



MINUTES
BOARD of DIRECTORS MEETING
SEPTEMBER 26, 2019 - 4:30 PM
PATRICK CENTER ANNEX

Notice of the meeting was sent to all Board Members, The Greenville News, WYFF-TV 4, Fox-TV 21, and the Greenville County Council. Notice and agenda were posted in the lobby of the Patrick Center Administration Building and the Patrick Center Annex and the Thrive Upstate Website prior to the meeting.

Members Present: Bob Ariail, Interim Chair
Clyde Baucom, Interim Treasurer
Bern Mebane (by phone)
Bryant Nixon (unofficial)
Jason Strand
Amanda Walkup
Alex McNair

Members Absent:
Christy Cates Bright
Paul Hamberis

Staff Present:	Tyler Rex	Nicole Lomax
	David Bright	Charles Randall
	Alicia Grubel	Peggy White
	Elise Hardin	Stacy Whitsel
	Al Hill	

Call to Order: A quorum being present, Bob Ariail, Interim Chair, called the meeting to order.

Approval of Consent Agenda: The Consent Agenda items included the August 22, 2019 Board Minutes, the August Health and Safety Report, Dashboard and Services at a Glance reports. There were no questions or comments. **A Motion: To approve the Consent Agenda items as presented. Bern Mebane made the motion to approve with a second by Clyde Baucom. The motion passed unanimously.**

Highlighted Program—REC Program: Stacy Whitsel, Residential Director, informed that the Residents Exploring the Community (REC) Program started in 2015 for 61 individuals who were not in the Employment First path to provide them with meaningful activities. The REC Program Coordinators meet monthly to develop a calendar of activities from which REC individuals can choose to participate. Residential staff, Denise Bradsher and Patrick Godfrey, and Training staff, Nicole Lomax and Angelo Hudson-Dobbs, are leaders in the REC Program. Ms. Bradsher and Mr. Godfrey spoke on the history, purpose and activities of the program and a slide show was presented.

Tyler Rex recognized and thanked Ms. Bradsher and Mr. Godfrey for their contribution to the individuals served at Thrive. Also Mr. Hudson-Dobbs was recognized for the impressive PowerPoint presentation.

Executive Director's Report: Mr. Rex reviewed highlights of the Executive Director's Report provided by email and in the information packet at the meeting.

Judson Property. Mr. Rex reviewed at the August Board Meeting, an appraisal and sale of the Judson property was authorized. In the meantime, a written offer to purchase the property for \$15,000 was

received. He also disclosed that Board member, Paul Hamberis, is affiliated with a non-profit that is interested in the property.

He reported the Judson property appraised significantly higher than anticipated. Discussion ensued about whether to sell the property now, hold onto it, or deed it to the Thrive Upstate Foundation as seed money, as he proposed in the Executive Director's Report. However, since the distribution of the report, a clearer picture of Thrive Upstate's financial position has become known, and his proposal on the disposition of the Judson property has changed. He now recommends the property be sold to benefit Thrive Upstate. He informed DDSN about the potential sale of the Judson property and was told DDSN has no financial interest in the property and that the Board could dispose of the property in whatever fashion it deems best.

The Chair ruled that further discussion on the Judson property issue would be deferred.

Collaboration. Mr. Rex provided a list of the more active community partners with whom Thrive collaborates.

Raising the Bar. Mr. Rex informed the employee motto has been "One Thrive!" As we are working to instill a greater sense of unity and teamwork, the approach has been defined as:

- Working as a Team
- Guided by a Plan
- Raising the Bar

The third component, Raising the Bar, has been the focus in the last few months, with management expecting increased accountability, high standards and performance expectations. Job vacancies have increased as a result, with short-term consequences but it is hoped our team will be strengthened in the long run by raising the bar. Feedback from upper management staff was positive.

Statewide Issues.

- *DDSN Commission.* Mr. Tyler reported the DDSN Commission currently does not have a quorum of members. Due to a hold on special appointments, it is unlikely that new commissioners will be appointed before the 2020 legislative session begins.
- *Funding.* The proposed Band B/I restructuring has been placed on hold as DDSN tries to address more immediate revenue concerns. The funding for the July 1, 2019 wage increases has not yet been received from DDSN. The Mercer Group rate study report has also not been released for public review. It is unlikely that any revenue increases will be realized in the short-run. Financial stability in FY 2020 will depend on effective cost controls and serving more individuals. DDSN has indicated that funding for HASCI Centers could be eliminated, which would impact Thrive Upstate's HASCI Center, and contingency plans must be created. The goal for the HASCI program is to become self-sufficient. Discussion followed.
- *Case Management.* The fee-for-service model, with its productivity requirements and reimbursement rates, has created a struggle for case management providers leading to significant changes in the case management system.

