

CalPACE

Board of Directors Meeting

August 25, 2020 | 3:00 PM – 4:30 PM | Zoom

To join the meeting by smart phone, tablet, or computer, click this link:

<https://calpace.zoom.us/j/98220045360?pwd=SThzYzdMZnQ3Z2YrY1I3dDFtdUpSZz09>

To listen by phone, use one tap mobile +16699006833,,98734298982# or call (669) 900-6833 and enter:

Meeting ID: 982 2004 5360 | **Password:** 043355

A G E N D A

1. Welcome
2. Approval of minutes of August 04, 2020 board meeting – *discussion and action item*
3. San Diego Family Health Centers designation of Jeff Gering as board representative – *discussion and action item*
4. 2021 annual retreat locations and options – *discussion and action item*
5. Contract with Ross Quality Improvement for support of PACE 2.0 collaborative – *discussion and action item*
6. Approval of FY20-21 budget – *discussion and action item*
7. Other business
8. Adjourn

ATTACHMENTS

- A. Minutes of August 04, 2020 CalPACE board meeting
- B. Letter designating Jeff Gering as CalPACE board representative
- C. Retreat options document
- D. FY20-21 Budget and narrative (2)
- E. Ross Quality Improvement proposal for support work for PACE 2.0 learning collaborative

Board Members

•AltaMed PACE, Maria Zamora
•Brandman Centers for Senior Care, Arnold Possick
•CalOptima, Elizabeth Lee
•Center for Elders' Independence, Linda Trowbridge
•Central Valley PACE, Tony Weber
•Family Health Centers of San Diego, Fran Butler-Cohen
•Gary and Mary West PACE, Tim Lash

•Innovative Integrated Health, Phil Tsunoda
•On Lok Lifeways, Eileen Kunz
•Redwood Coast PACE, Melissa Hooven
•San Diego PACE, Kevin Mattson
•St. Paul's PACE, Cheryl Wilson
•Sutter SeniorCare PACE, Julie Erdmann
•WelbeHealth, Elizabeth Carty



Minutes of CalPACE Board Meeting

August 04, 2020

Zoom Meeting

Attendees

Board members:

Arnold Possick, Brandman Centers for Senior Care
Cheryl Wilson, St. Paul's PACE
Eileen Kunz, On Lok Lifeways
Julie Erdmann, Sutter SeniorCare PACE
Kevin Mattson, San Diego PACE
Maria Zamora, AltaMed PACE
Melissa Hooven, Redwood Coast PACE
Phil Tsunoda, Fresno PACE
Tim Lash, Gary and Mary West PACE
Tony Webber, Central Valley PACE

CalPACE staff:

Peter Hansel, Chief Executive Officer
Jennifer Blankenship, Vice President of Operations
Lucas Evensen, Public Policy Analyst
Fred Main, CalPACE Counsel

Other CalPACE Officers:

Bing Isenberg, Center for Elders' Independence

Guests:

Barbara LaHaie, Redwood Coast PACE
Bev Dahan, InnovAge
Carol Hubbard, St. Paul's PACE
Cindy Ward, LeadingAge California
Jackie Mark, CalOptima PACE
Jay West, Central Valley PACE
Jeff Gering, Family Health Centers of San Diego
Karli Holkko, WelbeHealth
Maria Lozzano, InnovAge
Pamela Ansley, Sutter SeniorCare PACE
Renata Smith, Gary and Mary West PACE
Rosana Scolari, San Diego PACE
Sharon Melancon, Fresno PACE
Susie Fishenfeld, Brandman Centers for Senior Care

Board members absent:

Elizabeth Carty, WelbeHealth
Elizabeth Lee, CalOptima PACE
Fran Butler Cohen, Family Health Centers of San Diego
Linda Trowbridge, Center for Elders' Independence

Note: These minutes are confidential and privileged and should not be circulated outside of the CalPACE Board.

Board Secretary Eileen Kunz convened the meeting at 3:05 P.M.

