



Voice/TDD (540)373-3223 / Fax (540) 371-3733

## NOTICE

**To:** Finance Committee:  
Matt Zurasky (Chair), Susan Gayle, Jacob Parcell, Carol Walker, Melissa White

**From:** Joseph Wickens  
Executive Director

**Subject:** Finance Committee Meeting  
December 12, 2023, 12:00 PM  
600 Jackson Street, Board Room 208, Fredericksburg, VA

**Date:** December 8, 2023

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A Finance Committee meeting has been scheduled for Tuesday, December 12, 2023 at 12:00PM. The meeting will be held at 600 Jackson Street, Board Room 208, Fredericksburg VA 22401.

We are looking forward to seeing you on Tuesday at 12:00 PM.

RAPPAHANNOCK AREA COMMUNITY SERVICES BOARD

# Finance Committee Meeting

December 12, 2023 – 12:00 PM

*In-Person | 600 Jackson Street, Room 208 | Fredericksburg, VA 22401*

## ***Agenda***

I.	Finance Committee Board Deck, <i>Cleveland</i> .....	3
	a. Summary of Cash Investments	
	b. Summary of Investment Portfolio	
	c. Fee Revenue Reimbursement	
	d. Fee Revenue Reimbursement-Without Credits	
	e. Fee Collection YTD and Quarterly	
	f. Write-Off Report	
	g. Health Insurance Account	
	h. OPEB	
	i. Payroll Statistics	
II.	Financial Summary, <i>Cleveland</i> .....	13
III.	Christmas Holiday Differential, <i>Jindra</i> .....	17
IV.	Other Business, <i>Zurasky</i>	

# Finance Committee

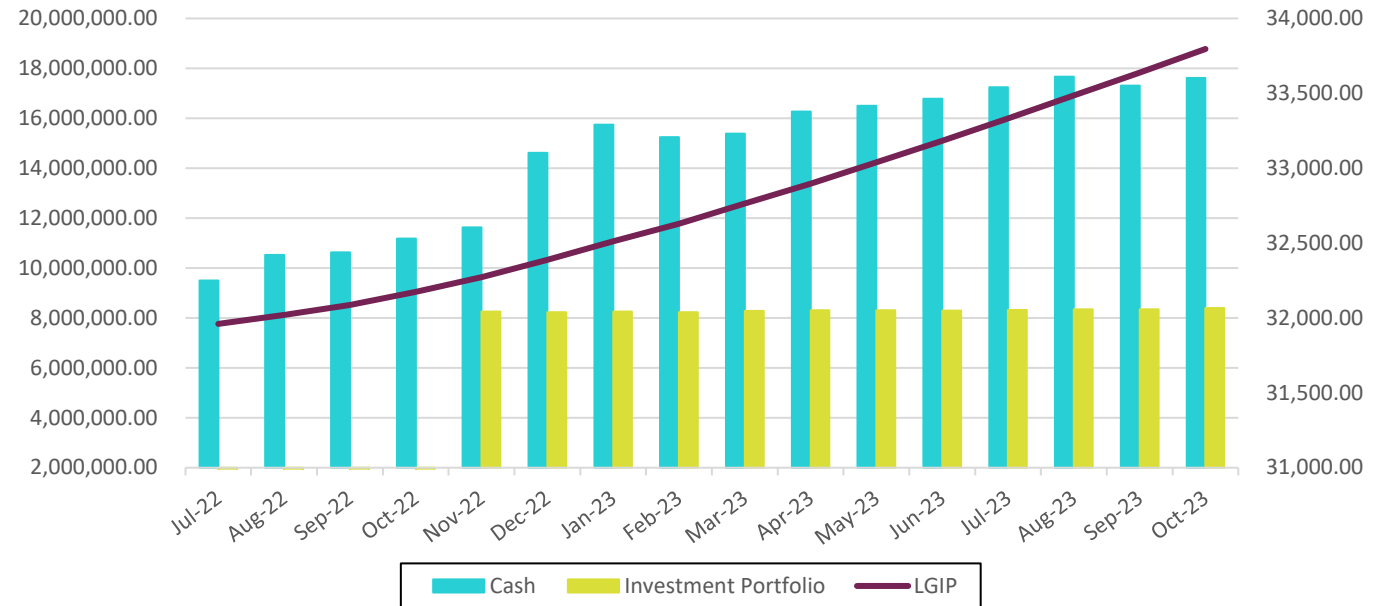
DECEMBER 12, 2023

# Summary of Cash Investments

Depository		Rate
<b>Atlantic Union Bank</b>		
Checking	\$ 17,621,404	3.75%
<b>Investment Portfolio</b>		
Cash Equivalents	4,451,472	0.02%
Fixed Income	3,943,330	3.53%
Total Investment	8,394,802	
<b>Total Atlantic Union Bank</b>	<b>\$ 26,016,206</b>	
<b>Other</b>		
Local Gov. Investment Pool	\$ 33,795	5.51%
<b>Total Investments</b>	<b>\$ 26,050,001</b>	

	\$ Change	% Change
Change from Prior Month	\$ 363,304	1%
Change from Prior Year	\$ 3,591,603	0%
<b>Average # Months Reserves on Hand:</b>	<b>6</b>	

