

Eastern Iowa MH/DS Region  
Governing Board Work Session  
February 12, 2021  
2:00-4:00PM  
ZOOM Meeting

The MH/DS Governing Board of Directors Meeting was called to order at 2:03 PM by Chair Beck. Beck, Irwin, Smith, Sorensen, Willey, and Cobb were present. Nauman arrived late. McGovern and Roome were absent. Management Team present: Lori Elam, Julie Tischuk, Felicia Toppert, Becky Eskildsen and Lynn Bopes. Fiscal Agent: David Farmer. Guests: Beth Stoffer, Cheri Sexton, Todd Noack, Cheryl Plank, Jen Tamayo, Denise Beenk, Angela Ganzer-Bovitz, Mary A. Petersen, Jill Westhoff, Todd Lange and others present by phone.

Moved by Smith, seconded by Irwin to accept the agenda as presented. Ayes-Beck, Irwin, Smith, Sorensen, Willey and Cobb. Roome was absent.

Lori Elam, CEO, and David Farmer, Fiscal Agent, presented an overview of the FY22 budget and noted that today they will present a high level picture of the budget and will get more in depth at upcoming work session meetings. Lori and David shared that they want to give a multi-year budget projection today so the board has a clear picture of how budget decisions made in FY22 will impact future years. David and Lori reviewed Budget A with the board and pointed out that the budget is based on the monthly fund flow report by using the projected fund balance total as of 6/30/21. Included in the budget are the following new services: access center, family support, children's coordinator, subacute beds, justice involved services, mental health court, public education and fidelity review. All of these are core, additional core and mandated services. The levies in the counties continue to be 100%. David also shared that the Region is experiencing less expenditures and an increasing fund balance due to the impact of COVID and people not accessing services like they did in previous years. David pointed out that the fund balance percentage is skewed and pushes three counties over the 40% maximum even further than what was previously projected at the end of FY22. With that information in mind, David walked through FY22-FY26 to show the board how decisions made in FY22 will impact what the Region can levy for revenue starting in FY24. David outlined to the board the following: In FY23, three counties continue to be over 40% fund balance by about \$1,800,000.00. As a result, in FY24, Department of Management (DOM) will have stepped in and directed the three counties over 40% what the maximum amount they can levy until each of the three counties fund balances are at or below 40%. For FY23, the three counties continue to be overfunded and are told by DOM what the maximum levy amount will be. In FY24, the three counties are slightly over 40% and are not levying at maximum per DOM. In FY25, the three counties that have not been able to levy at the maximum amount now have negative fund balances and are not able to meet their expenditures. The three counties would need to formally request to access the fiscal fund to make payroll. In FY26 the three counties are able to levy at the maximum rate but the fund balance is so low that the three counties still have a negative fund balance and the fiscal agent fund is not enough to bring the fund balances back to where they need to be for the year. **Areas of discussion:** 1) adding new regional services as well as mandated services and diffusing the cost across the counties would bring the fund balance down in hopes that it would eliminate DOM direction what the levy rates would be, 2) the need to make sure that the Region doesn't fall into the

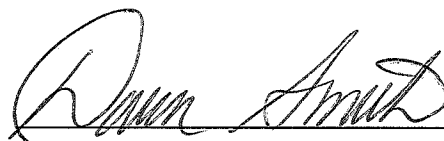
trap of doing one time funding for services and then they aren't sustained in the years to follow, 3) concern about bouncing levies and explaining to the constituents why they are lowered one year and raised drastically the next and 4) discussion needs to take place with legislators regarding changing or delaying the 40% fund balance requirement so that Regions can continue to implement mandated services and bring their fund balances down at the same time.

Lori Elam, CEO, gave an update on Legislative Bills that are being watched. SS1158 is a study bill that states only Board of Supervisors would vote on financial matters in the Regions. It came out of committee on February 8<sup>th</sup> with further clarifications. The bill now states that only county board of supervisors elected officials can vote on financial matters. Education elected officials would not be able to vote on financial matters if this passes. There is a transportation bill being talked about but Lori does not have much information on that yet. A telehealth bill (HF 294) is gaining some traction that would pay a provider the same rate for telehealth services as they are paid for in person visits. HF2643 from DHS brings about changes that will need to be included in the Region 28E agreements. Lori suggested waiting to see if this passes as outlined before making the changes in the Region. Areas that would change in the agreement are how to divide money back to the counties if a county leaves the Region, audits would need to be sent to DHS for their approval, weighted votes would be eliminated, and it defines what a quorum is. Lori will continue to give updates as she knows more regarding these bills and others that may develop.

Other Items: the next budget work session will be February 19, 2021 from 2-4:00PM. Lori shared that Robert Young Center will be at the meeting to present their Year Six Proposal for crisis services.

Public Comment: Todd Noack from Life Connections shared with the Board that he has been speaking with Legislators to help better understand Peer Services. Todd has stressed that currently they are receiving no funding reimbursement for the services they provide and if the State would consider funding peer support services it would be a low cost service that is very beneficial to the residents in the Region and State. The services would help to divert people from accessing high price services such as EDs, hospitals and some of the other services the Region offers. He also pointed out to the Governing Board that he has commercial segments that are airing on TV to advertise peer support services and how they can help people.

Moved by Smith, seconded by Irwin to adjourn the meeting. Ayes- Beck, Irwin, Smith, Sorensen, Willey, Cobb. Absent: Roome. Meeting Adjourned: 3:44PM



Dawn Smith, Secretary, Eastern Iowa MH/DS Region