

NKHS Board of Directors Meeting  
Minutes  
6/24/2024

**Board present:** Denise Niemira, Board Chair; Kari White, Board Vice-Chair Jane Kitchel, Secretary; Linda Rhodes, Diana Gibbs, Lisa Boskind, Stacy Thrall, Tracy Paul

**Staff Present:** Kelsey Stavseth, Executive Director; Denis Houle, CFO; Laura Nelson, Chief of Organizational Development; Sharon Ryan, Chief of IDDS; Brooke Bury, Dir. of HR; Tim Gould, Chief of IT; Carol Hemenway, Ex. Office Admin.; Deb Spencer-Tanguay, Director IDDS; Tammy Dupuis, IDDS; Randy Beer, Director IDDS; Peter Kostruba, Director IDDS; Jacqueline Beer, Director IDDS, Sophie Kaye, CCBHC

**Note taker:** Carol Hemenway

Called to order at 10:03am

**Motion to approve the agenda as presented was made by Jane. This was seconded by Stacy and carried by unanimous approval of the Board present.**

Motion to approve consent agenda is tabled pending revision to the May minutes.

**Board education:** This month's Board education was on the Intellectual and Developmental Disabilities Services program (IDDS). IDDS Directors, Deb Spencer-Tanguay, Jacqueline Beer, Randy Beer, and Tammy Dupuis made the presentation.

The following are highlights from the Q&A session after the presentation.

- There is no waitlist – it's not allowed.
- Fewer folks transition out than transition in – how is that handled? Deb noted that the revenue has increased and we work to fill additional staff positions. Deb noted that some clients do "graduate" and receive fewer hours of support. Some move, some pass away, some become incarcerated, and those factors allow for others to move into the program.
- The Bridge program serves individuals with autism. We build programs around the client's individual needs. There are community agencies that NKHS can partner with to help provide appropriate resources for client supports.
- New therapist had recently been hired for the IDDS program.

Board members are welcome to join the IDDS standing committee meetings. The Board thanked the IDDS team for their presentation.

**Quality update:** Laura presents a Continuous Quality Improvement (CQI) update to the Board present. Slides will be sent to the Board for their information. Laura noted that the Dir. of Quality position hiring process is ongoing.

**Finance Committee update:** Kelsey presented the May 2024 finance reports Ahead of budgeted revenue by \$160k for the month; case rate at budget. YTD revenues ahead of budget by \$1.1 million. Expenses were over budget for the month by \$176k with \$12k due to salary & wages, and \$190k for health insurance.

YTD salary & wages were under budget by \$852k, and YTD health care expense was \$802k over budget. Agency margin for May was a \$281k loss and the YTD margin saw a gain of \$2.3 million.

Children's Programs: loss of \$68k for May with no payback as case rate target was met  
HCBS gain for May of \$37k and a YTD gain of \$450k  
Schools have a loss for the month of \$105k and a YTD loss \$182k

Adult Programs: loss of \$31k for May and a YTD loss of \$842k  
CRT: loss for May of \$79k and a YTD gain of \$64k  
Emergency Services: loss for May of \$152k and a YTD loss of \$432k  
Mental Health programs: loss for May of \$331k  
DS programs: gain for May of \$64k and a YTD gain of \$2.1 million  
SUD: loss for May of \$28k  
Admin: over by \$27k for May and under budget YTD by \$405k

Cash is strong at \$12.55 million in the bank  
83 days of cash on hand  
Days in A/R at 37

Kelsey noted that all he is working with clinical and leadership staff to adjust the staffing size and structure for each program. Recently changed the scheduling method and brought more staff back to the office to accommodate clients' needs.

**Budget approval:** Kelsey provided the following high-level budget overview for the proposed budget:

3% increase received in Medicaid  
7/1 COLA of 2% for staff  
Analyzing the current health insurance options  
Booked 1.3 mm miles for travel – a 10% increase from last year  
Adding 18 June IDDS grads starting 7/1 – \$900k in revenue  
\$524k in wage adjustments pending. Stipends for staff committee work  
\$250k built in for cell phones.  
This is a breakeven budget with a zero-vacancy assumed  
Children's programs: expect additional contracts in the coming year  
Adult programs: right sizing the data – allocating funds to outpatient  
ES: breakeven  
MH: \$1 million surplus expected  
DS: will monitor budget closely  
SUD: committed to this program – in talks with DMH to address issues  
Insurance costs will net each other out.

**Motion to approve the financial reports as presented was made by Linda. This was seconded by Kari and carried by unanimous vote of the Board present.**

**Approval of FY 25 Budget (resolution):**

Board of Directors Resolution

The undersigned, being the duly elected and qualified Treasurer and Secretary of the Northeast Kingdom Human Services, Inc., a Vermont corporation (the "Corporation"), do hereby certify in writing to the action taken and the adoption of the following resolution by the Board of Directors of said Corporation on the 24th day of June 2024:

RESOLVED, the Board of Directors approves the FY'25 Financial Budget for the fiscal year beginning July 1, 2024 including authorizations for:

1. FY 2025 Budget Revenues: NKHS, Inc. is authorized to provide services consistent with its mission and goals, and in so doing, expects to earn \$63,656,152 in revenues from various governmental and/or private sources as presented in the accompanying budget plan.
2. FY 2025 Budget Expenses: Consistent with the delivery of services, NKHS, Inc. is authorized and expects to incur \$63,418,173 in expenditures for salaries & wages, fringe benefits, contracted services, general operating, and program expenses as presented in the accompanying budget plan. Included in the fringe benefits are non-direct compensatory benefits for employees in the form of a captive health plan, dental plan, STD/LTD/AD&D/Life Insurance, retirement plan and other fringe benefits at an expected cost, as presented in the FY 2025 Budget of \$9,262,634.
3. FY 2025 Capital Expenditures: NKHS, Inc. is authorized to purchase property, plant, and equipment at an estimated cost of \$905,500.

**Motion to approve the budget as presented was made by Linda. This was seconded by Kari and carried by unanimous vote of the Board present.**

**ED Update (Kelsey):**

The front porch open house was last week and there was a good showing of over 50 people. It is off to a slow to start seeing clients, but that was expected. The architectural drawings are nearly completed. The facility will be open 7am – 11pm for urgent care model only. Reach out if you would like a tour.

CCBHC: the state accepted the demonstration grant. Details are not yet determined, will keep the Board posted as details are made available.

Conflict of interest/Payment reform will transform DS services and will significantly impact our staffing and budget. Will need to rapidly respond – lots of anxiety around those changes. Working to prepare for those changes.

Director of Quality and Director of Development interviews are ongoing – reference checks underway.

**Motion to enter executive session to review and approve salaries subject to Board approval was made by Kari. This was seconded by Jane and carried by unanimous vote of the Board present.**

Resolved into executive session at 11:35am.

Motion to exit executive session was made at 11:57 am by Lisa Boskind, seconded by Diana Gibbs, and passed unanimously.

Motion to adjourn the meeting was made by Lisa Boskind, seconded by Tracey Paul, and passed unanimously. The meeting was adjourned at 11:57 am.

DocuSigned by:

*Jane Kitchet*/2/2024

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