

**Minutes of the
Rocky Mountain Development Council, Inc.
Board of Directors' Meeting
April 25, 2019**

Members present include: Mike Delger, Debbie Havens, Trever Kirkland, Jerry Loendorf, Bob Mullen, Maria Pace, Mary Pat Penley, Daniel Pocha, Lois Steinbeck, Paula Wright, Mark Young

Members absent include: Corbin Bruursema, Bruce Day, Susan Geise, Ericka Vallance

Guests: Gale Anderson, Joan Anderson, Rod Applegate, Mindy Diehl, Tommy Driscoll, Diane Edgar, Taya Hovan, Chrisy Irey, Lori Ladas, Kathy Marks, Liz Mogstad, Kelley Moody, Ashley Peña-Larsen

Call to Order/Roll Call: The meeting was called to order at 3:31 p.m. and a quorum was present.

Approval of Minutes

Lois Steinbeck made the motion to approve the March 28, 2019 Board meeting minutes. Jerry Loendorf seconded and the motion passed unanimously.

Director's Report – Lori Ladas

Lori asked for any questions about her report which was included in the Board packet. Clarification was requested regarding the utilization of volunteers for the Meals on Wheels program. Senior Services Program Director Rod Applegate spoke about the three current drivers, two of whom have limited hours due to income restrictions and the third who is looking to cut back his hours if possible. It seemed to be a good time to implement a volunteer route for the program. Both Missoula and Bozeman operate their Meals on Wheels program with volunteer drivers, and they were asked about their processes. Rocky's plan is to break the two current routes into three, with volunteers assigned to areas in one centralized route. RSVP volunteers could be utilized to deliver meals, as well as other volunteers. This will allow the current drivers to maintain shorter work days, and clients will be more likely to receive their meals close to the noon hour. Rod also spoke about the Commodities site review, which was the first physical audit of the program completed in a number of years. The program had one finding, regarding nutrition education for the clients; a corrective action report will be submitted to the State by the deadline. The Board thanked Lori for including the list of upcoming events on her monthly report.

Finance Report Update – Chrisy Irey

Cash balance on hand is \$343,691, and Accounts Payable is \$24,130. Both amounts are current. The cash balance is lower than previous months and a Head Start draw done today will increase the balance. Chrisy provided a handout showing the impact of the proposed 1.77% COLA and a \$25 per employee per month health insurance increase to the FY2020 budget. The total increase to the budget is approximately \$107,000, and with that proposed increase, county mill funding is projected to remain positive for FY2020. The Finance Committee recommended the inclusion of

the COLA and health insurance increase to the budget, which will be brought to the Board for approval in June. An inquiry was made about the impact to Rocky Mountain Preschool; Chrisy mentioned that the Preschool is planning to increase rates by \$15 per month per child in the upcoming year. That increase should pay for the Preschool's increased rent costs as well as the proposed COLA and insurance increases. Chrisy then mentioned that the 990 report will be sent to Board members once it is received; that report is presented by Anderson ZurMuehlen every other year, and this is an off year. The 990 tax return will be submitted by May 15, the final extended deadline.

Strategic Planning Committee – Lori Ladas

Lori reported that no additional progress has been made since the Board Strategic Planning session on March 20. A full-day meeting is scheduled on June 3 for Program Directors, Managers, and Budget Analysts to discuss theory of change and ROMA outcomes by program. A second half-day session for the Board of Directors will follow on June 12.

Lois Steinbeck made the motion to approve the March 20, 2019 Strategic Planning Committee minutes. Paula Wright seconded. Daniel suggested changing the header on the minutes to read “Strategic Planning Meeting” rather than “Board of Directors Meeting”. The motion passed unanimously with the proposed change.

Retirement Committee – Lois Steinbeck/Chrisy Irej

Lois spoke about how Rocky's portfolio bounced back strongly after a December return that was the worst seen in 31 years. Rocky's account is outperforming the custom benchmark, which includes both stocks and bonds in allocations similar to Rocky's plan. This quarter, the committee had the opportunity to review the retirement plan on a year-by-year basis, since Cetera took over the account. The Retirement Plan Audit was reviewed by the committee, and Lois highlighted the fact that the Fiscal staff and Human Resource staff were complimented by the auditors. Lois closed her report by mentioning that the plan currently includes 118 active participants, along with 70 others who have terminated employment.

Lois Steinbeck made the motion to approve the April 16, 2019 Retirement Committee Minutes. Mary Pat Penley seconded and the motion passed unanimously.

