St. Louis Office for Developmental Disability Resources
Minutes of the Meeting of the Board of Directors
February 9, 2017

Board Members Present:
Kenneth (Ken) Franklin, Chairperson
Dr. Sheryl Davenport, Secretary
Michael Garvin

William (Bill) Siedhoff, Vice Chairperson
Sherry Wibbenmeyer, Treasurer
Jackie Engel

Excused Board Members:
Michael Garvin

Staff Members Present:
Richard (Dick) Goldbaum, Interim Executive Director
Ebony Young, Agency Relations Representative
Leigh Noland, Information Technology Technician
Nathaniel (Nate) Head, Senior Agency Relations Representative
Sheila Wunning, Director of Targeted Case Management (TCM)

Chrystal Griffin, Assistant Executive Director
Rhonda Kanaday, Administrative Assistant

Guest who signed in:
Matthew Burridge, Project Inc.
Shaughnessy Daniels, St. Louis Arc
Susan Fleming, Recreation Council
Becky Herschbach, Productive Living Board
Kathy Farache, Association on Aging with Developmental Disabilities (AADD)
Pam Merkle, Association on Aging with Developmental Disabilities (AADD)
Shanna Nieweg, Horizon Housing Development Co. (H.H.D.Co) and Horizon North Housing Inc. (HNH, Inc.)
Corrie Petschonek, Horizon Housing Development Co. (H.H.D.Co) and Horizon North Housing Inc. (HNH, Inc.)

Rebecca Calys-Strohm, Easter Seals Midwest
Monica Edmonds, UCP Heartland
Sharon Hales, Oasis
Howard Smith, St. Louis Area First Steps

I. Remarks from Visitors
There were no remarks from visitors.

II. Call to Order
Bill Siedhoff, Vice Chairperson, called the St. Louis Office for Developmental Disability Resources’ (DD Resources) Board of Directors Meeting to order at 11:41 a.m. Introductions of Board Members, Staff and guests were made.

III. Mission Moment
Nate Head, Senior Agency Relations Representative shared a mission moment which focused on DD Resources Funded Employment Services. An outline was given to the Board Members.

IV. Approval of Meeting Minutes
There were no additions or corrections to the February 9, 2017. Sheryl Davenport, Secretary, moved to accept the February 9, 2017, Board of Director Meeting Minutes as submitted. Jackie Engel, Board Member, second. Vote all in favor. None opposed. Motion passed.

V. Approval of Financial Report
Dick Goldbaum, Interim Executive Director updated the board of directors and shared the following:

A. Tax Revenue
Most of the tax revenue has been received. The past concern was we would run into a major problem by October or November of 2017. That concern is no longer an issue.
B. Revised Executive Summary

A new more detailed Executive Summary was given to the Board of Directors. This report was completed by Jack Neyens, CPA and the consultant that has been assisting us from Anders to restructure our reporting forms.

Staff is working on the FY18 budget, with the goal of having the overall expenses totaling approximately $10 million dollars which reflects $3.3 million dollar reduction in expenses for this fiscal year.

Ken Franklin, Board Chairperson, commended Dick and the staff for preparing the new financial documents.

Sheryl Davenport, Secretary, moved to approve the financial report dated as of January 31, 2016. Bill Siedhoff, Vice Chairperson, second. Vote all in favor. None opposed. Motioned passed.

VI. Executive Director’s Report

Dick Goldbaum, Interim Executive Director, gave the following updates:

A. FY 16 Draft Audit

A draft copy of the FY 16 Audit was given to the Board of Directors. Dick updated the Board of the following:

1. Challenges related to the implementation of the audit
   a) Terminated contract with auditors of ten years in early September 2016
   b) Solicited proposals for conducting the 2016, 2017 and 2018 Audits
   c) CFO Resigned effective October 25, 2016
   d) Signed contact with the auditing firm Rubin Brown on October 27, 2016
   e) Accessing Accounting Software and CFO’s unique accounting system very difficult
   f) Conducting the Audit under Government Accounting Practices for first time
   g) Auditors and our staff battling the flu and responding to a family crisis
   i) Second Draft received on Monday, March 6, 2017
   j) Finance Committee will meet within the next few weeks to review the auditors with Rubin Brown representatives
   k) Final Audit will be sent to the Board prior to April 13, 2017 Board Meeting for review and approval. Rubin Brown representatives will attend the Board Meeting.

B. Update on Agency Allocation of Funds to Agencies for FY18

1. Agency Staff Recommendations

The Agency Relations Team has finalized their recommendations for the FY18 allocations to agencies. The recommendations will be sent to the agencies and they will have an opportunity to accept or write an appeal to the Board.

