

Committee Members Present:

Nina North-Murphy, Chairperson
William Siedhoff, Vice Chairperson
Mike Fitzgerald

Jack Neyens, Community Member
Patrick Brennan, Treasurer and Committee Chair

Board Members Absent:**Staff Members Present:**

Shaelene Plank, Executive Director
Lisa Briggs, Financial Consultant

Chris Winkelmann, Director of Finance
Kelly Head, Executive Assistant

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- I. **Call meeting to order - Patrick Brennan called the St. Louis Office for Developmental Disability Resources Board of Directors Finance Committee Meeting to order at 4:00 p.m.**
 - II. Review and approve May, June, July 2026 financials, Chris Winkelmann, Director of Finance – **Action Needed**
 - A. Chris Winkelmann reviewed the May, June, and July financial statements.
 1. May
 - a. Total cash and investments were approximately \$18 million, exceeding the prior year balance.
 - b. Revenues were approximately \$11.9 million, exceeding budget by approximately \$794,000, primarily due to higher tax receipts.
 - c. Expenses were approximately \$578,000 below budget due primarily to the timing of agency reimbursements.
 - d. The agency reported a surplus of approximately \$1.7 million through May.
 2. June
 - a. Chris noted that these statements are unaudited, and that DDR's audit will be starting next month, so the final balances may change.
 - b. The fiscal year ended with approximately \$17.4 million in cash and investments.
 - Chris noted that as of 6/30, DDR had exhausted all the SB3 restricted funds that they had, so any future deficits would need to be covered by operating funds.
 - c. Revenues were approximately \$1.1 million above budget due to higher tax receipts and Targeted Case Management (TCM) revenues exceeding expectations.
 - d. Expenses were approximately \$700,000 below budget, primarily due to staffing vacancies and agency underutilization of 5.8%, which was close to the projected 5%.
 - e. The agency ended the fiscal year with a surplus of approximately \$238,000.
 - f. TCM revenues exceeded budget, and the TCM deficit remained below the Board-approved subsidy limit.
 - Staff noted improvements in Medicaid billing and a reduction in denials.
 - g. Chris also reviewed year-end balance sheet items expected to be adjusted during the audit, including lease accounting updates related to the office lease renewal and updated tax receivable information from the City.
 - h. Revenue variances were attributed to stronger tax collections, higher interest earnings on certificates of deposit, and proceeds from agency property sales.

- i. Expenses remained below budget due to staffing vacancies, lower insurance costs, and delayed capital expenditures.
- 3. FY27 July snapshot
 - a. Cash and investments totaled approximately \$16.5 million.
 - b. Revenues were slightly above budget, driven by strong TCM performance.
 - c. Expenses were below budget due primarily to a change in how insurance costs are recognized throughout the year.
 - d. Staff also discussed current vacancies, recruitment efforts, and workforce challenges, including insurance cost increases that contributed to one employee resignation.
 - **William Siedhoff moved to approve the May, June, July 2026 financials.**
Mike Fitzgerald seconded the motion.
All voted in favor. None opposed.
The motion passed.

III. Review and approve 2026 tax rate calculation, Chris Winkelmann, Director of Finance – **Action Needed**

- A. Chris Winkelmann presented the 2026 tax rate calculation
 - 1. Chris explained the annual process required under Missouri law.
 - 2. The Committee reviewed assessed valuation data received from the City Assessor and the State Auditor's tax rate calculation worksheets.
 - a. Residential and commercial assessed values increased while personal property assessments decreased. The resulting calculated tax levy rate is \$0.1368 per \$100 assessed valuation, compared to \$0.1347 in the previous year.
 - b. The revised rate is projected to generate approximately \$8.3 million in revenues, an increase of approximately \$195,000 over the prior year.
 - The public hearing notice was properly published as required
Mike Fitzgerald moved to approve the 2026 tax rate calculation.
Jack Neyens seconded the motion.
All voted in favor. None opposed.
The motion passed.

IV. Review and approve Corporate Compliance Report, Chris Winkelmann, Director of Finance – **Action Needed**

- A. Chris Winkelmann presented the Corporate Compliance Report.
 - 1. Staff reported that all required compliance training was completed, the annual audit was completed on time without issues, and the agency remains accredited through CARF through 2028.
 - 2. No compliance violations, litigation matters, or significant legal concerns occurred during Fiscal Year 2026.
 - 3. An insurance risk assessment identified only minor recommendations related to sprinkler inspections, which are being addressed.
 - 4. No significant changes were made to insurance coverage during the year.
 - **William Siedhoff moved to approve the Corporate Compliance Report.**
Jack Neyens seconded the motion.
All voted in favor. None opposed.
The motion passed.

V. Discuss FY28 market rate adjustment for agencies, Chris Winkelmann, Director of Finance

- A. Chris Winkelmann presented information regarding the development of the FY28 market rate adjustment recommendation.
1. Staff reviewed historical Consumer Price Index (CPI) data, Social Security Administration cost-of-living adjustments, previous market rate adjustments, and projected revenues.
 2. The most recent CPI and Social Security data averaged approximately 2.8%, while estimated tax revenues are projected to increase by approximately 2.4%.
 - a. Staff emphasized the importance of maintaining agency funding rates that keep pace with inflation while remaining fiscally responsible.
 - b. The Finance Committee was informed that staff will continue analyzing the data and will bring a recommendation to the Board for consideration during the budget process in November.

VI. Discuss purchasing policy

- A. Shaelene Plank and Chris Winkelmann presented a draft purchasing policy developed after reviewing practices used by other developmental disability boards and community organizations.
- B. The proposed policy establishes purchasing thresholds and bidding requirements.
1. Purchases under \$10,000 would not require formal competitive bidding but would require staff to compare pricing when appropriate.
 2. Purchases between \$10,001 and \$25,000 would require at least three bids.
 3. Purchases exceeding \$25,000 would require public advertisement and a minimum of three bids.
 4. The policy also includes provisions addressing sole-source purchases, emergency situations, vendor performance concerns, contract duration, and local vendor preference within the City of St. Louis whenever possible.
- C. Committee members discussed potential revisions, including language related to professional service contracts, requests for proposals, recurring service agreements, and evergreen contracts.
1. Staff will continue refining the policy before presenting a final version to the Nominating and Personnel Committee and subsequently to the full Board for consideration.

VII. Call for motion to Adjourn

- William Siedhoff moved to adjourn the meeting.
Mike Fitzgerald seconded the motion.
All voted in favor. None opposed.
The meeting was adjourned at 4:41 p.m.

Next Meeting: January 21, 2027



Sarah Sims, Secretary

9/24/26

Date Approved