



# Rolling Hills

## Community Services Region

Buena Vista \* Calhoun \* Carroll \* Cherokee \* Crawford \* Ida \* Sac

### Governance Board

December 20, 2017 – 1:00 p.m.

Sac County Law Enforcement Center, Sac City

### Meeting Minutes

#### 1. Call to Order – Chair, Rick Hecht

#### 2. Roll Call of Counties – Introductions

Buena Vista: Paul Merten

Calhoun: Scott Jacobs

Carroll: Neil Bock

Cherokee: Dennis Bush

Crawford: Cecil Blum

Ida: Creston Schubert

Sac: Rick Hecht

Advisory Board Representative: Pam Haberl

Regional Staff: Dawn Mentzer, CEO; Rosie Stotts, Social Worker; Lisa Bringle, Leisa Mayer, Louise Galbraith, Coordinators

Guests: Rich Ruggles, Carroll County Supervisors; Diana Ossman, ISI; Dick Owens; Renee Blum, ISI; Terry Johnson, Genesis Development; Melissa Drey, PAMHC; Kim Kelleher, PAMHC; Dennis Butler, Rocky DeWitt, Woodbury County; Audrey Larson, Siouxland Mental Health Center; Karla Manternach, Counseling Services

#### 3. Minutes of Previous Meeting

Changes: Scott Jacobs requested to clarify statement that he made at the last meeting by adding the italicized: Scott Jacobs questioned if is there enough *Woodbury* levy capacity to provide for the providers in Woodbury County now?

*A motion was made to approve the minutes of the previous meeting with the clarification by Dennis Bush.*

*Second by Cecil Blum. Discussion: Paul Merten asked about minutes being published prior to the Board approval as they are not official until board approves. Dawn Mentzer stated that the minutes*

*must be published within 20 days of the meeting but we only meet once per month. She will add "unofficial minutes" prior to sending to the media. Motion carried unanimously.*

#### **4. Approval of Agenda**

A motion to approve the agenda by Neil Bock. Second by Scott Jacobs  
Discussion/additions/changes: None. Motion Approved

#### **5. Comments from the Public**

None

#### **6. Old Business**

##### **a) a) FY'17 Grant Funds Repurposing Request by Crossroads of Western Iowa with Ben Shuberg via telephone - Action**

A request was submitted to use unspent grant funds (about \$15,000) from last fiscal year to be applied to a vehicle previously purchased and other agency expenses. Dawn Mentzer does not advocate to grant the request as they are not items in the original grant proposal, however, is appreciative of their honesty in reporting the funds. Deviating from the original proposal could set a precedent going forward. Discussion: Rick, Paul, Cecil and Dennis felt the consensus of the board is not in favor of repurposing grant funds.

*A motion by Paul Merten to deny the request from Crossroads of Western Iowa to repurpose unexpended grant funds and to require payment for the unspent grant funds back to Rolling Hills Region by January 31, 2018. Second by Cecil Blum. Discussion: none. Motion carried*

##### **b) I-START contract with County Social Services Region - Action**

CSS Board has signed the contract and Cerro Gordo has agreed to be the employer of record. Interviews for the I-START Coordinator will be conducted within the next few months. The standard regional contract was sent to the Board prior to the meeting for review.

*A motion to approve and sign the contract by Scott Jacobs and second by Dennis Bush.  
Discussion: none Motion carried unanimously*

#### **7. New Business**

##### **a) FY'19 Supported Employment Grant proposal**

The agencies involved in the grant provided an outline of the proposal for FY19. Dawn Mentzer is proposing, and the agencies are in agreement, to reduce the grant to 75% of the current asking to \$348,087 and 50% the following year. The proposal also includes incentives for job placement. This is a way to step down from the grant and into incentives in the future.

Terry Johnson of Genesis Development appreciates the support of the region and is requesting the 75% and is in agreement with incentives based on outcomes.

Diana Ossman reports that ISI is looking at partnering with Iowa Works to reach more people with barriers to employment and they still need the grant to reach this goal. Renee Blum reports that they are working on opening the Holstein office to reach more people in the area.

Dawn Mentzer provided the board with a report on the outcomes in supported employment. Wages are going up and quality jobs are being found.

Cecil Blum asked if the savings from the grant reduction will fund the incentives. Dawn Mentzer replied that it could be less or more depending on the placements made.

*A motion to approve the employment grant proposal by Cecil Blum. Second by Paul Merten. Discussion: none. Motion carried unanimously*

#### **b) FY'19 Rolling Hills Budget**

Dawn Mentzer reviewed the FY19 proposed budget that was provided to the board for review. Dawn highlighted some of the changes and pointed out that Tele-Psych services and the I-Start program are included. Total proposed expenditures are \$3,162,804.

