

CDS Board of Directors Minutes

June 12, 2025 at 8:36 AM

Attending Board Members: Frank Williams, Daniel Crapps, Richard Mankin, Becky Hunt, Debby Kinman-Ford, Darleen Morgan, Brenda Thornton, Veita Jackson-Carter

Attending Team Member: Philip Kabler

CALL TO ORDER/QUORUM CHECK

A quorum was in attendance with eight Board Members present.

CONSENT ITEMS

Following motion by R. Mankin, and second by D. Kinman-Ford, the following were unanimously approved and ratified: (a) Meeting Agenda; (b) May 8, 2025 Meeting Minutes and actions; (c) there will be no July Meeting.

FINANCIAL MATTERS

Report item – CDS/CASF fiscal activities:

P. Kabler (on Darla Morgan's behalf) reviewed the April 2025 financial data, including income and expense activities and account balances, a copy of which is attached below. Net for April were up \$3,627.62 and up \$223,433.85 year-to-date.

May's revenues will show as increased due to the ERTC deposit, but will in reality be down due to the one-time annual insurance premiums together with three payrolls.

The FY 24/25 Single Audit preparation process has commenced.

SouthState Bank, First Federal Bank, and Truist Bank statements were included with the Meeting materials.

Action item – SouthState Bank line of credit:

Following motion by B. Hunt, and second by D. Kinman-Ford, replacement of the \$215,000.00 SouthState Bank secured line of credit by a \$215,000.00 SouthState Bank unsecured line of credit was unanimously approved.

[Post-meeting note: President F. Williams signed the transaction documents to be delivered to SouthState Bank. The real estate and other collateral on the secured line of credit will be released in due course following delivery of those documents.]

Action item – Transfer of Basic Center Grant account from Truist Bank to First Federal Bank:

Following motion by D. Kinman-Ford, and second by B. Hunt, the Basic Center Grant ACF deposits were approved to be transferred from Truist Bank to First Federal Bank. When that transfer becomes effect, the remaining funds in the Truist Bank account will be moved to First Federal Bank, and the Truist Bank account will be closed.

Report item – US Census annual reporting:

P. Kabler (on Darla Morgan's behalf) reported the US Census annual reporting was timely filed. F. Williams requested a copy of the Census report if available.

Action item – FY 25/26 Budget:

P. Kabler (on G. Levy's behalf) reported the FY 25/26 Budget as presented, a copy of which is attached below, is a preliminary instrument to be adopted so there is a formal working budget-in place at the start of the next FY (July 1, 2025). Subsequent to the document in-hand, CDS will receive final signed contracts supporting the revenue (e.g., FNYFS CINS/FINS, DJJ Mentoring); that revenue with coordinating expenses will be converted into an amended budget during the August 14, 2025 Board Meeting for final approval. Budgets are 'roadmaps' and can be amended through a FY to meet changing circumstances. Following motion by D. Kinman-Ford, and second by R. Mankin, the preliminary working FY 25/26 Budget was unanimously approved and adopted.

The ERTC Tranche 1 Refund Expenditure Plan attached to the budget will be rolled out over time with capital/debt payoff expenditures reported and the plan revised. It is hoped the allocated categories will 'underspend' the categories and free-up funds for other capital purposes. Following motion by D. Kinman-Ford, and second by V. Jackson-Carter, the ERTC Expenditure Plan was unanimously approved and adopted.

The following amounts from the ERTC Expenditure Plan will be disbursed prior to the August 14, 2025 Board Meeting: (a) Endowment fund – to First Federal Bank (\$75,000.00); (b) repay to SouthState Bank *9577 – ERTC advance loan (\$86,732.42); (c) repay IYP-Lake City Ford van loan (\$39,532.54 [post-meeting note: \$38,153.27 as of June 12, 2025, due date July 2, 2025]).

Going forward, the budget and the ERTC Expenditure Plan will separated into separate documents.

BUSINESS MATTERS

Report item – Program deliverables:

P. Kabler (on Cindy Starling-Hersey's behalf) presented the program deliverables report, a copy of which is attached below.

The current FL Network performance metrics score was 100%.

March was the highest Shelter performance month with 714 bed days; by comparison May showed 627 bed days. Summer Enrichment Programs are operating at all three Shelters.

The Community Counseling programs are closer than in the past to meeting the contract minimum contract deliverables.

SNAP Clinical (i.e., in-office) deliverables remains a challenge due to the 13-week parental involvement element of the program (related to work schedules, family illnesses, transportation). P. Kabler and C. Starling-Hersey met with Evelitza Soto, the Central region SNAP Supervisor, to discuss strategies, such a new outreach to private schools, in additional the traditional public schools development. SNAP performance trends are being monitored. SNAP-in-Schools and Communities remains active and is producing sufficient contract deliverables.

