

Rocky Mountain Development Council, Inc.
Board of Directors' Meeting
January 20, 2022, 3:00 p.m.
Neighborhood Center Conference Room 13/Zoom Conference Call

Members present: Kate Anderson, Gary Carey, Bruce Day, Andy Hunthausen, Trever Kirkland, Jerry Loendorf, Mary Pat Penley, Daniel Pocha, Eric Schindler, Lois Steinbeck, Paula Wright, Mark Young

Members absent: Dannai Clayborn, Mike Delger, Bob Mullen

Others present: Gale Anderson, Joan Anderson, Rod Applegate, Mindy Diehl, Diane Edgar, Sam Hall, Debbie Hansen, Jaymie Hazel, Taya Hovan, Anika Jaeger, Nancy Jones, Lori Ladas, Samara Lynde, Jim Marks, Kathy Marks, Liz Mogstad, Kelley Moody, Angela Nelmark, Leslie Olson, Ashley Peña-Larsen, Bob Serwacki

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.

Joint Board of Directors/Head Start Policy Council Meeting

Policy Council members present: Maureen Bjerke, Gary Carey, Sandra Crable, Lana Enos, Kelly Kirkham, Jerry Loendorf, Amanda Robinson, Mark Young

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

Ashley reported that Head Start has been short staffed, similar to many businesses and organizations. This is the result of some vacancies but also extended absences and illnesses among staff members. The decision was made to close one in-person classroom at the Neighborhood Center. As a result, 8 children were moved to vacant spots in other locations and an additional 8 children will attend remote learning sessions. Ashley noted that all COVID vaccination mandates are currently stalled in Montana and cannot be enforced at this time. Ashley mentioned that the budget does not have as much surplus as initially expected, due to some staffing costs and increased material costs. No major amendments to the budget are anticipated.

Kelly Kirkham made the motion for Policy Council to approve the Head Start Director's Program and Budget Report. Amanda Robinson seconded and the motion passed unanimously.

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

b. 2022-2023 Grant Proposal and Budget – Ashley Peña-Larsen

Ashley began by explaining the elements of the Head Start grant budget. Program sources of revenue outside of Head Start funding include Best Beginnings scholarship funds, USDA (Child and Adult Care Food Program), STARS program, United Way, and CSBG. Ashley noted that the shortfall in revenue was filled in with COVID funding in an amount of \$105,000. The funding ends in 2023, so it is not a long-term sustainable solution to balancing the budget. The main expenditure for Head Start is personnel costs. Other expenses include network fees, contracts, equipment and supplies. The proposed grant budget is balanced, and there are no changes from last year. However, Ashley noted the need for a committee composed of Rocky Board members, Head Start Policy Council members, and community members to meet regularly and discuss upcoming grant years.

The general grant will include 13 classrooms, with each in session between 5 and 7 hours each day. A survey is now with families to request input regarding preferences of Head Start day length and number of days per week classrooms would be open. Ashley mentioned that Head Start staff has been missing the opportunity for professional development time on Fridays with classrooms open. Questions specific to the Boulder Head Start site were also included in the survey. Of the 10 families in Boulder who responded, eight replied that they would prefer the school district to run the program in Boulder rather than Head Start. The other two families offered no preference as to who runs the program, but would prefer to follow the school district schedule.

Ashley reviewed the Training and Technical Assistance piece of the budget, which totals around \$27,000. She reviewed the training goals, which remain the same from the previous year. The first goal involved assisting families in learning about Head Start. This includes Policy Council, parenting classes, and trainings at the beginning of the school year. The second goal is that staff will be appropriately credentialed and meet program standards. This includes supporting staff in earning their Associate's or Bachelor's degree, along with annual trainings, CPR and first aid, and professional development. The third goal is that staff and families receive professional development on identified program goals. This includes printing costs, education, and hosting meetings. The final goal is that staff and families will be trauma-smart. This includes education on ACES and resiliency. Training regarding the social/emotional and behavioral piece is also included in this area, as is information about child abuse prevention and reporting.

Amanda Robinson made the motion for Policy Council to approve the 2022-2023 Head Start grant proposal and budget. Kelly Kirkham seconded and the motion passed unanimously.

Mark Young made the motion to approve the 2022-2023 Head Start grant proposal and budget. Jerry Loendorf seconded and the motion passed unanimously.

