

**Minutes of the  
Rocky Mountain Development Council, Inc.  
Board of Directors' Meeting  
January 21, 2021**

**Members present include:** Dannai Clayborn, Andy Hunthausen, Jerry Loendorf, Mary Pat Penley, Daniel Pocha, Eric Schindler, Lois Steinbeck, Paula Wright, Mark Young

**Members absent include:** Kate Anderson, Bruce Day, Mike Delger, Trever Kirkland, Bob Mullen

**Guests:** Gale Anderson, Rod Applegate, Mindy Diehl, Shawna Donaldson, Tommy Driscoll, Christina Dwyer, Diane Edgar, Jennifer Filipovich, Deb Hansen, Jaymie Hazel, Taya Hovan, Chrisy Irey, Lori Ladas, Samara Lynde, Brittany Marion, Jim Marks, Kathy Marks, Shelly McClain, Liz Mogstad, Kelley Moody, Phyllis Oliver, Leslie Olson, Ashley Peña-Larsen, Elizabeth Perrier, Michelle Millard-Thomas, Lizzie Carlson-Thompson, Carol Lea White

**Call to Order/Roll Call:** The joint meeting between the Rocky Board of Directors and Head Start Policy Council was called to order at 3:00 p.m. A quorum was present. All in attendance were asked to take a moment of silence to reflect on the effects of the COVID-19 pandemic and to remember those who have been impacted and the members of the legislature and those working to improve the situation.

**Joint Board of Directors/Head Start Policy Council Meeting**

**Policy Council present include:** Maureen Bjerke, Lana Enos, Jenn Kelsh, Jerry Loendorf, Bob Raymond, Ericka Vallance, Mark Young

**a. Director's Program and Budget Report – Ashley Peña-Larsen**

Ashley welcomed Head Start staff in attendance for today's meeting. She noted a few changes since her written report was prepared for Board packets. Head Start is expecting a 1.2% COLA to be issued soon, along with another round of COVID funding. Due to some changes in spending requirements at the state level, revised budgets will be presented next month. The Head Start program has been running smoothly overall, with just one classroom shut down in January due to COVID. There's been no evidence of COVID spread within Head Start classrooms this school year. The Head Start budgets are looking good, and as mentioned previously a carryover request for Head Start COVID funding will be presented to the Board this spring. All Head Start dollars will be spent out by April 30.

**Lana Enos made the motion for Policy Council to approve the Head Start Director's Program and Budget Report. Ericka Vallance seconded and the motion passed unanimously.**

**Daniel Pocha made the motion to approve the Head Start Director's Program and Budget Report. Eric Schindler seconded and the motion passed unanimously.**

**b. Self-Assessment Action Plan – Ashley Peña-Larsen**

Ashley explained that the Self-Assessment Plan included in packets was an update from the version approved last January. Remote communication items have been added. Also, progress toward each objective is included in the notes below each section.

**Jenn Kelsh made the motion for Policy Council to approve the Self-Assessment Action Plan as presented. Bob Raymond seconded and the motion passed unanimously.**

**Daniel Pocha made the motion to approve the Self-Assessment Action Plan as presented. Mark Young seconded and the motion passed unanimously.**

**c. 2021-2022 Program Grant and Budget – Ashley Peña-Larsen**

Ashley first reviewed the Training and Technical Assistance (T&TA) plan and budget. The plan that was approved in January of 2020 could only partially be completed due to the COVID pandemic. Ashley noted the Training and Technical assistance plan for the 2021-2022 school year is very similar to what was previously approved. The dates on a few items were updated. The budget for this portion of the grant is \$27,000. Due to technical difficulties it will be sent to Board and Policy Council after the meeting is completed. Training for Policy Council and new Board members is included in this budget. Also included is parent funding for events and virtual activities, and the cost for platforms to communicate with families.

Ashley then spoke about recommended changes to the Head Start grant for the 2021-2022 school year. When the grant is entered into the system, it will reflect 14 classrooms in eight sites. Recommended changes related to COVID include using 11 classrooms for in-person learning, with 167 slots available. An additional 48 remote slots would be provided. This scenario would leave the program short \$8,967, due to shifts in staffing. Unrelated to COVID, the only change is that the classroom previously housed at Bryant Elementary School is now located at the Neighborhood Center. While reviewing the budget, Ashley noted that Head Start did not receive a United Way grant this year, which typically totals \$8,900. STARS money is not in jeopardy of being lost, and in fact may increase as all Rocky Head Start sites will apply for STAR 5 this year. Funding from the Child and Adult Care Food Program supports meals in the classrooms, and Best Beginnings funding reflects scholarships for 11 Head Start children. Challenges to participation in the Best Beginnings scholarship program were discussed. Ashley also highlighted the in-kind funding for the program, which is mainly comprised of the use of classroom space and services for children with IEPs.