## Cash and Cash Equivalents



# Summary of Investment Portfolio

Asset Description	Shares/Face Value	Market Value	Total Cost	Unrealized Gain/Loss	Est. Income	Current Yield
Balance at 6/30/2023	\$ 8,511,825	\$ 8,310,338	\$ 8,347,703	\$ (37,365)	\$ 184,366	2%
Balance at 7/31/2023	\$ 8,514,417	\$ 8,315,552	\$ 8,350,295	\$ (34,742)	\$ 187,825	2%
Balance at 8/31/2023	\$ 8,548,050.10	\$ 8,338,842.90	\$ 8,368,724.22	\$ (29,881.32)	\$ 166,095.00	1.98%
Balance at 9/30/2023	\$ 8,538,796.07	\$ 8,346,410.48	\$ 8,375,741.14	\$ (29,330.66)	\$ 140,722.00	1.68%
Fidelity IMM Gov Class I Fund #57	\$ 1,071,446.94	1,071,446.94	\$ 1,071,446.94	\$ -	\$ 56,235.00	5.25%
US Treasury Bill (1/23/2024)	\$ 500,000.00	491,290.88	\$ 491,270.95	\$ 19.93		
US Treasury Bill (1/25/2024)	\$ 1,000,000.00	\$ 953,728.76	\$ 955,129.17	\$ (1,400.41)		
US Treasury Bill (11/30/2023)	\$ 1,025,000.00	\$ 981,003.09	\$ 981,732.90	\$ (729.81)		
US Treasury Bill (12/28/2023)	\$ 1,000,000.00	\$ 954,002.09	\$ 955,364.35	\$ (1,362.26)		
<b>Total Cash Equivalents</b>	<b>\$ 4,596,446.94</b>	<b>\$ 4,451,471.76</b>	<b>\$ 4,454,944.31</b>	<b>\$ (3,472.55)</b>	<b>\$ 56,235.00</b>	<b>1.26%</b>
US Treasury Note (3/31/2024)	\$ 1,000,000.00	\$ 986,860.00	\$ 973,575.00	\$ 13,285.00	\$ 22,500.00	2.31%
US Treasury Note (7/31/2024)	\$ 1,000,000.00	\$ 981,800.00	\$ 978,733.75	\$ 3,066.25	\$ 30,000.00	3.07%
US Treasury Note (10/15/2025)	\$ 1,000,000.00	\$ 984,500.00	\$ 1,005,781.25	\$ (21,281.25)	\$ 42,500.00	4.23%
US Treasury Note (11/30/2024)	\$ 1,000,000.00	\$ 990,170.00	\$ 1,004,914.69	\$ (14,744.69)	\$ 45,000.00	4.48%
<b>Total Fixed income</b>	<b>\$ 4,000,000.00</b>	<b>\$ 3,943,330.00</b>	<b>\$ 3,963,004.69</b>	<b>\$ (19,674.69)</b>	<b>\$ 140,000.00</b>	<b>3.53%</b>
<b>Balance at 10/31/2023</b>	<b>\$ 8,596,446.94</b>	<b>\$ 8,394,801.76</b>	<b>\$ 8,417,949.00</b>	<b>\$ (23,147.24)</b>	<b>\$ 196,235.00</b>	<b>2.33%</b>

# Fee Revenue Reimbursement

AGED CLAIMS		Current Month		Prior Month		Prior Year	
		%	\$	%	\$	%	\$
<b>Total Claims Outstanding</b>	Total	100%	\$6,609,145	100%	\$6,728,481	100%	\$6,326,837
	Consumers	54%	\$3,571,878	53%	\$3,542,016	40%	\$2,502,523
	3rd Party	46%	\$3,037,268	47%	\$3,186,465	60%	\$3,824,314
<b>Claims Aged 0-29 Days</b>	Consumers	1%	\$88,608	1%	\$72,433	3%	\$161,359
	3rd Party	44%	\$2,909,794	47%	\$3,133,077	52%	\$3,291,104
<b>Claims Aged 30-59 Days</b>	Consumers	0%	\$24,998	1%	\$57,825	0%	\$7,249
	3rd Party	2%	\$119,263	1%	\$84,741	1%	\$93,616
<b>Claims Aged 60-89 Days</b>	Consumers	1%	\$56,331	1%	\$37,524	2%	\$104,926
	3rd Party	1%	\$45,295	0%	\$8,351	2%	\$111,314
<b>Claims Aged 90-119 Days</b>	Consumers	1%	\$33,208	4%	\$271,938	0%	\$5,460
	3rd Party	0%	\$4,820	0%	\$10,548	1%	\$54,461
<b>Claims Aged 120+ Days</b>	Consumers	51%	\$3,368,732	46%	\$3,102,297	35%	\$2,223,529
	3rd Party	-1%	-\$41,904	-1%	-\$50,252	4%	\$273,819

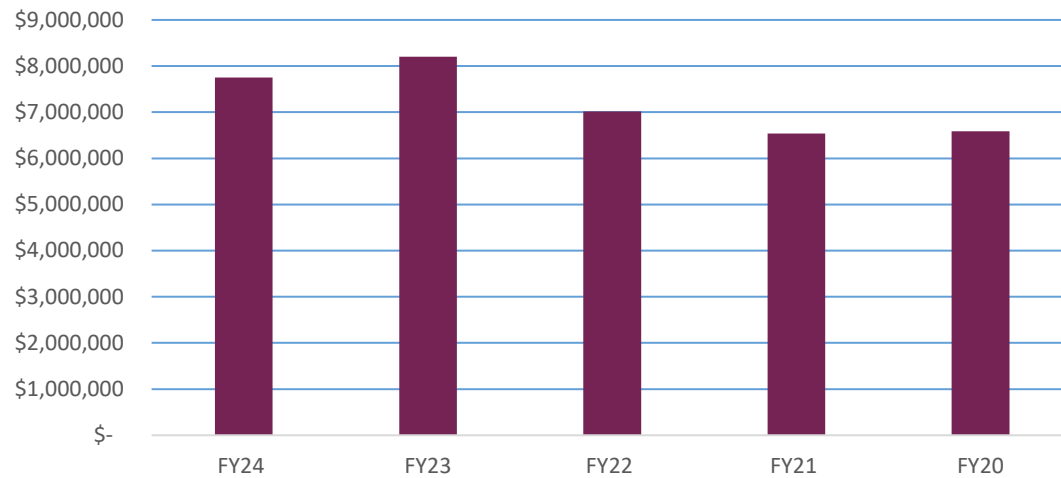
CLAIM COLLECTIONS	
Current Year To Date Collections	\$10,484,791
Prior Year To Date Collections	\$10,914,845
\$ Change from Prior Year	-\$430,054
% Change from Prior Year	-4%
<i>**\$398,000 of prior year collections was for FY22**</i>	

