



BOARD OF DIRECTORS MEETING MINUTES – JULY 9, 2024

PRESENT FROM BOARD:

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

SPECIAL GUEST(S):

CMU/STRiVE Crew & Employment Consultants

PRESENT FROM STRIVE:

Grant Jackson, Mary Anne Lawrie, Chris Bergquist, Khristina Kukus, Heather Parga, Megan Hale

OVERVIEW OF MEETING
Recognition of CMU/STRiVE and Employment Consultants was conducted.
Minutes were presented and approved.
FY24-25 Slate of Officers and Directors was approved.
April/May Financials were reviewed and approved.
Budget for FY24-25 was reviewed and approved.
Grant provide a couple of updates on Host Homes & Behavior Services.
Brandi provided updates on her business, "Brandi's Blessings."
An Executive Session was held.

A quorum was achieved at 12:06 p.m.

RECOGNITION

Two groups of people were invited to attend today's meeting, CMU/STRiVE crew, and Employment Consultants. Grant informed members that the CMU/STRiVE crew were invited to the CMU Board of Trustees' meeting and were taken aback when they were presented with the Human Scale University Champion Award. This award focuses on finding future leaders, innovators, creators and change makers, getting them here on campus, welcoming them, and supporting them as they begin their journey together learning. Grant provided each crew member with their own personal Award copy. Introductions were made around the room and the Board commended them on a job well done.

Attention turned to the Employment Consultants. Grant informed the Board that the State recognized the Employment Consultants on their experience, expertise and methodical approach for individuals seeking community employment not only through the Department of Vocational Rehabilitation (DVR) but through Project Search and basically stated that STRiVE is the "best employment service agency in town." Each consultant was provided with their own personal copy of the State's email. Again, Board members commended the

Consultants and their hard work and dedication in assisting the individuals with gainful community employment.

On a final note, Grant composed a letter to CMU's Board of Trustees and CMU's President expressing appreciation and gratitude for the Award for members to also sign.

MINUTES FROM 06/04/2024

Minutes were presented.

It was M/S/P (Ubersox/Fitzgerald) to approve the June minutes.

ELECTION OF OFFICERS & DIRECTORS FOR FY2024-2025

The Slate of Officers for 2024-2025 is as follows:

OFFICERS – 1-YEAR

Randy Brown – Chair
Tamara Krizman – Co-Chair
Jeff Franklin – Treasurer
Krista Ubersox – Secretary
Dave Hayden – Ex-Officio

The Slate of Directors for 2024-2025 is as follows:

DIRECTORS – 3-YEAR

Jeff Franklin
Dave McKendry

MaryAnne reminded members that Jeff took over Jim's remaining term that expired this year. Jeff will now begin his first 3-year term. Grant and Dave H. met with Dave M., and they provided a brief background to his knowledge and experience. He is unable to attend today's meeting due to a prior commitment and is interested in becoming member. Grant added that there is another potential candidate who is interested in being a Board member. Grant will be reaching out to get something scheduled in the near future.

It was M/S/P (Aubert/Coleman) to approve the Slate of Officers & Directors for FY2024-2025.

FINANCIAL REPORT

Chris reviewed April & May financials. April ended on a positive note with an operating income of \$11K; adding donations back in reflects a net income of \$107K. May did not do as well with a deficit operating income of \$151K; adding donations back reflects net income loss of \$90K. Major drivers for May were bonuses, an increase in health insurance claim, and poor attendance in day programs. Year-to-date operating income is a \$204k deficit; adding donations/gain on sales back in leaves a net income of \$1.1M.

Revenue is slightly over forecast. When reviewing the graph, there is a noticeably clear trend that revenue has declined over the year due to individuals and Case Management moving to other agencies.

Personnel expenses are over forecast due to the bonuses.

Operating expenses are slightly above forecast due to the audit payment. some remodeling costs and other unanticipated repairs.

Operating income is over forecast. Historically, operating income is projected at a loss for the last quarter since the majority of individual plans are running out of units. Net income is similar to operating income.