DECISIONS

Minutes of May 12, 2020 board meeting. The minutes of the May 12, 2020 board meeting were approved on a 10-0 vote (Mattson/Erdmann).

Neighborhood HealthCare Associate Membership Application. The application was approved on a 10-0 vote (Mattson/Zamora).

2019-20 year-end financials. Leading Age CA VP for Finance Cindy Ward presented updated CalPACE financial statements through June 30, 2020. The statement of financial position shows an increase in net assets to \$238,846. The statement of activities shows an increase over budgeted levels for membership and non-membership revenues as well as savings in several categories of expenses due to reductions in travel and meeting expenses due to COVID-19 and delays in implementation of several planned initiatives. Net budget surplus for fiscal year was \$25,329. A motion to adopt the financials was adopted on a 10-0 vote (Wilson/Weber).

2021 annual retreat and 2020-21 events. In light of the current public health crisis, Jennifer Blankenship reviewed general options for holding the annual retreat, Day in the Capitol/District, and Affiliate Meet & Greet. There was consensus to plan for an in-person retreat, possibly in Santa Barbara. Attendance at the retreat should be limited to two people per organization, considering inclusion of virtual technology, and utilizing a large ballroom to accommodate social distancing protocols. The Day in the Capitol event will transition to a Day in the District week. CalPACE will work with Fred Main to prepare talking points, handouts, and hold a briefing via Zoom ahead of the Day in the District. Fred Main noted that there has been a shift in the original purpose of Day in the Capitol from demonstrating the viability and establishment of association to now promoting the positions of the association, which can be achieved more effectively in district. The Affiliate Meet and Greet will tentatively be held in late May, public health crisis conditions permitting, at an outdoor venue with ample spacing and PPE.

DISCUSSION

Positions on legislation: SB 275 and AB 683. Fred Main, CalPACE counsel and advocate, informed the board that AB 683 (Carillo) dealing with Medi-Cal eligibility is not moving in the current session and therefore CalPACE does not need to take a position on it. He noted that CalPACE has disseminated a letter of concerns with SB 275 (Pan), which requires health care providers to maintain a 90 day supply of personal protective equipment. The bill has been amended to phase in the 90 day stockpile requirement but faces oppose unless amended positions from several organizations, including the California Hospital Association, California Primary Care Association, and Leading Age CA. Several board members indicated that they have deep concerns about their ability to meet the requirements in the bill.

Retirement of Molly Forrest. Susie Fishenfeld shared that Molly Forrest, longtime CEO of LA Jewish Home, will be retiring soon and will take over leadership of the organization's foundation. Dale Surowitz, CEO of Providence Cedars-Sinai Tarzana Medical Center will be assuming the role of CEO.

The meeting adjourned at 3:50 P.M.

Respectfully submitted,

Eileen Kunz, Secretary

Prepared by: Peter Hansel, Chief Executive Officer
Jennifer Blankenship, Vice President of Operations

DRAFT



FAMILY HEALTH CENTERS
OF SAN DIEGO

Family Health Centers of San Diego

823 Gateway Center Way, San Diego CA 92102

P: (619) 515-2300 F: (619) 237-1856 FHCSO.org

"Exceptional in Every Way"

Beach Area
Family Health
Center

August 12, 2020

Chase Avenue
Family Health
Center

Peter Hansel
Chief Executive Officer
CalPACE
1315 I St. Suite 100
Sacramento, CA 95814

Chula Vista
Family Health
Center

City Heights
Family Health
Center

Diamond
Neighborhoods
Family Health
Center

Dear Mr. Hansel:

Downtown
Family Health
Center at
Connections

On January 14, 2020, the CalPACE Board of Directors approved the addition of Family Health Centers of San Diego-PACE to the CalPACE Board. Since that time, I have been serving as the acting Board representative for Family Health Centers of San Diego. At this time I am designating Jeffrey Gering, Senior Vice President of Support Services and Planning, to be Family Health Centers of San Diego's designated Board representative.

