



## BOARD OF DIRECTORS MEETING – JUNE 4, 2019

### PRESENT FROM BOARD:

Steve Ammentorp, Joe Warner, Scott Coleman, Tom Motz, Justin Ward, Terry Pickens, Dave Hayden, Tawny Espinoza, Stephanie Keller, Marna Lake

### EXCUSED ABSENCE(S):

Tommy Johnson, Jim Grisier

### GUEST(S):

Gayle Berry, Dr. Kevin Fitzgerald, Chris Mathews (Foundation Board)

### PRESENT FROM STRIVE:

Grant Jackson, Mary Anne Lawrie, Chris Bergquist

OVERVIEW OF MEETING
Action items from previous Board meeting were approved – 3/16/2019 Minutes; Resolution to Sell 3301; Resolution to Discontinue Pre-Employment Drug Testing.
Gayle Berry provided an overview of 2018-2019 Legislative Session.
The annual slate of Officers and Directors for FY19-20 was approved along with the slate of Officers for DD Housing.
Appreciation award was presented to Dr. Motz for years of services of the Board of Directors.
Grant provided organizational updates.
Financials were presented and accepted.
A Line of Credit through ANB was approved.

A quorum was achieved and the meeting was called to order at 12:00 p.m. Steve Ammentorp presided.

### INTRODUCTIONS

Steve welcomed special guests and introductions were made around the room.

### OLD BUSINESS

Since a quorum was not achieved at the last meeting, action items were deferred to this month.

### MINUTES FROM 3/26/2019 MEETING

The minutes from the meeting on 3/26/2019 were reviewed and approved.

**It was M/S/P (Coleman/Motz) to approve the 3/26/2019 minutes as presented.**

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### **RESOLUTION TO SELL 3301**

The suggestion to close and sell 3301 was discussed at the April Board meeting. The 6 members present agreed to move forward with the sale of the property. On May 1, 2019 a poll was conducted with all Board members on their opinion and approval of the sale of the group home located at 3301 Laurel Lane. The responses received were positive and a resolution would formerly be approved at this meeting. Everyone impacted has been notified and all individuals have other residential settings in place with the target date for closure of June 14.

**It was M/S/P (Warner/Keller) to approve the Resolution authorizing the sale of 3301 Laurel Lane.**

### **RESOLUTION TO DISCONTINUE PRE-EMPLOYMENT DRUG TESTING**

The suggestion to discontinue pre-employment drug testing was discussed at the April Board meeting. The 6 members present agreed with the discontinuance of the pre-employment step. On May 1, 2019 a poll was conducted with all Board members on their opinion and approval to forego the pre-employment drug screening. The responses received were positive and a resolution would formerly be approved at this meeting. It was suggested to also stress zero tolerance and have it reflected in the handbook. Grant will have HR reach out to legal counsel and also notate the change in the Employee Handbook. It was also requested that this should be reassessed in 6 months.

**It was M/S/P (Warner/Keller) to approve the Resolution discontinuing pre-employment drug testing with the agreement that this will be reassessed in 6 months.**

### **LEGISLATIVE OVERVIEW**

Gayle provided an overview of the legislation that impacted the intellectual/developmental disability community:

- SB19-238 – Union Workforce bill – One of the issues on this bill would be complete disclosure of personal information of homecare workers. The intent of the bill is to gather the information and eventually unionize the homecare workers. The bill ultimately died but Gayle believes they will try another attempt at the next session.
- HB19-1136 – State Auditor Access to Records for Audits – A couple of years ago, legislation was enacted wherein Community Centered Boards (CCBs) would undergo an audit through the State Auditor's Office. An audit of all CCBs was completed. The auditor's office would like to have access to all records. There is really no change in the policy and we are just tracking this.
- TABOR HB 19-1257 & 1258 – These would allow the State to de-Bruce monies to provide additional support and funding to the education and transportation systems. Concern is the bill measure does not have a time limit or end date. The front range is starting to see a decline in revenue so this will be tracked. The thing to remember is that the de-Brucing only impacts the revenue the other parts of TABOR will not be touched.
- SB19-207 – Long Bill – This was an addendum to the State budget increasing additional funding to certain programs.
- HB19-1062 - This allows the State to list all or a portion of the Grand Junction Regional Center for sale or to enter into a contract to transfer all or a portion to a college, local government or state agency. Mesa County has a committee to look at possibly setting up some type of daycare services at the location. with abatement issues.

