

**Minutes of the  
Rocky Mountain Development Council, Inc.  
Board of Directors' Meeting  
August 29, 2019**

**Members present include:** Bruce Day, Debbie Havens, Trever Kirkland, Bob Mullen, Mary Pat Penley, Daniel Pocha, Lois Steinbeck, Paula Wright, Mark Young

**Members absent include:** Mike Delger, Susan Geise, Jerry Loendorf, Maria Pace, Ericka Vallance

**Guests:** Joan Anderson, Jonathan Ballew, Dannai Clayborn, Mindy Diehl, Tommy Driscoll, Diane Edgar, Joanna Halland, Taya Hovan, Chrisy Irely, Lori Ladas, Jim Marks, Kathy Marks, Liz Mogstad, Ashley Peña-Larsen

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

**Approval of Minutes**

**Debbie Havens made the motion to approve the June 27, 2019 Board of Directors' Minutes and the May 30, 2019 Finance Committee Minutes. Bob Mullen seconded and the motion passed unanimously.**

**Director's Report – Lori Ladas**

Lori introduced Jim Marks, Rocky's new Area IV Agency on Aging Program Director. Board members were reminded to turn in their Board surveys to Diane Edgar in advance of Rocky's State monitoring in September. Lori asked if anyone had questions about items in her Director's report and no questions were asked.

**Finance Report Update – Chrisy Irely**

Chrisy reported that the Finance Committee met for the hour prior to the Board meeting. Cash balance is \$505,257 and Accounts Payable balance is \$11,904. Both amounts are current. Chrisy mentioned that the committee discussed the cash and accounts payable balances, and what they truly reflect for Rocky's finances when reported at each Board meeting. Fiscal staff will think about a more meaningful way to present Rocky's current cash status. Rocky's audit is set to begin the last week of October and conclude the first week of November. Anderson ZurMuehlen will plan to present the audit report at the November Board meeting. Fiscal staff has been working on closing out FY2019 and is preparing for the audit. The Finance Committee also reviewed financial statements for the Spirit of Service program, discussing how to keep the program self-sustaining, increase revenue and reduce costs to maintain the character of the program but make it more efficient.

### **Retirement Committee Report – Lois Steinbeck**

Lois highlighted some notes from the minutes of the July 9 meeting. She mentioned that the Rocky retirement plan is outperforming the custom benchmark with a similar allocation of stocks and bonds. Jock Bovington made a recommendation to replace the Fidelity Advisor New Insights fund with T. Rowe Price Institutional Large-Cap Growth Fund. A performance review of the two funds led to this recommendation, and it was accepted by the committee. Gale Anderson plans to offer a meeting for interested employees in September, where Jock Bovington and Matt Maloy can explain the current 401(K) investment options and answer any questions.

**Lois Steinbeck made the motion to approve the July 9, 2019 Retirement Committee minutes. Trever Kirkland seconded and the motion passed unanimously.**

### **Nominating Committee Report**

Debbie Havens noted that she, Bob Mullen, Trever Kirkland, Jerry Loendorf, and Susan Geise met since the last Board meeting. They plan to nominate the following slate of officers at the September meeting: President, Trever Kirkland; Vice President, Lois Steinbeck; and Secretary/Treasurer, Mary Pat Penley. The Nominating Committee also recommends the re-appointment of Lois Steinbeck to the Rocky Board for another term.

### **Bylaw Committee Formation**

Lori reported that Organizational Standards require that Rocky's Bylaws be reviewed by an attorney every 5 years. She asked for volunteers to serve on a committee to assist her with reviewing the bylaws prior to the attorney's review. Daniel Pocha, Bruce Day, and Paula Wright agreed to serve on this committee. Ashley Peña-Larsen will send Lori the Head Start requirements for the bylaws, for reference.

### **Red Alder Resolutions**

Liz Mogstad began by reviewing the documents included in the Board packets. There were two equity investments, one each for the 4% project and the 9% project. She noted that the dates listed for both the bylaws and the articles of incorporation were incorrect, and will be adjusted before the resolutions are signed. Liz mentioned the Jerry Loendorf reviewed the letter of intent and found no issues, and that the documents were drafted by the project's legal counsel.

**Lois Steinbeck made the motion to approve the Corporate Resolution to Grant Collateral/Guarantee for the 9% project, with the noted date changes. Debbie Havens seconded and the motion passed unanimously.**

**Lois Steinbeck made the motion to approve the Corporate Resolution to Grant Collateral/Guarantee for the 4% project, with the noted date changes. Debbie Havens seconded and the motion passed unanimously.**

Liz then presented two new documents to the Board, a consent in lieu of special meeting of the Directors for both the 4% and 9% projects. She explained that these documents ensure that

Rocky's Board is informed about the Red Alder projects. She noted that the equity date will be filled in when known. Liz then detailed each paragraph of the 9% agreement and highlighted key points throughout. The lease and loans surrounding the project were discussed. The agreement resolves the Board's agreement with the loans, the ground lease, guarantee agreement, and development service agreement. Liz also reviewed the obligations of the agreement as the developer: to assist, advise and consult on development, know the compliance rules, assist with obtaining of building permits, consulting on the development budget, cooperation with construction contractors, and use of best efforts to maintain the project's completion in a timely manner and on budget. Liz mentioned that the bid opening for the construction contractor will be on September 5, and the plan is to close on the project by September 20. The partnership will reimburse Rocky for all costs initially put into the project. After the first 15 years, the partnership cannot be transferred or sold to anyone in the next year without being offered to Rocky first. The document resolved that Lori Ladas can execute all documents regarding the project, that all resolutions will continue until rescinded, and that each resolution stands on its own as an independent document.