Elm Street
Family Health
Center

Regards,

FamilyHealth
at City College

FamilyHealth
on Commercial

Fran Butler-Cohen
CEO

Grossmont
Spring Valley
Family Health
Center

Hillcrest
Family Health
Center

Ibarra
Family Health
Center

Lemon Grove
Family Health
Center

Logan Heights
Family Health
Center

Mobile
Medical Units

National City
Family Health
Center

North Park
Family Health
Center

Rice Elementary
Family Health
Center

Sherman Heights
Family Health
Center

Teen Health
Center



Accredited by The Joint Commission

2021 CalPACE Retreat Proposals
 --Presented in Alpha Order by Property--

Property	Dates	Guest Rates Nightly (pre-negotiation)	Meeting Rates and Concessions (pre-negotiation)
Belmond El Encanto Santa Barbara	February 17-18 February 24-25 February 25-26	Rooms: \$350 Resort Fee: waived Parking: \$40	Waived with \$10,000 F&B minimum Meeting room wifi: complimentary
Hilton Santa Barbara Beachfront Resort Santa Barbara	February 17-18	Rooms: \$209 Resort Fee: \$30 Parking: \$25	Rental \$650 with \$4,000 F&B minimum Meeting room wifi: \$25 per person per day
Hotel Californian Santa Barbara	February 17-18 February 23-24	Room: \$299 Resort Fee: waived Parking: \$39	Waived with \$16,500 F&B minimum Meeting room wifi: complimentary AV discount 10% Banquet menu discount 10%
Ojai Valley Inn Ojai	February 16-17	Room: \$269 Resort Fee: \$20 Parking: waived	Waived with \$15,000 F&B minimum Meeting room wifi: \$25 per person per day
Ritz Carlton Bacara Santa Barbara	February 17-18	Room: \$299 Resort Fee: \$39 Parking: \$50	Waived with \$10,000 F&B minimum Meeting room wi-fi: \$35 per person per day
Rosewood Miramar Beach Montecito	February 17-18	Room: \$395 Resort Fee \$45 Parking: \$60	Waived with \$24,000 F&B minimum Meeting room wifi: complimentary

Please Note: Dates and rates are subject to change. Space is NOT being held.



Overview

Ross Quality Improvement LTD is pleased to submit this proposal for services to support the ongoing work of the PACE 2.0 collaborative

The Objective

To work with participating teams to build on existing improvement skills, provide a collaborative environment for skill building, knowledge sharing, discussion and deep thinking. To build improvement capability within new teams joining the programme through group learning and tailored support. Learn from current activity and the submitted data to provide tailored coaching for each team. To share the work of participating teams with wider PACE leadership

Our Proposal

Based on conversations with Jennifer Blankenship the initial proposal is to provide tailored coaching for each team. Review of existing data collection and the value of the data. Design and moderate monthly group calls to build knowledge and meet the needs of the participating teams.

Support from Jennifer Ross is recommended at 42 hours per month, plus time for onboarding new teams.

Project Deliverables

Deliverable	Description
Deliverable #1	Onboarding of new PACE organisations
Deliverable #2	Monthly 1-hour coaching call with each team. Review of current data, PDSA's and change ideas in preparation for call and provision of bulleted notes and next steps from the call.
Deliverable #3	Planning and facilitation of monthly group call.
Deliverable #4	Review of rolled up data and recommendations based on the value of the data
Deliverable #5	Synopsis of current activity across all teams for PACE leadership on a monthly basis

Pricing

Deliverable	Description of activity	Time required
Deliverable #1	<ol style="list-style-type: none"> 1. Pre work preparation for teams 2. 90 minute call with each team including review of pre-work 3. 2 hour Quality improvement methodology teaching session and preparation time 4. Tailored support in first 8 weeks to embed the methodology in addition to 1 hour of monthly coaching (email support and extra virtual coaching if preferred) 	<ol style="list-style-type: none"> 1. 2 hours 2. 2 hours 30 min per team 3. 4 hours 4. 4 hours per team <p>Based on 9 teams requiring onboarding = 64.5 hours</p>
Deliverable #2	Monthly 1 hour coaching call with each team. Review of current data, PDSA's and change ideas in preparation for call and provision of bulleted notes and next steps from the call.	2 hours per team
Deliverable #3	Planning and facilitation of monthly group call. Notes from the meeting and next steps circulated to participating teams	4 hours/month
Deliverable #4	Review of rolled up data and recommendations based on the value of the data	2 hours/month
Deliverable #5	Synopsis of current activity across all teams for PACE leadership on a monthly basis	2 hours/month