# Fee Revenue Reimbursement – Without Credits

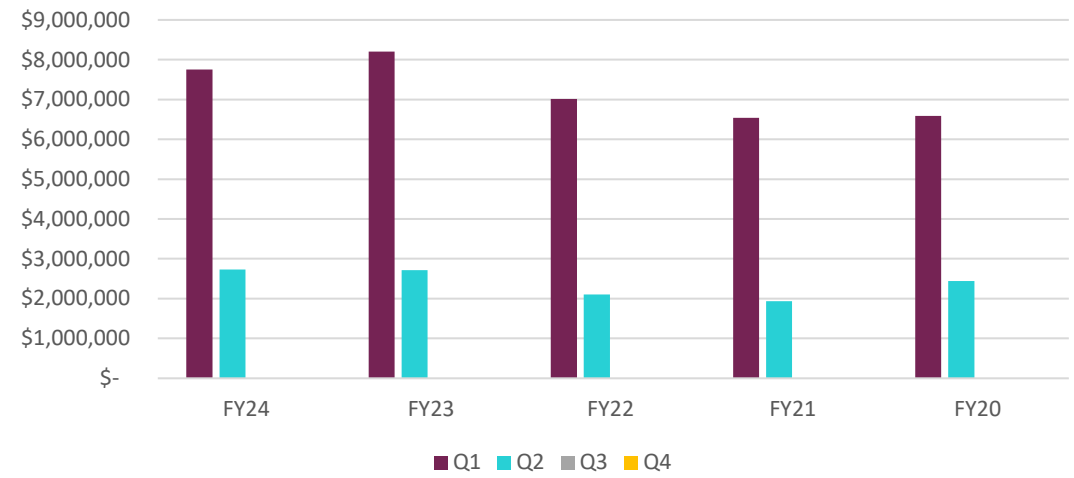
AGED CLAIMS		Current Month		Prior Month		Prior Year	
		%	\$	%	\$	%	\$
<b>Total Claims Outstanding</b>	Total	100%	\$6,728,481	100%	\$6,259,319	100%	\$6,326,837
	Consumers	53%	\$3,542,016	56%	\$3,522,802	40%	\$2,502,523
	3rd Party	47%	\$3,186,465	44%	\$2,736,516	60%	\$3,824,314
<b>Claims Aged 0-29 Days</b>	Consumers	1%	\$72,433	1%	\$92,457	3%	\$161,359
	3rd Party	47%	\$3,133,077	44%	\$2,732,448	52%	\$3,291,104
<b>Claims Aged 30-59 Days</b>	Consumers	1%	\$57,825	1%	\$40,475	0%	\$7,249
	3rd Party	1%	\$84,741	0%	\$24,793	1%	\$93,616
<b>Claims Aged 60-89 Days</b>	Consumers	1%	\$37,524	4%	\$272,653	2%	\$104,926
	3rd Party	0%	\$8,351	0%	\$17,822	2%	\$111,314
<b>Claims Aged 90-119 Days</b>	Consumers	4%	\$271,938	4%	\$219,187	0%	\$5,460
	3rd Party	0%	\$10,548	0%	\$7,707	1%	\$54,461
<b>Claims Aged 120+ Days</b>	Consumers	46%	\$3,102,297	46%	\$2,904,031	35%	\$2,223,529
	3rd Party	1%	\$40,507	1%	\$39,626	4%	\$273,819

# Fee Collection YTD & QTD

## Year to Date Fee Collections



## Quarterly Fee Collections





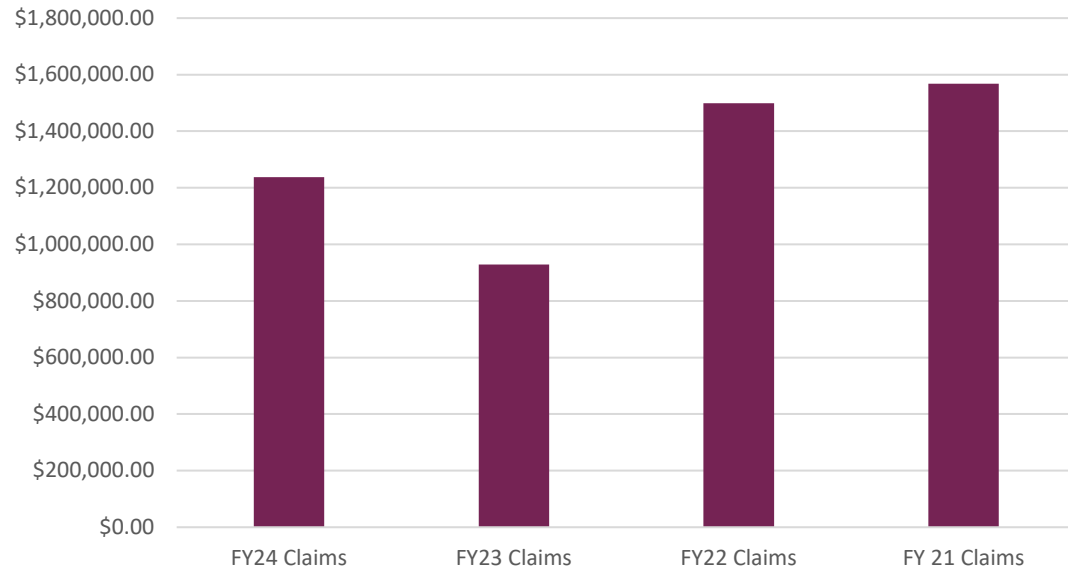
# Write Off's – Current Month & YTD

Month: Oct 2023		
Write Off Code	Current YTD	Prior YTD
BAD ADDRESS	\$ 30	\$ -
BANKRUPTCY	\$ 120	\$ 1,084
DECEASED	\$ 10	\$ 81
NO FINANCIAL AGREEMENT	\$ 829	\$ 5,006
SMALL BALANCE	\$ 71	\$ 106
UNCOLLECTABLE	\$ 350	\$ 1,130
FINANCIAL ASSISTANCE	\$ 130,214	\$ 170,335
NO SHOW	\$ 432	\$ 570
MAX UNITS/BENEFITS	\$ 27,780	\$ 12,262
PROVIDER NOT CREDENTIALLED	\$ 3,684	\$ 7,445
ROLL UP BILLING	\$ 18,224	\$ -
DIAGNOSIS NOT COVERED	\$ -	\$ 1,520
NON-COVERED SERVICE	\$ 1,648	\$ 5,639
SERVICES NOT AUTHORIZED	\$ 10,089	\$ 47,163
PAST BILLING DEADLINE	\$ 94	\$ 18,330
INCORRECT PAYER	\$ 1,696	\$ 19,232
INVALID MEMBER ID	\$ -	\$ 650
SPENDDOWN NOT MET	\$ 12,321	\$ -
<b>TOTAL</b>	<b>\$ 207,593</b>	<b>\$ 290,553</b>

