

**Clay County Joint Powers Collaborative
Finance Committee**

8-10 AM and 4-5:30 PM, August 8, 2005

Room 5, Family Service Center

Present: Ben Brunsvold (Clay County), Shelley Ford (Corrections), Kathy McKay (Public Health), Joe Pederson (Lakes and Prairie Community Action), Rhonda Porter (Social Services – Chair), Jerry Waller (Clay County); and Barbara Eiden-Molinaro (Transition Project Manager)

1. Rhonda Porter called the meeting to order. **Motion:** Approval of proposed agenda and minutes for July 14 meeting (J. Pederson/J. Waller/Carried)
2. The Committee discussed the need for and feasibility of setting a Collaborative mileage rate for all Collaborative projects, and decided not to do so. Reentry Services and Restorative Justice project staff are reimbursed at the County rate of 40.5 center/mile, as they are now County employees. However not all of the potential employing partners of TIP staff reimburse at this IRS allowable rate. While all had indicated a willingness to pay TIP staff at a common rate, it was determined that it was not necessary to set a rate across all Collaborative projects. Rather, the rate will be set by and consistent with the personnel policies of the employing partners.
3. The role of the Coordinator was discussed, both for financial management and regarding the LCTS grants. It was decided that no matter which agency serves as fiscal host, the Coordinator will be responsible for accounts payable and receivable, for keeping the Collaborative budget income and expenditures on Excel spreadsheet, with tabs showing the detail for each line item, and for producing financial reports for the various Collaborative groups. The Coordinator will prepare and submit all bills for payment by the fiscal host and will have to reconcile with the fiscal host on a regular basis. While not necessarily ideal, the Coordinator will have to finish whatever financial management of the LCTS grants remains when Cynthia has finished work. There will need to be a group named to assist the Coordinator in getting information from the Auditor's Office.
4. Ben shared the terms of the agreement he had reached with Cynthia Sillers, to continue on a consulting basis through September 28. **Motion:** To continue Cynthia Sillers employment through September 28, 2005, to consult during the transition. (J. Pederson/J. Waller/Carried)
5. The Committee discussed the need to note encumbrances for the funds committed beyond June 30, 2006 for the Reentry Services and Restorative Justice grants.

6. The Committee determined that all unspent funds allocated to the Restorative Justice grant, totaling approximately \$38,000, will be returned to the Collaborative's general fund balance as of August 31, 2005.
7. Partnership fee were discussed. The intent of these fees is two-fold: to indicate that potential partners are willing to make a financial as well as staffing commitment to the Collaborative, and to generate income which could pay for meeting expenses, which are not advisable to be paid for with LCTS monies.
Motion: To establish Partnership Fees of \$250 for Clay County and Moorhead Public Schools and \$100 for the remaining for school districts and the non-profit partners. This is hoped to generate approximately \$1900 in FY06 for meeting expenses. (J. Pederson/B. Brunsvold/Carried)
8. The Coordination budget was considered. The Personnel Committee does not meet until August 10, and the Finance Committee needed to develop the FY06 budget. Barbara Eiden-Molinario estimated that although dependent on choices and recommendations made by the Executive and Personnel Committees, the FY06 contract should probably be budgeted on approximately 1700 hours of service. This is over ten months, and is a higher number of hours per month than will be assumed necessary for FY07. However, Barbara pointed out the extraordinarily high learning curve which will be required of a new Coordinator. In addition, if Executive Committee approves the CCC/Planning Group recommendations for new Collaborative work groups, the Coordinator will have to coordinate the Planning and Evaluation Committee, the Parent Involvement Committee, three systems work groups, two problem solving work groups, at least one of the project work groups – and should have some relationship to the work groups of the three existing projects. In addition the Coordinator will be responsible for coordinating the Administrative Group and the Governance Board and its the Executive Committee. The question arose whether or not it was necessary for the Coordinator to attend all those meetings, or whether some could operate on their own. Barbara maintained that she believes it is absolutely vital for a coordinator to attend the meetings of all the work groups in order to coordinate the work of any collaborative, and that a collaborative should authorize no more groups than it can afford to staff. The group also discussed the local market and decided to budget the coordinator at \$40/hour, at least for budgeting purposes. **Motion:** Recommend a budget not to exceed \$68,000 for the Coordinator, and no more than \$6000 for LCTS Coordinator, which will represent a savings of more than \$24,000 spent on administrative costs in FY05. (J. Pederson/R. Porter/Carried)
9. MCIT insurance was discussed. While the Collaborative must cancel by August 1 two years prior to the effective date of cancellation, and may not receive dividends during the two years, it is possible to save money by reducing the cost of the insurance. Since the Collaborative no longer has employees, and has a reduced level of assets to protect, the rate for CY06 should be lower than in the past. In addition, the amount of the MCIT dividend should be known. Ben

Brunsvold, Jerry Waller and Joe Pederson will talk with the MCIT representative to determine the dividend and try to negotiate a lower rate for CY06.

