STARPOINT

BOARD OF DIRECTORS MEETING

Thursday, August 27, 2020

Board Chairperson, Annette Nimmo called the meeting to order at 6 p.m.

Fremont County board members present: Janet Trujillo

Fremont County board members present via Zoom video conferencing: Mitch McCartney, Annette Nimmo, and Linda Bay

Chaffee County board members present via Zoom video conferencing: Terry Prewitt, and Katy Grether

Others present: Ron Hinkle, Julie Watts, Bryana Marsicano, and Jami Roy

Others present via Zoom video conferencing: Christi Baxter and Tom Evers from Chaffee County, Brenda Aguirre, Amy Schmisseur, Roger Jenson, Michelle Sainio, and Laura Gardner, legal counsel to the board.

**MINUTES OF THE PREVIOUS MEETING**

Minutes from the previous meeting that took place on, July 23, 2020 were approved with changes on a motion by Katy Grether and a second by Mitch McCartney.

**FINANCIALS**

Michelle Sainio from FredrickZink and Associates, the CPAs who are performing our 2019 audit, shared with the Board the history of her firm and Starpoint. They have been the auditors for Starpoint since 2011. Over the course of these nine years, they have worked with five different Chief Financial Officers/Finance Directors. Over the years, starting with Mary Dice until Robert Lovegrove was in place the audits were timely and things went well. Since this time, the Accounting Department has been in transition and has not been very strong. The last couple of years Julie has been working hard to put practices in place and make the corrections necessary for the audit. Michelle reported that for the fiscal year of 2019 almost every balance sheet has needed adjusted, which is not good during an audit. Michelle and her staff have worked hard making sure the balances for 2019 are accurate going into 2020. Financials and the 990 will be ready by the next Board meeting to approve.

Julie Watts explained to the Board that Great Plains, our accounting software, is not very user friendly and is very outdated. Starpoint has had Great Plains in place since 1977. Not all of the modules talk to each other. You have accounts receivable, financial, and sales/purchasing. In 2019, the bank reconciliation were being done each month but was not reconciled with the general ledger.

Bryana Marsicano told the Board that we have a list of accounting software companies that other CCBs and non-profits use. We would like to set up meetings with each vendor to explore our options.

Both Katy Grether and Mitch McCartney questioned if we should purchase a new accounting software system. Julie responded that she would like to have good numbers and starting balances before integrating a new system. Janet Trujillo asked if we had a timeline for purchasing the new software. Again, Julie would like to complete the 2019 audit and have good numbers. Julie explained that we would put some bids together to present to the Board. Annette Nimmo stated that it sounds like we have a plan in place and the Board is supporting the pursuit of a new accounting software.

Mitch McCartney asked Julie where she was on obtaining bids from auditors for our next audit. She has been in contact with all of them. Last week she spoke with Ed Bailey a nationwide company and was very impressed. They seem very knowledgeable. They do CCBs in Colorado and nationwide. They currently are the auditors for Developmental Pathways and Strive. Julie will provide the Board with the bids by the next Board meeting. Annette stated that she felt Julie’s opinion should be a huge piece of the selection process and the decision.

Julie Watts reviewed the Statement of Income and Expenses for all programs, the report ending on June 30, 2020. Total revenue for the year-end is $13,599,356.09. Personnel expenses are at 68.33%, which is good. The percentage is down due to COVID-19 and not staffing Day Programs. Reviewing the expenses, professional services are higher at $93,001.00. It looks like some invoices from the month of May carried over into June. Internal purchase services was large in June, due to catching up allocations for year-end. Office and medical supplies are higher due to COVID-19 supplies. In the month of June miscellaneous is $29,234.85, due to the “Hero’s Pay” Visa Gift Cards that were purchased. The SEP contract sent us a $20,000 check for startup costs that will be allocated to the negative $19,000 under equipment expense. Our total expenses were $12,902,196.69. Our net is $697,159.40. The net amount will be lower once depreciation has been allocated.