Year to Date: July -Oct 2023		
Write Off Code	Current YTD	Prior YTD
BAD ADDRESS	\$ 30	\$ -
BANKRUPTCY	\$ 366	\$ 3,008
DECEASED	\$ 100	\$ 3,586
NO FINANCIAL AGREEMENT	\$ 17,101	\$ 40,797
SMALL BALANCE	\$ 519	\$ 396
UNCOLLECTABLE	\$ 1,975	\$ 4,055
FINANCIAL ASSISTANCE	\$ 581,718	\$ 943,295
NO SHOW	\$ 4,118	\$ 1,670
MAX UNITS/BENEFITS	\$ 54,670	\$ 29,092
PROVIDER NOT CREDENTIALLED	\$ 48,704	\$ 17,903
ROLL UP BILLING	\$ 56,616	\$ -
DIAGNOSIS NOT COVERED	\$ 320	\$ 1,820
NON-COVERED SERVICE	\$ 15,689	\$ 18,784
SERVICES NOT AUTHORIZED	\$ 56,347	\$ 106,361
PAST BILLING DEADLINE	\$ 16,464	\$ 28,963
INCORRECT PAYER	\$ 8,535	\$ 27,528
INVALID MEMBER ID	\$ -	\$ 810
SPENDDOWN NOT MET	\$ 12,321	\$ -
<b>TOTAL</b>	<b>\$ 875,593</b>	<b>\$ 1,228,067</b>

# Health Insurance

## Year-to-Date Health Insurance Claims

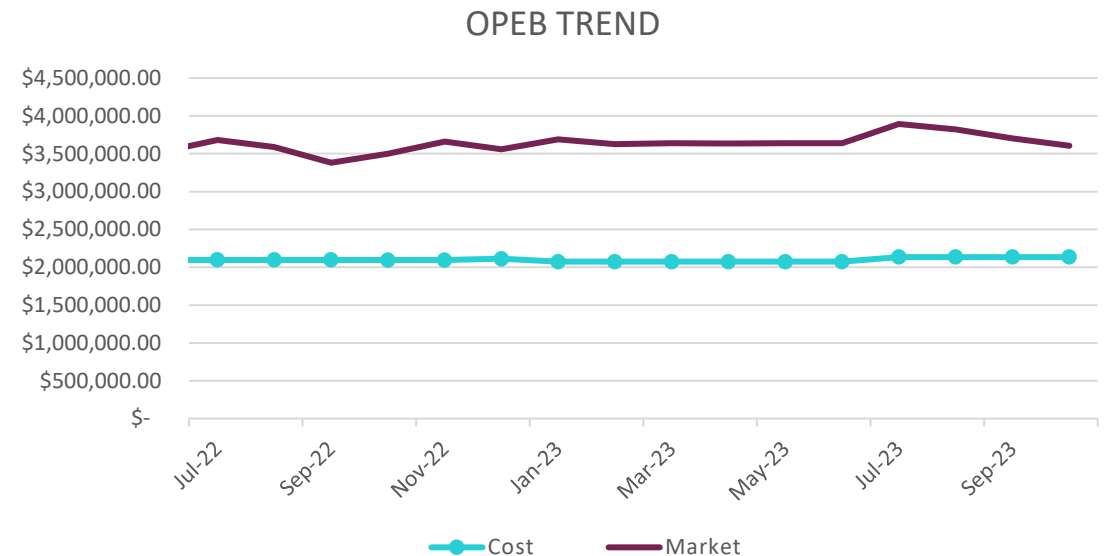


FY 2024	Monthly Premiums	Additional Premium Contributions	Monthly Claims & Fees	Interest	Balance
Beginning Balance					\$1,745,071
July	\$355,798		\$211,426	\$743	\$1,890,186
August	\$348,151		\$272,609	\$758	\$1,966,486
September	\$522,419		\$593,001	\$706	\$1,896,610
October	\$407,029		\$161,087	\$862	\$2,143,414
<b>YTD Total</b>	<b>\$1,633,397</b>	<b>\$0</b>	<b>\$1,238,123</b>	<b>\$3,069</b>	<b>\$2,143,414</b>

Historical Data	Average Monthly Claims	Monthly Average Difference from PY	Highest Month
FY 2024	\$309,531	\$95,154	\$593,001
FY 2023	\$214,376	(\$97,137)	\$284,428
FY 2022	\$311,513	(\$24,129)	\$431,613
FY 2021	\$335,642	\$14,641	\$588,906