August 2019 Financial Reports: Mr. Baucom reviewed highlights of the August 2019 Financial Reports.

Balance Sheet. Mr. Baucom stated the largest change in Assets in August was in Accounts Receivable with a Change Prior Month of \$188,881. The Change Prior Year in Accounts Receivable was \$355,107, of which, he commented, approximately \$280,000 was for pay raises. Current Assets Change Prior Year was \$1,036,719. Total Assets Change Prior Month was \$86,232 and Change Prior Year was \$1,053,837.

Profit and Loss. SCDDSN Revenue showed a Variance to Budget of (\$133,399) for the Current Month and a Variance to Budget YTD of (\$163,420). SCHHS – OSS/BabyNet/EI showed a Variance to Budget YTD of (\$28,015). Contract Revenue Actual was \$68,507, with a Current Month Variance to Budget of \$13,819. Total Operating Revenue Actual for August was \$2,271,962. Total Operating Revenue Budgeted for Current Month was \$2,386,149, with a Variance to Budget, Current Month of (\$114,187). Total Operating Expenditures, Variance to Budget for the Current Month was (\$28,040).

Overtime Expense for the Current Month had a Variance to Budget of (\$34,606) and a YTD Variance to Budget of (\$62,515). Individual Assistance Expense Variance to Budget was (\$13,186) for the Current Month and a YTD Variance to Budget of \$21,314. Total Operating Expenditures, Actual was 2,410,656. The Budget for Total Operating Expenditures was \$2,382,616, and The Variance to Budget was (\$28,040). The YTD Variance to Budget was \$22,011. The Net Revenue Under Expenses, Variance to Budget for the Current Month was (\$142,227), and the YTD Actual was (\$140,856), and the YTD Variance to Budget was (\$147,920).

Profit and Loss Comparison – All Months. Overtime in August was reported to be \$124,519; Employee Benefits expense was \$400,399; and Individual Assistance increased to \$222,253. The Net Loss YTD was (\$140,856).

Year / Year Comparison: Total Operating Revenue YTD was \$4,361,490 in Aug-18 and \$4,602,365 YTD in Aug-19. The Variance in Total Operating Revenue was \$240,876. Mr. Baucom reported Total Operating Expenditures in Aug-18 YTD were \$4,403,779 and \$4,743,222 in Aug-19 YTD, which is \$339,443 greater this year than last year. The Net Loss for the Year Variance from Aug-18 YTD to Aug-19 YTD was (\$98,568). Funds to cover the \$280,000 due from DDSN for the salary increases from July 1 have been accrued but not yet received and are not expected before October 15.

Cash Flow Projection. Mr. Baucom pointed out that DDSN Receipts Aug-19 Actual of \$1,871,370 was \$1 million less than the Jul-19 Actual. Total Receipts for Aug-19 of \$2,153,142 are down from Jul-19 Actual of \$3,069,099. Total Disbursements for Aug-19 Actual was \$2,232,234. The Net Decrease in Cash in Aug-19 was (\$79,093). Operating Cash plus LGIP Actual for Aug-19 was \$1,605,551. It was noted that the Sept-19 projection of \$1,881,980 was too high, as the funds for the salary increases were not received in September. But the October projection of \$1,393,552 will be higher when the salary increase funds are received. The November Operating Cash plus LGIP projection is \$1,044,139, and the Dec-19 projection is \$885,262.

Comparison of Cash Flows for FY18 vs FY19. Mr. Baucom called attention to the Operating Cash/LGIP Balance in Previous Year FY 2018/2019 July-Dec of \$2,191,824 and contrasted it with the Current Year FY 2019/2020 July-Dec projection of \$885,262, a difference of (\$1,306,562). Mr. Rex summarized the three main causes of the decline in cash:

- Reduction in Band I revenue
- Waiver Direct Bill cost increases
- Employee benefit cost increases

New Business: There was no new business.

Public Comments: There were no public comments.

Executive Session: Mr. Ariail called for an Executive Session to hear from the Executive Director regarding personnel matters. **A Motion:** To enter Executive Session to hear and discuss personnel matters. **Bern Mebane made the motion with a second by Alex McNair. The motion passed unanimously.**

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The Board re-entered Public Session and stated no votes or polling occurred during the Executive Session.

Adjournment: A Motion: To adjourn the Board of Directors Meeting. Bern Mebane made the motion with a second by Clyde Baucom. The motion passed unanimously.

Respectfully submitted by Sandra W. Brown, Executive Assistant.

Approved by: 
Christy Cates Bright, Interim Vice Chair

10/24/19
Date