Mitch McCartney had a couple of questions on the individual financials. What is an M&G Allocations on PCA Fremont expenses? Julie responded that the M&G expense is for support services each program receives such as accounting, human resources, and management. She allocated a percentage to every department for those services. Mitch’s second question was about the losses showing on PCA Fremont and E-Street. The PCAs Fremont is showing a loss of $73,684.48. Julie reported that due to COVID-19 all homes now need to be staffed 24 hours a day 7 days a week because individuals receiving services are not participating in Day and Community Programs. E-Street is also showing a loss. Staffing has also been an issue at PCAs and E-Street causing a lot of overtime.

Terry Prewitt motioned to accept the financials as presented to be placed on file. Katy Grether seconded the motion. Motion carried.

Julie also reviewed the EHS Financials with the Board. We have pulled from the EHS Grant $998,448.56. We used $401,429.99 in payroll expenses leaving $107,200.01. There is $167,415.96 remaining on the grant.

Terry Prewitt made a motion to accept the EHS financials as presented to be placed on file. Mitch McCartney seconded the motion. The motion carried.

She also reviewed Starpoint bank balances as of August 28, 2020.

 Legacy Money Market Account $666,477.25

 Legacy Payroll $27,385.07

 Bank of the San Juans Money Market Account $551,045.09

 Bank of the San Juans Rep Payee Account $55,084.11

 Bank of the San Juans Foundation Account $11,474.69

 US Bank PPP $38,496.09

 US Bank Payroll $899,797.51

 US Bank Money Market Account $500,005.00

 3 CDS $1,000,000.00

**PUBLIC COMMENT**

Roger Jenson asked a question about the federal funds received. What is the impact that the federal funds received have on the bottom line this year? Julie reported that the funds currently are not showing on the P&L. Julie explained that currently the funds are showing as a payable. Once we reach 100% loan forgiveness the amount will be posted as income.

**EARLY HEAD START**

Brenda Aguirre reported to the Board the EHS Board of Directors and PC Monthly Report for May, June, and July 2020. The biggest difference over the three months has been attendance due to COVID-19.

Brenda explained that they received an EHS COVID-19 grant. The funds are being used for updating the A/C units on the building at a cost of $45,000. $11,600 of the grant will be used for technology and the purchase of professional Zoom accounts. $5,000 will be used for infectious disease training, supplies, and cleaning the facilities.

Brenda went over the Starpoint Board Training for EHS. We are set to have a FA 2 review. Brenda would like to provide training that is more detailed to the Board members. What is the Board’s preference on when to schedule a training? Brenda will propose a training date to be held prior to a regularly scheduled Board meeting.

Brenda told the Board that we are approved for the EHS Grant for another year.

**STATE/LEGISLATIVE UPDATES OTHER BUSNESS**

Bryana Marsicano explained that federally we are supporting a request to delay the EVV rules, but this timeline is upon us, so it does not look like a delay will be likely. There are no big changes recently from the state since the Budget approval. CMS has extended the Final Settings Rule for one year. However Colorado had determined they will “Stay the course” with the current schedule so that they have the extra year to make any final changes to bring all providers into compliance. We have put the Day Habilitation settings rule work on hold due to the day programming being halted, but are on track with meeting the Residential settings rules in our facilities.

The weekly webinars with updates from HCPF will now be moved to every other week. HCPF is just now starting work on regulations to allow visitation inside the group home settings as families and friends have been unable to go into the group homes since March. They can meet outside if they wear masks and maintain six feet distancing.

HCPF will start monthly Telehealth engagement meetings to discuss telehealth options in ALL HCBS services. We will participate in these as there are mixed feelings on if telehealth works for our population and what services are better for us than others. We feel strongly that there has to be some in person programming, for our individuals to learn and maintain necessary skills to remain as independent as possible.

Continued encouragement from HCPF to vote, specifically voting for candidates that support Medicaid funding as they continue to look at next year being a dismal budget year. We are planning now by saving what we can to be prepared for more cuts to various programs.

**OTHER BUSINESS**

The Board was introduced to Amy Schmisseur who has submitted a letter of interest in becoming a Starpoint Board Member. Amy described her experiences and her desire to serve our community.

Bryana gave an update on the sale of the LEC.

