



BOARD OF DIRECTORS MEETING MINUTES – JUNE 27, 2023

PRESENT FROM BOARD:

Dave Hayden, Tawny Espinoza, Terry Pickens, Brandi Coleman, Kevin Fitzgerald, Randy Brown, Justin Aubert

EXCUSED ABSENCE(S):

Stephanie Keller, Mike Nordine, Jim Grisier, Krista Ubersox, Tamara Krizman

SPECIAL GUEST(S):

Gayle Berry

PRESENT FROM STRIVE:

Grant Jackson, Mary Anne Lawrie, Chris Bergquist

OVERVIEW OF MEETING
Minutes were presented and approved.
Lunch Break
Gayle provided a review of the Legislative Session
Grant provided state and organizational updates.
Business Opportunity was discussed
Financials were reviewed and accepted.
Budget for FY2023-2024 was presented and approved.

A quorum was achieved at 12:01 p.m. Dave Hayden presided.

Dave announced Brandi will provide an update on the status of her business after the Financial Report .

MINUTES FROM 06/05/2023

Minutes were presented and approved.

It was M/S/P (Fitzpatrick/Coleman) to approve the minutes from 06/05/2023.

The meeting broke for lunch and reconvened at 12:15.

LEGISLATIVE SESSION REVIEW

Gayle reported this year's session did not really have any new legislation that impacted the I/DD community. Gayle did comment that the dynamic of the legislature this year was quite different with the Democrats being the larger majority which caused a lot of draft bills that circulated after the election and then were later quashed. Gayle recapped on a couple of

bills that were of interest:

- **HB23-1030 – PROHIBIT DIRECT-HIRE FEE HEALTH-CARE STAFF AGENCY**
This bill basically prevents a health care staffing agency from charging a penalty fee to a worker for accepting a job at the facility they are placed at during or after their contract ends. A comment was made that STRiVE had experienced that during COVID when we were contracting with an agency and some of the staff were interested in seeking employment with us. A fine will be imposed on the staffing agency if that occurs.
- **HB23-1183 – PRIOR AUTHORIZATION FOR STEP-THERAPY EXECEPTION**
Step-therapy is trying less expensive options before “stepping up” to drugs that cost more. Basically, if someone is on a therapy and the option is not working and a change is needed, then prior authorization would need to be obtained before anything could be prescribed.
- **HB23-1197 – STAKEHOLDER PROCESS FOR OVERSIGHT OF HOST HOME PROVIDERS**
This required HCPF to engage in a stakeholder process to address the oversight of host home providers with no additional resources. Grant and Gayle worked together on amending the bill in addition to requesting to be a part of the stakeholder group. Alliance reached out to Gayle and Grant and suggested we retract the drafted amendments which we did. The bill was passed last month, and we are still requesting to be a part of the stakeholder meeting.

The new session will have the same majority of legislators with the exception of 2024 being an election year and most likely will impact on who will control the Senate. In addition, there have been some concerns and/or issues and allegations that arose at the Capitol resulting in the formation of various interim committees, i.e., Harassment Committee, Child Welfare, and another one to address the definition of Recidivism so that it would be consistent throughout the statute. The legislation will be considering changing the age limit of raising criminal charging as an adult from 12 to 14. The new session’s large focus will be on water, the Colorado River and basins. A Water Task Force is being formed to address the issues. Other legislation will address tenant issues and leasing. Members expressed their appreciation and gratitude to Gayle for being an advocate for STRiVE and the I/DD community.

PRESIDENT/CEO REPORT

Since the focus of the meeting will be on the potential business opportunity and the FY23-24 budget, Grant only had a couple of updates he wanted to share.

The first item is, the State announced Rocky Mountain Health Plans will be the new Case Management Agency for all Medicaid Waivers in Mesa County. Case management will start to transition over in November We are currently working the HCPF’s consulting firm and Rocky Mountain on developing the transition plans of both entities (STRiVE & RMHP) to ensure that there is consistent messaging statewide on the transition. The communication that will be sent to stakeholders, families/guardians, all media, etc. The consulting firm will be reviewing the draft

communication and editing as they see appropriate to assure it is within the statute guidelines in addition to HIPAA compliance.

The last item is we are starting to get into the Project Search program Grant reminded members that Project Search is a school-to-work transition program for young adults with significant intellectual and developmental disabilities. We will be the job coach for the program and will undergo some training since it is different than what we are currently practicing. The program should start up in August.