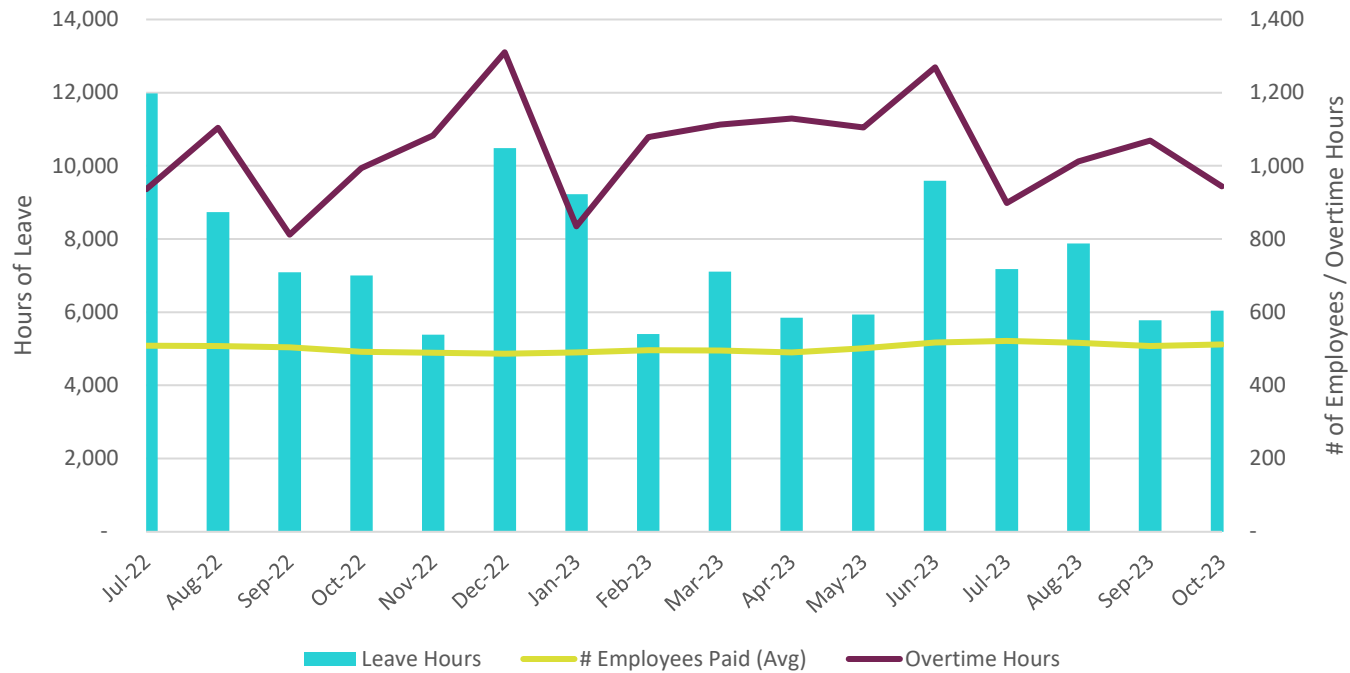
# Other Post Employment Benefit (OPEB)

	Cost Basis	Cost Variance From Inception	Market Basis	Market Variance From Inception
<b>Initial Contribution</b>	\$ 954,620		\$ 954,620	
<b>FY 2023 Year-End Balance</b>	\$ 2,135,292	\$ 1,119,005	\$ 3,807,041	\$ 2,685,538
Balance at 7/31/2023	\$ 2,135,226	\$ 1,180,606	\$ 3,892,944	\$ 2,938,324
Balance at 8/31/2023	\$ 2,134,934	\$ 1,180,314	\$ 3,821,233	\$ 2,866,613
Balance at 9/30/2023	\$ 2,134,935	\$ 1,180,315	\$ 3,702,943	\$ 2,748,323
Realized Gain/(Loss)				
Unrealized Gain/(Loss)			\$ (97,585.34)	
Fees & Expenses	\$ (124.42)		\$ (125.02)	
Transfers/Contributions				
<b>Balance at 10/31/2023</b>	<b>\$ 2,134,810.61</b>	<b>\$ 1,180,190.61</b>	<b>\$ 3,605,232.80</b>	<b>\$ 2,650,612.80</b>



# Payroll Statistics

Employees / Leave\* / Overtime



Indicators	FY 2022 Average Per Pay Period	FY 2023 Average Per Pay Period	FY 2024 Average Per Pay Period
# Employees Paid	506	499	514
Leave Hours	4,196	3,473	3,359
Overtime Hours	279	473	490

**RACSB**  
**FY 2022 FINANCIAL REPORT**  
Fiscal Year: July 1, 2023 through June 30, 2024  
Report Period: July 1, 2023 through Oct 31, 2023

**MENTAL HEALTH**

PROGRAM	REVENUE			EXPENDITURES			ACTUAL VARIANCE	VARIANCE / REVENUE
	BUDGET * FY 2024	ACTUAL YTD	%	BUDGET FY 2024	ACTUAL YTD	%		
INPATIENT	0	73,150	0.00%	0	53,150	0.00%	20,000	27%
OUTPATIENT (FED)	2,442,643	1,001,384	41.00%	2,442,643	939,994	38.48%	61,390	6%
MEDICAL OUTPATIENT ( R ) (FED)	4,420,904	1,328,942	30.06%	4,420,904	1,363,673	30.85%	(34,731)	-3%
ACT NORTH ( R )	875,000	308,930	35.31%	875,000	275,859	31.53%	33,071	11%
ACT SOUTH ( R )	875,000	282,430	32.28%	875,000	245,793	28.09%	36,637	13%
CASE MANAGEMENT ADULT (FED)	1,043,065	312,642	29.97%	1,043,065	351,353	33.68%	(38,711)	-12%
CASE MANAGEMENT CHILD & ADOLESCENT (FED)	1,031,998	285,950	27.71%	1,031,998	239,999	23.26%	45,951	16%
PSY REHAB & KENMORE EMP SER ( R ) (FED)	703,184	218,190	31.03%	703,184	232,598	33.08%	(14,408)	-7%
PERMANENT SUPPORTIVE HOUSING ( R )	2,295,862	2,013,949	87.72%	2,295,862	557,272	24.27%	1,456,677	72%
CRISIS STABILIZATION ( R )	2,149,875	408,128	18.98%	2,149,875	399,401	18.58%	8,726	2%
SUPERVISED RESIDENTIAL	360,841	306,768	85.01%	360,841	156,425	43.35%	150,343	49%
SUPPORTED RESIDENTIAL	781,947	279,606	35.76%	781,947	279,980	35.81%	(374)	0%
JAIL DIVERSION GRANT ( R )	94,043	45,274	48.14%	94,043	29,771	31.66%	15,502	34%
JAIL & DETENTION SERVICES	523,537	52,505	10.03%	523,537	84,772	16.19%	(32,267)	-61%
<b>SUB-TOTAL</b>	<b>17,597,899</b>	<b>6,917,847</b>	<b>39%</b>	<b>17,597,899</b>	<b>5,210,040</b>	<b>30%</b>	<b>1,707,806</b>	<b>25%</b>
* Budget excludes program subsidies								