Actuals through May were reviewed along with projections for the remainder of the year. Chris expects a \$110K loss through the remainder of the year.

Attention turned to the following Metrics:

- Behavior is close to target. Chris has been working with the new Behavior Director forecasting a reasonable target for this area. The Behavior Department has been experiencing some turnover causing the target numbers to go down.
- Vocational is slightly under target. As explained in previous meetings, this area is hard to forecast since it involves whether individuals opting to attend programs or not. Chris discounted the target to be in line with current attendance.
- Staff occupancy is over target based on additional for the one-on-one model. We are still experiencing turnover and currently have fifteen open positions.

Nothing noteworthy on the balance sheet to discuss.

One member wondered about the outcome of Tulips & Juleps and the concert. Chris reported the event was successful this year netting around \$60K. This year had a different layout than previous years, with a variety of activities and music. People enjoyed themselves very much and are excited about next year's event. The first concert of the season is usually pretty small. Chris believe estimated sixty people were in attendance. The next concert scheduled is the Boys of Summer who draw have a large following. Then in August we have scheduled Ned LeDoux, country/western singer, and the son of Chris LeDoux. Unfortunately, we are unable to do any promotional advertising until after his concert in Rifle. Since this is something new we are experimenting with this year, we are hoping this will be successful.

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

FY2024-2025 BUDGET PRESENTATION

Chris reported that he reviewed the budget with Finance Committee last week. Revenue assumptions for the upcoming fiscal year are as follows:

- A 2% Provider rate increase on all waiver services. This 2% is not earmarked for any purpose.
- Residential rates were awarded a 5% increase on top of the 2% mentioned above. This is referred to as a target rate increase that must be passed to DSPs in the form of compensation. The base wage will now be \$17 an hour a \$1.25 an hour increase for all DSPs. This led to an in-depth discussion pertaining to the impact this will have on other staff and the compression issues it causes, other providers are feeling the same impact, consideration was given to providing raises across the board and/or to the employees this impacts the most but opted to wait three to six months to see

- how financials are and reconsider, competition with industries like fast food and retail, along with the importance of STRIVE's mission and stability as an employer of choice who provides meaning and long-term opportunities, etc.
- Vocational revenue to have an aggregate vacancy rate off around 20%. This basically refers to attendance. Chris provides a detailed explanation of how he projects revenue with emphasis on the impact of absences, identifying specific programs with attendance issues and meeting with supervisor to address the cause of the shortfalls.
 - Allocation from Mesa County is projected to be the same around \$600K.
 - Behavior revenue is projected to increase significantly with the new direction of the Behavior Director and additional staff. As previously reported, Chris is working very closely with the Director on improving billing in this area.
 - Just as an FYI – this is the first year that Case Management, Family Support Services and State Supported Living Services' revenue is not included in this year's budget. These departments are now under Rocky Mountain Health Plans. They were included in last year's budget for three to four months. So, when comparing financials year after year, you will note the decline in revenue.

Assumptions for personnel are:

- New Vocational Supervisor assumed – This position has been filled and already factored into the budget.
- The minimum salary for overtime exempt status will increase January 1, 2025, and have been worked into the budget.
- One-on-one staffing schedule assumed at most Supported Programs. Chris reported we are starting to experience some problems in this model in terms of staff or individuals do not show or call off. Chris delved into how this scenario impacts the financials when you are unable to bill for the one-on-one but still have pay to individual and/or staff wages depending on which is not in attendance. This led to a discussion on utilizing staff in other programs and/or offering them an option to take time off. The discussion also covered the amount of financial loss if an individual does not attend, billing increments and their amounts, etc. Chris further commented the Supervisors are diligently working to maintain the schedule as accurately as possible in addition to enhancing the programs to be more meaningful so individuals will be more interested in attending.

Assumptions for Operating are:

- Operating costs are based on current run rates. Chris explained projections are based on an eight-month trend analysis with the exception of some one offs such as repairs and maintenance where he will assess a two-month period and annualize it.

Assumptions for Fundraising are:

- Chris projects fundraising to be similar to current year and is not expecting any major changes in this area.