Dawn Mentzer is proposing a \$24 per capita to buy down the fund balance (which the proposed budget is based on). Dawn is trying to project a more accurate budget without inflating, and she is wanting the board to discuss staff wages.

Discussion: Each board member reported recommendations from their compensation boards. The rates are projected from 1.5% to 6%. Consensus of the board is to recommend a 3% increase for budgeting purposes.

*A motion to approve the proposed FY19 budget and recommended a \$24.00 per capita to the counties by Paul Merten. Second by Neil Bock. Motion carried unanimously.*

#### **c) Woodbury County Request to join Rolling Hills Region**

Rick Hecht asked Woodbury County if they would like to address the Board. Dennis Butler of Woodbury County reported that he and Jeremy Taylor met with Dawn Mentzer the previous week and went through the budget and think that is fair and they would like come into Rolling Hills and are willing to answer any questions. Rocky DeWitt, Woodbury County Supervisor was also in attendance.

Rick Hecht stated that he is concerned about the 20-25% fund balance requirement contained in SF504 and the implications that will have for regions in the future.

Dawn Mentzer reported that she met with Dennis Butler and Jeremy Taylor regarding budget projections to give the board a firm forecast. Dawn provided budget and per capita projections with and without Woodbury County. There will be a decrease in the per-capita rate for FY18 and FY 19

and increase in FY20 and FY21 (with and without Woodbury County). With Woodbury County, the FY'18 per capita would need to be \$26.00 vs \$24.00. Dawn reminded the board that these are not hard numbers and funds in the Sioux Rivers Region may or may not be expended that could affect the ending fund balance, of which 61% would be funded back to Woodbury County.

Discussion/questions:

Dennis Bush: Would have a tough time to go back to his board and show the inequity in what they (Woodbury County) are bringing in. There is nothing to stop Woodbury County from raising a higher per capita levy rate to bring more (reserve balance) to the Region.

Cecil Blum: Sees the average levy with Woodbury County is higher than without, and that reflects a negative to bring Woodbury County into the region.

Rocky DeWitt: This is a state-wide issue and they cannot predict actual numbers.

Dawn Mentzer: Need to determine if Woodbury County is willing to raise enough in per capita next year to provide more into the region or cover their expenditures. Overall it is still a tax decrease (to Rolling Hills Region), yet is an issue of the reserve contribution.

Dennis Butler: They would have to take it to the Woodbury County Board. He does not want Rolling Hills to subsidize their services, maybe their budget needs to be cut more, or providers need to look at other funding streams.

Rick Hecht: In the big picture, he views this as an opportunity to receive population with one county (vs multiple counties) that may be important in the long term, if DHS wants larger regions.

Dennis Bush: Is not against bring them in, just the inequities in funds. Talk of the State increasing population in regions will be an issue in the future.

Rocky DeWitt: Woodbury County is not looking to come to Rolling Hills to subsidize their county.

Cecil Blum: Sees problems in regions across the state, the large regions are having issues as well. Rolling Hills has thrived because we have good management and staff. He does not see the urgency to bring Woodbury into Rolling Hills; the population number (from the state) could be higher than 200,000 and we could still be too low.

Rick Hecht: The size of the region will not be decided by the Regions, but by the State. With this before us, we can pick who joins us rather than being merged.

Dennis Bush: Study and work groups are proposing regions working together and collaborate to fund projects and such (per the Commission).

Neil Bock: With Woodbury County bringing a deficit, he sees reduction in services and we would be the bad guy. Population is an advantage being brought to the table.

Paul Merten: Looking at the budget without Woodbury County the first two years would be higher (per capita), but it is still a reduction even with WC. To project would be difficult and would like the 25% addressed (by legislation). We still have to go back to the local boards and would like to take the most accurate financial information for a decision to be made. Is Woodbury County willing to make a commitment to increase their per capita (to address the inequities).

Dennis Butler: Increases are inevitable, it will be a hard sell (increase in per capita), but down the road there will be increases.

Cecil Blum: If they are reluctant to raise per capita is Woodbury County looking to Rolling Hills to cut services and or question the services we currently provide.

Dennis Butler: Proposed cuts are on one-time funding projects (to Woodbury County providers), would look to the CEO for recommendations. Woodbury isn't looking for another region to cover their expenses and want to pay their fair share and cover their expenses.

Cecil Blum: Are they willing to mediate or work with Sioux Rivers to address the situation?