Chrisy Irej spoke about the FYE 6/30/2018 Retirement Plan Audit. This plan is separate from Rocky's financial statements. This is the first Retirement Plan Audit to include RMDC Eagle Rock, Inc. The auditors expressed a clean opinion on the report. Rocky's pooled account totals \$2.375 million, and the 401(k) totals \$1.84 million. Chrisy highlighted where Cetera's advisory fees are now transparent in the financial statements; previously, the cost was the same but the fees were included in net investment income. The effective contribution for the fiscal year was 3.057%. Chrisy also explained a disclosure included in the audit, that Rocky does not disclose the individual cost of pooled account funds, instead it's reported in total. The auditor expressed no concern about this disclosure, as committee minutes are reviewed and found complete and thorough. Chrisy also spoke about the required letter to the Board of Directors provided by the auditors. It states that Rocky is responsible for the use of appropriate accounting policies. The

audit included no findings and no deficiencies in internal controls. The auditors were very complementary of the Human Resource files kept by Rocky.

Lois Steinbeck made the motion to approve the FY2018 Retirement Plan Audit. Bob Mullen seconded and the motion passed unanimously.

Chrisy then asked for approval of the FY2018 Discretionary Retirement Plan Contribution of 3.057%.

Jerry Loendorf made the motion to approve the FY2018 Discretionary Retirement Plan Contribution of 3.057%. Lois Steinbeck seconded and the motion passed unanimously.

United Way Grants – Kathy Marks

Kathy reported that three United Way requests would be submitted by Rocky this year. Meals on Wheels will request \$25,000 for the volunteer driver program and transportation of the meals. The Retired Senior Volunteer Program (RSVP) will request \$2,500 for recruitment, training, and maintenance costs for RSVP volunteers. Head Start will request \$12,000 to support a mental health consultative model for the program and the individual child. United Way only has \$80,000 total to disperse this year. Kathy mentioned the all three grants will allow for acceptance of an amount smaller than the total request submitted.

Lois Steinbeck made the motion to approve the submittal of the three United Way grants. Bob Mullen seconded and the motion passed unanimously.

Kathy gave a brief update on funding from the Treacy Foundation, which had agreed to support Rocky with \$20,000 for new tables, chairs, and an oven if Rocky could match the donation by raising \$10,000. During the end of the year campaign, \$2,500 was raised for this purpose. In order to raise the additional \$7,500, an “adopt a chair” fundraiser will be upcoming. Kathy asked for the Board’s support with promoting this fundraising goal. Additional information will follow.

Head Start Update

a. Policy Council Update

Mark reported that Policy Council met earlier in the day. Their fundraiser is nearly finished and has brought in just under \$3,000 so far. Additional funds may still be incoming. The Policy Council also approved giving \$75 to each Head Start classroom for teachers to use at their discretion.

b. Director’s Program and Budget Report

Ashley referenced her written report and budget from the Board packet. All were invited to attend Friends of Head Start’s Extravaganza event following the Board meeting. The event provides funding for school to home projects and the bookshelf build. Ashley spoke about the COLA funding and how funds will be directed to Rocky with upcoming grant payments. Currently, 111 Head Start applications have been submitted for next year. About half of the children attending rural sites are expected to return. Ashley was asked about any updates in early childhood from the legislative session; nothing new has been

reported. Regarding the budget, Ashley reported that the funds will be spent out by the end of the month. STARS funding will carry over, it does not need to be spent out.

Mark Young made the motion to approve the Head Start Director's Program and Budget Report. Trever Kirkland seconded and the motion passed unanimously.

c. Montana Preschool Development Grant

Ashley reported that Rocky Head Start was offered \$40,000 to continue the Preschool Development Grant for a fifth year. The funding will be used for Head Start's Strategic Planning. Seven days have been budgeted for staff training and professional development over the summer months. Any remaining funds will be used to purchase supplies. There is a possibility that more funds could be available in the future.

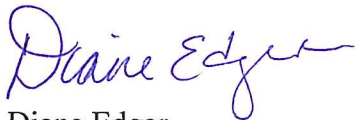
Bob Mullen made the motion to approve the Montana Preschool Development Grant. Trever Kirkland seconded and the motion passed unanimously.

Red Alder Update

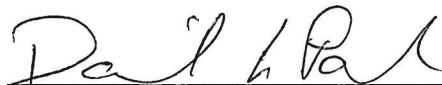
Liz referenced the schematic design of the Red Alder property and asked for any questions or feedback. She noted the playground area and the amount of green space. The HOME and HTF grants were signed today, and once final versions of those are completed Rocky can start to draw on the money for the project. Liz mentioned a few environmental requirements, including a noise study and some soil testing that will need to be completed. The goal is to break ground on the project in September or October.

The meeting adjourned into a closed session at 4:43 p.m., to discuss the Executive Director's performance appraisal.

Respectfully submitted,



Diane Edgar
Executive Assistant



Lois Steinbeck

Secretary/Treasurer

5-30-19
Date