Chris then referred to the budget spreadsheet and provided a detailed explanation on his strategies on projecting his budget forecasts. when forecasting the budget. This led to a lengthy question and answer session involving comparisons of budget to forecast.

PRESIDENT/CEO REPORT

Grant has a short report today and highlighted on the following items:

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- The annual JUCO picnic was a big success with a lot of people in attendance.
 - Host Home Department is really upping their game in increasing provider engagement by offering monthly training and hosting a variety of fun activities. The Host Home training courses are conducted on a monthly basis to address various training opportunities in addition to an open forum addressing any concerns and suggestions for improving support to them. They also have homes and a couple of vocational programs. A meeting is scheduled this afternoon to discuss some of their findings to make sure we are staying within the regulations. One member wondered about the status of new regulations for host homes that was brought up in the last legislative session. Grant reported the Stakeholder Group has only had a few meetings that were not productive. They have divided the group up into different Committees to address different topics. Grant's understanding is that they should be regrouping soon. Alliance will be participating in these meetings and reporting back to the providers on the outcome.
 - The State granted our Community Centered Board (CCB) designation for the next ten years. Grant added that there were discussions with the Executive Committee about consideration to expanding services to the Delta/Montrose area. This was brought about when the Montrose CCB was considering foregoing their designation. The State did reach out to Rocky Mountain Health Plans to see if they would become the CCB for several regions of State since there were a few CCBs decided not to apply for the designation. A question arose regarding conflict of interest with CCBs and service providers which led to an account of the role of CCBs in managing local funds and the difference in funding allocations among different CCBs.
 - We hired a new Behavior Director based out of Salt Lake City. He came out for a couple of days to meet the staff and individuals. He has a lot of ideas and is currently working with his team to develop new ways of providing behavioral services within our organization. He is planning to come out again in September.
 - Alliance announced the State approved a mandatory rate increase for DSPs. What we know is that the base rate will go up to \$17/hour which is a \$1.50 per hour increase. This led to a lengthy discussion regarding concerns of limited funding accompanying the increase causing compression across board, distributing the increase fairly, negative impact on morale for some staff, complexities of payroll compliance by the State regulations and the financial repercussions if there are any discrepancies with the start date, etc. On top of that, they also approved a 2% rate increase across the board.
 - On a positive note, Grant and the CMU/STRiVE Lawn Crew were invited to attend the CMU Board of Trustees' meeting and were taken aback when they were presented with the Human Scale University Champion Award. This award focuses on finding future leaders, innovators, creators and change makers, getting them here on campus, welcoming them, and supporting them as they begin their journey together learning. We will be inviting the crew to the Board meeting on June 25th to have the members give each one of the crew their award. Grant will also be writing a letter to the Board of Trustees and John Marshall expressing appreciation and gratitude for this honor on behalf of Board members. Kudos to Tamara for setting this up!
 - Project Search held a graduation ceremony for the students. There were five students that participated this year and all of them have secured jobs when they graduate from high school. They will also be supported by our Employment Consultants until they are no longer needed. We are excited for the second year to begin this fall.
 - The Juco Picnic was a big success with a big shout out to the Bank of Colorado for volunteering, in addition to providing us with a huge amount of service and support

at our events. Everyone got to interact with the players whether playing games, getting autographs, or just hanging out with the teams. The teams handed out hats and t-shirts which the individuals much appreciated.

- Lastly, Hilltop is looking at condensing programs and moving downtown leaving a couple of their properties available. Grant and Chris had the opportunity to tour the Family Resource Center. They both believe the building would fit our needs in addition to being more convenient for the individuals we serve. Grant reported about the space, affordability, parking, and location along with expressing an interest in potentially selling 790 and relocating to another site. This led to brief conversation regarding the Framing for the Future campaign donors and their perception of the sale, unpaid pledges, communicating the message to the community, families, and guardians, etc. This topic will be readdressed and discussed further if something were to occur.

The meeting adjourned at 1:23 p.m.

Minutes were approved on 7/9/2024.

Secretary

Date