**Trever Kirkland made the motion to approve the Consent in Lieu of Special Meeting of the Board of Directors for the 9% project. Mark Young seconded and the motion passed unanimously.**

Liz then noted differences in the paperwork for the 4% project, which overall is very similar to the 9% project. Changes include the total number of units, which is 48 for the 4% project as opposed to 37 for the 9% project. The loans for the Housing Trust Fund and HOME grants are included in the 4% project document. This portion of the Red Alder project carries more debt and accrues less equity on the tax credits. The General Partner, Penkay Eagles Manor Inc., lent \$130,000 to the 4% project.

**Trever Kirkland made the motion to approve the Consent in Lieu of Special Meeting of the Board of Directors for the 4% project. Mark Young seconded and the motion passed unanimously.**

## **Head Start Update**

### **a. Policy Council Update**

Mark Young reported that the Policy Council is down to 7 members at this time; at capacity, the council consists of 14 Head Start parents and 5 community partners. With the school year ready to begin, the outlying classroom sites of Whitehall, Townsend, and Boulder are all nearly at capacity with children. The half-day classrooms at the Neighborhood Center have been the hardest to fill. The Policy Council decided to dedicate \$2,000 of its fundraiser revenue to send a couple of parents to a conference in Billings; additional funds are still available to distribute. The Policy Council needs a Rocky Board member to attend their meetings, and a volunteer will be requested this fall.

**b. Director's Program and Budget Report**

Ashley Peña-Larsen noted that budgets were not ready for Board packets because the notices of award were just received in August; the budgets were provided at the Board meeting. The budget spreadsheet showing the closeout of the MPDG grant and the 2-month Head Start grant were both balanced to zero; all funds were spent. Fiscal staff is still working to get the funding for the new year budgeted. Funds from the MPDG grant were mostly used for personnel and salaries, although an orientation was also created and strategic planning was completed. The remaining funds will be used for supplies and consultant fees. September 3 is the first day for incoming Head Start students. Head Start had 11 new hires and 3 job changes this summer, and openings are still available for Teacher Assistants. Ashley is looking at base rates for the Teacher Assistant position, thinking about ways to improve recruiting efforts. She spoke about the enrollment report that was included in the Board packets, and mentioned that it will be included monthly. Shodair has approached Head Start about providing CSCT (Child Support Care Team) programming at Head Start locations. The annual Fall Dance will be held on October 10 at Kleffner Ranch from 5:30 p.m. until 7:00 p.m., all are invited to attend.

**Trever Kirkland made the motion to approve the Head Start Director's Program and Budget report. Mark Young seconded and the motion passed unanimously.**

**Fundraising Plan/Gift Acceptance Policy**

Kathy Marks began by referencing the draft Gift Acceptance Policy included in the Board packet. She explained that it makes sure that Rocky does not need to accept all contributions offered, and serves as a tool for staff to reference when dealing with gifts to the organization.

**Debbie Havens made the motion to approve the Gift Acceptance Policy. Lois Steinbeck seconded and the motion passed unanimously.**

Tommy Driscoll provided an overview of the FY20 Fundraising Plan. He spoke about how the plan is based on fundraising ideas generated throughout the Strategic Planning process. He also referenced the pyramid of fundraising, which was distributed at the meeting and noted that without a solid fundraising foundation in place, Rocky needs to start at the bottom of the pyramid and work its way up over time. The top priorities noted in the plan are the formation of a Fundraising Committee, creating a signature fundraising event, promoting giving clubs, increasing private foundation grant funding, and establishing an endowment. Kathy Marks spoke about grant funding, and how the majority of fundraising actually comes from individuals rather than foundations; however, she hopes to work with Program Directors to learn about specific projects and opportunities that may be eligible for grant funds. While endowments are included on the list of goals, Kathy noted that a solid donor base needs to be built first before establishing an endowment. Formation of a Fundraising Committee was discussed.

**Draft Strategic Plan**

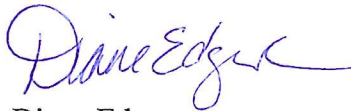
Lori referenced the draft Strategic Plan document included in the Board packet. She spoke about the portions written by Rocky staff and those contributed by consultant Ned Cooney. Throughout the document, notes that needed further clarification were highlighted. After addressing the first highlighted items, the Board decided to set a date for an additional meeting to address the Strategic Plan document separately. A Doodle Poll will be sent to Board members to determine the best date for the meeting.

Debbie Havens was thanked for her years of service to the Rocky Board. Dannai Clayborn will join the Rocky Board as a Public Sector Representative in September.

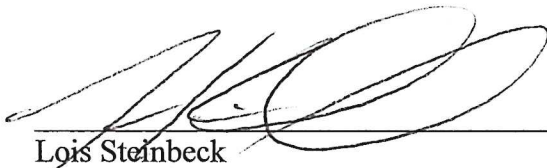
**Mark Young made the motion to adjourn the meeting. Bruce Day seconded and the motion passed unanimously.**

The meeting was adjourned at 5:06 p.m.

Respectfully submitted,



Diane Edgar  
Executive Assistant

  
Lois Steinbeck

Secretary/Treasurer

9/26/19  
Date