The Prevention programs are engaging sufficient contract deliverables, and is anticipated to increase further during June due to the summer break programs. It is anticipated the Prevention programs will earn the full LSF contract amount.

Report item – FL Network QI audit:

P. Kabler (on Cindy Starling-Hersey's behalf) presented the audits status report, a copy of which is attached below.

DCF awarded renewal Child Caring Agency licenses for all three Shelters, which are effective through May 1, 2026.

The IYP-Palatka QI audit occurred during May. Twenty-four of the indicators were preliminarily rated as 'Satisfactory', with two 'Limited' indicators (Training, Medications). The two 'Limited' ratings are being addressed. Towards that end, the hiring process is underway for a Registered Nurse and a Residential Supervisor.

Report item – Legal case updates:

P. Kabler reported the plaintiff's deposition was taken in Jones adv. CDS. CDS' attorney will continue to engage in discovery and move to a negotiated resolution once he has sufficient information. Required update reports are being given to CARF as-required.

[Post-meeting note: The plaintiff submitted a request for case documents.]

There is one active Team Member workers' compensation case. The older Woodson case was recommended for settlement at \$80,000.00 by CDS' insurance-assigned workers compensation counsel (based on a \$95,000.00 demand).

Report item – Grant applications:

P. Kabler reported the following grant applications were submitted or awarded: a) United Way of Suwannee Valley – IYP–Lake City (Impact Grant – life skills educator; prepared by P. Kabler; pending); (b) United Way of St. Johns County (programs support; prepared by Melanie Soldevilla; \$10,000.00 awarded); (c) Community Foundation for Northeast Florida – IYP–Palatka (programs support; prepared by Cindy Starling-Hersey, Angela Williams; \$7,500.00 awarded).

Action item – Creation of Ad Hoc Endowment Committee:

Following motion by D. Kinman-Ford, and second by B. Hunt, and unanimous approval, an Ad Hoc Endowment Committee. President F. Williams appointed Gil Levy, D. Crapps, and D. Morgan to the Committee, plus P. Kabler on an *ex officio* basis.

[Post-meeting note: G. Levy agreed to chair the Committee.]

Action item – Approve/ratify contracts:

Following motion by D. Kinman-Ford, second by R. Mankin, and unanimous approval, the following contracts were approved and ratified: (a) DJJ Mentoring Services (to be converted from application format to a contract); (b) FL Network CINS/FINS (executed June 12, 2025); (c) 1908 Grant (for Annual Meeting; see next item); (d) Florida Blue Large Group Health (executed June 6, 2025).

Copies of the documents were included with the Meeting materials.

Report item – 2025 Annual Celebration – November 13, 2025:

D. Kinman-Ford reported the venue (1908 Grand) and Keynote Speaker (Mario Cataya; introduced by Elio Piedra) have been identified; a caterer is in-process of being arranged. A video and testimonial speaker will be prepared for the event. Board Members are strongly encouraged to identify sponsors and to invite guests. A painting contest will be organized.

Report item – Updated Bylaws, Amended & Restated Articles of Incorporation (for vote at August 14, 2025 Board Meeting):

Updated draft Bylaws (tracked), and Amended & Restated Articles of Incorporation, were included with the Meeting materials to meet the distribution requirement of the current By-Laws in advance of the August 14, 2025 Board Meeting.

COMMITTEE MATTERS

Report item – Standing Development:

D. Kinman-Ford reported the following events occurred or are being planned: (a) Kendra Scott jewelry – May 10, 2025 (\$605.00); (b) UF Campaign for Charities - Leadership Campaign (September 2 – 19, 2025); General Campaign (September 29 – October 17, 2025); (c) Tu Fiesta Latin Music Festival (November 1, 2025). Fundraising activities will be minimal during the summer to allow the inception of new programs.

Report item – Ad Hoc Baxter’s Place Charter School:

V. Jackson-Carter reported Cindy Starling-Hersey is in communication with the Baxter’s Place contact.

Report item – Ad Hoc Personnel Survey:

Activity on this Committee is pending.

Report item – Additional matters:

(a) ‘Deep Dive’ presentations will be resumed (i.e., SNAP for Youth Justice, Mentoring). (b) A tour of IYP-Gainesville was given to Gainesville Police Department Chief Nelson Moya by President F. Williams, Zeke Whitter, Belinda Ross, and P. Kabler.

Following Motion by R. Mankin, second by B. Hunt, and unanimous approval, the Meeting adjourned at 9:12 AM.

CDS FINANCE/EXECUTIVE COMMITTEE

NOTES TO STATEMENT – APRIL 2025

REVENUES

April 2025 – Revenues were down for April 2025. Two income generators did not deposit in April. Income will be recognized on an accrual method, and will be itemized from the invoicing/billing.

