

STRIVE
FINANCE COMMITTEE MEETING – June 26, 2018

Steve Ammentorp, Scott Coleman, Marna Lake, Joe Warner

PRESENT FROM STRIVE:

Sharon Jacksi, Chris Bergquist, Linda Briggs

ITEM	OVERVIEW OF MEETING
1	Minutes of the Previous Meeting
2	Budget Discussion
3	General Discussion & Committee Feedback

Minutes of the Previous Meetings – Joe Warner called the meeting to order. It was moved & seconded that the minutes of the previous meeting from April 9, 2018, be accepted.

Budget presentation and discussion – Chris began discussing the budget by pointing out the net income of \$131,736. Rate increases have been proposed at a 1% increase for all waiver service lines starting 7-1-18. There is a 6.5% increase proposed starting 3-1-19 for residential, vocational and behavior. Sharon mentioned the match with the federal government has to be approved. The budget is based on 4 months of the 6.5% increase. Based on the SIS level, this will be a range of \$9 to \$15 increase. Total fundraising is assumed at \$250K in the budget. The capital campaign funds are not in the budget. The forecast will show the building related revenue/costs when we have final answers. The budget assumes we will have 7 new Host Homes by 9-18. The State authorized 12 new resources for our county, with 6 or 7 resources coming to Strive. There may be some emergency host homes that will be funded. We may receive some placements from Grand Junction Regional Center.

Expenses for health insurance create a variation in funding. This year we are experiencing a high utilization of claims. Next year per person, the funding amount from IMA provides a 10% buffer for changes. Our budget for 2019 is \$739K, which is less than this year, using an assumption we will return to a more normal spend. Appleton Clinic was brought up as an option. Sharon said this would cost more than the current insurance, because we would have to cover all employees.

Minimum wage increases 1-1-19 to \$11.10, which is a much bigger increase than last year. The minimum wage increase amounts to about \$250K. Employees don't feel fairly compensated. We will add 25 cents to the rate of pay for direct support professionals, service and support specialists, and case managers in July, 2018. We are also adding shift stipends of 50 cents for 3-11 p.m. shift, and 75 cents to the 11-7 a.m. shift, in July, 2018. Chris presented the detailed breakdown of the compensation with benefits.

The budget has the impact of the Level 7 funding increase. Also, we are working on case management as well. It is hard to know whether the new case managers will reach their goals in the budget. We may be on the high side on the general donations increase in the budget.

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General Discussion and Committee Feedback

Regarding the new building, we would need the Colorado Health Foundation 1% money the first part of January, 2019. Temple Buell suggested we apply for capital funding from them. We received \$10K from Bank of the San Juans yesterday. The proceeds for the sale of 950 Grand Ave of approximately \$1M in January, 2019, will be used to pay down the current loan at Bank of the San Juans. There is a new Financial Accounting Standards Board pronouncement effective for next year. We will have board education opportunities soon. The financials for April & May look good, as we are on the upward tick.

There was a motion and a second to recommend presenting the budget presentation for approval to the Board. The meeting was adjourned at 11:30 am

The next meeting will be in September to review the audit.