



BOARD OF DIRECTORS MEETING MINUTES – OCTOBER 25, 2022

PRESENT FROM BOARD:

Tawny Espinoza, Tamara Krizman, Kevin Fitzgerald, Dave Hayden, Randy Brown, Brandi Coleman, Mike Nordine, Terry Pickens, Stephanie Keller

EXCUSED ABSENCE(S)

Jim Grisier, Justin Aubert, Krista Ubersox

PRESENT FROM STRIVE:

Grant Jackson, Mary Anne Lawrie, Chris Bergquist

OVERVIEW OF MEETING
Minutes were presented and approved.
Grant provided state and organizational updates
Financials were reviewed and accepted.

A quorum was achieved at 12:03 p.m. Dave Hayden presided.

MINUTES FROM 10/4/2022.

Minutes were presented and approved.

It was M/S/P (Coleman/Fitzgerald) to approve the minutes from 10/4/2022.

PRESIDENT/CEO REPORT

We had another outbreak at Olson again. Five residents and two staff tested positive. We have contacted the State for staffing assistance, and they will be sending out a couple of CNAs to help with the shortage. It is baffling how we continue to have difficulty finding staff to fill shifts and believe that it relates to the level of supports and services the individuals require and, most importantly, the wages are a major factor.

On a positive note, we have about 13 new staff starting on Monday, with two to three of specifically assigned to Olson, a new case manager, a couple of supervisors and some vocational staff. This happens to be the largest employee orientation that we have had for quite some time.

We have been transitioning some vocational programs out of the sheltered supported employment arena in making them compliant with the Final Setting Rules. Programs such as Sweet Success, Sweet Beginnings, Labor Solutions and Mobile Crews do not fall within the guidelines. Individuals will no longer receive a paycheck and will go under what is called a "Day Hab" program and will be referred to as Project970. This group will be assisting with food distribution and delivering meals.

Another group will go to local businesses and assist with tasks, i.e., PowePro, Enstrom, Go-Ties, Museums of the Rockies, etc.

Rocky Mountain Health Plan (RMHP) continues to want to invest in STRiVE and would like to enter into a consulting agreement to assist in solving the lack of area physicians that specialize with the I/DD community. The agreement should go into effect in July 2023. We are currently working with them on the terms of the agreement.

We are also working with RMPH on the transition of Case Management to their entity effective 2024. The State should be sending out the Request for Proposals (RFP) in the near future. We opted not to pursue the RFP since the State did not accept any of our options that we submitted a couple years back. It is anticipated for the State to announce who the Case Management agency will be for our region in Spring of next year in preparation to start the transition phase in July 2023 with full implementation in 2024.

403B PLAN

Chris provided members with a summation of the Mutual of America's presentation to the Finance Committee. MOA essentially reviewed the current market with bonds being the most challenging this year due to the interest rates and inflation. They also reviewed the different funds offered in the plan with the majority of them targeted to the retirement funds and their performance. Someone raised the question in converting the portfolio to cash. MOA advised against it with the current situation of the market. The discussion then transitioned over to if considerations had been made about enhancing the plan that would encourage more employee participation, i.e., different match percentage by age of employee and/or length of employment or increasing the match percentage, implementing a vesting schedule, increasing, or decreasing eligibility and vestment periods, etc. The Finance Committee recommended Chris and Grant to look at various options for enhancing the retirement plan with MOA and report back to them. Chris will schedule a meeting with MOA in the next couple of weeks.

FINANCIAL REPORT

October financials are not completed and will be forwarded to Board members once they have been finalized. Chris reviewed September financials instead. Operational income reflects a \$175K deficit; adding donations back in reflects \$46K deficit. The main driver was a decrease in health insurance claims that resulted in a reduction to expenses. Year-to-date operational income reflects a \$108K deficit; adding donations back in reflects \$77K to the good.

Attention was turned to the financials and review of the various graphs:

- Revenue is right on forecast. Chris discounted the revenue forecast significantly due to poor attendance in the programs due to individuals not wanting to attend on a daily basis as they did prior to COVID.
- Personnel expenses were lower than forecast due to a combination of the staffing shortage and the closure of another group home. We have experienced the staffing shortage for the past two years and entered into a couple of contracts to assist with filling the vacant shifts. This expense had a significant impact on the operational expenses.
- Operating expenses are close to forecast. Primary drivers here are the increase in the number of host homes along with other contractual services. Another factor is that operations are starting to return to steady state of normalcy.
- Operating income is above forecast.

- Net income is the same scenario as the operating income but includes the donations.

Chris then reviewed the metric analysis:

- Total residential occupancy is under target. There were a few individuals that transitioned into a host home impacting the forecast.
- Group home residential occupancy is over target at this time.
- Behavior billing is slightly under forecast. The Behavior Director decided to go from full-time to part-time impacting units billed.
- Vocational billing was slightly under target. We are still experiencing attendance issues, staff shortages and COVID cases.
- Hourly staff continues to run below target due to staffing shortages and group home shortages.
- Operating costs are running close to forecast.

Attention turned to the balance sheet. There is nothing to noteworthy with the exception of a small decline on cash and accounts receivables still waiting to receive the employee retention credit from the IRS. The last time Eide Bailly checked on the status they were informed that the IRS is taking a long time to process the credit. Current ratio is 3.69, debt to equity 0.27 and month's unrestricted cash 6.09.

It was M/S/P (Fitzgerald/Espinoza) to approve the financials as presented.

FY2021-2022 AUDIT

Dave was presented to provide the outcome of the last year's audit. Dave informed Board members that he provided an in-depth report to the Finance Committee prior to the meeting and will just provide an overall review for members. During the audit process, it was discovered that a single audit would need to be conducted primarily due from various federal funding received in addition to the HUD funding that was received over 20 years ago. Dave anticipates the Single Audit should be issued by the end of next month.

The auditors reviewed the financial statements that the Board reviews on a monthly basis. The audit reflects those amounts and commended Chris and his team for their hard work in maintaining and reporting the financial status to the appropriate people. As in the past, the outcome is a clean opinion. Information reviewed were donations, solar panels and the federal's provider relief funding received. Dave reported that Chris had provided him with the scenario on the attempts to contact the company and the recommendation from legal counsel.

It was the recommendation of the Finance Committee for the governing board to approve the audit pending the outcome of the single audit. Chris recommended for the Board to approve the financial audit since it reflects the organization's normal business practices, and the single audit is just a technicality Board members agreed to approve the financial audit as presented contingent upon the outcome of the single audit. Once the single audit outcome has been received, it will be determined if a special meeting will need to be held.

It was M/S/P (Pickens/Fitzgerald) to approve the FY2021-2022 Audit contingent upon the outcome of the Single Audit.

COMMENTS

Brandi announced that tomorrow she will be presenting to the School District for their Anti-Bullying Month. She will be talking about her life experience and her story, "*Turning Your Disability Into Ability*." She will forward the Zoom information to MaryAnne. One Board member commended Chris and his team for all their hard work and also keeping the Board apprised of the current financial status.

At 12:48 p.m., it was M/S/P (Coleman/Fitzgerald) to adjourn the meeting.

Minutes were approved on 12/6/2023 via Zoom
Secretary

_____12/6/2023_____ Date