Items of note affecting revenue variances include:

- LSF revenue accrued/recorded \$76,490.02 yet received, \$93,054.52
- No income received for Domestic Violence Respite in April 2025.
- No income received for Partnership for Strong Families in April 2025.

OTHER INCOME EXPLANATION

- Donations Received in April 2025: \$3,236.52 with \$2,500.00 being the donation from the Sunrise Rotary Club of Gainesville for Books & Book shelves at Central Shelter.
- Other Miscellaneous – Credit Card Rewards & Reimbursement \$318.80

Balance of Donation Account for Year-to-Date is: \$ 37,904.62.

These donations also include PayPal donations \$50.00, Kendra Scott Fundraising Events and Deferred Prosecution checks.

EXPENSES

Items of note affecting expenses include:

- Reporting Directors Budget to Cindy monthly with updated numbers.

Fiscal team is analyzing expenses on an in depth level to identify cost savings opportunities.

ASSETS

1. Truist Bank is the current account where the Federal Basic Center Grants are deposited. The funds are moved to the SouthState 2918 MM immediately after they are deposited.
2. The SouthState 2918 MM account is the main depository account for our grants, such as (CINS/FINS, Respite, LSF, PayPal, as well as any manual donation checks).
3. The SouthState 3353 Operating account is the where we conduct daily activity. The Balance of \$469,969.35 for April 2025, consist of the outstanding transactions that will clear in the following months.
4. The SouthState 9577 balance of \$64,037.50 account is the set aside funds for the New Shelter.
5. The SouthState 9586 account is the ERTC balance of \$288.48 after paying off the \$175,000.00 term loan , pay down the ERTC advance on 04/01/2025 \$600,000.00 and on 04/17/2025 \$300,000.00 plus the accrued and unpaid interest, wire fee, etc.

BANK BALANCES AS OF April 30, 2025

➤	SouthState Bank Accounts:	
○	2918 MM -	\$ 469,969.35
○	3353 CK -	\$ 410,846.45
○	9577 MM -	\$ 64,037.50
○	9586 MM -	\$ 288.48
➤	<u>Truist 8934 - CK -</u>	<u>\$ 25,000.00</u>
		<u>\$ 970,141.78</u>

Available Cash as of April 30, 2025

LIABILITIES

1. Accounts Payable accounts including credit cards and payroll liability accounts are being reconciled currently with Fiscals team. There is some training on these accounts that Fiscal has been working on.
2. I am working to reconcile the Accounts Receivable accounts prior to Audit time.

CDS FY 2025-26 PROPOSED BUDGET

INCOME

40064	Earned income - Emergency Shelter (PSF)	35,000
40100	Earned income - SAMH	1,358,000
40105	Earned income - FLNet/DJJ	2,971,000
40107	Earned income - FLNet/Dom Violence Respite	50,000
40110	Earned income - Federal (BCG Central & East)	360,000
40120	Earned income - FLNet/SNAP	302,000
40121	Earned income - SNAP In Schools	167,000
	Other Income - CDS grant writing and staff fundraising	20,000
	Third Party Donations / Board Income	422,715
	Endowment Interest	40,000
TOTAL INCOME		5,725,715

EXPENSES

50000	Payroll Expenses:	
	WAGES	3,638,080
	WAGES - OVERTIME	165,000
	TAXES - FICA	287,000
	TAXES - Unemployment Tax	5,775
50004	Group Insurance	280,000
50020	Employee Appreciation	8,500
50030	Food: Programs	108,000
50040	Client Costs	21,000
50050	Client Hygiene Supplies	2,400
50060	Educational Materials	10,000
50070	Contractual/Professional (LSF)	500,000
50080	Audit/Accounting	47,000
50090	Advertising	10,000
50100	Annual Meeting	4,000
50110	Auto Operating Expense	21,000
50120	Auto Insurance	43,160
50130	Background Screens	3,500
50140	Drug Screen Testing	1,200
50150	Bank Charges	1,300
50160	Food: Meetings/Refreshments	3,000
50180	Dues/Licenses	45,800
50200	Liability Insurance	50,000
50210	Workman's Compensation	54,000
50220	Janitorial	33,300
50230	Copier Lease	12,000
50240	Office Supplies	24,000
50250	Postage - Freight	3,000
50270	Furniture & Equipment	6,000
50280	Subscriptions/Periodicals	45,000
50285	Data Service Contracts	40,000
50315	Non-Ad Valorem Tax: Lake City Shelter	1,700
50330	Repairs & Maintenance: Bivens	15,000
50330	Repairs & Maintenance: Other Maintenance	30,000
50340	Utilities	155,000
50350	Telephone	30,000
50355	Travel-Training, Hotel, & Per Diem	18,000
50360	Travel-Mileage & Parking	3,000
TOTAL EXPENSES		5,725,715

CDS FY 2025-26 PROPOSED BUDGET

NOTES & ASSUMPTIONS

1. Income Projections are based on FY 2025-26 contract amounts.
2. Expense projections are based on FY 2025-26 budget, actuals, and expected increases based on inflation.
3. Does not include interest income as this is a variable.
4. Does not include other miscellaneous income as this item is not predictable.
5. Does not include donations received in the past (i.e. United Way) as they are not predictable.
6. Assumes open positions (e.g., Youth Care Workers & Life Skills Workers) represent the traditional turnover level.

