



Board of Directors Meeting Minutes

Monday, June 26, 2023

10:00 am – 12:00 pm

181 Crawford Rd, St. Johnsbury, VT

Zoom Meeting

Present: Denise Niemira (Zoom), Chair; Jane Kitchel, Secretary; Amy Morley (Zoom), Treasurer; Lisa Boskind (Zoom); Kari White (Zoom); Larry Wall (Zoom); Patrick Shattuck (Zoom); James Hemond

Staff Present: Kelsey Stavseth, Executive Director; Laura Nelson, Chief of Organizational Development; Denis Houle, CFO (Zoom); Brooke Bury, HR Director (Zoom); Erica Perkins, Director of Communications; Tim Gould, Chief of IT (Zoom); Sharon Ryan, Chief of IDDS (Zoom); Terry Lavelly (Zoom), Laurie Young and Tonya Davis, Cedar Lane (Zoom);

Guests: Tess, Psychiatric Practitioner

I. Call to Order and Approval of Agenda.

Niemira, Board Chair, called the meeting to order at 10:05 am. Introductions were given. Ms. Kitchel moved to approve the agenda, and Ms. White seconded a motion. All members present voted in the affirmative. Motion carried.

II. Secretary's Report.

Ms. Kitchel requested approval. Ms. Boskind moved to accept the minutes. Mr. Hemond seconded the motion. There was no additional discussion. All members present voted in the affirmative.

III. Treasurer's Report Approval of May Financials

Revenues:

- MTD Revenues are above budget by \$57,163 (1.36%)
- YTD revenues are ahead of budget \$2.484 million (5.45%)

Expenses:

- MTD Expenses are over budget by \$312,650 (7.45%)

- MTD fringe benefits are over budget due to increased health care costs. Four to five staff approaching stop-loss coverage. YTD staffing expenses due to vacancies are \$1.3 million (6.6%) below budget and fringe benefits are slightly over budget.
- YTD other personnel costs are over budget by \$1,033,000 (7.17%) due to locums and increased IDDS clients. We continue to get more clients despite staffing, which skews expenses.
- Due to timing of an ARIS bill, an addition unexpected \$200,000 expense hit.

Margin:

- MTD loss is \$235,841 (-5.5%)
- YTD gain is 1.5 million (3.3%)

Overall, NKHS is in a strong financial position with 104 days of cash on hand.

One time payout for the retirement fund will show a cash reserve decrease in next month's report.

Overall, there is confidence in our financial standing.

Ms. Kitchel noted over 100 vacancies and that NKHS is building a budget based on a much lower vacancy rate. There will be an impact on the fiscal landscape based on our ability to fill positions. Mr. Stavseth said the agency has successfully hired for vacancies, pay increases, and culture have had a positive impact. Once the vacancy report is completed by the finance department, it will be shared with the board.

Dr. Niemira moved to approve the May 2023 financial statements, as recommended by the Budget & Finance Committee. Ms. White seconded the motion. All members present voted in the affirmative. Motion carried.

IV. Review of Draft FY '24 Budget

Mr. Houle reviewed some of the high level highlights of the Fiscal year '24 draft budget. Revenues of just under \$58 million.

- For Revenues
 - 5% increase for IDDS programs
 - 5% increase for ADAP programs
 - 5% Shared Living increase
 - 3% for DMH programs, knowing that the equity methodology could positively impact NKHS.
 - included revenue for the Front Porch Project
 - included half year estimated revenue for the Mobile Crisis Program, note the Jan. 1st start date
 - included revenue to become fiscal agent for The HUB
- CCBHC changing on how we need do work
- Mileage reimbursement increased by 7.4%, 1.7 million anticipated miles driven

- Capital increases reflect IT infrastructure increases, construction work at McGoff Hill, becoming the St. Johnsbury HUB fiscal agent, adding a Mobile Crisis unit, and the Front Porch development.
- Expense, salary increases - 1-7 tier 2%, 8 and above a 3% increase and some changes based on market rates.
- Fringe benefits, 500k premium increase.
- Vacancies rate assumption is 0 – for budget purpose.
- Conservative budget – a little over 1% margin is low
- Program details
 - Children’s program – gain 346K, targets hit for payment reforms first 5 months of this year. Just one vacancy in non-schools.
 - Schools program – basically break even. Increase in request in contracts, unsure if we can recruit for these positions to be able to take on additional contracts. In a stable position with schools. Ms. White asked if the closure of Center Point, an alternative school, impact our school based services. Unsure if we have students in this school.
 - Adult – getting lots of requests for referrals from hospitals and providers. Work to be done to fill these gaps, the agency has given itself 2 quarters to come up with a plan.
 - CRT – a number of vacancies. Staffing allocations have been cleaned up.
 - Emergency – showing a slight loss. Mobile Crisis, Front Porch, Lifeline, are all large programs each with different funding. Lifeline/988 program has potential to grow within the state. We cover a majority of the hours and we have the potential to add more staff and increase our statewide support.
 - Mental Health program loss
 - Substance use – loss, staffing allocation as close as possible
 - Administration – Hub, CCBHC, keeping our admin rate the same as last year.

