

Attendees

Voting Members

Ms. Chantel Adams, Chair

Mr. Leland Johnson, Vice Chair

Mr. Michael McElveen, Board Member

Ms. Karen Sparks, Board Member

Ms. Christina Howell, Board Member

Mr. Steve Grimsley, Board Member

Mr. Scotty Tillery, Board Member

Non-Voting Members

Ms. Melanie Dallas, Chief Executive Officer

Mr. James Catanzaro Jr., Legal Counsel

Ms. Stephanie Bishop, Chief Compliance Officer

Mr. Jerry Koester, Chief Financial Officer

Ms. Dena Payne, Chief Operating Officer

Mr. Mike Mullet, Community Relations Director

Ms. Melissa Stone, Executive Secretary

Ms. Candice Baldwin, Compliance Secretary

I. Call to Order

Chair Chantel Adams called the meeting to order at 10:43 a.m.

II. Approval of Agenda

Chair Chantel Adams asked that the agenda be revised to move the FY20 Financial Audit Report to Item #4. The change would allow Mr. Robert Baker, CPA, to leave the meeting after he finished his summary of findings.

Action: The agenda was approved with the proposed revision upon unanimous vote of motion by Ms. Karen Sparks and second by Mr. Steve Grimsley.

III. Oath of Office for New Member

Action: Executive Secretary Melissa Stone, Notary Public, administered the oath of office for Mr. Scotty Tillery, Polk County representative. The members welcomed Mr. Tillery to the Governing Board.

IV. Executive Session

Action: Upon unanimous vote of motion by Ms. Karen Sparks and second by Mr. Steve Grimsley, the Governing Board moved into Executive Session to consult with Legal

Counsel regarding pending or potential claims and to authorize negotiations to purchase, dispose of, or lease property.

V. Reconvention of Regular Session

Action: The Cobb County Community Service Board Management Services Agreements for Chief Executive Officer, Chief Financial Officer, and Information Technology services were extended until June 30, 2021, upon unanimous vote of motion by Ms. Karen Sparks and second by Vice Chair Leland Johnson.

VI. Consent Agenda Items

Action: The following consent agenda items were approved as presented upon unanimous vote of motion by Ms. Karen Sparks and second by Ms. Christina Howell.

- Governing Board Meeting Minutes for December 9, 2020
- Governing Board Executive Committee Meeting Minutes for January 28, 2021
- Board Resolutions for the Mutual of America retirement plans
- FY21 Behavioral Health Contract #44100-261-0262021103 - Amendment #02
- FY21 Suicide Prevention Services Contract #44100-906-0000140184 - Amendment #01
- FY21 High Utilization Management Contract #44100-026-0000124445 - Amendment #03

VII. FY20 Financial Audit Report

Chief Executive Officer Melanie Dallas introduced Mr. Robert Baker, CPA. Mr. Baker informed the members that he had reviewed the financial report in-depth with the Finance Committee. He would be giving the highlights for his report to the full Board. He directed the members to the report. He stated that it was management's responsibility to prepare the financial statements and to give a fair presentation of the information. It was his responsibility to give an opinion of the financial statements. He had given the agency a clean opinion. He had not given any going concerns.

He directed the members to the statement of net position on page 8. It showed the position of the agency as of June 30, 2020. The current assets were \$4,824,690. The current assets included cash, accounts receivable, and grant in aid contract payments from the Department of Behavioral Health and Developmental Disabilities (DBHDD). The capital assets were items that were owned by Highland Rivers Health. The schedule in the notes gave detail on the assets. The total assets were \$8,007,169. The current liabilities were \$4,748,457. The amount due to DBHDD was the advance from 2019 that had not been taken back prior to June 30, 2020. The amount due to DCH was for the State Health Benefit Plan employer premium error and would be cleared up in the next 12 months. The notes payable amount was for the USDA loan on the Pickens County clinic. The non-current liabilities included compensated absences for staff. The pension and other post-employment benefits (OPEB) amounts were for retirees who were under the Employees Retirement System (ERS). The total net position was a deficit of \$1,273,781. He stated that he had thought of doing a going concern. However, he decided not to do a going concern based on the pension and

OPEB liabilities. The State of Georgia gave him the numbers to include in the financial statements. The amounts were based on information for 2019. The numbers for the pension would go down over time. The OPEB was for health and life insurance for retirees. This amount would not go down as the costs of benefits continued to rise. There was about \$1.1 million in these benefits. There were wild swings in the amounts from year to year. His opinion was that Highland Rivers Health would not have to pay those amounts. It was just a requirement from the Governmental Accounting Standards Board (GASB) that the amounts be recorded and did not translate to real money.

Mr. Baker gave the additional highlights from the report.

- The statement of activities on page 9 showed a positive change in net position of \$1,828,005. There was a net deficit at the beginning of the year. The prior year adjustment was for the State Health Benefit Plan conversion error. It was a good year.
- The schedule of expenditures of federal awards on page 78 showed the federal monies that were expended. It was what drove the audit. It was a single audit that included financials, financial compliance, and internal controls. He was required to test at least 40% of the awarded monies. He had focused on the block grants. The total federal award was \$8,977,594 million.
- The schedule of findings on page 84 showed that there were no findings. The findings from FY19 had been corrected.

Chair Chantel Adams thanked Mr. Baker for taking time to present his findings and the audit information to the members.

