

MINUTES

Rappahannock Area CSB

January Finance Meeting

Tuesday, January 15, 2019, 12:30 pm - 1:30 pm

Board Room 208, 600 Jackson Street, Fredericksburg, VA 22401

In Attendance

Al Collins; Amy Umble; Andrea Merwin; Brandie Williams; Debra Draper; Jane Yaun; Joe Wickens; Ken Lapin; Lawrence Davies; Linda Ball; Megan Toler; Pam Hutchinson; Rhonda Pellicano

Not In Attendance

Jim Howard; Matt Zurasky

A. FY 18 Audited Statements

Josh Roller, with the accounting firm of Robinson, Farmer, Cox, reviewed the Fiscal Year 2018 audited financial statements. The financial report represents the combined financial results of RACSB, Rappahannock Community Services, and the group homes. The firm found that the financial position of RACSB remains strong, as evidenced by strong liquidity. The ratio of assets to liabilities was 3.80 as of June 30, 2018 and 2.76 at June 30, 2017. During 2018, operating revenue decreased 5.76% and operating expenses decreased 5.52%.

ATTACHMENT I

The Committee passed a motion recommending the Board approve the FY 18 Audited Statements as presented.

Move: Linda Ball Second: Ken Lapin Status: Passed

B. November 2018 Financial Report

Pam Hutchinson

Pam Hutchinson reviewed the November 2018 Financial Report. Fiscal Year 2019 revenues of \$18,613,281 are \$183,041 or .99% more than Fiscal Year 2018 as of Nov. 30. Expenses of \$16,711,424 are \$1,535,197 or 10.12% more than Fiscal Year 2018. The Net Revenue of \$1,901,859 is \$1,352,859 or 41.55% less than Fiscal Year 2018.

ATTACHMENT II

The Committee passed a motion recommending the Board approve the November 2018 Financial Report as presented.

Move: Ken Lapin Second: Lawrence Davies Status: Passed

C. November 2018 Financial Trend Report

Pam Hutchinson

Pam Hutchinson presented the Financial Trend Report. She reviewed the charts which contain year-to-date comparable data for the fiscal years of 2017, 2018, and 2019. Capital projects are excluded from all program areas. The mental health program served more individuals for FY 2019 than in FY 2018 and FY 2017. The developmental services program served fewer individuals compared to FY 2018 but more than FY 2017. The substance abuse program area served fewer individuals in FY 2019 than the prior two fiscal years, but a change in accounting codes would account for some of that difference. The emergency services, consumer monitoring, and assessment and evaluation program areas served more individuals than the prior two fiscal years. The Part C Program served more individuals in FY 2019 than in the prior two fiscal years.

ATTACHMENT III

D. November 2018 Investment Report

Rhonda Pellicano

Rhonda Pellicano told the Committee that as of Nov. 30, cash and cash equivalent investments totaled \$19,939,594 which is .27% less than the prior month and 6.21% less than November 2017.

ATTACHMENT IV

The Committee passed a motion recommending the Board approve the November 2018 Investment Report as presented.

Move: Ken Lapin Second: Linda Ball Status: Passed

E. November 2018 Reimbursement Report

Megan Toler

Megan Toler reported that claims aging figures as of November 2018 show total outstanding claims of \$4,119,035. Year-to-date fee revenue of \$10,318,691 as of Nov. 30 is \$411,504 or 3.8% less than the prior year.

ATTACHMENT V

F. November 2018 Other Post-Employment Benefits (OPEB) Report

Rhonda Pellicano

Rhonda Pellicano reviewed the November 2018 Other Post-Employment Benefits Report. The November 2018 OPEB cost value is \$1,419,065 which is \$464,445 or 49% more than the initial investment of \$954,620.

ATTACHMENT VI

The Committee passed a motion recommending the Board approve the November 2018 OPEB report as presented.

Move: Ken Lapin Second: Linda Ball Status: Passed

G. November 2018 Health Insurance Account Report

Rhonda Pellicano

Rhonda Pellicano reported that the health insurance account balance was

\$628,206 as of Nov. 30, 2018. Year-to-date premiums deposited in the account, \$1,526,709 are more than year-to-date claims and fees of \$1,602,164 by \$75,455.

ATTACHMENT VII

The Committee passed a motion recommending the Board approve the November 2018 Health Insurance Account Report as presented.

Move: Linda Ball Second: Lawrence Davies Status: Passed

H. Virginia Investment Pool Summary

Rhonda Pellicano

Rhonda Pellicano told the Committee that the Virginia Investment Pool is an investment option owned and controlled by local governments and authorities. The presentation was included at the Board's request to view alternative investment options. VML/VACo Finance presented the investment pool summary, and RACSB staff believe this is a good investment option for the agency.

ATTACHMENT VIII

The Committee passed a motion recommending the Board approve investing \$2 million in the Virginia Investment Pool.

Move: Lawrence Davies Second: Ken Lapin Status: Passed

I. Kenmore Club Capital Project Adjustment

Joe Wickens

Joe Wickens told the Committee that RACSB is in the final architectural phase for the Kenmore Club renovation as part of the agency's capital project plan. The design revealed that the initial budget of \$156,000 is less than the new estimated projection of \$388,000. The scope of the project has increased during the planning phase, as a need for flooring, painting, bathroom remodeling, room partitioning, lighting, and furniture replacements. This renovation would create a more efficient use of space and will benefit the psychosocial rehabilitation program.

ATTACHMENT IX

The Committee passed a motion recommending the Board approve the expenses as presented.

Move: Lawrence Davies Second: Linda Ball Status: Passed

J. December 2018 Capital Project Report

Rhonda Pellicano

Rhonda Pellicano told the Committee that Capital Projects totaling \$3,657,702 are completed or underway for FY 2019. As of Dec. 31, 2018, \$934,408 was expended for the projects.

ATTACHMENT X

K. Construction Project Update

Joe Wickens

A. River Club Property

Joe Wickens reported that RACSB is still waiting on permits for the River Club building.

L. Other Business (Al Collins)

The meeting adjourned at 1:46 p.m.

M. Adjournment