Ms. Kitchel asked for an update regarding Cornerstone. DIAL and DMH wrote a letter of support for State purpose. State purpose means we are not subject to Act 250. A crisis house (two beds) will be there under IDDS. Potentially another 4 bedroom facility for women, a new model, something similar to Cedar Lane, perhaps with less medical need. Peter Kostruba working on this plan. There is an individual that lives in an apartment but she will be moving to a new place.

Ms. Morley expressed concern about putting forward a budget with a .5% margin. Vacancy ratio serves as the agency’s cushion. Given other DA budgets, comparatively this is a strong budget. A 2% vacancy rate would get us to just over the 1% margin.

Mr. Hemond made a motion to pass the resolution. Ms. Kitchel second. All in favor, motion passes.

V. Standing Committee Reports

Standing committee minutes were included in the board packet.

VI. Vote on Fiscal Agent Status for the HUB

Kelsey asked for any comments or question regarding taking on the fiscal responsibility for the HUB for one year. Ms. Anderson-Decelles and Ms. Thrall had conversations with

Mr. Stavseth and both are in favor to taking on this responsibility even though they were not in attendance.

Ms. White asked if the highlighted sections are aspects that have not been determined. Mr. Stavseth responded that the timing and transition coordination is still TBD.

Dr. Niemira clarified that the board is voting on the concept and not the specific agreement as some aspect are not fully defined. The Board is voting on Mr. Stavseth, on behalf of NKHS, entering into the agreement. Also noted that the agency is taking on the liability insurance for the HUB, the physical property. Ms. Kitchel noted that the HUB will require future fundraising efforts and the agency competes with other local healthcare agencies.

Ms. Kitchel asked if NKHS will have a larger presence at the HUB. Mr. Stavseth commented that we do have current connections and use this as a conduit to connect to the community.

Dr. Niemira asked if the HUB finances will be included in the Budget and Finance reports. Mr. Stavseth commented that they will be included just as other NKHS programs.

Ms. Boskind asked if the HUB's space can be used to holding meetings for self-advocates. Conversations will continue with Kelsey, Lisa, and Juliet to see if the HUB can be used.

Ms. Morley commented that she understands the risk and supports fully.

Ms. Kitchel moved to allow the NKHS executive director to enter into an agreement to be the comprehensive fiscal agent for the St. J HUB. Ms. Whited seconded the motion. Motion passed.

VII. Executive Director Update

Mr. Stavseth expressed appreciation for the board as there has been a lot going on. Noting an intense legislative year and the need to monitor many things moving forward. Mr. Stavseth and Ms. Nelson, met with Abundant Sun. A survey has been created, data gathering is underway and then they'll provide an analysis around the end of September.

Creating a clear position around our values will help us make decisions and be consistent around our message within our organization and within our communities.

Two second round interviews were held for the executive assistant position.

Director of Operations position as been posted under Ms. Nelson. This position will give capacity for more work around Operations. Ms. Kitchel asked for more context. NKHS used to have a Chief Operations position and when that person left, Ms. Nelson absorbed a lot of that work. The Director of Operations role encompasses some of the responsibilities the Chief of Operations had. There has been some restructuring of this role as other aspects of this role have been divided to others.

Finalizing provider agreements with DAIL. Simone from VCP has been leading this. Process for this work is going smoothly for these agreements and should be completed in July rather than September.

VIII. Guest Comments

No comments

IX. Executive Session

Directors entered Executive Session to approve the executive salary and to follow up on discussion from the executive committee meeting that needed clarification. A motion to exit executive session was made at 12:04 pm by Ms. Boskind, seconded by Mr. Hemond, and passed unanimously.

X. Adjournment.

There being no further business, a motion to adjourn the meeting was made by Ms. Boskind, seconded by Mr. Hemond and passed unanimously. The meeting was adjourned at 12:04 pm.

Respectfully Submitted,

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8/4/2023

Jane Kitchel, Secretary

Date

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The next Board meeting shall be held on July 31, 2023, at 10:00 am in Newport or by Zoom.