BUSINESS OPPORTUNITY

The Executive Committee previously met earlier and had a lengthy discussion regarding the opportunity of purchasing a food truck along with forwarding the information to all members. Sugar and Ice is a family-owned coffee business and have been in the coffee business for over 20 years. They are at a place where they would like to sell their trailer in addition to offering a franchise opportunity. Grant believes this would provide additional employment opportunities for our individuals and another resource for generating revenue. The business would operate as individualized supported employment rate along 100% community integration. This led to a conversation involving operating after hours and on weekends at various events throughout the valley in addition to staffing and overtime issues. The Executive Committee also requested inspection of the trailer and truck, verify license and detailed financial information. The truck and trailer passed their inspection, licenses are in place, and we are still waiting for more detailed financial information. They will also provide all the necessary training on the equipment, inventory, ordering and list of vendors. The franchise agreement still needs to be worked out and will also seek legal advice through the negotiations. At this time, the Chair requested opinions from members on whether to move forward with purchasing the food truck or not. Conversations included the franchise costs, royalty percentages and/or fees, appropriate down payment, etc. It was the consensus of members present, that this was a positive opportunity and agreed in moving forward. A motion was made to for Chris and Grant to move forward in negotiating the franchise agreement in addition to an agreed good faith deposit amount. Once a business agreement has been made with both parties, it will be brought back to the full Board for final approval. Chris requested clarification on the percentage of down payment that should be offered. The Board agreed to a \$5K non-refundable deposit and incorporate this into the proposed motion.

It was M/S/P (Brown/Coleman) to approve moving forward on negotiating franchise agreement and offering a non-refundable good faith deposit in the amount of \$5K. Once the parties have come to agreement, it will be presented to the full Board for final approval.

FINANCIAL REPORT

Chris reviewed the May Financials. Historically, financials for the last quarter are usually running in a deficit, which is not the case. Operating income shows a positive at \$378K. Adding donations back in leaves a net income of \$172K. The

major factors are acknowledgment of the ERC credits and a significant decrease in health insurance claims. Year-to-date operating income is positive at \$389K, adding donation and/or gain on sales back in reflects a net income of \$740K. The two big factors here are acknowledging the interest in the ERC credits and decrease in health insurance claims.

Revenue is where we significantly above forecast due to the ERC interest.

Personnel expenses are close to forecast. We still have a few open positions that need to be filled.

Total operating expenses are close to forecast. There was a slight decline this month due to a few host home providers transferring over to another agency. Grant informed the Board there were two new agencies providing host homes and supported living services, making the field even more competitive. This led to a brief discussion relating to whether there were any incentives offered, i.e., discounts, health insurance, etc. and current events that are being offered to the group. It was suggested to consider offering a variety of training workshops on various topics, for example, guardianship and the proper way to fill out the court documentation. This information will be taken under advisement. Focus turned back to the remainder of the Financial Report.

Operating income shows a spike due to acknowledgement of the ERC credit.

Attention turned to the following Metrics:

- Behavior is above target and starting to trend up.
- Attendance was above target.
- Staff occupancy is under target. We have a few positions that still need to be filled.
- Operating costs are over forecast.

Actual financials through the month of May were reviewed. Blue bars reflect actuals, red is forecast, and green is year-end. It is projected we will end the year on a positive note.

Chris reports the ERC interest has thrown the balance sheet off from a cash perspective and should balance out over the next couple of months. Ratios are a little higher in comparison to the previous month.

It was M/S/P (Coleman/Fitzgerald) to approve the May Financials as presented.

PROPOSED BUDGET FOR FY2023-2024

The proposed budget was reviewed by both the Executive and Finance Committee earlier this month. Since then, a drastic change occurred bringing the net income down to slightly over \$100K from \$300K.

From a strategic planning perspective, one member was curious how STRiVE operation and functioning both from a financial and staffing standing compared to other like-sized organization and if there is some type of metric that would be able to capture that information. Chris was unaware of any but would contact Alliance to inquire if they are aware of any. Chris further explained that our industry is hard to compare to other industries based on the services provided. This led to a discussion in relation to comparison with similar sized organizations, revenue comparisons, development of different department metrics, i.e., day program, host homes, and individuals in services. etc. Chris will update members on Alliance’s response.

The Chair wondered if Chris would like to present the proposed budget for FY23-24. The Finance Committee met prior to the Board meeting and recommended the budget be approved. Chris commented that there could be additional changes and maybe wait until the June 27th meeting. Due to time constraints, it was the consensus of the Board to table taking any action on the budget.

It was M/S/P (Coleman/Ubersox) to approve the financials as presented.

COMMENTS

Brandi took this opportunity to update the Board on the status of her new business and thanked members for their support in this endeavor. She has experienced some vandalism incidents but hopefully has resolved this issue. Her father is working on signage for the trailer. She will also be working at some of the events around town.

The meeting adjourned at 1:38 p.m.

Virtually Approval on 08/29/2023

Secretary

Date