

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

Members present: Kate Anderson, Dannai Clayborn, Bruce Day, Mike Delger, Trever Kirkland, Jerry Loendorf, Bob Mullen, Mary Pat Penley, Daniel Pocha, Amanda Robinson, Eric Schindler, Lois Steinbeck, Paula Wright, Mark Young

Members absent: Andy Hunthausen

Others present: Gale Anderson, Joan Anderson, Rod Applegate, Mindy Diehl, Diane Edgar, Sam Hall, Joanna Halland, Lori Ladas, Jean Leischner, Samara Lynde, Jim Marks, Kathy Marks, Liz Mogstad, Kelley Moody, Angela Nelmark, Kara Nelson, Ashley Peña-Larsen, 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 May 26, 2022 Board of Directors' meeting minutes. Mike Delger seconded and the motion passed unanimously.

Head Start Update

a. Policy Council Update

Amanda Robinson was introduced as the new Head Start Policy Council Chair, and new member of the Rocky Board of Directors. Amanda reported that the Policy Council did not have a quorum for today's meeting. The group discussed fundraising plans along with brainstorming ideas to improve participation with the Policy Council.

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

Ashley reported that final data for the 2021-2022 school year was included in Board packets this month. Classroom closures reduced dramatically during the second half of the school year, leading to more consistency in the classrooms. At this time, 132 applications are completed for the upcoming school year. Another 15 are not yet complete but the applicants are eligible for Head Start. Staffing continues to be a concern for the program. The Office of Head Start distributed an Information Memorandum providing guidance to programs on ways to be creative in their methods of attracting and retaining staff. The memo was included in Board packets for review. Ashley noted that most of the COVID funding received by Head Start has gone to staff. Budgets will continue to be reviewed. Head Start has vacated the Boulder classroom and the school district's new preschool program is ready to start in the fall. Ashley reported that the budget for the last grant year is closed out, and the packet included that final budget along with one for the new grant year.

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

c. Approval of Classroom Site Change, Ray Bjork to Rossiter – Ashley Peña-Larsen

Ashley reported that the Helena School District has applied for Child Care Innovation funds, with the hopes of starting a Preschool program in Helena. The district would like to use the Ray Bjork classroom previously utilized by Head Start for this preschool program if approved. The school district has space available at Rossiter Elementary, and would like to relocate the Head Start classroom to that location. Ashley noted that the program already has 17 applicants who reside in the Helena Valley and they could all be placed near their homes. The Rossiter classroom is newly renovated, and steps have been taken to reduce the risk of flooding at the school. This change would not impact number of children served, just the location of the classroom.

Bob Mullen made the motion to approve the classroom site change from Ray Bjork to Rossiter Elementary as proposed. Lois Steinbeck seconded and the motion passed unanimously.

Explore Developer Role for Our Redeemer's Lutheran Church Project – Liz Mogstad

Liz reported that over the past several months, a preliminary architect's review has been in progress regarding the Our Redeemer's Lutheran Church property. This area of 10 to 12 acres is being considered for an area where Rocky, Habitat for Humanity, and the YWCA could all construct their unique types of housing projects. The recommendation at this point is for Rocky to become the grantee/owner of the property, and spearhead the process to subdivide and develop the land. ARPA funds would be requested through the City of Helena to fund this project, and without this funding, the project will not proceed. Liz requested Board approval to pursue this housing project opportunity.

Daniel Pocha made the motion to approve moving forward with the groundwork of the Our Redeemer's Lutheran Church project, with the understanding that a full proposal will be brought to the Board if the project is funded. Bruce Day seconded and the motion passed unanimously.

Director's Report – Lori Ladas

Lori mentioned the Board survey and self-evaluation forms included in Board packets this month, and reminded the Board of deadlines for their return. She mentioned two new staff vacancies, a Budget Analyst position and the Community Outreach Coordinator. Lori referenced the Information Memorandum from Head Start, and noted that a draft policy to allow incentive pay is being discussed. Lori spoke about a planning grant involving the Neighborhood Center, which would be coordinated through the City of Helena as owners of the building. This would

provide an opportunity for a review of the building and consideration of structural change options.

Finance Report Update – Joan Anderson

Cash balance is \$1,753,474, and accounts payable balance is \$42,594.96. Both amounts are current. Joan expressed her gratitude toward the Budget Analysts and Lori for their assistance with the FY23 budget, especially with the current vacancy in the fiscal department. Joan has been talking with Anderson ZurMuehlen regarding Rocky's audit, which will likely be completed in November.

Rocky Fiscal Year 2023 Budget – Joan Anderson

Joan began with an overview of the FY2022 Projection. The projected ending cash balance, net of compensated absences, is \$229,279. The major deficits noted are General Fund (-\$120,196) and Rocky Mountain Preschool Center (-\$76,506). Joan mentioned the County Mill funds on hand, and explained that increased funding due to the COVID pandemic has reduced the need for County Mill in several programs. Restricted fundraising on hand totals \$46,848, which includes the Dave Fuller donation to Meals on Wheels from earlier this year. Developer fee totals \$408,322. A small additional amount of developer fee may be received as the project closes out. Rocky Mountain Preschool is showing a projected profit for FY2022, due to forgiveness of their Paycheck Protection Plan loan and a partial payment from the Child Care Stabilization grant.

The FY2023 budget includes a 2.3% COLA for staff, along with up to a 2% Target Market Ratio increase. A health insurance increase of \$50 per employee per month is being absorbed by Rocky. Joan noted CSBG CARES funding of \$230,589 which is available through September 30, 2023, in addition to regular CSBG funding. Several projects are planned for FY2023 and are included in the budget. The kitchen will be remodeled, including updates to flooring, cabinets, and prep tables. COVID funding is being used for this expense. The Neighborhood Center will install carpeting and make some needed boiler repairs. Rocky Mountain Preschool Center will install sprinklers, and fiscal will implement the Cloud version of its accounting system, MIP. The Preschool budget is expected to break even, in terms of operating costs. The cash status of the Preschool program as presented on the spreadsheet was questioned, and Rocky staff will review those numbers for clarification. Joan and Lori spoke about the "crystal ball" spreadsheet format, and they are looking into a new way to present the budget to the Board in the future.

Joan continued with comments regarding the County Mill spreadsheet. Some of Rocky's senior programs are highly dependent on County Mill funding, though COVID funding has reduced some need for these funds in the past couple years. Lewis & Clark County has approved a 3.5% increase to county mill funding for FY2023. Broadwater County approved a 3% increase, and a 3% increase from Jefferson County is pending approval. Current projections estimate that \$329,224 in county mill funding will be carried forward to FY2024. A deficit in county mill funding is currently projected to occur by FY2026.

Rocky's Weatherization program has suffered the impacts of COVID through contractor shortages and increased material costs. The program is supported by Federal funding draws, which occur after jobs are completed. Ongoing contractor and material issues have challenged the program, and as a result additional CSBG funds have been needed.

Rocky's Finance Committee reviewed the FY2023 budget earlier today, and recommended approval. Further, they requested clarification of the Preschool cash status at a future meeting.

Eric Schindler made the motion to approve the Fiscal Year 2023 budget. Additional clarification of the Preschool cash status is also requested. Daniel Pocha seconded and the motion passed unanimously.


The meeting was adjourned at 4:35 p.m.


Respectfully Submitted,



Diane Edgar
Executive Assistant

Approved by the Board of Directors:



Eric Schindler, Secretary/Treasurer

Date