

Rocky Mountain Development Council, Inc.
Board of Directors' Meeting
April 27, 2023, 3:30 p.m.
Neighborhood Center Card Room/Zoom Conference Call

Members present: Kate Anderson, Dannai Clayborn, Bruce Day, Susan Geise, Jen Gursky, Andy Hunthausen, Trever Kirkland, Jerry Loendorf, Bob Mullen, Lindsey Richtmyer, Eric Schindler

Members absent: Daniel Pocha, Amanda Robinson, Paula Stephenson

Others present: Joan Anderson, Rod Applegate, Laura Craft, Hannah Danzer, Mindy Diehl, Diane Edgar, Steven Ferriter, Joanna Halland, Annette Hill, Taya Hovan, Lori Ladas, Jean Leischner, Samara Lynde, Kathy Marks, Liz Mogstad, Angela Nelmark, Ashley Peña-Larsen, Tom Robel

Call to Order/Roll Call: The meeting was called to order by Trever Kirkland at 3:34 p.m. and a quorum was present. No public comment was received.

FY22 Rocky Audit and Financial Report – Annette Hill and Laura Craft, Pinion

Annette Hill and Laura Craft from Pinion presented the FY22 Rocky Audit and Financial Report. Annette noted that they met with the Finance Committee earlier today to review the results in closer detail. The committee recommends approval of the audit. The auditors reported a clean, unmodified opinion of the financial statements and the single audit. There were no findings, questioned costs, or significant deficiencies. Annette and Laura expressed their appreciation to the Rocky fiscal team for their timely communication and work on the audit. Joan Anderson thanked Pinion staff for their cooperation and ability to provide a quick turnaround when information was provided. Joan and the fiscal team were congratulated on a successful audit report.

Eric Schindler made the motion to approve the FY22 Rocky Audit and Financial Report. Andy Hunthausen seconded, and the motion passed unanimously.

Finance Report – Joan Anderson

Cash balance today is \$2,222,590. This reported total is lower than last month, due mostly to the timing of the meeting compared to last month. Accounts payable balance is \$51,289.90. Joan reported that Head Start was able to pay off the loan for the Valley Center, with a final payment of around \$29,000. After discussion last month about moving Rocky's unrestricted funds into a money market account at Valley Bank, staff found a better rate through First Interstate Bank and recommend moving the funds there instead.

Eric Schindler made the motion to transfer Rocky's unrestricted funds to a money market account at First Interstate Bank as discussed. Jerry Loendorf seconded, and the motion passed unanimously.

Approval of Minutes

Andy Hunthausen made the motion to approve the March 30, 2023, Board of Directors' meeting minutes, and the December 15, 2022, Finance Committee meeting minutes. Bruce Day seconded, and the motion passed unanimously.

Director's Report – Lori Ladas

Lori reported that she met with representatives from the City of Helena to select the organization to complete the preliminary architectural review of the Neighborhood Center. Slate Architecture was selected. A formal request for ARPA funding from Lewis & Clark County is in progress and due by May 11. Lori again thanked the fiscal team for their extra work to complete the FY22 audit.

Retirement Committee Report – Lori Ladas

Lori reported that the Retirement Committee met on April 12. Since this was the first meeting for new committee member Andy Hunthausen, it began with an overview of Rocky's plan and how the pooled account works. Last quarter's return was just over 4%, which shows improvement over last year's returns. Due to market conditions last year, the committee moved some of the bond funds into a one-year treasury bill for a guaranteed return. The treasury bill provided good protection during a volatile time in the market, but with interest rates going up, the recommendation was made to return the funds to a bond fund. The committee approved the funds moving into the JPMorgan Core bond fund.

Bruce Day made the motion to approve the April 12, 2023, Retirement Committee meeting. Susan Geise seconded, and the motion passed unanimously.

Personnel Committee Report – Jerry Loendorf

Jerry reported that the Personnel Committee met twice this month regarding the Executive Director's Performance Appraisal. Ten of fourteen Board members provided input for the appraisal, as well as eight of thirteen Program Directors. The committee thanked those who returned their appraisal forms, as it improves the validity of reporting. Jerry noted that Lori's scores were overall outstanding. The committee made the recommendation to extend Lori's contract for one year, also providing an additional 100 hours of personal leave and a \$3,000 one-time bonus.