VIII. Finance Committee Report

Chair Chantel Adams asked Chief Financial Officer Jerry Koester to give an overview of the information discussed in the committee meeting. Mr. Koester directed the members to the balance sheet as of December 2020. Cash and equivalents were at \$1,466,056 and had increased by \$1,921,306 over the prior year. Accounts receivable were at \$3,649,340 and had decreased by \$1,195,600 from prior year. This could be attributed to lower billable revenue. The Highland Rivers Foundation had also paid back some funds which offset the decrease. The total current assets were \$5,509,951. The decrease in fixed assets could be attributed to depreciation. The current liabilities were in line with the prior year. The other liabilities included the pension and other post-employment benefits that Mr. Robert Baker discussed in the FY20 financial audit report. The due to DCH for the State Health Benefit Plan repayment was the monies owed from the conversion error. The total liabilities were \$9,522,994 and had decreased by \$757,084 from prior year. The total net assets had improved by \$1,109,440 over prior year. The key performance indicators (KPIs) showed the agency had 11 days cash on hand.

Mr. Koester directed the members to the statement of revenue and expenses year to date through December 2020. Total revenue was \$24,868,655 and was \$652,852 behind budget. Fee for service revenue was \$430,038 over budget. This could be attributed to the increase

in the fee for service maximum reimbursement level (MRL) and the continued fixed payments. Billable revenue was down due to COVID in the day programs, Peer, Assertive Community Treatment, and Intensive Case Management. Total expenses were \$24,425,439 and were \$984,977 below budget. Payroll related expenses were below budget. IT purchases were down. Travel related expenses were under budget. Professional fees were over budget due to the costs of the financial audit and physician placement fees. Bad debt expenses were over budget due to some compliance write-offs. There was a net profit of \$443,216. This was \$332,125 better than budget.

IX. FY21 Agency Scorecard

Chief Operating Officer Dena Payne directed the members to the FY21 Agency Scorecard in the packet. She gave the following highlights from the scorecard.

- Staff were consistently not meeting the productivity standard of 90%. A team was working on the standards and adjusting some hours for community staff. A pilot program was being put into place to try to work on the deficiency.
- The goal of completing documentation within 24 hours was one that was set internally. A team had looked at documentation for community workers and the barriers for completion by the deadline. It was decided to expand the standard to documentation within 72 hours.
- The Kronos time-keeping system was being modified to track the time to fill positions. The modification was scheduled to be completed by June 30, 2021.
- The Administrative Services Organization (ASO) had conducted their review. The scorecard had been updated to reflect the new scores. The team would work to correct any identified deficiencies.

X. CEO Report

Chief Executive Officer Melanie Dallas directed the members to the CEO report in the packet. She gave the following highlights from the report.

- It was a pleasure to be able to present the Staff Member of the Year and Trudie Casey awards to the recipients. The Executive team had descended at the staff member's work locations and applauded their hard work and dedication.
- The Administrative Services Organization (ASO) had completed their review of Highland Rivers Health services. The review was completed remotely. The reports were included in the packet for the members' convenience.
- The transition to Mutual of America for retirement was underway.
- MTM Services had completed a Certified Community Behavioral Health Center (CCBHC) readiness assessment for Highland Rivers Health. The agency had done well on the assessment. A grant was available through the Substance Abuse and Mental Health Service Administration (SAMHSA) for technical assistance regarding becoming a CCBHC. Highland Rivers Health was in the process of submitting an application for a grant.

XI. Community Relations Report

Community Relations Director Michael Mullet directed the members to the report in the packet. He informed the members that he had been contacted by CNN about a possible spot on how the pandemic was affecting individuals in mental health programs. He was working with the producer on dates for an interview. He also stated that there had been 442 media placements in calendar year 2020.

XII. Compliance Committee Report

Chief Compliance Officer Stephanie Bishop informed the members that the committee had reviewed the compliance work plans. The members had also discussed the upcoming Commission on Accreditation of Rehabilitation Facilities (CARF) review. It would be held the last week of April. There would be eight surveyors. The surveyors would want to speak with a Board representative. The surveyors would also want to see evidence of board self-assessment. The self-assessment had been completed in January 2021. The committee had reviewed the results and would like to release the results to the rest of the members. They would need authorization to do so.

Action: The release of the results of the self-assessment was approved upon unanimous vote of motion by Vice Chair Leland Johnson and second by Chair Chantel Adams.

XIII. Recognition of Visitors

Chair Chantel Adams recognized Mr. Thomas Weaver as a visitor to the meeting.

XIV. Public Comment

Mr. Thomas Weaver petitioned the members to provide public comment. Chair Chantel Adams recognized Mr. Weaver as a speaker for public comment and asked him to proceed. Although not meant as a verbatim transcript, following is a summary of Mr. Weaver's actual comments: Mr. Weaver informed the members that he was a private citizen who resided in Cherokee County. He was a strong advocate for Second Amendment rights. He wanted to make the members aware of a situation that could potentially result in liability for Highland Rivers Health. An amendment to the Georgia Constitution had been approved through popular vote and had become effective on January 1, 2021. The amendment waived sovereign immunity for state agencies. He had brought concerns to the Department of Behavioral Health and Developmental Disabilities (DBHDD) on how the change would affect Second Amendment rights and the civil penalties that could result from infringement on those rights. He had received an invitation from DBHDD Legal Counsel to discuss the concern in more detail. Mr. Weaver stated that he was not suggesting that Highland Rivers Health was doing anything wrong or that there would be any litigation. He had a candid and sincere concern based on the new legislative and constitutional changes. He wanted to make sure the entirety of the members were aware of the changes. He did believe that the changes could provide for civil penalties and could invite conflict in the future. Ms. Adams thanked Mr. Weaver for bringing the information to the attention of the Board. She stated that the Board was looking into the information.

XV. Adjournment

Action: The meeting was adjourned upon unanimous vote of motion by Vice Chair Leland Johnson and second by Ms. Christina Howell.



Chairperson



Date