**DEVELOPMENTAL SERVICES**

PROGRAM	REVENUE			EXPENDITURES			ACTUAL VARIANCE	VARIANCE / REVENUE
	BUDGET * FY 2024	ACTUAL YTD	%	BUDGET FY 2024	ACTUAL YTD	%		
CASE MANAGEMENT	3,600,846	1,127,552	31.31%	3,600,846	1,051,778	29.21%	75,773	7%
DAY HEALTH & REHAB *	4,969,885	1,482,541	29.83%	4,969,885	1,489,171	29.96%	(6,629)	0%
GROUP HOMES	6,380,744	2,314,046	36.27%	6,380,744	1,634,682	25.62%	679,363	29%
RESPIRE GROUP HOME	749,912	62,364	8.32%	749,912	182,627	24.35%	(120,263)	-193%
INTERMEDIATE CARE FACILITIES	4,295,140	1,256,445	29.25%	4,295,140	1,343,184	31.27%	(86,739)	-7%
SUPERVISED APARTMENTS	2,071,114	1,069,396	51.63%	2,071,114	498,468	24.07%	570,928	53%
SPONSORED PLACEMENTS	2,216,891	868,540	39.18%	2,216,891	724,722	32.69%	143,818	17%
<b>SUB-TOTAL</b>	<b>24,284,532</b>	<b>8,180,884</b>	<b>33.69%</b>	<b>24,284,532</b>	<b>6,924,633</b>	<b>28.51%</b>	<b>1,256,252</b>	<b>15%</b>
* Budget excludes program subsidies								

(R) Restricted Funding within program  
(FED) Federal Reimbursement process within program

**RACSB**  
**FY 2022 FINANCIAL REPORT**  
Fiscal Year: July 1, 2023 through June 30, 2024  
Report Period: July 1, 2023 through Oct 31, 2023  
**SUBSTANCE ABUSE**

PROGRAM	REVENUE			EXPENDITURES			ACTUAL VARIANCE	VARIANCE / REVENUE
	BUDGET * FY 2024	ACTUAL YTD	%	BUDGET FY 2024	ACTUAL YTD	%		
SA OUTPATIENT ( R ) (FED)	1,616,929	367,759	22.74%	1,616,929	465,781	28.81%	(98,022)	-27%
MAT PROGRAM ( R ) (FED)	774,936	151,394	19.54%	774,936	327,022	42.20%	(175,628)	-116%
CASE MANAGEMENT ( R ) (FED)	232,071	48,642	20.96%	232,071	33,181	14.30%	15,461	32%
RESIDENTIAL ( R )	69,049	92,065	133.33%	69,049	37,119	53.76%	54,946	60%
PREVENTION ( R ) (FED)	867,515	42,030	4.84%	867,515	181,454	20.92%	(139,424)	-332%
LINK ( R ) (FED)	290,801	44,561	15.32%	290,801	79,626	27.38%	(35,065)	-79%
<b>SUB-TOTAL</b>	<b>3,851,301</b>	<b>746,452</b>	<b>19%</b>	<b>2,234,372</b>	<b>1,124,184</b>	<b>50%</b>	<b>(279,711)</b>	<b>-37%</b>

\* Budget excludes program subsidies

**SERVICES OUTSIDE PROGRAM AREA**

PROGRAM	REVENUE			EXPENDITURES			ACTUAL Variance	VARIANCE / REVENUE
	BUDGET * FY 2024	ACTUAL YTD	%	BUDGET FY 2024	ACTUAL YTD	%		
EMERGENCY SERVICES ( R )	1,712,988	872,280	50.92%	1,327,096	330,467	24.90%	541,812	62%
CHILD MOBILE CRISIS ( R )	371,304	1,394	0.38%	320,728	14,772	4.61%	(13,378)	-960%
CIT ASSESSMENT SITE ( R )	290,495	109,468	37.68%	289,481	135,932	46.96%	(26,464)	-24%
CONSUMER MONITORING ( R ) (FED)	133,656	3,713	2.78%	139,646	45,186	32.36%	(41,473)	-1117%
ASSESSMENT AND EVALUATION ( R )	390,825	142,479	36.46%	739,048	126,001	17.05%	16,478	12%
<b>SUB-TOTAL</b>	<b>2,899,268</b>	<b>1,129,335</b>	<b>38.95%</b>	<b>2,815,999</b>	<b>652,359</b>	<b>23.17%</b>	<b>476,976</b>	<b>42%</b>

\* Budget excludes program subsidies

**ADMINISTRATION**

PROGRAM	REVENUE			EXPENDITURES			ACTUAL VARIANCE
	BUDGET * FY 2024	ACTUAL YTD	%	BUDGET FY 2024	ACTUAL YTD	%	
ADMINISTRATION (FED)	130,080	325,322	250.09%	130,080	325,322	250.09%	0
PROGRAM SUPPORT	4,354	9,200	211.29%	4,354	9,200	211.29%	0
<b>SUB-TOTAL</b>	<b>134,434</b>	<b>334,522</b>	<b>248.84%</b>	<b>134,434</b>	<b>334,522</b>	<b>248.84%</b>	<b>0</b>
ALLOCATED TO PROGRAMS				4,268,473	1,553,307	36.39%	

\* Budget excludes program subsidies

(R) Restricted Funding within program  
(FED) Federal Reimbursement process within program

**RACSB**  
**FY 2022 FINANCIAL REPORT**  
Fiscal Year: July 1, 2023 through June 30, 2024  
Report Period: July 1, 2023 through Oct 31, 2023  
**FISCAL AGENT PROGRAMS**  
**PART C AND HEALTHY FAMILY PROGRAMS**