**REPORTS**

Christi Baxter, Co-Director Chaffee County told the Board that they have not had any cases of COVID-19. Things have been tough because we are losing staff which is causing overtime. She reported that staffing is down because they are losing employees to better paying jobs. They are getting individuals we serve outside in the community. Katy Grether asked about losing staff because of low wages and the cost of living in Salida. It sounds like quite the issue. Could we pay them more? Bryana explained that we have been evaluating all wages for Starpoint employees. We want to make sure we are making good decisions, and also planning for next year’s budget cuts. We are considering night and weekend differentials. We are also reviewing all job openings due to attrition to make sure the position is necessary.

Tom Evers, Co-Director Chaffee County, over the past month Chaffee County has developed six hours a day of activities for those we serve. We have a three-hour session in the morning and three hours in the afternoon. Activities include; bowling, bocce ball, art in the park, scavenger hunts and more. We have two Zoom meetings scheduled every day. We have an interview with a good candidate for our RN position.

Brenda Aguirre gave Jody Berg’s Early Intervention report. The EI team is enjoying getting to know our new SEP team. EI is navigating the cut in budget, which is 1% Medicaid, with no more $10 per visit for telehealth visits. The State determined rather than renew our contracts July 1st to extend the previous year’s contract for three months. EI continues to see children virtually through video visits and we are navigating those challenges. We are now allowed to do limited outdoor visits with some children. The EI team is working through this option with families. We thought that referrals would be down but that has not been the case so we continue to enroll new children. EI currently has 72 enrolled children with nine pending.

Brooke Elenga, Director of Case Management communicated how much she is enjoying working for Starpoint. She is learning so much every day and is working with a great team.

Ron Hinkle, Foundation Director reported that the Rim to Rim is going to be a virtual race. We currently have 48 registrations. On the sponsorship side, we have met the amounts we had for the event in 2018. The Forks, Corks, Farms, and Chefs event has been cancelled due to COVID-19. Last month I reported that we met with Loaves and Fishes to discuss the proposal from Beyond Madness Catering to donate pans of lasagna to be sold to the community for $50 per pan to raise monies for Loaves and Fishes and Starpoint. The event is planned and is going to be called *Pasta-abilities are unlimited with Love-sagna*. The lasagna dinners will be delivered to families in need 10/12, 10/19, and 10/28. The deadline to order is 10/22/20. The annual Starstruck event will be taking place at the Fine Arts Center. This show will honor all the amazing creative talent of the Starpoint consumers and staff. Prizes will be awarded at the First Friday Opening Reception on Friday, October 2, 2020 from 4:30pm-7:30pm. Dave and Lynda Lambert from Canon Signature Mortgage are sponsoring the show. Ron advised the Board that the Foundation is pursing hosting a community wide yard sale event. We are still doing the Christmas wrap program. “Night to Shine” has been cancelled by the Tim Tebow Foundation due to COVID-19.

Jami Roy, Director of Human Resources reported that our annual benefit open enrollment was this week. Due to COVID-19, the meetings were held via Zoom and small groups of 10 or less in person. When looking at the 2020/2021 benefit year we asked our health insurance broker Benefit Health Advisor to shop around and get us quotes from traditional health insurance companies to explore a fixed cost plan and other self-funded plan options. Our current provider Meritain came back with the best quote. Companion Life our dental and vision provider held our rates and Mutual of Omaha who provides our short term and long-term disability plans and our life insurance also held our rates. We did make some changes to our health insurance coverage that resulted in almost $100,000.00 in savings for Starpoint. We were thoughtful in making the changes trying not to put too much burden on our employees and their families. Jami is working on standardizing job descriptions, salary schedules, and exemption status to comply with the Equal Pay for Equal Work Act, which takes effect on January 1, 2021. She is also working on new policies and procedures for the Healthy Families and Workplaces act which will go into effect on January 1, 2021.

Mitch McCartney asked about costing HR software to meet the needs of Starpoint and assist in compliance of all the new State acts and statues. Jami explained that it would be a huge benefit. She also stated that she is part of the conversations with Bryana and Julie regarding our needs of updating our accounting, payroll, and HR software.

The next meeting will be September 24, 2020.

Jake Francis, Board Secretary