Ashley asked if anyone in attendance would be interested in volunteering for the committee to discuss upcoming Head Start grant years. Volunteers included Kelley Kirkham, Amanda Robinson, Mark Young, Lois Steinbeck, and Jerry Loendorf. Bob Mullen was absent from today's meeting, but Ashley plans to ask for his participation on the committee as well.

The Head Start Policy Council adjourned their meeting at 3:25 p.m.

Approval of Minutes

Paula Wright made the motion to approve the December 16, 2021 Board of Directors' meeting minutes. Kate Anderson seconded and the motion passed unanimously.

Director's Report – Lori Ladas

Lori reported that Rocky's year-end letter campaign brought in \$13,319 as of today. She thanked Board member Jerry Loendorf for signing the letters sent out this year. Facilities Director Bob Serwacki provided an update on the fire inspection recently completed at Rocky, and the changes needed at Rocky Mountain Preschool Center. Bob has reached out to several local sprinkler companies and is waiting for bids in writing. He is also waiting to hear back regarding the cost of adding exterior doors to the preschool classrooms. Once the potential cost is known, the Board will be informed. The Fire Department is aware Rocky is working toward a resolution for the findings, and the Preschool has been granted a provisional license until needed updates are finished. There is a possibility that Rocky could apply for grant funds for these repairs if needed.

Finance Report Update – Joan Anderson

Accounts payable balance is \$64,268. Cash balance is \$1,248,252. Joan noted two factors causing the higher than normal cash balance. One was the fourth equity installment on the Red Alder 9 project, which totaled around \$46,000. The other factor is a payment of Agency on Aging ARPA funding. These funds are provided up front, and fiscal is preparing a budget to determine how the funding will be spent. Joan reported that property audits are underway and data must be provided to Anderson ZurMuehlen and Eide Bailey by Monday. Data for the Rocky audit must be submitted by January 31. Anderson ZurMuehlen still intends to present the audit report to the Board at the February Board meeting. Joan mentioned that Anderson ZurMuehlen recently sent notice that due to staffing issues and increased federal guidance, they intend to increase fees by at least 10%. Joan plans to verify if and how this projected increase will impact Rocky's current audit contracts.

Retirement Committee Report – Lois Steinbeck

Lois reported that the Retirement Committee decided to wait to rebalance the portfolio until funds need to be dispersed. The portfolio remains close to its projected allocation of 65% stocks and 35% bonds and cash. The portfolio is performing well, not earning returns that match the S&P 500 but that is expected due to the inclusion of bonds in the Rocky portfolio. Investments in the plan have made around \$2.4 million, which is approximately the initial value of the plan.

Lois Steinbeck made the motion to approve the January 11, 2022 Retirement Committee minutes. Jerry Loendorf seconded and the motion passed unanimously.

Jackson Street Building Sale Update – Lori Ladas

Lori referenced the inspection report and draft lease included in Board packets. Based on the estimated mortgage balance, the sale of the Jackson Street property could result in \$541,061.68 in unrestricted funds to Rocky. The buyer has requested a \$30,000 cash credit at closing, to pay for needed updates to the property. The buyer plans to use the current Energy Services side of the building as business space. Rocky's Energy Services program will move to the other side of the building, and the lease cost will remain close to the program's current lease cost. The AmeriCorps Seniors programs will move to the Neighborhood Center, where office space is currently available for those three Program Directors. Rocky's Agency on Aging will move to the Jan Shaw building, which is owned by Rocky. Lori spoke with the City Manager and use of that space for Rocky offices was approved.

Lois Steinbeck made the motion to approve the \$30,000 cash credit at closing for the Jackson Street property. Jerry Loendorf seconded and the motion passed unanimously.

Corporate Resolution to Grant Collateral for Red Alder Residences 4% LLLP – Liz Mogstad

Liz reported that the resolution provided in Board packets is needed to close on the permanent debt for the Red Alder 4% project. She noted that the interest rate is slightly better than initially projected, landing at 5%. Projected close date is March 1.

Eric Schindler made the motion to approve the Corporate Resolution to Grant Collateral for Red Alder Residences 4% LLLP. Paula Wright seconded and the motion passed unanimously.

Other Business

Mark Young made the motion to adjourn the meeting. Jerry Loendorf seconded.

The meeting was adjourned at 3:52 p.m.

Respectfully Submitted,



Diane Edgar
Executive Assistant

Approved by the Board of Directors:


Eric Schindler, Secretary/Treasurer

2/25/22
Date