

SOUTHERN COLORADO DEVELOPMENTAL DISABILITIES SERVICES, INC.  
LAS ANIMAS COUNTY REHABILITATION CENTER, INC.  
BOARD OF DIRECTORS MEETING  
Meeting location 309 W 9<sup>th</sup> St Walsenburg  
August 28, 2019 4:00PM

AGENDA

- I. CALL TO ORDER
- II. OPEN FORUM/PUBLIC COMMENT
- III. ADDITIONS AND DELETIONS TO THE AGENDA
- IV. MINUTES TO THE PREVIOUS MEETING
- V. TREASURER'S REPORT
  - a. Review Financials LACRC/SCDDS
  - b. Update on Accounting and restoration of files
- VI. CORRESPONDENCE
- VII. COMMITTEE REPORTS –
- VIII. OLD BUSINESS
  1. Board Member Replacement
- IX. NEW BUSINESS
  - 1.
  2. Wage Increase – discussion, wage and salary scale and benefits, update,
  3. Willis Fence
  4. Host Home's
- X. OHER
  - 1.
- XI. PROGRAM REPORTS
  1. Directors Report- CFCM, Case Management – Rural Exemption
- XII. ADJOURNMENT

**MINUTES OF BOARD OF DIRECTORS MEETING**

**DATE:** July 31, 2019  
**TIME:** 4:00 PM, the meeting was held in Trinidad at 1205 Congress Drive

**PERSONS PRESENT:** Board Members: Board President Shier, Nielsen, Spencer, Pando, Quintero, Business Manager, Teri Hansford and Executive Director Duane Roy

**ABSENT/EXCUSED:** Board Member: De Bono  
**NOT EXCUSED:**

<u>TOPIC</u>	<u>DISCUSSION</u>
<u>CALL TO ORDER</u>	The meeting was called to order at 4:00 PM by Board President Shier, the meeting was held in Trinidad at 1205 Congress Drive.
<u>ADDITIONS AND DELETIONS TO THE AGENDA</u>	None
<u>Public Comment</u>	None
<u>MINUTES TO THE PREVIOUS MEETING</u>	The minutes to the June 26, 2019 meeting was reviewed. Following discussion it was M/S/P by Nielsen and Spencer to approve the June minutes.
<u>TREASURER'S REPORT</u>	Teri Hansford, Business Manager reviewed Finance Statements for LACRC and SCDDS for the month of June 2019. Following discussion it was M/S/P by Spencer and Nielsen. Teri reported the FY 17-18 is not complete and will be delayed further as a result of the Malware attack on our accounting software and documents. Teri is anticipating a 3 to 4 month delay.
<u>CORRESPONDENCE</u>	None
<u>COMMITTEE REPORT</u>	None
<u>OLD BUSINESS</u>	
1. <b>Board Member Replacement</b>	No action taken.

**NEW BUSINESS**

1. **Election of Officers** Discussion was given to appointing Board Officers for FY 2019-20. Following discussion it was M/S/P by Nielsen and Pando to appoint the following officers:  
 President – Don Spencer  
 Vice President- Al Pando  
 Secretary – Ronald Nielsen  
 Treasurer – Nick De Bono
  
2. **Ransom Ware Virus** Duane reported that the computer server that manages LACRC/SCDDS accounting software was hit by a malware/ransomware attack over the July 4<sup>th</sup> holiday. The ransomware corrupted all accounting programs and data bases. Duane said our IT person was able to identify where the hackers were but said that they did not have the fix/undo what they had done. LACRC/SCDDS will need to rebuild all accounting files to include all AR and AP transactions for the past 2 years. Teri Hansford went into more detail and said that it will take 2 to 3 months to rebuild the files. Teri said that LACRC has insurance coverage as part of our umbrella policy and that we have a \$5,000 deductible. She estimates that the accounting software firm (CYMA) will charge us around \$7,500 to repair and assist with file restoration on their side and that we will need to hire 2 to 3 people to assist with agency files and that it will take 2 to 3 months to rebuild everything. Estimated cost with CYMA and the temporary staff will be around \$25,000. This does not include Teri's salary or her accounting staff's time