10. The need for audits was discussed. Given the fact one was just completed, they are not inexpensive, and the Collaborative will have no employees and far fewer transactions, the decision was made not to include an audit in the FY06 budget.
11. The meeting was temporarily adjourned at 10 AM.
12. The meeting was re-convened at 4 PM, with Jerry Waller the only person who could not return to finish the agenda.
13. Fiscal host services were discussed, including the recommendation, accepted by the Board, to pursue other options for fiscal hosting services. It was determined that this could not be done before the new fiscal year started September 1 and a new Coordinator began work. The Committee decided to function in the near term on getting information necessary to close out FY05 in a timely manner, to get good information about Collaborative resources on which to base FY06 decisions, and prepare for the Coordinator to assume responsibility for financial reporting. Rhonda will invite Lori Johnson and Stephanie Dauenhauer to the next Finance meeting to review what kind of reports the Collaborative wants from the Auditor's office in the future and to clarify Auditor's participation in any Collaborative meetings. We discussed the amount of detail provided by the Auditor's report and whether this is necessary for the full board to review every month.
14. The remaining costs related to Cynthia's contract and the LCTS grants will all be posted to the FY05 budget. These and all other FY05 expenses, including the last LCTS grant payments, will be deducted from the \$1,934,000 balance showing on the July 31 report to determine the starting balance, which should leave no less than \$1.7M as a beginning balance for FY06,
15. The TIP budget proposal was reviewed. The budget represents a 45% increase in services to the schools from 2004-05, which was by all accounts, insufficient. The budget reflects an attempt to address disparities in services allocated to the school by moving toward a combination of enrollment and caseload based staffing. Services in Moorhead are maintained or increased, based on demonstrated need, but the most significant increase is to the rural county schools, which have been under-served. The base rate negotiated by the TIP Work Group is \$12/hour, which is approximately a dollar an hour more than the non-profit potential partners are accustomed to paying for similar positions and \$2-3/hour less than would be paid by the schools or the County for these positions. In order to attempt to retain staff who are re-employed, and thus minimize disruption to the schools, a five percent per year increase over the base was allocated for each year of experience. The superintendents wanted - and

the Planning Retreat prioritized - increased emphasis on earlier intervention (more time in elementary schools) and the development of partnerships between parents and the schools. Both these require an increased level of staffing. In addition, the previous year's level of staffing was considered less than necessary for a viable program. A well functioning TIP program will save the County out-of-home placement costs and increase revenue to schools. However, there was also significant concern about increasing the program budget at a time of diminishing resources. Discussion centered around asking the TIP Work Group to re-work the budget at the previous high level of \$210,000. It was suggested that it was possible that the Child Welfare Targeted Case Management income could represent the difference between the \$210,000 previous high budget and the \$248,000 requested. **Motion:** To recommend funding the TIP budget of \$248,097. (S. Ford/B. Brunsvold/Carried, with 4 voting for the motion and one against.)

16. Barbara explained that she had included in the draft budget \$2000 for each work group, which included parent stipends of \$1400 (prior to the recommendation to add the School-age Disabilities System Work Group) and \$600 for each work group to spend for meeting expenses and any printing or other small expenditure necessary to develop or carry out their work plan. This was suggested so that every work group would have some resources with which to do their work. In addition it is a mark of hospitality and recognition that the Collaborative is a volunteer activity. It would also communicate this was an annual budget, and work groups should spend the year planning for FY07, rather than coming to the Collaborative for additional funding. The Committee discussed this and decided to put the parent stipends in one consolidated line item and provide no budget to the work groups. This was largely based on the decision not to provide meals or refreshments for Collaborative meetings, except at the Annual Meeting. It was clarified that the Collaborative Coordinator was not expected to provide food for meetings. While everyone agreed that it was hospitable and nice to offer refreshments, or provide lunch when necessary, the thought was that this reflected the reality of a declining budget as well as the policies of many of the partner organizations, which prohibit providing meals or refreshments.
17. **Motion:** to recommend to the Board the FY06 budget with anticipated revenues of \$258,745. and \$553,346 in expenditures. (B. Brunsvold/K.McKay/Carried, with 4 voting for the motion and one against.)
18. The meeting adjourned by consensus.