

Board of Directors Meeting Minutes

July 24, 2025, 12:30 pm

Meeting Date: July 24, 2025

Chairman: Kevin McDonald

Location: KCI Boardroom

Members Present: Rebecca Schatt, Stephen Spivey, James Nations, Gordon Johnson, Elizabeth Thompson, Matt Bartoli, Brad Rodgers, Kevin McDonald, Chuck Troutman, Diana Brown

Advisors: John Cooper (CEO), John Aitken (CFO), , Veraunda Jackson (CLO), Courtney Barnett (Reporting for Operations)

Not Present: Anthony Piarulli, Carly Sayles, Shalonda McHenry-Sims

Guests: Melinda Bozeman (DCF Contract Mgr.) by phone, Mark Wickham (YFA CEO) by phone

Minutes: Paula Mealy

Quorum: Yes

Call to order July 24, 2025, at 12:30 pm

I. Chairman's Remarks

- a) Introductory Remarks – Chairman McDonald welcomed all and called the meeting to order.
- b) Potential Areas of Conflict of Interest – Paula reviewed the 4 Possible conflict Forms presented in the packet.

Brad Rogers is on the board of The Children's Alliance of Marion County. KCI does provide some financial support to the Alliance and also supplies 1 FTE to the Alliance as the Domestic Violence Coordinator. The board does not see a conflict as DCF has the expectation that KCI will partner with this agency. Out of an abundance of caution, Brad will abstain from any vote that is associated with the Alliance.

Kevin McDonald is on the Board of Citizen's First Bank. This bank is KCI's banking partner. It is noted that Citizen's First Bank is in the process of merging with Seacoast Bank and Kevin feels that the existing CF Board would be dissolved at that time. Kevin will refrain from voting on any issues related to Citizen's First as long as he is a member of that board.

Liz noted that she is now also on the board of the Kiwanis. She updated her form and there were no concerns from board members regarding possible conflict of interest.

The Board determined there were no other concerns with the remaining Conflict documents submitted.

- c) Approval of May Minutes - Steve moved to approve. Brad seconded the motion. All were in favor and unanimously approved.
- d) Board Orientation Manual Updates needed – Paula suggested that this document requires major updates to bring it in line with updated board policies and Bylaws. It was decided that Paula will perform the updates and then present to the board for approval.
- e) Updates to Conflict-of-Interest form – Paula presented the suggested update to the Conflict-of-Interest form with the intent of removing the confusion created by the previous update. All agreed the proposed changes resolved the confusion. Diana moved to accept the proposed changes. Steve seconded the motion. All were in favor and unanimously approved.

Board of Directors Meeting Minutes

July 24, 2025, 12:30 pm

- f) Status of new format for CEO Review – Gordon and Brad reported that they plan to finalize the new review format over the next couple of weeks.
- g) Board Resignation – Matt Bartoli – Matt submitted his resignation on June 2nd due to increasing work and family responsibilities. There were several comments on the perspective Matt has brought to the board over his 6 years of service. Liz reluctantly moved to accept the resignation letter. Jim seconded the motion. All were in favor and unanimously approved.

II. President's Report

- a) June 2025 Performance – John briefly reviewed June's performance and noted that the M2/M3 Measure (Permanency) remain significantly below where they need to be and is below the state average as well. These measures will receive a great deal of focus in the new fiscal year. John was pleased to report that the M5 measure (Children re-entering foster care) is at 100% and is now above the target measure and above the state average.
- b) Spending Plan – John and John explained that KCI is required to submit a spending plan based on the schedule of funds for this year. KCI is required to submit a balanced budget. Group Care remains the greatest concern as the costs continue to increase without any funding increase. Staffing reductions (via eliminating open positions) are planned in each of the Case Management areas (YFA, Lutheran Services, and KCI Case management), which also depends on reductions in Group care. We are watching the numbers closely and expect them to be at historic lows by the end of the year. The Budget should be finalized next month. Jim motioned to approve the Spending plan. Gordon seconded the motion. All were in favor and unanimously approved.
- c) Marion Recruitment Update – 50 positions are filled which is 79.37% with 13 vacancies remaining. We are hiring 2-3 and losing 2-3 each month. Although that is the norm for case management, it is preventing us from gaining ground. Given the drop in caseload and budget concerns, there may be a reduction in allocated positions as there isn't as great a need. However, the decision on how many to reduce needs to be made soon as we have a strong pipeline of pending candidates that we are currently processing.
- d) Legislative Report – John emailed a summary of legislative actions to the Board. He was relieved to report that the KPMG model was not adopted by the legislature. There is more work to be done and a new report is expected in December. John noted that he expected to hear about the direction they are heading this Friday.

- III. Operations Report – John Reported that we have a great head start on our finalized adoptions for the new year and therefore expect to exceed the goal. He also expects the number of Level-1 Foster Parents to reach the target. Courtney Barnett reported for Shalonda, who was on leave.