This proposal cost for deliverable 1 is \$8125 for the recommended 64.5 hours for the initial onboarding of 9 new teams. Then a cost of \$5250 per month for deliverables 2 thru 5, based on 17 teams participating.

Qualifications

Jennifer Ross has over 15 years of experience in quality improvement and patient safety. Her varied experience both nationally and internationally bring depth, breadth and credibility to her work. Jennifer is very happy to answer any question about her experience, key skills include:

- Human Factors application
- Quality improvement, including improvement advisor and collaborative director
- Patient safety expertise
- Coaching and teaching

If you have questions on this proposal, feel free to contact Jennifer Ross at your convenience by email at Jennifer@RossQI.com or by phone at +44 7946 039347.

Thank you for your consideration,

Jennifer Ross
Director
Ross Quality Improvement Limited

Ross Quality Improvement Limited is a private company registered in Scotland with company number 647171

CalPACE
BUDGET
Fiscal Year 2020-2021

			\$		%	
	2019-2020 Annual Budget	2019-2020 Projected Actual	Proposed 2020- 2021 Annual Budget	Change over Projected	Change over Projected	Assumptions Re: FY 2020-2021
REVENUE:						
Full Membership	\$ 490,000	\$ 497,500	\$ 556,000	\$ 58,500	12%	See dues model
Associate Membership	24,375	20,000	18,125	(1,875)	-9%	Assume: NEMS at \$1,875 (lower level per their request) 1/2 year, Neighborhood Health Care at \$12,500, Edenbridge at \$3,750
Affiliate Membership	55,000	58,125	43,500	(14,625)	-25%	Assume 15 Affiliates returning @ \$2,500 + \$6,000 from CVHC for individual logos on directory. Total: \$43,500. Cuts are due to service line restructuring for 5 previous affiliates to 1 (CVHC) as well as budget restrictions due to COVID-19.
ISAT fee	6,000	-	12,000	12,000		Assumes continuation of I-SAT survey trends.
Sponsorships	11,000	4,575	-	(4,575)	-100%	No dinner sponsorships expected
Event - Affiliate	3,600	-	3,000	3,000		Affiliate non-dues revenue opportunity. TBD
Event - Meet and Greet	57,000	58,650	52,500	(6,150)	-10%	Meet & Greet in May/June 2021. Expect revenue to decrease significantly. Estimated 15 vendors at \$3,500 each.
Event - Retreat	4,000	3,250	(3,250)	(3,250)	-100%	None expected.
Operating revenue - Subtotal	650,975	642,100	685,125	43,025	7%	
Strategic initiative - PACE 2.0	-	2,800	-	(2,800)		PACE 2.0 to be open to all PO's and expense to be split evenly.
Strategic initiative - Brand	-	26,500	27,500	1,000		Carryover from 19-20
Strategic initiative - SNP	-	58,600	-	(58,600)		Project completed
Strategic initiative revenue - Subtotal	-	87,900	27,500	(60,400)		
TOTAL REVENUE	650,975	730,000	712,625	(17,375)	-2%	
TOTAL SALARY & FRINGE BENEFITS	304,716	304,429	336,965	32,536	11%	Merit pool included, healthcare cost increase 10%, PTO increase included
Contracted Services:						
Lobbying	89,000	88,644	93,076	4,432	5%	5% increase
Public Relations	25,000	4,900	40,000	35,100	716%	Monthly retainer with PR firm
Consultant - Other	58,000	15,318	25,000	9,682	63%	Sellers Dorsey \$20K, Brenda Klutz \$5K
Legal	24,500	39,000	24,000	(15,000)	-38%	\$2,000 monthly retainer
Actuarial	20,000	17,663	20,000	2,337	13%	Ongoing review of rate methodology and supplemental rates
Website Design	24,500	1,180	13,500	12,320	1044%	Montly maintenance plus locator tool
Audit/Tax	2,000	1,500	10,000	8,500	567%	990 prep and biannual audit
Accounting	8,760	8,760	9,000	240	3%	LeadingAge CA services agreement
I-SAT - Other	5,100	2,735	1,800	(935)	-34%	Shared costs of exhibiting cost at NPA Spring Policy Forum
Strategic planning consultant	20,000	3,250	-	(3,250)	0%	Grant writer
Administrative services	3,600	5,100	5,100	-	0%	LeadingAge CA services agreement
Marketing	3,000	-	-	-		Included in public relations
	283,460	188,050	241,476	53,426	28%	
Brand development	-	26,500	27,500	1,000		Carryover from 19-20
SNF Feasibility	-	58,600	-	(58,600)		Project completed
PACE 2.0	-	2,801	61,000	58,199		The collaborative will be open to all PO's for participation in 2020-2021. 12 monthly meetings with facilitation and monthly team coaching by Jennie Ross at \$4,750 per month (based on 15 teams) + \$4,000 on boarding new PO's. If wish to hold an in-person meeting in Spring 2021, add \$13,000.
	-	87,901	88,500	599	1%	
Subtotal	283,460	275,951	329,976	54,025	20%	
TRAVEL & TRAINING:						
Travel and Entertainment	18,000	13,862	9,700	(4,162)	-30%	Staff travel conferences and retreat
Training and Conferences	7,600	2,467	5,600	3,133	127%	Staff registration for conferences
Subtotal	25,600	16,329	15,300	(1,029)	-6%	
TOTAL PROGRAM & TRAVEL EXPENSE	309,060	292,280	345,276	52,996	18%	