- 3. **Update Wage and salary Plan Benefits** Duane reviewed a draft version of the updated wage and salary plan. Duane said it is difficult to address wage and salaries with the rapid increase of Colorado minimum wage over the past 4 years. Minimum wage has been increasing by 8 to 9% per year since January 2015 and that we have not been able to increase other positions or long time employees because of state funding. We are seeing the compression of wages in that newly hired individuals are making as much as staff that have been with the agency for a few years. The last Colorado minimum wage increase will take place in January 2020 and will bring the minimum wage to \$12.00 per hour. In contrast the federal minimum wage is \$7.25 per hour. Duane is working with Board Member Nielsen and is hoping to bring back a revised wage and salary plan at the next meeting. Other items that are being discussed is the benefits plan for Vacation and Sick Leave and blending everything into Paid Time Off (PTO) and then looking a compensating staff that opt out of health insurance with higher wages.
- 4. **Check Signers** Duane requested authorization to update the names of Board Members that will be on the check signature cards. It was M/S/P by Shier and Quintero to have Spencer added to the bank signature cards for all checking, CD and Mutual fund accounts. Existing members Shier, De Bono and Roy will remain on the signature cards.
- 5. **Continuation Budget** Duane requested authorization to continue working under a continuation budget for LACRC/SCDDS until a more formal budget can be presented. Following discussion it was M/S/P by Shier and Quintero to operate under a continuation budget and have the State contracts along with Host Home Contracts signed. Currently LACRC has 1 HH and we are working on HH to serve an additional 4 individuals.
- 6. **Management Fees Charged to SCDDS and the EBD program** Duane requested authorization to charge SCDDS and LACRC's EBD the following for administrative and management fees:  
 EBD - \$59,403 per yr  
 CM - \$27,113 per yr  
 EI - \$ 8,475 per yr  
 Following discussion it was M/S/P t Shier and Nielsen o change signature cards.

**Program Reports**

- 1. **Directors** Duane updated the board on the new funding levels for state and Medicaid services. Duane stated that we will get a 1% across the board increase on all Medicaid funded serves except GRSS effective July 1 and then on October (maybe January 1) the reimbursement rates for individuals in GRSS will receive and 6% increase.

Adjournment by Pando 5:15 PM

 By Alfredo Pando, Secretary

Date: \_\_\_\_\_

(Single Period)

(Single Period)

