



## **BOARD OF DIRECTORS MEETING MINUTES – JANUARY 30, 2024**

### **PRESENT FROM BOARD:**

Dave Hayden, Tawny Espinoza, Terry Pickens, Randy Brown, Krista Ubersox, Kevin Fitzgerald, Jeff Franklin, Justin Aubert, Brandi Coleman, Tamara Krizman

### **EXCUSED ABSENCE(S):**

Mike Nordine

### **PRESENT FROM STRIVE:**

Grant Jackson, Mary Anne Lawrie, Chris Bergquist

<b>OVERVIEW OF MEETING</b>
Minutes were presented and approved.
Grant provided state and organizational updates.
Financials were reviewed and accepted.
Meeting adjourned and proceeded into Executive Session

A quorum was achieved at 12:03 p.m.

### **MINUTES FROM 12/05/2023**

Minutes were presented and approved.

**It was M/S/P (Coleman/Fitzgerald) to approve the minutes from 12/05/2023.**

### **PRESIDENT/CEO REPORT**

We are focusing on switching Reception and Botanical Gardens from a group supported employment model to a one-on-one mode. This model has staff working side-by-side with an individual on improving their skills and learning new ones. Alida's and Styles by STRiVE have been operating under this model for quite some time. The one-on-one structure is very sustainable from a financial perspective but also provides a more meaningful experience for individuals. We have also reached out to a few businesses to see if there may be an interest in having some of the individuals in Reception shadow their Receptionists to learn new skills in addition to building that community inclusion.

We are looking at turning the Woodshop back into a supported employment program and focus on building and selling wood products to the public once again. Grant reminded members of the Final Setting Rule and the State felt like the 2850 location was more of a sheltered workshop with the two programs housed there and considered more of a day habilitation program. Since this model had to be in the community more, the Woodshop was only able to work on projects two days a week

and eventually had to turn down orders. We are excited to get this back up and running. These changes are targeted for March 1. In the interim, we will be relocating Creative Creations to 790 for the time being utilizing some of the space occupied by Case Management.

We are also extremely excited about reopening Uniquely Yours. The landlord would not support the idea of an arcade in the space. Pixel will relocate to the 790 location as well.

The new Residential Director officially started a couple of weeks ago and has hit the ground running. She has begun to visit the host homes and focus on building those relationships back up which is so paramount right now due to the local competition.

The Leadership Team is starting to delve into expanding Children Services. There is a gap of funding for the 18-20 age group for behavioral services. The theory is that they are still school age for that population and should be receiving those services while they are in school. Unfortunately, there is that lapse in time before they are eligible for adult services. We are learning that some of this population have a high acuity in behavior issues and would benefit from this service. We currently are looking into different funding streams through Medicaid and other resources.

Grant reported on communication on getting any and all information out to the appropriate people, i.e., families, guardians, providers, with changes within the organization. Though letters were sent out too, there were quite a few that did not receive the notifications. We are going to start contacting people via mail, e-mail, and notifications to be sent home with all individuals in vocational programs. We will also be working on scheduling an open forum for anyone to drop by and learn about the recent changes within the organization. In addition, we will be creating new marketing material focusing on the array of services offered to be distributed to families/guardians who may be interested in our organization. This information will also be posted on the website.

### **FINANCIAL REPORT**

Chris reviewed the December financials. There are a couple of extraordinary items that inflate the financial statement somewhat. The first one being, the County funding was acknowledged and is reflected in the operating income of \$532K. The second one was the sale of Teller/Belford. Chris reminded members these two items are one-time income causing the inflated numbers. Adding gain on sales back in reflects a net income of \$1.2M. From a year-to-date perspective, we are operating at a little bit of a loss compared to December's operating income. Adding one-time items back in reflects a net income of 1.1M

Revenue is where it was forecasted though it is slightly lower in comparison to last year. As mentioned in previous meetings, there has been an increase in competition lately causing that decrease.

Personnel expenses were under forecast. There were a number of positions open in December which caused the reduction.

Operating expenses were also under forecast. There was little to no repair and/or maintenance costs for the month. There will probably be an increase in costs for January due to some expensive repairs that are upcoming.

As explained earlier, operating income is over forecast due to the acknowledgement of the

County funding and sale of Teller/Belford. Net income is really inflated and almost doubled in comparison to last year. Again, this is caused by the extraordinary items mentioned previously.

Actuals reveal December being very pronounced in comparison to the previous months. Since no extraordinary items are anticipated for the remaining six months, projections for the year-end reflect a positive \$100-200K.

Attention turned to the following Metrics:

- Behavior is below target due to staff turnover in addition to the Behavior Director going part-time. We are considering recruiting another BCBA along with another professional behavioral person to generate revenue.
- Vocational is below target. As explained in previous meetings, this area is hard to forecast since it involves whether individuals opt to attend programs or not.
- Staff occupancy is under target. We continue to review rosters and determine areas that need more or less staff.
- Operating costs are under forecast due to a reduction in repair and maintenance expenses.

The balance sheet looks pretty healthy with the exception of accounts receivable. As explained in previous meetings, this is all about the timing of payments.

One member wanted clarification on the significant loss in November which led to a lengthy discussion on how operations is currently losing money and some of the causes for the decrease, implementing the one-on-one model and how that will have a positive financial impact, the impact the extraordinary items had on financials along with an explanation of the financial impact if those items were not received, doubts on the reality of the projections with an explanation of the difficulty of predicting growth or decline based on historical data or decline in the future in addition to the impact of staff leaving and potential movement of individuals to another provider, financial projection on reopening Uniquely Yours and Woodshop. After further deliberation, members requested the following:

- Updated financial projections to also include the impact of reopening Uniquely Yours.
- Monitor the impact of the new one-to-one model on revenue and expenses.
- Financial analysis of changes in vocational units and adjust projections accordingly.
- Conduct sensitivity testing to assess the impact of changes in enrollment on the bottom line along with developing a marketing strategy to highlight the organization's services to attract new enrollment.

**It was M/S/P (Fitzgerald/Espinoza) to accept the December Financials as presented.**

**At 1:05 p.m., it was M/S/P (Fitzgerald/Espinoza) to adjourn the meeting and proceed into Executive Session to discuss real property.**

**At 1:34 p.m., the Executive Session adjourned with no action items needed addressed by the Board.**

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Minutes were approved via Zoom on 01/30/2024

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Secretary

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Date