PROGRAM	REVENUE			EXPENDITURES			ACTUAL VARIANCE	VARIANCE / REVENUE
	BUDGET * FY 2024	ACTUAL YTD	%	BUDGET FY 2024	ACTUAL YTD	%		
INTERAGENCY COORDINATING COUNCIL ( R )	1,721,538	1,002,278	58.22%	1,721,538	340,006	19.75%	662,272	66%
INFANT CASE MANAGEMENT ( R )	808,195	374,883	46.39%	808,195	279,461	34.58%	95,422	25%
EARLY INTERVENTION ( R )	2,178,718	503,358	23.10%	2,178,718	656,406	30.13%	(153,047)	-30%
<b>TOTAL PART C</b>	<b>4,708,451</b>	<b>1,880,520</b>	<b>39.94%</b>	<b>4,708,451</b>	<b>1,275,872</b>	<b>27.10%</b>	<b>604,647</b>	<b>32%</b>
HEALTHY FAMILIES ( R )	280,006	101,284	36.17%	280,006	80,349	28.70%	20,934	21%
HEALTHY FAMILIES - MIECHV Grant ( R ) (REIM)	315,601	83,233	26.37%	315,601	101,862	32.28%	(18,629)	-22%
HEALTHY FAMILIES-TANF & CBCAP GRANT ( R ) (REIM)	459,084	79,174	17.25%	459,084	157,023	34.20%	(77,849)	-98%
<b>TOTAL HEALTHY FAMILY</b>	<b>1,054,691</b>	<b>263,691</b>	<b>25.00%</b>	<b>1,054,691</b>	<b>339,235</b>	<b>32.16%</b>	<b>(75,544)</b>	<b>-29%</b>

(R) Restricted Funding within program  
(FED) Federal Reimbursement process within program

**RACSB**  
**FY 2022 FINANCIAL REPORT**  
Fiscal Year: July 1, 2023 through June 30, 2024  
Report Period: July 1, 2023 through Oct 31, 2023

**RECAP FY 2024 BALANCES**

	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>NET</u>	<u>NET / REVENUE</u>
MENTAL HEALTH	6,917,847	5,243,499	1,674,348	24%
DEVELOPMENTAL SERVICES	8,189,434	6,924,863	1,264,571	15%
SUBSTANCE ABUSE	746,452	1,124,184	(377,733)	-51%
SERVICES OUTSIDE PROGRAM AREA	1,129,335	714,655	414,680	37%
ADMINISTRATION	334,522	334,522	0	0%
FISCAL AGENT PROGRAMS	2,144,210	1,615,107	529,103	25%
<b>TOTAL</b>	<b>19,461,799</b>	<b>15,956,831</b>	<b>3,504,968</b>	<b>18%</b>

Restricted Funds	\$ 2,173,154
Unrestricted Funds	1,392,388
<b>Total</b>	<b>\$ 3,504,968</b>

**RECAP FY 2023 BALANCES**

	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>NET</u>	<u>NET / REVENUE</u>
MENTAL HEALTH	4,927,622	3,721,372	1,206,250	24%
DEVELOPMENTAL SERVICES	6,009,841	5,154,940	854,901	14%
SUBSTANCE ABUSE	1,418,934	827,049	591,886	42%
SERVICES OUTSIDE PROGRAM AREA	803,851	606,925	196,926	24%
ADMINISTRATION	8,439	8,439	0	0%
FISCAL AGENT PROGRAMS	1,686,755	1,273,427	413,329	25%
<b>TOTAL</b>	<b>14,855,443</b>	<b>11,592,151</b>	<b>3,263,292</b>	<b>22%</b>

	<u>\$ Change</u>	<u>% Change</u>
Change in Revenue from Prior Year	\$ 4,606,356	31.01%
Change in Expense from Prior Year	\$ 4,364,680	37.65%
Change in Net Income from Prior Year	\$ 241,677	7.41%

\*Unaudited Report



# Memo

**To:** Joe Wickens  
**From:** Amy Jindra  
**cc:** Tina Cleveland  
**Date:** December 6, 2023  
**Re:** Christmas Holidays Differential

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Approximately 15 years ago, RACSB introduced a pay rate increase for those working on Christmas Eve and Day for Community Support Services (CSS) 24 hour programs. The increase amounted to \$2/hour differential. In an effort to better compensate 24-hour program staff working on Christmas Eve and Christmas Day, a new differential rate is proposed. Developmental Disabilities (DD) Residential, Mental Health (MH) Residential, Assertive Community Treatment (ACT), and Sunshine Lady House consist of the programs included in this proposal. Emergency Services has a separate differential rate that accommodates its unique program and staffing needs. Consequently, only CSS 24 hour programs are included in the differential rate proposed changes. For December 2023, the recommended differential rate is time and half for those working on the 24<sup>th</sup> and 25<sup>th</sup>. The rate increase applies for full time, part time, exempt, and non-exempt staff.

Among the 19 programs offering 24-hour support during the holidays, 154 staff will provide coverage for various shifts. The 154 staff will provide coverage for approximately 1,232 hours. In reviewing estimated wages of those working during the holidays, the agency will pay about \$26,566 in base salaries. Applying one and half times increase will increase wage expenses by \$13,283, for a total of \$39,849. For an individual staff perspective, historically, an employee would earn an additional \$16 for an 8-hour shift worked on Christmas Day or Christmas Eve. With the proposed changes, a staff making \$18/hour, would instead receive \$72 for the 8-hour shift. Providing time and half does create an additional expense for RACSB. However, for an individual staff, the increase carries significantly greater value.

All of the CSS programs can afford the increased cost. DD Residential has 13 programs that will need staff coverage for the Christmas holidays. Cost in wages for the proposed rate will be an additional \$10,485. DD Residential as a whole carries a margin of \$1,848,174. MH

Residential will incur an additional \$1014 by following the proposal. MH Residential, excluding Permanent Supportive Housing, has a balance of \$150,343. ACT will pay an extra \$250 in wages for the two days. ACT carries a positive variance of \$69,600. Sunshine Lady House, currently has a balance of \$8,700. It has just resumed services. The cost to cover the increased holiday rate for Sunshine Lady House is an additional \$1535. Currently, some of the 24-hour programs are struggling to fill shifts or have staff scheduled for 12 hour shifts in order to maintain needed coverage. This additional incentive may likely encourage additional employee support or better reinforce the agency's backing of those working.

