

Rocky Mountain Development Council, Inc.
Board of Directors' Meeting
April 28, 2022, 3:30 p.m.
Neighborhood Center Card Room/Zoom Conference Call

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

Members absent: Dannai Clayborn, Mike Delger, Kelly Kirkham

Others present: Gale Anderson, Joan Anderson, Rod Applegate, Amber Blodgett, Hannah Danzer, Diane Edgar, Sam Hall, Nancy Jones, Lori Ladas, Samara Lynde, Kathy Marks, Liz Mogstad, Kelley Moody, Angela Nelmark, Kara Nelson, Ashley Peña-Larsen, Rebecca Wilson, Connie Winner

Call to Order/Roll Call: The meeting was called to order at 3:30 p.m. and a quorum was present.

Approval of Minutes

Daniel Pocha made the motion to approve the March 31, 2022 Board of Directors' meeting minutes and February 24, 2022 Finance Committee meeting minutes. Paula Wright seconded and the motion passed unanimously.

Director's Report – Lori Ladas

Lori introduced Connie Winner, Rocky's newly hired Utility Services Program Director. Lori announced that Rocky received an estate gift from David Fuller, former Director of Operations at Rocky. The \$25,000 gift is designated for Meals on Wheels. Gale Anderson recently took some new Rocky staff on a Helena-area tour of Rocky worksites, and the tour was offered to Board members who might be interested. Lori thanked the Program Directors for their monthly program reports, which are included in Board packets. These reports provide good insight about Rocky's programs to Board members.

Rocky Mountain Preschool Center Program Presentation – Hannah Danzer

Hannah reported that the Preschool has increased its capacity to 56 children. Currently, 54 children are enrolled, with the other two spots holding for families with new infants. The Preschool currently has 8 staff members, with one vacant position. Tuition cost for children under the age of 2 is \$860 per month. The rate drops to \$735 per month for children age 2 and older. Rocky Mountain Preschool Center participates in the Child and Adult Care Food Program, and provides breakfast, lunch, and an afternoon snack daily. The Preschool is a STAR 4 program, and that designation provides \$13,500 per year for the program, along with 15% additional payment for scholarship families. The current wait list for the program includes 114 children. The Preschool recently received a \$220,000 Child Care Stabilization Grant, which will pay for the

needed fire suppression system along with providing a pay increase for staff, new classroom materials, and updated countertops in the Preschool restrooms.

Finance Report Update – Joan Anderson

Cash balance today is \$1,727,563, and Accounts Payable is \$40,855. All amounts are current. Joan shared a graph comparing cash totals on a monthly basis over the past two years. Compared to April, 2021, the cash balance today is approximately \$500,000 higher. Joan reminded the Board that COVID funding and timing of Board meetings impacts the cash total comparison. The sale of the Jackson Street Center and Red Alder developer fees are contributing to the current increase in cash.

FY22 Budget Projection – Joan Anderson

Joan reviewed the structure of the crystal ball spreadsheet and explained the various sections. She highlighted the County Mill carryover funds from FY21, along with the current year funding from Lewis & Clark, Broadwater, and Jefferson counties. Allocations of County Mill funds are shown by program. There are three separate CSBG funds listed, along with CSBG CARES grants. The High School House Seed Money fund still retains \$9,821, which will be used to finish the Red Alder playground this year. Total developer fee received is \$365,071, and no definite plans are set for this unrestricted money. A new category, Rocky cash reserves, was added and it includes the revenue from the sale of the Jackson Street Center. Joan reminded the board of the Rocky loan to Eagle Rock Inc., which is soft debt paid down as funds are available. The ending balance of that loan for FY22 is projected at \$158,845. Several long-term debts were mentioned, including the Lewis & Clark health insurance, Jackson Street Center mortgage, and the Head Start Valley Center mortgage. The two programs projected to end the year with notable program cash deficits are the General Fund and Rocky Mountain Preschool Center.

A budget history of the Rocky Mountain Preschool Center was shared. Joan noted that the highest debt held by the Preschool was in FY2011, when the Preschool budget showed a deficit of \$220,072. Much of that loss is attributed to losses incurred by Preschool East, which closed in December 2003. Hannah Danzer's first year as Preschool Director was FY14. Joan noted the net profit of the program from 2012-2021, and that the program received a transfer of housing developer fee in 2016. The Preschool was projected to break even in FY22, though the Child Care Stabilization Grant money, Paycheck Protection Plan loans, and COVID funding could all impact the final budget. Lori then spoke about the General Fund deficit, which is due to cash loaned from Rocky to assist the Eagle Rock Inc. properties. A promissory note is in place for this debt, and Eagle Rock makes payments as their budget allows.