**Ericka Vallance made the motion for Policy Council to approve the 2021-2022 Head Start Program Grant, T&TA plan, and grant budget. Maureen Bjerke seconded and the motion passed unanimously.**

**Jerry Loendorf made the motion to approve the 2021-2022 Head Start Program Grant, T&TA plan, and grant budget. Paula Wright seconded and the motion passed unanimously.**

**d. Annual Report – Ashley Peña-Larsen**

Ashley noted several updates to the annual report, including 2019-2020 budget information, audit information, number of children served and the inclusion of updated photos. Notes were included with all family/child sections, indicating that data for 2019-2020 may be incomplete due to COVID-19. All child outcomes showed improvement from fall to winter. A question was asked about Medicaid families in the Head Start program; Ashley will present information about this topic next month.

**Lana Enos made the motion for Policy Council to approve the Head Start Annual Report. Jenn Kelsh seconded and the motion passed unanimously.**

**Jerry Loendorf made the motion to approve the Head Start Annual Report. Eric Schindler seconded and the motion passed unanimously.**

The Head Start Policy Council adjourned their meeting at 3:49 p.m. Board Vice-Chair Lois Steinbeck welcomed new Board member Andy Hunthausen to the meeting. Andy is a Public Sector representative, and a Lewis & Clark County Commissioner who was previously a Rocky Board Member.

### **Approval of Minutes**

**Mark Young made the motion to approve the December 17, 2020 Board of Directors minutes and the October 21, 2020 Finance Committee minutes. Eric Schindler seconded and the motion passed unanimously.**

### **Director's Report – Lori Ladas**

Lori mentioned several items included in Board packets this month, including the new Rocky board member resource list. This list includes contact information for veteran board members willing to answer questions about the Rocky board. Also included was an updated Rocky by the Numbers report, with information from calendar year 2019. One error was noted in the Head Start section, and that will be fixed and re-posted to the Board portal. Jim McCormick's departure from the Board created a vacancy on the Personnel Committee, and Lori asked for a volunteer to fill that role. Eric Schindler offered to join the Personnel Committee. Lori then spoke about Rocky's role in COVID vaccine distribution. St. Peter's Hospital reached out to Area IV for assistance with registering those age 70+ who have barriers to using the online registration system. Last Friday, 94 seniors were assisted with registration through Rocky, and an additional 100 slots will be available for Rocky to fill tomorrow. A mobile vaccine clinic will also be held at Rocky's Eagles Manor tomorrow.

### **Finance Report Update – Chrisy Irely**

Chrisy reported that the Finance Committee met earlier today. Cash balance today is \$1,704,516 and accounts payable balance is \$541,465. Both amounts are higher than usual. Chrisy noted that the accounts payable balance includes a \$364,000 Golden Eagle Construction invoice, along with a \$141,000 invoice due to Fire Tower Apartments. The accounts payable balance truly attributed to Rocky programs other than housing projects is just over \$36,000, which is typical. Chrisy reviewed a document which explains how the cash balance is determined. The total includes \$316,543 set aside for compensated absences, along with estimated county mill and Area IV funding restricted to use for senior programs. The county mill total is higher than usual due to additional COVID and Area IV funding, along with the temporary closures of Rocky programs such as transportation and senior center programs. Recent additions to the cash balance are funds specifically for the Red Alder and Fire Tower projects, and those funds will be used to pay the invoices mentioned in the accounts payable total. Estimated fundraising and developer fee are also part of the total cash balance amount. Although Rocky's reported cash seems high, most of it is comprised of restricted balances.