Jerry Loendorf made the motion to approve the recommendations of the Personnel Committee regarding the Executive Director's Performance Appraisal. Susan Geise seconded, and the motion passed unanimously.

Assignment of Limited Partnership Interest for Eagle Manor III Residences, LP to Rocky Mountain Development Council, Inc. – Liz Mogstad

Liz provided a brief explanation of the roles of the General Partner and Limited Partner in Rocky's tax credit housing projects. The Limited Partner is an investor and is required to remain in that role for the first 15 years of the project. After year 15, the investor can exit, and the limited partnership can be assigned to another entity. Eagle Manor III Residences, LP, would be Rocky's fourth limited partnership. At this year's annual housing board meetings, the board of Penkay Eagles Manor, Inc., approved the assignment of the limited partnership to Rocky, and the request today is that Rocky accept the assignment of limited partnership. This process provides the potential of unrestricted funding for Rocky, and also ensures that compliance is maintained going forward.

Bruce Day made the motion that Rocky Mountain Development Council accept the assignment of Limited Partnership Interest for Eagle Manor III Residences, LP. Andy Hunthausen seconded, and the motion passed unanimously.

Head Start Policy Council Update – Ashley Peña-Larsen

The Policy Council met earlier today, and a quorum was present. They decided to provide kindergarten supply packs for graduating Head Start students. The group is working with the various schools to determine what needs to be included.

Head Start Director's Program Report and Budget – Ashley Peña-Larsen

Head Start completed its Federal Review, though formal results are not expected until May or June. A notice was received from Senator Jon Tester's office, acknowledging that Head Start's 2023-2024 grant has been approved. Ashley received a notice from the Head Start Association that Congressman Ryan Zinke plans to visit a Head Start in Montana, and Ashley offered Rocky Head Start as a potential visit site. Construction work has started at the Helena Housing Authority site and is going well. Head Start has processed resignations from several staff members, one effective tomorrow and the others at the end of the school year. The Head Start budget has been reviewed and plans are in place for all remaining funds to be spent by the end of the grant year. Ashley noted that next month, two budget reports will be included in Board packets, a closeout report for grant year 2022-2023, and the initial budget for grant year 2023-2024.

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

Rocky Mountain Preschool Center Program Presentation – Hannah Danzer

Hannah reported that Rocky Mountain Preschool Center serves 56 children, ages zero to five. When fully staffed, eight staff members work with Hannah to provide care. Two Teacher Assistant positions are currently vacant. The majority of funds for Preschool operations come from tuition payments. The Preschool participates in the Child and Adult Care Food Program, which provides around \$1,000 per month to partially reimburse food costs, and also receives \$13,500 annually as a STAR 4 program. The Preschool's current wait list includes 124 children. Hannah said that wait lists of this size are common in childcare, and that only 45% of the community's childcare needs are currently being met. Hannah explained how a typical day for a preschool student looks in her program. The Preschool is curriculum-based, and children are provided with two meals and a snack each day.

A review of the Preschool's budget was provided, with actual fiscal totals for the past four years and projected amounts for this year and next. During fiscal years 2021-2023, the Preschool has received supplemental funding through ARPA, a Child Care Stabilization Grant, and the forgiveness of Paycheck Protection Program loans. Rate increases for tuition have been minimal. With these additional funding sources ending and costs elsewhere continuing to increase, a rate increase was deemed necessary to keep up with expenses. For fiscal year 2024, the Preschool will increase rates \$115 per month per child. Parents will receive notice of the increase in May, and the increase will take effect in September. With this increase, Rocky Mountain Preschool's tuition is still comparable to other centers of its size in Helena. The longevity of employment for Preschool staff was commended, and Hannah noted that outside of families that move from the area, it's extremely rare for families to leave the program. The possibility of providing free or reduced-price childcare for employees was discussed. This option will continue to be reviewed and if determined possible, a policy will be presented for approval. Lori Ladas reviewed the historic budget data for the Preschool, and with the additional funds received in recent years, the Preschool will end FY2023 with a positive fund balance, eliminating the deficit previously held by the program. Going forward, rate increases will be used to manage the program's bottom line.

Executive Director Performance Appraisal

The Board moved into closed session at 4:45 p.m. to discuss the Executive Director's Performance Appraisal.

Respectfully Submitted,



Diane Edgar
Executive Assistant

Approved by the Board of Directors:



Eric Schindler, Secretary/Treasurer

5/25/23
Date