,408.00 | 1,408.00 | 0.2 | 0.2 |
| Medical/Dental Vision | 241.50 | 241.50 | 0.0 | 0.0 |
| Medical/Dental-Wipes | 887.76 | 887.76 | 0.1 | 0.1 |
| Purchased Services | <u>5,173.00</u> | <u>5,173.00</u> | <u>0.9</u> | <u>0.9</u> |
| TOTAL OPERATING EXPENSE | 140,807.29 | 140,807.29 | 23.6 | 23.6 |
| OCCUPANCY EXPENSE: | | | | |
| Occup.-Depreciation | 12,607.90 | 12,607.90 | 2.1 | 2.1 |
| Occup.-Insurance | 1,825.76 | 1,825.76 | 0.3 | 0.3 |
| Occup.-Utilities | 14,992.64 | 14,992.64 | 2.5 | 2.5 |
| Occup.-Facility Maint./Repairs | 10,956.12 | 10,956.12 | 1.8 | 1.8 |
| Occup.-Rent | <u>1,571.00</u> | <u>1,571.00</u> | <u>0.3</u> | <u>0.3</u> |
| TOTAL OCCUPANCY EXPENS | 41,953.42 | 41,953.42 | 7.0 | 7.0 |
| TRANSPORTATION EXPENSE: | | | | |
| Trans.-Depreciation | 7,658.76 | 7,658.76 | 1.3 | 1.3 |
| Trans.-Gas & Oil | 17,547.83 | 17,547.83 | 2.9 | 2.9 |
| Trans.-Maintenance & Repairs | 927.44 | 927.44 | 0.2 | 0.2 |
| Trans.-Insurance & License | <u>791.27</u> | <u>791.27</u> | <u>0.1</u> | <u>0.1</u> |
| TOTAL TRANSPORTATION EX | <u>26,925.30</u> | <u>26,925.30</u> | <u>4.5</u> | <u>4.5</u> |
| TOTAL EXPENDITURES | 596,019.36 | 596,019.36 | 100.0 | 100.0 |
| EXCESS (REVENUE)/LOSS | <u>\$(115,603.97)</u> | <u>\$(115,603.97)</u> | <u>(100.0)</u> | <u>(100.0)</u> |

EASTERN CO SERV. FOR THE DEV DISABLED
Statement of Cash Flows
for the period ending July 31, 2018

| | Current Period | Year to Date |
|---|-------------------|-----------------|
| Cash flows from operating activities : | | |
| Net Income (Loss) | \$ 115,603.97 | \$ 115,603.97 |
| Adjustments to reconcile the change in net assets to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 22,449.59 | 22,449.59 |
| Decrease in Accounts Receivable | 20,009.26 | 20,009.26 |
| Decrease in Inventory | 434.08 | 434.08 |
| Increase in Accounts Payable | (128,833.81) | (128,833.81) |
| Net cash provided by operations | 29,663.09 | 29,663.09 |
| Cash flows from investing activities : | | |
| Increase in property and equipment | (58,228.40) | (58,228.40) |
| Net cash used by investing activitie | (58,228.40) | (58,228.40) |
| Cash flows from financing activities : | | |
| Net Increase In Cash And Equivalents | (28,565.31) | (28,565.31) |
| Cash and equivalents At Beginning Of Period | 2,273,248.55 | 2,273,248.55 |
| Cash and equivalents at end of period | \$ 2,244,683.24 | \$ 2,244,683.24 |