	2019-2020 Annual Budget	2019-2020 Projected Actual	Proposed 2020- 2021 Annual Budget	Change over Projected	Change over Projected	Assumptions Re: FY 2020-2021
GENERAL OFFICE & ADM EXPENSE						
Board retreat	40,000	45,427	50,000	4,573	10%	Facility and 40 attendees with coronavirus safety protocols and webcasting. Presenters may participate virtually.
Affiliate meeting	20,000	12,177	20,000	7,823	64%	Meet and greet event outdoor with coronavirus safety protocols
Dues and subscriptions	12,100	8,430	14,500	6,070	72%	Various memberships and software subscriptions
Office rent	11,220	11,145	12,480	1,335	12%	Increase per sublease agreement.
IT	3,800	5,098	6,720	1,622	32%	Help desk and web site hosting and maintenance
Telephone	4,740	4,724	4,740	16	0%	Phone and internet
Insurance	3,000	2,799	2,900	101	0%	D&O and liability
Fees and licenses	1,700	2,113	2,600	487	23%	Credit card processing fees
Printing	500	161	500	339	211%	
Supplies	1,600	1,880	500	(1,380)	-73%	
Rent - Facility	4,500	-	-	-		
TOTAL GENERAL OFFICE & ADM EXPENSE	103,160	93,954	114,940	20,986	22%	
OTHER EXPENSES:						
Catering	24,500	15,650	5,500	(10,150)	-65%	Member meals
Depreciation	2,040	2,142	3,000		0%	Computer and office furniture
Contributions and Gifts	2,800	1,127	2,800	1,673	148%	Various and Justice in Aging
Postage	50	88	100	12	14%	
TOTAL OTHER EXPENSES:	29,390	19,007	11,400	(8,465)	-45%	
TOTAL OPERATING EXPENSES	746,326	709,670	808,581	98,053	14%	
NET SURPLUS (DEFICIT)	\$ (95,351)	\$ 20,330	\$ (95,956)	\$ (115,428)	-568%	
Unrestricted net assets, Beg of Year		213,517	233,847			
Projected net surplus		20,330	(95,956)			
Projected unrestricted net assets, End of Year		\$ 233,847	\$ 137,891			

