



BOARD OF DIRECTORS MEETING MINUTES – DECEMBER 5, 2023

PRESENT FROM BOARD:

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

SPECIAL GUEST(S):

Dave Studebaker, Eide Bailly

PRESENT FROM STRIVE:

Grant Jackson, Mary Anne Lawrie, Chris Bergquist, Heather Parga

| OVERVIEW OF MEETING |
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| Minutes were presented and approved. |
| Eide Bailly reported on the findings of the annual audit. |
| Grant provided state and organizational updates. |
| Financials were reviewed and accepted. |

A quorum was achieved at 12:08 p.m.

MINUTES FROM 10/31/2023

Minutes were presented and approved.

It was M/S/P (Fitzgerald/Coleman) to approve the minutes from 10/31/2023.

FY2022-2023 AUDIT

Dave S. (Eide Bailly) was present to report on the outcome of last year's audit. Dave informed Board members that the outcome was reviewed in detail with the Finance Committee prior to this meeting. The audit went very well with no findings and/or adjustment. The audit also exhibited a strong liquidity position and a positive change in net assets reflecting strategic decisions being made on sustainability of the organization. Dave expressed appreciation and gratitude to Chris and his team for providing the requested documentation in addition to the team's availability when needed. The Finance Committee recommended a motion approving fiscal year 2022-2023's audit.

It was M/S/P (Fitzgerald/Espinoza) to accept and approve FY2022-2023's annual audit.

PRESIDENT/CEO REPORT

Alida's has been super busy lately with numerous corporate orders for gift boxes in addition to operating a kiosk at the mall. Staff have been remarkably busy with cooking and dipping fruit to keep up on all the orders. Grant reminded members that the program transitioned

from a group supported employment program to a one-on-one model where you have one staff and one individual working together. The one-on-one model's reimbursement rate is much greater than the group supported employment. The one drawback is supporting less individuals at the same time. Individuals either have a morning or afternoon shift and are involved with all the manufacturing and processing of the products. From a financial perspective, this is the first year Alida's is running in the black.

We are in the early stages of transitioning the Reception and Botanical Gardens programs over to the one-on-one model as well and are currently estimating the number of new staff needed for each program.

We are also looking at restarting the Woodshop back up after the first of the year. There is a lot of planning that needs to be done, i.e., moving Creative Creations to another location, building maintenance and repair, etc. The program is currently a group supported employment and will also transition over to the one-on-one model. We believe there will be quite a few individuals interested in returning to the Woodshop. Since the program has been in a group supported setting, they have had to turn down orders due to limited time spent in the shop. The new model will allow them to focus on customer orders and various wood projects. The effective date of this is to be determined.

Staff for Sugar and Ice have been hired and are training this week. We hope to be open to the public next week.

Closing on the Teller/Belford building is scheduled for next week.

We hired a Residential Director who works on the front range overseeing a Host Home Department for a multi-state provider. She is originally from Grand Junction and has been wanting to move back to the area. She has an amazing personality and is very motivated to build a positive team within the Department. She will fully transition into her position in the middle of January allowing her ample time to sell her house. Once she is familiar with her department and the organization, Grant would like to start focusing on strategic planning on what direction STRiVE should go. Grant would like the Board to be involved with the planning too.

FINANCIAL REPORT

Chris reviewed the October financials. A new slide was presented denoting "vocational client count by month." Vocational participation has fluctuated over the past year with main focus on the period from August 2023 through October reflecting a significant decrease in September. The major driver in the decrease of individuals is a result of an increase in competition with new providers moving to the area.

Attention turned back to the operating income reflecting a positive \$6K. We received a sizeable donation for the month which was over \$200K. Adding that back in leaves a net income of \$274K. Needless to say, October ended on a good note. Same scenario for year-to-date operating income shows a loss of \$16K, adding extraordinary items back in reflects a positive \$174K.

Revenue is where it was forecasted to be.

Nothing noteworthy to report with the personnel expenses. These will start to increase once we hire additional staff for the remaining programs transitioning over to the on-on-one

model.

Total operating expenses are close to forecast. Repair and maintenance costs were down for the month.

Operating income is over forecast due to the large donation received. Net income is similar to operating income.

Attention turned to the following Metrics:

- Behavior is slightly below target due to staff turnover in addition to the Behavior Director going part-time.
- 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 decrease in repair and maintenance costs.

Actuals for the month of October were reviewed along with projections for the rest of the year. The forecast for the year-end reflects a deficit of \$400K. There is a substantial increase in revenue for the month of December due to acknowledging the funding from Mesa County and then drops back down for the remainder of the year.

The balance sheet reflects a slight decrease in working capital, net assets, and account receivables. This is likely tied to the timing of payments. There is a slight increase with the current ratio, debt to equity and months unrestricted.

One member was curious if we did any promotions and/or marketing supporting Colorado Gives Day. Chris responded that Alliance usually advertises on their website. We have participated in the past, but the return was very minimal. Doug decided not to participate anymore and concentrate on fundraising for our events. This led to a conversation on Colorado Gives and the benefits received when you participate. Chris commented that he would take this information into consideration for next year.

Another member wondered if we could differentiate the number of tickets purchased by the public for Harvest Illuminated. Chris responded that this year's ticket sales exceeded last year's. The event netted close to \$34K. Plans for next year's event are already underway with a Willy Wonka theme. Willy will be creating more sculptures next year along with the pumpkin artists creating carving additional pumpkins for the auction. We are also working very closely with Elite Events assisting us with Tulips and Juleps and Harvest Illumination.

Lastly, Chris informed Board members that the Finance Committee had discussed investing the money market account in certificate of deposits (CDs). Chris recently learned that interest rates are pretty decent right now at our financial institution and would like to take advantage of this opportunity. The strategy would invest for 3 months with an option to roll it over or cash it in. The intent is to continue to have it roll over until the need to cash it in arises. This led to a discussion regarding the interest rates and payout, investment policy, monitoring the rates to see if they have changed, keeping the Finance Committee updated on the status of the CDs. After further deliberation, it was the consensus of the Board to

approve investing the money market into certificates of deposits. It was also agreed to have Chris update the Investment Policy and forward it to members once this has been completed.

It was M/S/P (Franklin/Coleman) to approve moving forward with the investment of certificates of deposits, along with Chris updating the Investment Policy and forwarding to members upon its completion.

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

The meeting was adjourned at 1:16p.m.

_____ Minutes were approved via Zoom 01/30/2024

Secretary

Date