- The Joint Budget Committee (JBC) approved a 1% provider rate increase.
- Also approved moving Medicaid home modifications from Health Care Policy (HCPF) and Financing to Department of Local Affairs.
- Approved a \$3.2 million supplemental for the Early Intervention program.
- Approved 300 more slots for the DD waitlist.
- Continue with Level 7 funding discussion with the State for individuals in group homes and/or transitioning from the regional center.
- HCPF continues to keep the legislature informed on the status of the waitlist.
- Continue working with Imagine, STRiVE and HCPF on the disparity of rates between regional centers and group homes along with how residential settings are changing with more inclusion into the community and less interest in a group home setting.
- Continue to work with State officials on rectifying and clarifying the guidelines on the 2018 6.5% wage increase.
- The legislation formed 6 interim committees, looking at zero waste, energy legislation, tax expenditure evaluation, investor owned utilities energy choices, making higher education attainable and prison population management. In addition, another 12 committees were formed to look at energy and utilities, tax credits and higher education.
- The revenue forecast will come out on June 20, so the governor will have a better grasp of the state's economic status.
- For the 2020 session, legislators will be looking at lifting the cap on TABOR to provide additional funding towards education and transportation; a full day of kindergarten, wanting additional authority on mining and the oil and gas industry.
- The governor is currently working on his agenda and budget.

### **ANNUAL ELECTION**

Steve discussed and requested a motion for the slate of Officers and Directors to be approved for FY2019-2020. Also, STRiVE's officers will be also be DD Housings' Executive Committee for FY 2019-20920

**It was M/S/P (Motz/Espinoza) to accept and approve the following Slate of Officers for STRiVE and DD Housing along with and appointment of three (3) STRiVE Directors for FY2019-2020:**

#### **OFFICERS:**

**STEVE AMMENTORP – CHAIR  
TAWNY ESPINOZA – VICE CHAIR  
JOE WARNER – TREASURER  
MARNA LAKE – SECRETARY  
SCOTT COLEMAN – EX-OFFICIO  
GRANT JACKSON – PRESIDENT AND CEO**

#### **DIRECTORS (THREE-YEAR TERMS):**

**KEVIN FITZGERALD (NEW MEMBER)  
STEPHANIE KELLER  
MIKE NORDINE (NEW MEMBER)**

#### **DD HOUSING OFFICERS:**

**STEVE AMMENTORP – CHAIR  
TAWNY ESPINOZA – VICE CHAIR  
JOE WARNER – TREASURER**

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**MARNA LAKE – SECRETARY  
SCOTT COLEMAN – EX-OFFICIO  
GRANT JACKSON – PRESIDENT AND CEO**

**AWARD PRESENTATIONS**

The following member was presented with an award in recognition of his dedication and commitment to the developmental disability population:

**DR. TOM MOTZ, BOARD OF DIRECTORS 2009-2019**

**PRESIDENT/CEO UPDATES**

3301 Laurel Lane has been targeted to close June 14. This was considered the behavior house and trying to fill the shifts was becoming more difficult. Parents were notified of the decision and all individuals who resided there have chosen another residential setting. Staff were notified of the closure and have been given other job opportunity options. We have also been working on revamping the staffing plans within the homes. The homes will now have House Managers who will be assisted by a Direct Service Professional (DSP) II to add that additional layer of leadership, training and support to staff. The House Managers will also be the liaison between the communication between nursing and staff. This was a significant deficiency cited in the audit that was conducted last year by the health department.

The Nursing Department is also undergoing some changes. The department was hit pretty hard by the State and a Nursing Consultant was hired to bring them back into compliance. With that, the department is moving more towards a consultant role more so than a nursing role. There would be 4 Nurse Case Managers that will be based out of the main office and mainly focus on quarterly reviews, assessments, protocol, etc. These Case Managers will also be rotating on-call for after hour needs. We will no longer have overnight nurses in homes. The nurses will delegate the administrative tasks to the DSP II.

Doug is still waiting to hear the outcome of the business assessment so that we may be able to make a more reasonable fair market offer on Alida's. We recently received a couple of substantial donations for the program if it goes through.

The Homeowner's Association that was discriminating against a host home provider hired an attorney to amend their covenants. Their attorney advised them they were basically in the wrong and that what they were doing was illegal in accordance with the housing act. The case has basically been dropped.

The solar panels were removed from 950 and currently being stored in the vacant lot behind Olsen. We may have someone interested in using them.