Dennis Butler: Intent is to keep pursuing joining Rolling Hills.

Scott Jacobs: Will Woodbury County have enough levy capacity to cover their expenses/providers.

Dawn Mentzer: To cover their expenses, approximately \$32.25 would be their projected per capita and we would be at \$24.00 per capita.

Dennis Bush: If Woodbury County would be willing to pay a higher per capita, this could level the playing field since they would be covering their expenses while Rolling Hills would be spending down the fund balance.

Rocky Dewitt: The Woodbury Board will not meet again until January 2, 2018.

Scott Jacobs: A January 2<sup>nd</sup> decision to increase the per capita to meet Rolling Hills would make a decision easier for him.

Paul Merten: We set our per capita and it is up to the county to combine with fund balances to meet the contribution.

Rick Hecht: Two ideas, one a higher levy (from Woodbury county) to match our current fund balance. Second, covering their expenditures for FY 19 which is a different issue.

Dennis Bush: If they (Woodbury County) would cover their expenses while we are spending down our fund balance, then it will balance out in two years at the same point.

Dennis Butler: Is requesting Dawn Mentzer to provide another projection with this per capita to assist their board.

Rick Hecht: Asked for consensus to have Dawn Mentzer work the requested financials for the Woodbury County board. Consensus granted.

Paul Merten: Are we going to provide the information and Woodbury County board decide if they can meet the request?

Rocky DeWitt: Would like to see DHS or the State come and see where the problems are (in Sioux Rivers Region), they want to be in a region that provides good management and make sure there are not big surprises (financially).

Cecil Blum: Is Woodbury County's exit consistent with their Sioux Rivers 28e?

Dennis Butler: Sioux Rivers agreed that mediation was not necessary as issues have been addressed. Unexpended funds as of June 30<sup>th</sup> will be given back to the exiting county.

Rich Ruggles: If Woodbury County came to the region and DHS placed the other two counties with us would Woodbury County vote to take them into Rolling Hills?

Rocky DeWitt: Woodbury County would vote them in based on management and such.

Dick Owen of Sioux City addressed the board concerning the providers in Sioux City and history of Woodbury and Sioux Rivers Region. All the providers except one oppose exiting Sioux Rivers.

Issues: DHS does not have the authority to get involved. His group thinks that this can be solved, population could end up being 500,000 that is unknown. Dick believes the cuts in services would have opposition. Dick's suggestions:

1. Wants Sioux Rivers board to bring in someone (State) to look at structure and agree for one year to work on it. Mediation can solve problems.
2. Sioux Rivers request to go into mediation and DHS to come in and do it. If that does not work go into arbitration. Would like a time line, then if it doesn't work they (his group) would support leaving.

Kim Kelleher addressed the board that the CEO of Sioux Rivers is to do two budgets, but the Woodbury County board was adamant that they were leaving so two budgets were not needed. Is everyone aware of what the cuts would be and will they be prior to coming to Rolling Hills? More questions need to be

answered and she would like to see the provider cuts addressed as it is alarming with all the other funding issues (such as MCO's cutting services and funding).

Dennis Butler: Examples of cuts are supported employment one-time funding, provider enhancements would cease and possibly the Sanford Center. They would have to look at what can be cut, that is where they would look to the CEO (Dawn Mentzer) to help with.

Dennis Bush: Core services and core plus can not be or should not be cut, but other services that we are not tasked to provide can be cut.

Creston Schubert: If they cannot bring in their share (funds) that helps make the decision.

Rick Hecht: When we start and/or provide services, they need to be of benefit to the region and be sustainable.

Scott Jacobs: What will the providers do in Plymouth and Sioux Counties if they do not have the funds for services?

Dick Owens: One program in the school would be funded for at least a year. The Friendship House will be gone, and that is a core plus service. Other core plus services include mental health court, and the Sanford Center.

Dawn Mentzer: The Friendship House building project would be in question as to whether Woodbury County could fund it since it was a previously authorized project in Sioux Rivers that was defunded.

Cecil Blum: If cuts will have to be made in Sioux Rivers or by coming to Rolling Hills it can be tabled for a year and let them do mediation.

In summary, the Board was in agreement that Dawn Mentzer should run the financials with a higher Per Capita for Woodbury County to support their expenditures and prevent subsidization in year one should they be approved to join Rolling Hills and report back to Dennis Butler with the numbers.

**8. Schedule next meeting – January 24, 2017 2:00 p.m. Location to be determined**

*A motion to adjourn by Neil Bock. Second by Dennis Bush.*