As of June 30th, there was a total of 76 new foster homes and 182 new beds, which is a 63-bed capacity increase. The number of finalized adoptions was 264, which was 106% of the goal. 1326 children were placed in Out of Home care (700 exits for the fiscal year). We finished with 140 Level 1 Homes (27.06%). 100 children closed to Guardianship for the fiscal year. Kinship Match and Resource Center Donations totaled \$97,099.63 in items and cash.

Marion Office showed great improvement in Parent Engagement as a result of using the Dashboard. We are the only agency with a RealTime Quality Management Dashboard to review cases. The application was presented at the FCC conference and was very well received.

Courtney briefly reviewed the Healthy Start /MIECHV chart and shared concerns that the Big

Board of Directors Meeting Minutes

July 24, 2025, 12:30 pm

Beautiful Bill could result in cuts to the MIECHV program.

IV. Finance Report

May 2025 Financials - May financials were briefly presented by Jim. Out of Home Care continues to drive the deficit with Group Home costs continuing to escalate.

Finance Committee report – June – A big concern exists regarding liability insurance renewal. Per Eric Beck, we have 2 quotes:

ANI – offered 2 options – one with no coverage for acts prior from Dec 2004 through June 2013 with a premium of \$319,140. The other option includes coverage for prior acts with a premium of \$879,201.

FIT – for a claims-made policy, with a premium of \$312,745 and it requires a \$100,000 prepayment for charges against the deductible. If no deductible charges occur, the prepayment would be credited back to KCI.

Management believes the FIT quote is the only viable option.

E. Beck also summarized the quotes for other insurance coverages, and it was determined that the umbrella policy cost is no longer viable given the increase in rates. This does put our restricted funds at risk but all agreed it was necessary.

Balanced Scorecard Results – KCI - Top tier was achieved on 10 of 15 measures, the middle tier was achieved on 1 measure, the first tier was achieved on 1 measure, and No tier was reached on 3 measures, for a total of 78 of 100 points achieved, or 78%.

Balanced Scorecard Results – Healthy Start – Top tier was achieved on 6 of 9 measures, middle tier was achieved on 1 measure, no tier was achieved on one measure, for a total of 70 of 90 points or 77.8%.

Financials were briefly reviewed with the same concerns voiced being Out of Home Care expenses due to continuous rare increase from group homes for our high-needs youth. Plans to mitigate include those previously stated (continue to reduce the number of kids in care, reduce headcount in case management). Liz motioned to accept the financials as presented. Steve seconded the motion. All were in favor and unanimously approved.

V. Other Committee Reports

a) Executive Committee – June meeting was canceled.

b) SIC Committee – Dianna briefly reviewed progress of each of the workgroups within this committee, noting that each group will be continuing their work through the next year. Jim noted some additional comments regarding the mentoring group in Section C below.

Three members for the Parent Advisory group representing Lake, Marion, and Sumter counties have been identified. Work continues to find a Citrus County Representative.

Regarding the formal and Informal Recognition group, the personal recognition notes Diana writes continue to be well-received. Veraunda stated that although last year's decorating contest was highly successful, there were safety concerns as well as concerns over the amount of employee personal finances involved. We will need to produce some additional guidelines for the next year. General office decorations were also discussed, and the team is recognizing that with the size of this project, it

Board of Directors Meeting Minutes

July 24, 2025, 12:30 pm

will need to be done gradually. The suggestion was made to start with the entrance hallway, as all who visit our building will enter through there.

c) Mentoring/School Donations – the group appears to be hitting a wall in finding mentoring recruits. John Cooper spoke at 3 meetings recently and was very well-received, but it's not translating into viable candidates. Jim asked all members to make suggestions for the organizations they are involved with, and to help with possible contacts. It was also suggested that individual members donate to teachers who are getting their rooms ready for the new year. The Out-of-Home Care department is a collection point for those items. That may help make our organization's name known, and could be a path to introducing our Mentoring program.

d) Community Development – Gordon shared highlights from the June 17 meeting:

- the upcoming KCI website updates, which will have a live chat feature.
- The “Just take one” campaign is set to launch this month and focusses on recruiting foster parents for teens and sibling groups.
- FY goal achieved for monetary donations: \$142,789, and In-Kind \$131,226.13.
- The Community Development Calendar was shared so board members can plan ahead for their participation –Especially noted was:
 - Care Awards 10/10/25
 - Boot Scootin’ Boogie – 02/27/26
- Gordon is hoping by sharing the whole calendar of events, individual board members can perhaps see where they can get more involved.

VI . Unfinished Business/New Business – There was nothing to report.

VII. Public Forum – None

Chairman McDonald motioned to adjourn the meeting, and Liz seconded the motion. Chairman McDonald Adjourned the meeting at 1:58 pm.

Next meeting – September 25th, 2025, 12:30 pm – 2:00 pm. KCI Wildwood Board Room