We will be transitioning to a new property management next month. Surprisingly, they wanted our lawn crews to take over the grounds maintenance on all their properties. This created a new lawn crew and additional job opportunities for our individuals.

**FINANCIAL REPORT**

Chris provided an overview of April financials showing a net income of (\$4K) including donations. Year-to-date income is running over \$1.3M with donations.

Attention turned towards the various graphs presented:

- Revenue is slightly higher than forecast. This was due to large savings from our health insurance.
- Personnel expenses are slightly increasing and are over forecast. We hopefully will be fully staffed by the first of the fiscal year.
- Operating expenses are over forecast due to some residual expense with the new building. There should be a slight decrease for May financials.
- Operating income slightly improved with help of the insurance. We are currently re-evaluating departments to see where we may be able to cut additional expenses.
- Net income shows an increase in comparison to last year.

Highlighted departments this month are:

- Host Homes – This program does very. We keep 32% of the individual's Medicaid rate and the remainder is passed onto the host home provider. We currently have 80 host homes and are continuing to recruit more providers since individuals are showing more interest in this type of residential setting more so than a group home setting.
- Audyssey – The program continues to run at a loss. A substantial grant was received in 2017. All fundraising efforts go to support the program but it continues to run in a deficit. They recently obtained Medicaid certification and are able to start billing. The program usually runs in a deficit of \$140-\$160K per year.

Chris then reviewed the metric analysis for April highlighting on the following areas:

- Total residency occupancy, inclusive of group homes and host homes, is at 93.3% which is over the target goal of 93%.
- Group home residential occupancy is at 85.97% and is below the target goal.
- Case Management billing units were under the target by 995 units. Case Management has had a recent turnover of staff and are training new case managers.
- Behavior billing units were under target amount. This led to a discussion in relation on how the billing units are allocated, type of service and supports it covers, etc.
- Total Vocational units billed were over the targeted goal.
- Staffing is below the targeted goal.
- Operating costs were over projection.

Balance sheet is similar to last month's due to the new building and as reflected impacted our cash and working capital. Net assets went up due to the new building. Accounts receivable is improving. Current ratio is 2.37. Debt to equity is .42 and months unrestricted cash is at 2.76.

Attention turned to the correspondence from Audyssey on their concerns about discontinuing the program. We realize there is a need for this program in the community but we can no longer afford to sustain the program. The program has lost money over the past 6 years. They did recently receive a \$50K grant. All fund raising efforts go to support the program. As reflected in their letter, they already have children in the system and it will take another 2-3 months to complete their assessments. They are continuing to receive referrals. There is a possibility that Canyon View may be interested in taking this over. We are in the process of talking with them but also reaching out to St. Mary's to see if they may be interested. This led to an in-depth discussion in regards to other community options that may be available for testing, the cost of the assessments, reimbursement from Medicaid,

private pay, Strive's image in the community if program is discontinued, possibly making an appeal to the community to save the program, follow-up legislation in relation to an autism waiver, etc. It was the consensus of members present, that the topic needed to be discussed further before a decision could be made. MaryAnne will coordinate with Steve on a potential meeting next week. Gayle will reach out on a state level to see if there are any updates on getting funding for autism.

**At 1:35 p.m., Steve A recused himself from the next item of business and excused himself from the meeting. Tawny Espinoza assumed the Chairmanship role of the meeting at this point.**

**LINE OF CREDIT**

As a safety net, Chris would like to get Board approval for a line of credit through ANB Bank. There are two options on the table:

- Option 1 – A line of credit for \$1MM plus an origination fee of \$10K every 3 years. The collateral would be the deeds of trusts on all the vocational sites. Appraisals of the sites would also need to be completed. The line of credit is good for 3 years but the drawback would be the \$10 origination fee due to current cash flow status.
- Option 2 – Same line of credit with an origination fee of \$3,333 every year. Again, security would be the vocational sites. The origination fee is less than Option 1 and would need to have site appraisals done every year if we chose this option.

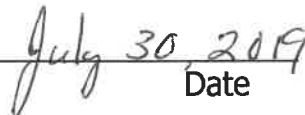
This opened the floor up for a deeper conversation in relation to the pros and cons of both options. After further deliberation, it was the consensus of the members present that Option 2 would be the most feasible to select.

**It was M/S/P (Coleman/Warner) to accept Option 2 of ANB's Line of Credit proposal.**

**Steve A rejoined the meeting at 1:45 p.m.**

**It was M/S/P (Warner/Coleman) to adjourn the meeting at 1:46 p.m.**

  
Secretary

  
Date