



Governing Board Meeting Minutes June 25, 2024

Zoom Meeting: <https://bertnash-org.zoom.us/j/91945363710?pwd=bTU2T2dySW5PckVtLyt2TDIxTUFDdz09>

Members Present:

Patrick Schmitz, President & CEO
Gene Dorsey, Treasurer
Ehren Feldmeyer
Kat Couvillon

Kirsten Kuhn
Josh Davis
Christina Haswood
Clay Britton

Members Absent:

Barbara Ballard
Kristina Edwards
Jay Armbrister
Matthew Herbert, Chair
Tina Rosenthal
Kristin Magette
Bruce Liese

Staff Present:

Carrie Combs, Director, Executive Administration
Amalia Mendez, Senior HR Director

Emily Farley, Chief Advancement Officer
Mike Meigs, Senior Director of Finance and Admin.
Sharon Zehr, Behavioral Health Court/Assisted Outpatient Treatment Program Manager

Others Present:

Sharliyn Wells

I. Call to Order

Gene Dorsey called the meeting to order at 7:34 am.

II. Online Meeting Guideline Review

III. Public Comment

Sharliyn Wells joined the meeting after public comment was closed and during the mission moment. At the conclusion of the Mission Moment, she was invited to stay for the rest of the meeting.

IV. Mission Moment – Sharon Zehr, Behavioral Health Court/Assisted Outpatient Treatment Program Manager

- Sharon has been with the Bert Nash Center for 33 years.
- Sharon manages two programs – Behavioral Health Court & Assisted Outpatient Treatment.
- Behavioral Health Court is a voluntary program. If they are accepted, they receive support and supervision to assist with her pending cases. If they graduate, their charges are dismissed.
- Assisted Outpatient Treatment took their first client in 2022. These are for individuals who were sent to the state hospital who need support and structure once released.

V. Consent Agenda

Gene Dorsey requested a motion to approve the consent agenda (May meeting minutes & June CEO Report); so moved by Kirsten Kuhn; seconded by Josh Davis; approved by all.)

VI. Reports

a. Matthew Herbert, Chair

- Matthew is unable to attend due to a conflict. Gene Dorsey filled in and has nothing to report.

b. Patrick Schmitz, President & CEO

- Compensation Committee has continued to meet to work through policy and procedure around compensation, agency goals and position specific goals for CEO. By the July meeting, these materials will be presented to the full board for approval.

c. Mike Meigs, Senior Finance & Administration Director

May Financial Report:

- Mike summarized data presented in the May Financial Report that was sent to the Board prior to the meeting.
- Highlights: Total Services provided per day ran 641 in May compared to 667 per day in April. The CCBHC PPS rate ran \$435 in May.
- Fee Revenue was down from the prior month by \$84K. Medicaid visits were down 176 from April's level as expected with the end of the school year. Fee Revenue compared to budget produced an unfavorable variance as Medicaid visits trailed budget. This variance has continued to shrink and was only 35 below budget in May.
- Operating Revenue came in \$130K above budget for the month. County support for TRC drove this variance.
- Expenditures were \$94K below budget in May. Salaries and Benefits contributed to a portion of this along with Program Costs. Computer Equipment/Support exceeded budget because of a block of laptops being purchased. Utilities & Building Maintenance also exceeded budget and included repairs at TRC as well as paying property taxes on YRC building and Supportive Housing land. Applications for tax abatement for those two properties has been submitted and we await a decision.
- The month of May ended with an operational surplus of \$134K compared to a budgeted loss of (\$36K). The VTD surplus just from Operations is \$1.21 million yielding a favorable variance to budget of \$7K.
- Cash coverage for operating expenses was setting at 1.06 month's coverage in May. This included an influx of TRC funding from the County.
- For future meetings, BNC will consider adding Tim's TRC data to the financials.

Gene Dorsey requested a motion to approve the May Financials; seconded by Josh Davis; approved by all.

d. Emily Farley, Chief Advancement Officer

Building Bert Nash Report:

- Emily summarized upcoming events, volunteer opportunities and cultivation updates.
- Highlights: There are 109 Building Bert Nash Society members to date, and 128 Belonging Collective Members. 13 individuals have included the Bert Nash Center in their estate planning through FreeWill. Sarah & Marlo will be reaching out to individuals who indicated they wanted to host a Discover Bert Nash tour on their board agreement.
- Upcoming Events: Minority Mental Health Panel Discussion will be held on July 11 at the Lawrence Public Library. On July 17, there is a happy hour for the Belonging Collective donors at Lawrence Beer Company.

VII. Action Items

- a. Endowment Board Request for Specific Feedback or Direction on "Loan" from the Endowment to Center
- BNC approached this amount originally as a loan, as a reasonable way to seed our jump into CCBHC implementation, acquiring our new electronic health record and investing in our team.

- However, BNC cannot loan themselves money. If BNC does pay back the amount to the Endowment, we would be taking funds away from ourselves and depleting our cash.
- The intent of the Endowment is for the provision of services and to grow them to our community. That \$1.5 million has returned itself more than twice over through our PPS rate.
- BNC leadership recommends forgiving the loan to the Endowment. There would not be any tax implications for the forgiveness of the loan.
- Our goal is to build the Endowment amount up in other ways over the next few years.
- Clay Britton feels the Endowment funds are there to be used and should be forgiven as a gift or transfer from the Endowment. Gene Dorsey concurs with these comments.
- Ehren Feldmeyer's provided his feedback and believed the funds did their job to support the Center.
- The Governing Board appreciates what these funds allowed the Center to grow and better serve the community. The intent was as a loan but after two years of experience that structure is not effective and recommend the amount is accepted as a large distribution towards the expansion of services that would not have been possible otherwise.

Gene Dorsey requested a motion to make the following recommendation to the Endowment Board, we appreciate the Endowment Board provided a substantial distribution of endowment funds to allow the Bert Nash Center to expand, operate on a sustainable model and provide services. While it was originally viewed as a loan, based on subsequent guidance based on our structure, lack of tax benefits, we would like to change the characterization of the \$1.5 million dollars from loan to distribution, so moved Kat Couvillon, seconded Josh Davis, approved by all apart from Patrick Schmitz who abstained.

VIII. Adjourn

Gene Dorsey requested a motion to adjourn; so moved Clay Britton, seconded by Gene Dorsey; approved by all. Meeting adjourned at 8:46 am.

The next Bert Nash Governing Board meeting will take place on Tuesday, July 30 from 7:30-9:00 am via Zoom/in person.