To: Joe Wickens, Executive Director  
 From: Tina Cleveland, Director of Finance  
 Subject: Classification and Compensation Recommendations  
 Date: December 12, 2023

The Rappahannock Area Community Services Board contracted with JER Human Resources Consulting to perform a comprehensive classification, compensation, and benefit study at the beginning of this year. The Board approved implementing the resulting recommendations from this study. While these actions temporarily resulted in an increase in applications and reduction in open positions, workforce shortages and vacancy continue to negatively impact programming across the agency to include temporary closings, waitlists, and increased cost to maintain current services. Further, the actions did not effectively address horizontal compression within each grade. Once the changes were implemented, the majority of agency staff fell within the 1<sup>st</sup> quartile of the new range, even those employees who have been with the agency over ten years or more. As requested by Board members during November committee and board members, staff have reviewed further potential compensations actions for presentation and recommendation to the Board.

**Description of Salary Adjustment Scenarios:**

*Living Wage based on Caroline:* The living wage for Caroline is \$19.00 per hour which is a 5.4% increase of our current lowest grade so the increase was applied evenly across all grades to calculate new scale and across all employees to calculate cost details.

*Bringing up to \$20 per hour minimum:* Bringing the minimum up to \$20.00 per hour is 10% increase of our current lowest grade so the increase was applied evenly across all grades to calculate new scale and across all employees to calculate cost details.

*Bringing up to \$20 per hour minimum and addressing vertical compression:* This strategy raises starting pay to \$20.00 per hour equating to a 11% increase plus an additional % increase to ensure a consistent percentage-based spread between the starting salaries for each grade in the scale through Grade 13. Grades 13 and up will receive only a 10% increase as these grades already maintain a consistent spread based on starting salaries.

*Living Wage based on All other localities:* The living wage for all other localities is \$22.43 per hour which is a 19.8% increase of our current lowest grade so the increase was applied evenly across all grades to calculate new scale and across all employees to calculate cost details.

**Description of Tenure-Based Adjustment:**

In order to effectively address horizontal compression, an additional percentage salary increase can be applied to the base salary options above. The amount of the additional percentage increase will be based on years of service to the agency.

**Approximate Additional Annual Salary Cost of Each Scenario:**

Description	Living wage-Caroline (5.4%)	Based on \$20 min (10%)	Based on \$20 min plus vertical compression adjustment	Living wage-All other localities (19.8%)
<b>Total with Tenure Adjustment</b>	<b>\$2,334,950.35</b>	<b>\$3,754,610.87</b>	<b>\$4,156,030.14</b>	<b>\$6,779,105.01</b>

**Financial Position and Considerations to Evaluate Recommendations:**

RACSB is in the financial position to implement any of the above recommendations due to the following factors. The agency currently has cash investments of \$26,050,001 equating to 6 months of reserves. Last year, RACSB ended the fiscal year with a positive variance of \$7,207,898. Financial projections indicate the agency is on-track to end this year with a positive variance of \$7,714,906 even without the following increases in funding and revenue. RACSB will receive an additional \$472,397 in January 2024 and starting in July, \$944,794 on an ongoing annual basis in additional state funds which have to be directed at salary actions. In addition, the rates for the majority of the services we provide will have a 10% increase starting January 1, 2024. Please find a summary of these additional financial considerations below:

<b>Description of positive current and future annual variances:</b>	<b>Approved or Projected Amounts</b>
Projected positive variance FY2024	\$7,714,906
Projected annual increase in State Funds for salary	\$944,794
10% increase in fee collections (based on fee revenue for FY23)	\$3,406,858
<b>Total positive current/future annual variances</b>	<b>\$12,066,558</b>

**RACSB recommends the following strategies to remain competitive with the current market:**

Set compensation scale to bring the minimum up to \$20.00 per hour equating to a minimum 10% increase for all steps. For Step 6 through Step 12, an additional % increase will be added based on grade to address vertical compression by ensuring 8% spread between the minimum salary of each grade. In addition, RACSB recommends implementing the tenure adjustment to address the horizontal compression concern and support retention of employees. For employees who are in non-graded positions, have salaries that currently exceed or with current recommendations which exceed the new maximum of their grade, and employees with the agency less than one-year, alternative actions would apply as described below. Please find summary and assumptions below.

<b>Assumptions</b>	<b>Number of Employees</b>	<b>Increase Calculation</b>	<b>1- 4 Years</b>	<b>5-6 Years</b>	<b>7-10 Years</b>	<b>11+ Years</b>
<b>Typical</b>	<b>388</b>	<b>10% plus Tenure % increase</b>	<b>1%</b>	<b>2%</b>	<b>5%</b>	<b>6%</b>
<b>Non-Graded Positions</b>	<b>4</b>	<b>2% COLA plus Tenure %</b>	<b>1%</b>	<b>2%</b>	<b>5%</b>	<b>6%</b>
<b>If with agency less than 1 year</b>	<b>122</b>	<b>Brought up to new minimum Only</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>If Currently or recommended adjustments over New Max</b>	<b>2</b>	<b>1% COLA; Brought up to Max only</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>If over Mid and Tenure &lt;5 years</b>	<b>2</b>	<b>2% COLA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Interns</b>	<b>6</b>	<b>No Change</b>				

<b>Position Type</b>	<b>Number of Employees</b>	<b>Total Cost of Increase</b>	<b>Total Annual Salary Cost</b>
Full-Time	443	\$3,671,434.16	\$29,423,830.70
Part-Time PRN	71	\$418,063.90	\$3,589,086.30
Non-Graded	4	\$66,532.08	\$1,274,749.22
<b>TOTAL</b>	<b>518</b>	<b>\$4,156,030.14</b>	<b>\$34,287,666.22</b>

\*Totals will be less once Part-Time/PRN is adjusted based on each employee's actual number of hours.