For the period of 7/1/2019 through 7/31/2019

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<u>Revenues</u>		<u>Revenues</u>	
Food Stamps	\$1,202	Donations - Family Sppt	\$200
Administrative Management	\$1,030	SLS Revenue - Medicaid	\$17,794
Rental Property Income	\$615	SLS MW Day	\$26,171
Misc Income	\$21	CES Direct Service-Medicaid	\$4,974
SLS Revenue - Medicaid	\$43,965	SLS Revenue - State Fund	\$12,721
SLS Revenue - State Fund	\$8,066	Early Intervention Program Revenue	\$14,510
EBD Direct Service-Personal Care	\$76,899	Family Support Program Revenue	\$2,592
Comprehensive - Medicaid	\$245,390	Comprehensive - Day Hab	\$60,410
Non-Emergency Medical Transp	\$3,030	Comprehensive - Residential	\$184,980
Comprehensive R & B	\$24,662	Transportation	\$12,379
Transportation	\$12,379	Dental & Vision Care	\$782
Vision Care	\$782	Case Management	\$15,622
Client production revenue	\$1,335		
Fuel Reimbursement - Meals on Wheels	\$250		
<b>Net Revenues</b>	<b>\$419,626</b>	<b>Net Revenues</b>	<b>\$353,134</b>
<u>Program Expenses</u>		<u>Program Expenses</u>	
Medical Supply - Res - WAL	\$56	Staff Salaries	\$27,924
Medical Supply - PCAs - TRI	\$16	Payroll Taxes - FICA	\$1,960
Medical Supply - PCAs - WAL	\$56	Payroll Taxes - Unemp	\$27
EBD Program Expenses	\$2,754	Payroll Taxes - WC	\$168
Staff Salaries	\$218,909	Payroll Deductions - Health Ins	\$2,322
EBD Salaries & Benefits	\$58,894	Payroll Deductions - 401(k)	\$211
Client Wages	\$690	Program Supply	\$170
Payroll Taxes - FICA	\$16,255	Therapy	\$440
Payroll Taxes - Unemp	\$1,036	Office Supply	\$116
Payroll Taxes - WC	\$5,463	Custodial Supplies	\$39
Health Ins - Company Portion	\$9,309	Telephone	\$397
Retirement Benefit - Company Portio	\$1,575	Postage	\$10
Other Benefits - Company Portion	\$9	Advertising & PR	\$213
Residential Provider	\$3,856	License & Fees	\$957
Program Supply	\$2,697	Office Equipment Lease	\$92
Office Supply	\$81	Management Service	\$1,799
Custodial Supplies	\$858	General Insurance	\$491
Telephone	\$899	Audit & Accounting	\$729
Maintenance - Equipment	\$167	Depreciation	\$36
Maintenance - Computers	\$764	Utilities	\$295
Staff Development	\$2,399	Building Maintenance	\$526
Mileage Reimbursement	\$57	Family Reimbursement-FSSP	\$1,396
Food	\$5,629	Therapy	\$11,286
Recreation	\$329	Vision Care	\$582
License & Fees	\$(1,881)	SLS EXPENSE: MEDICAID	\$48,797
Payroll Processing Expense	\$4,036	SLS EXPENSE: STATE	\$6,267
General Insurance	\$5,214	Comprehensive	\$253,137
Unemployment Services Expense	\$197		
Utilities	\$873		
Rent	\$385		
Cable TV & Internet Service	\$430		
Building Maintenance	\$473		
Gas & Oil - Auto	\$3,433		
Vehicle Repair & Maintenance	\$771		
Client Transportation	\$3,380		
Assistive Tech/Home Mod	\$410		

Pharmacy	\$106
Tenant Rent Contributions	\$6,400
Personal Needs	\$3,812

**Total Program Expenses** \$361,579

**General & Administrative Expenses**

Loss (Income) from Insurance Claims	\$(4,408)
Staff Salaries	\$10,242
Payroll Taxes - FICA	\$692
Payroll Taxes - Unemp	\$86
Unallocated W/C Expense	\$46
Health Ins - Company Portion	\$519
Retirement Bene - Company Portion	\$248
Other Benefits - Company Portion	\$9
Office Supplies	\$268
Custodial Supplies	\$373
Telephone	\$874
Postage	\$500
Maintenance - Computers	\$8,004
Advertising & PR	\$113
Staff Development	\$47
Mileage Reimbursement	\$97
Travel Allowance	\$250
License & Fees	\$210
Legal-Admin	\$300
Office Equipment Lease	\$805
General Insurance	\$839
Audit & Accounting	\$(729)
Utilities	\$1,417
Cable TV & Internet Service	\$150
Building Maintenance	\$478
Gas & Oil - Auto	\$131
Depreciation	\$1,156

**Total General & Administrative Expenses** \$22,716

**Total Expenses** \$384,295

**Net Income (Loss)** \$35,331

**Total Program Expenses** \$360,388

**General & Administrative Expenses**

Telephone	\$105
Dues & Publications	\$1,569
Advertising & PR	\$113
Payroll Processing Expense	\$384
General Insurance	\$399

**Total General & Administrative** \$2,570

**Total Expenses** \$362,958

**Net Income (Loss)** \$(9,824)

**JULY Combined Net Income (Loss) \$25,507**

Pharmacy	\$106
Tenant Rent Contributions	\$6,400
Personal Needs	\$3,812

**Total Program Expenses** \$361,579

**General & Administrative Expenses**

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General Insurance	\$839
Audit & Accounting	\$(729)
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Cable TV & Internet Service	\$150
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**Total General & Administrative Expenses** \$22,716

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**Total General & Administrative** \$2,570

**Total Expenses** \$362,958

**Net Income (Loss)** \$(9,824)

**JULY**

**Combined Net Income (Loss) \$25,507**