### **Approval of Entre Technology Services IT Contract – Chrisy Irely**

Chrisy referenced the procurement explanation document and budget included in Board packets. The budget sheet compared the Board-approved costs for one full-time internal IT employee to the cost of hiring Entre to assist with IT support. The decision to contract with Entre needed to be made quickly, as

a system needed to be in place following the resignation of Rocky's former IT Manager. Hiring an outside vendor allows for a team of individuals to assist with IT issues, rather than just one person. Joanna Halland is currently acting as an in-house contact for IT problems during Entre's onboarding process, fixing those things she can and contacting Entre for more complex issues. The contract with Entre will be re-evaluated after three months.

**Eric Schindler made the motion to approve the Entre Technology Services IT Contract. Andy Hunthausen seconded and the motion passed unanimously.**

### **Committee Reports**

**a. Retirement Committee – Lois Steinbeck**

Lois reported that the Rocky plan did well last year. After a return rate drop early last year, the plan rebounded and ended the year with a 15% return rate. The plan aims to keep a cash balance of around \$50,000-\$60,000 available for cash-outs. The total value of the plan at the end of the year was \$2,324,697.25.

**Paula Wright made the motion to approve the January 12, 2021 Retirement Committee minutes. Dannai Clayborn seconded and the motion passed unanimously.**

Chrisy Irey spoke about the Retirement Plan Restatement and Amendment Recommendations included in the Board packet. Steve Blom from Big Sky Retirement, Rocky's Third Party Administrator, presented this information to the Retirement Committee at its January meeting. Rocky's plan is in its remedial amendment period, which takes place every six years. This is an opportunity to update the plan to comply with any enacted legislation, along with making other plan changes as needed. Chrisy presented the items Steve offered for consideration, which were approved by the Retirement Committee. The committee recommended removing the three-month waiting period for distributions for both the 401(K) and pooled account. Another amendment recommended setting a distribution threshold of \$75,000. Any distributions under \$75,000 can be processed and distributed immediately. Distributions larger than \$75,000 would need to wait for the next valuation period before the distribution is processed. This would prevent a large distribution from negatively impacting other plan participants. The third amendment to the plan would establish a process for force-out distributions for former employees with balances between \$1,000 and \$5,000. These balances would be rolled into an IRA. Former employees would be given a 30-day notice of their options before the rollover occurs. The benefit of this force-out is that it reduces administrative fees on the plan. A fourth suggested amendment agrees the employer contribution allocation and forfeiture allocation requirements and removes the "last day of the year" requirement for the forfeiture allocation. The final recommendation from the Retirement Committee is an effective date of March 1, 2021 for the plan restatement, including each amendment described previously.

The Board inquired as to the cost of a valuation, which is currently done annually. This cost will be discussed by the committee at their next meeting. Discussion continued regarding whether Rocky's current committee-directed plan is in the best interest of the employees, or if a self-directed plan would be preferred by staff. A recommendation was made that Rocky poll employees to determine if they might prefer more control over their individual retirement funds. Chrisy commented that the auditors don't see a lot of pooled accounts similar to what Rocky uses at this time.

**Jerry Loendorf made the motion to approve the Retirement Plan Restatement and Amendments as presented. Andy Hunthausen seconded and the motion passed unanimously.**

**b. Fundraising Committee – Kathy Marks**

Kathy reported that the Fundraising Committee met on January 14. Discussion centered around hosting a virtual Chopped event, to keep the event in people's mind until it can be presented live again. A draft budget was presented and the addition of a silent auction was discussed. Since the meeting, Rocky staff have expressed concern about the capacity to get all needed pieces of the Chopped event put together in time for a spring event. The decision has been made to postpone the event until the fall. The committee plans to reconvene to discuss options for fundraising in the interim. Kathy noted that the year-end appeal for Rocky brought in around \$15,000.

**Other Business**

Mark Young mentioned that the City of Helena is in the process of a transportation study focusing on the 5-point intersections in Helena. A recent draft of the study with recommendations is now posted on the city website, and public meetings will follow. Recommendations are included regarding the intersection near the Jackson Street Center, so Mark suggested that Rocky stay informed regarding the study and how that property might be impacted. A recommendation was made to discuss this further at the next Board meeting.

**Mark Young made the motion to adjourn the meeting. Andy Hunthausen seconded and the motion passed unanimously.**

The meeting was adjourned at 4:48 p.m.

Respectfully submitted,



Diane M. Edgar

Executive Assistant

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Mary Pat Penley

Secretary/Treasurer

Date

*Approved by Rocky Board of Directors via Zoom virtual call on 2/25/2021.*

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