Enrollees/Revenue		
PACE Organization	Enrollees 7/15/2020	% of Total Enrollees
AltaMed	2,877	26.30%
Brandman	260	2.38%
CalOptima	382	3.49%
CEI	819	7.49%
Central Valley PACE	-	0.00%
Family Health Centers	51	0.47%
Gary and Mary West PACE	75	0.69%
IIH (Fresno, Bakersfield)	919	8.40%
InnovAge	914	8.36%
North East Medical Services (beginning Jan 2020)	-	0.00%
On Lok	1,602	14.65%
Redwood	206	1.88%
San Diego	1,078	9.86%
St. Paul's	1,014	9.27%
Sutter SeniorCare PACE	434	3.97%
WelBe Health (Stockton, Pacific LA Coast, Sequoia)	307	2.81%
Total Statewide Revenue	10,938	100.00%

Full Membership Revenue	Dues Paid in 2019-2020	% of Enrollees less AltaMed and On Lok	Prorated before min/Max	Minimum	Prorated	Increment		Proposed 20-21 Dues	Difference from prior year paid
	\$ 80,000.00		146,244	15,000		55,000	76,244	70,000	\$ (10,000.00)
	\$ 23,812.00	4.03%	13,216	15,000	8,594.21		(1,784)	23,594	\$ (217.79)
	\$ 26,678.00	5.91%	19,418	15,000	12,626.88		4,418	27,627	\$ 948.88
	\$ 42,190.00	12.68%	41,631	15,000	27,071.76		26,631	42,072	\$ (118.24)
	\$ -	0.00%	-	15,000	-		(15,000)	15,000	\$ 15,000.00
	\$ 7,500.00	0.79%	2,592	15,000	1,685.79		(12,408)	16,686	\$ 9,185.79
	\$ 15,000.00	1.16%	3,812	15,000	2,479.10		(11,188)	17,479	\$ 2,479.10
	\$ 38,858.00	14.23%	46,715	15,000	30,377.23		31,715	45,377	\$ 6,519.23
	\$ 40,363.00	14.15%	46,460	15,000	30,211.95		31,460	45,212	\$ 4,848.95
	\$ -	0.00%	-	7,500	-		(7,500)	7,500	\$ 7,500.00
	\$ 80,000.00		81,433	15,000	-	55,000	11,433	70,000	\$ (10,000.00)
	\$ 21,269.00	3.19%	10,471	15,000	6,809.26		(4,529)	21,809	\$ 540.26
	\$ 32,589.00	16.69%	54,797	15,000	35,632.92		39,797	50,633	\$ 18,043.92
	\$ 46,166.00	15.70%	51,544	15,000	33,517.42		36,544	48,517	\$ 2,351.42
	\$ 28,075.00	6.72%	22,061	15,000	14,345.72		7,061	29,346	\$ 1,270.72
	\$ 15,000.00	4.75%	15,605	15,000	10,147.78		605	25,148	\$ 10,147.78
	\$ 556,000.00	0.00%	-		-		-		\$ 58,500.00
		100.00%	556,000	232,500	213,500	110,000		556,000	58,500
			556,000		213,500				(0)

Items in BLUE need to be updated by Cindy

W/o AltaMed, On Lok 6,459

PACE Organization	AltaMed PACE	Brandman	Bakersfield PACE	CalOptima PACE	CEI	FHCSD
Total enrollees on 07/01/2020	2877	260	61	382	819	51
Total enrollees on 05/01/2020	2842	263	50	399	809	50
Total enrollees on 01/01/2020	2783	260	8	394	798	33
Total enrollees on 11/1/2019	2750	262	x	375	800	x
Total enrollees on 6/1/2019	2604	246	x	326	759	x
Total enrollees on 7/1/2018	2539	235	x	276	712	x
Total enrollees on 7/1/2017	2,319	214	x	216	711	x
Total enrollees on 7/1/2016	2,047	194	x	176	684	x
Total enrollees on 7/1/2015	1,802	129	x	91	668	x