2. Agency Appeal Process

The appeal process will be as follows:

a) The appeal will be reviewed by staff
b) The Board will determine which appeals warrant a meeting with the agencies.
c) Those agencies the board determines warrant a meeting will be invited to meet with Board members to present their case in April (a date will be determined).

d) The board will then confirm staff recommendations or modify them based on agency appeal.

3. **Agency Allocations update**

The staff recommendations reflect a $2.1 million reduction in allocations from Fiscal Year 2017. At the beginning of the fiscal year the contracts have gone from approximately $8 million in contracts to $4.5 million in contract with the agencies at the beginning of the FY18 - a $3.5 million savings.

Currently, the allocations are approximately:

- 32% Employment
- 49% Residential
- 19% other related services

These may change after further review.

C. **TCM Management Reorganization**

Upon review of the TCM Program it was found the department has been running at a deficit over the last 4 or 5 years. The deficit is partially due to the allocation of funds and internal changes that need to be made.

The position of Assistant Director and one of the Senior Service Mentor positions has been eliminated. These two positions have an estimated savings (salaries and benefits) of approximately $125,000 to $140,000 on an annual basis.

DD Resources is currently looking for replacement of a Mentor Position, and three (3) Service Advocates.

D. **Update on FY 18 Budget Development**

The Agency Allocations have been identified and the rest of the budget will be reviewed by Jack Neyens and the Management Team. The Fiscal Committee will meet sometime toward the end of April to review and present to the Full Board for their approval at the May 11, 2017 Board Meeting.

E. **Support Innovations – Lessee**

Support Innovations, renters of the Pine Building, have been notified that their contract will not be renewed, at the end of June. They have requested a 90 day extension.

Bill Siedhoff moved that Support Innovations be given a 90 day extension with the contingency that DD Resources has the right to cancel the extension and to give them 30 day notice if the building would sell. Sheryl Davenport Second. Vote all in favor. None opposed. Motion passed.

VII. **Old Business**

A. **Action Items**

No Action Items.

B. **Discussion Items**

Dick updated the Board of Directors on the following items regarding the TCM Department:

1. **Medicaid Overpayment**
2. **Operating Deficit**
3. **Long-Term sustainability**
VIII. New Business

A. Action Items

1. Voluntary Section 218 Agreement – Social Security Act

The State of Missouri discovered there were governmental agencies that did not sign appropriate papers. It was recommended that the Board adopt the Resolution

Sheryl Davenport, Secretary moved that the Board adopt the Resolution for the Voluntary Section of # 218 Agreement. William Siedhoff, Vice-Chair second. No Discussion. Vote all in favor. None opposed. Motion passed.

2. Temporarily Restricted Capital Needs Fund

Staff is recommending the funds from the future sale of the 23rd & Pine Building be placed in a Board Restricted Capital Needs Fund. The Board will be the only ones who can allocate the funds. There are no available reserve funds at the present time to respond to capital needs.

Sheryl Davenport, Secretary moved that the Board approve the resolution for the establishment of Board Restricted Capital Needs Fund from the proceeds of the sale of the property at 2219 Pine and any subsequent sale of DD Resources property in the future. Sherry Wibbenmeyer, second.

After discussion, Sheryl Davenport, Secretary amended the motion to approve the establishment of Board restricted capital needs fund, from a portion of the proceeds determined by the Board of the sale of the property at 2219 Pine and any subsequent sale of DD Resources property in the future. William Siedhoff, Vice Chairperson, second. Vote all in favor. None opposed. Motion carried.

3. Friedman Group, Ltd.

Three bids have been received from possible Listing Agents for the sale of the 2219 Pine property. Staff is now in the process of finalizing and negotiating a contract with Friedman Group as the broker.

B. Discussion Items

No Discussion Items.

IX. Announcements

A. Yolanda Lovelace, St. Louis Project Club, announced their Annual Easter Egg Hunt will be held on April 8, 2017. They requested from the board $2,000 to assist them with funding the event. Ms. Lovelace was asked to meet with Chrystal Griffin after the Board of Directors meeting.

B. Ken Franklin, Board Chairperson, updated that the board is working on a strategy to move forward.

X. Adjourn/Executive Session

Ken Franklin requested a motion to move into Executive Session. Sheryl Davenport, secretary moved to adjourn and go into executive session. Sherry Wibbenmeyer, Board Member, second. Vote all in favor none opposed. Meeting adjourned 1:21 p.m.