After discussion, the Board agreed to wait to make decisions about potentially reconciling these debts until after the FY22 budget year is complete, to allow time for analysis of each program's final cash position and their fiscal projections for FY23.

Personnel Committee – Jerry Loendorf

Jerry reported that the Personnel Committee met to review Lori's performance appraisal evaluations completed by Program Directors and Rocky Board members. The committee also

reviewed Lori's goals for next year and the status of last year's goals. Jerry reported no concerns with the evaluations and goals as presented.

Jerry Loendorf made the motion to approve the April 14, 2022 and April 20, 2022 Personnel Committee minutes. Eric Schindler seconded and the motion passed unanimously.

Retirement Committee – Lois Steinbeck

Lois reported that Rocky's portfolio had a 6.6% loss in the first quarter, which is result of current inflation trends. The annual rate of return on the portfolio is 4%. The committee approved a rebalance of the portfolio to its standard mix of stocks and bonds, with the change of putting half of the rebalanced bond funding into a one-year treasury bill. This change will provide some stability since the rate of return is set at 1.75% after one year.

Lois Steinbeck made the motion to approve the April 12, 2022 Retirement Committee minutes. Paula Wright seconded and the motion passed unanimously.

Head Start Update

a. Policy Council Update

Mark Young provided an update on today's meeting. He reported on continuing Policy Council membership issues, mentioning that a change in meeting times might be considered to increase attendance and participation. Head Start is looking for staff and Mark encouraged everyone to refer potential employees to Rocky. The Policy Council also discussed fundraising plans. Head Start regional staff members Rebecca Wilson and Amber Blodgett attended today's Policy Council meeting as part of their virtual site visit.

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

Ashley introduced Rebecca Wilson and Amber Blodgett from the Head Start Regional Office. They spoke about their site visit, meeting with Rocky Head Start leadership and upcoming classroom observations. They also mentioned that half of the Head Start funds approved as part of the federal fiscal budget would be received in May, with the remainder in either June or July. Head Start will be receiving funds for a 2.28% COLA and Quality Improvement Grant. Amber acknowledged that staffing issues are a nationwide issue for Head Start, and Rocky's experiences with vacancies are similar to other sites across the country.

Ashley reported that families who qualify for SNAP benefits are now categorically eligible for Head Start. Head Start has received its letter of the 50% award for the 2022-2023 school year, and is working on plans for next year. Staffing continues to be an issue for the program. The budget year ends this month, and funds will be spent out as required. Next month, the final budget for this year will be presented, along with a new budget for the upcoming grant year.

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

c. 2022 Head Start COLA/Quality Improvement Grant Funds

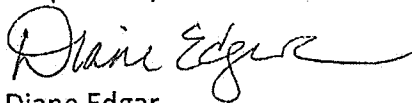
Ashley spoke about the budget for the anticipated COLA and Quality Improvement Grant Funds. Indirect costs on the COLA total \$8,564. Personnel and fringe costs with a 2.3% COLA total \$41,016.52. The remaining balance of the funds is \$23,374.48. Part of this remainder, \$12,600, will cover the health benefit plan insurance increase not originally included in the 2022-2023 Head Start continuation grant, and the rest of the available funding will be used for Target Market Ratio wage increases, which are based on employee longevity.

Mark Young made the motion to approve the 2022 Head Start COLA/Quality Improvement Grant Funds. Kate Anderson seconded and the motion passed unanimously.

Ashley mentioned that the committee meeting to discuss the Boulder Head Start location will be scheduled in May.

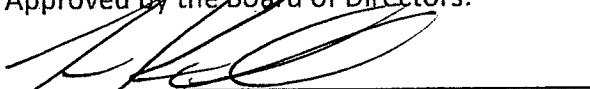
Trever Kirkland asked for public comment. None was provided. The public meeting was adjourned at 4:33 p.m. and the Board continued in closed session to discuss the Executive Director's Performance Appraisal.

Respectfully Submitted,



Diane Edgar
Executive Assistant

Approved by the Board of Directors:



Eric Schindler, Secretary/Treasurer

May 26, 2022
Date