Fresno	GMW PACE	InnovAge	LA Coast PACE	On Lok Lifeways	Pacific PACE	Redwood Coast PACE
858	75	914	17	1602	95	206
813	68	886	x	1620	88	205
778	29	835	x	1643	58	201
755	18	825	x	1625	40	198
666		708	x	1592		175
525		535	x	1516		157
338		428	x	1,461		124
255		x	x	1,472		96
x		176	x	1,405		x

San Diego PACE	St. Paul's	Stockton PACE	Sutter SeniorCare PACE	Total
1078	1014	195	434	10,938
919	991	177	434	10,614
717	979	138	436	10,090
652	949	125	425	9,799
491	870	64	365	8,866
326	731	x	302	7,854
218	619	x	276	6,924
145	539	x	256	5,864
28	475	x	239	5,013

CalPACE FY 20-21 Budget Narrative

Revenues

- Operating revenues are proposed to increase by 7% compared to the 2019-2020 projected actual results.
- Total membership dues are set each year based on anticipated CalPACE expenditures. Each member's allocated dues is based on the proportionate share of statewide revenue or enrollment, under the model approved by the board. The model additionally proposes, subject to board approval, to impose a maximum of \$70,000 and a minimum of \$15,000. Total full member proposed dues revenue would increase by 12%. This increase includes two new members and is driven by a decrease in non-dues revenue while covering the new initiatives and operating activities.
- Associate dues are anticipated to decrease by \$1,875.
- Included in the budget are the following revenue sources: Affiliate membership, I-SAT fee, Sponsorships, and Events, which accounts for \$111,000 in revenue.
- Strategic initiative revenue accounts for \$27,500 and is assessed separately from membership dues.

Expenses

- Total salary and fringe benefits are expected to rise by 11%. The factors that influence this increase:
 - Part time Policy Analyst
 - Funding for a merit pool has been included in the budget.
 - Healthcare cost are anticipated to rise by 10%.
 - Projected salaries include accrued vacation costs, which are close to the maximum allowed under the PTO policy.
- Contracted services are expected to increase by 28% as follows:
 - Lobbying includes a \$4,432 increase.
 - Public relations - \$35,100 increase over current year to conduct ongoing communications and public relations efforts to disseminate data; social media; information and stories to increase awareness of and support for PACE and what it does.
 - Consultant – Other \$9,682 increase to include Sellers Dorsey and Brenda Klutz.
 - Legal decrease of \$15,000.
 - Actuarial cost increase of \$2,337 to support the ongoing review of rate methodology and supplemental rates.
 - Website increase of \$12,320 includes maintenance plus a locator tool.
 - Audit and Tax preparation fees increase of \$8,500 due to bi-annual audit for 19-20 FY.

- Strategic initiative expenses include \$27,500 for Brand Development that was carried over from the 19-20 year (along with the associated revenue) and \$61,000 in costs for the enhanced PACE 2.0 learning collaborative that will be funded with dues.
- Travel and training is anticipated to decrease by 6%. Most travel for 19-20 was suspended midyear due to COVID-19 and has been reduced for 20-21.
- General office and admin expenses overall increase of 22%.
 - Affiliate meeting expense increase of \$7,823 is offset by exhibitors and sponsors.
 - Dues and subscriptions increase of \$6,070. This category supports various memberships and subscriptions.
 - Rent –office increase of \$1,335 rent increase per sublease for office space.
 - IT increase of \$1,622 for help desk, website hosting and maintenance.
 - Other categories have a minimal change impacting the overall budget.
- Other expenses are indicating a 40% decrease overall primarily due to:
 - Catering decreases of \$10,150 (catering is partially offset by dinner sponsorship revenue).

The result of the 20-21 budget indicates an overall decrease of \$95,956 in net assets with a projected total of \$137,891 by the end of fiscal year 2021.