PROPOSED ERTC TRANCHE 1 REFUND EXPENDITURE PLAN

Tranche 1A (four checks)	\$	1,656,679.09
Earned interest plus arithmetic adjustment	\$	288.48
Minus 9.0% ERC Guy fee + SouthState Bank wire fee	\$	(149,131.12)
Minus SouthState Bank term loan repayment	\$	(175,668.64)
Tranche 1B (one check)	\$	161,264.53
Minus 9.0% ERC Guy fee + SouthState Bank wire fee	\$	(14,513.80)
Subtotal (matches 5/29/25 SouthState account balance)	\$	1,478,918.54

Endowment fund - to fund manager	1,000,000.00
Endowment fund - to First Federal Bank	75,000.00
IYP-E emergency generator	10,000.00
Repay to *9577 - ERTC advance loan	86,732.42
Repay IYP-NW Ford van loan	39,532.54
IYP-C recreation area	100,000.00
Six AED units (est. 1,700 per unit)	10,200.00
Renovations of IYP-NW & IYP-E	75,000.00
Hold for possible tranche 2	82,483.58
Subtotal	\$ 1,478,948.54

Capital items for possible tranche 2 (depending upon amount; if/as/when funded)

Four 12-passenger vans (est. \$75,000 each)	\$	300,000.00
IYP-C solar panel system	\$	125,000.00
Balance (if any) to endowment fund		TBD

Cindy's Report for CDS Board meeting 6/12/25

May CINS/FINS Deliverables:

Our current Florida Network score is 100% compliance on all of our performance measures.

For comparison, March was our highest shelter performance month this fiscal year. We had 714 bed days (East-251, NW-233, and Central shelter-230. For May, the shelters completed 627 bed days (East-195, NW-176, and Central- 256)

Our Community Counseling programs completed 37 new intakes for the month of March. In May, our community counselors completed 32 new intakes. I think we will come closer than ever to meeting our Community Counseling deliverables for FY 24-25. The Family Actions teams have worked very diligently this fiscal year.

SNAP deliverables – Phil and Cindy met with SNAP Supervisor Evelitza Soto on June 4th to discuss issues that will prevent the SNAP programs from meeting our full contract this fiscal year. The issues appear to be beyond our control. Our goal is to begin groups with full classes of a maximum of seven families. However some families drop out during the required 13 weeks of SNAP sessions. Families have reported various issues that prevent them from successfully completing all 13 sessions. The reported issues are most often related to their work schedules, family illnesses, and transportation issues. Phil, Evelitza, and I discussed targeting more of the private schools in the upcoming FY because we have had greater success with receiving referrals and class completion rates in both Gainesville and Lake City with private schools. However, we will continue providing outreach to our local public schools and welcoming all referrals received from all schools.

Prevention Programs – May was very productive but we expect to draw down many units in June due to the after school programs that are held during the summer break. At this time, we are projected to earn our full contracted amounts from LSF.

CINS/FINS Program Report:

Our DCF licensure audits were completed on March 19, 26, and 27. (Gainesville, Lake City, and Palatka)

We received our DCF Child Caring Agency licenses for all three shelters on April 30th and each are valid through May 1, 2026. The summary report from their audit stated "CDS Family Behavioral Health - East, SVS-Central, and Northwest continue the long tradition of providing quality care services as Child Caring Agencies". No deficiencies were noted.

We have now received our full contract from the Florida Network for all of our CINS/FINS programs and SNAP for Justice Program with an implementation date of July 1, 2025. We expect to be implementing a new Mentoring program in Levy, Gilchrest, and Dixie Counties also July 1, 2025. However, we are awaiting the contract from DJJ for the mentoring grant.

We completed our East QI review on Wednesday and Thursday, May 14th and 15th. The possible ratings are: Satisfactory, Limited, or Failed. The preliminary findings were satisfactory on 24 of the 26 indicators reviewed. We received a limited score on two indicators, Training and Medications. We are in the process of hiring a new Registered Nurse and a Residential Supervisor. Both positions are currently in the background screening process. The positions are critical to our overall quality performance.